Annual Report
2025-26

Saskatchewan Teachers' Superannuation Commission

Teachers' Superannuation Plan

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Teachers' Superannuation Commission

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This annual report is available in electronic format at **www.stsc.gov.sk.ca**.

Letter of Transmittal

The Honourable Everett Hindley
Minister in Charge
Teachers' Superannuation Commission

Sir:

The Teachers' Superannuation Commission has the honour to submit the Annual Report outlining activities under *The Teachers Superannuation and Disability Benefits Act* for the year ended June 30, 2026.

Respectfully submitted,



Dr. Derwyn Crozier-Smith
Chairperson

2025 – 2026 Annual Report

The Saskatchewan Teachers' Superannuation Commission
129 – 3085 Albert Street
Regina, Saskatchewan S4S 0B1

submits the:

Ninety-sixth Annual Report with respect to
The Teachers Superannuation and Disability Benefits Act
for the Year Ended June 30, 2026

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Message from the Chairperson

On behalf of the Teachers' Superannuation Commission, I am pleased to present the 2025-26 Annual Report of the Saskatchewan Teachers' Superannuation Commission.

As the Teachers' Superannuation Fund approaches its legislated end date of June 30, 2030, the Commission is taking steps to fulfil its mandated fiduciary responsibilities for the Fund and its accountability to the government and the members of the plan for effective administration.

The Fund's fair market value of investments at June 30, 2026 was $117.7 million, down from $126.1 million the previous year and will continue to decline over the next four years. There are only 11 active members of the plan while 9,645 superannuated teachers and surviving spouses are receiving monthly allowances.

The Commission is focused on two main priorities – efficiently managing the declining assets and planning to ensure effective management of the benefits once the Fund is depleted.

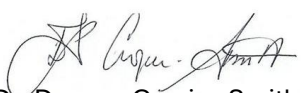
In accordance with its investment strategy adopted in July 2012, the Commission completed the final stage of a re-risking glidepath on July 1, 2025. The Commission completed an Asset Mix Optimization Study during 2025 to determine an appropriate asset mix and glide path for the Fund. Subsequently, effective January 1, 2026, the Fund's asset mix was significantly de-risked in accordance with the investment strategy developed from the findings of the optimization study. The current strategy seeks to balance capital preservation, liquidity, and investment returns while the Fund's asset base declines to its legislated end date.

Entitlement to benefits will continue long after the Fund is depleted, perhaps until 2060 or beyond. The Commission has undertaken an analysis of administrative options to ensure that these benefits will continue to be administered efficiently. The Commission has made recommendations with respect to the superannuation plan and the teachers' group life insurance and dental plans which the Commission also administers. The Commission will engage with the Ministry of Education as these recommendations are considered.

As part of its due diligence processes, the Commission will conduct its triennial pension confirmation initiative during 2026-27. Under this initiative, all recipients of allowances from the Teachers' Superannuation Plan will be asked to confirm in writing that they are receiving their benefits. This also ensures that no payments are being made when deaths are unreported to the Commission.

During 2026-27, the Commission will conduct a Mortality/Longevity Study to assess the alignment of the Teachers' Superannuation Plan's mortality experience with the CPM2024 mortality tables recently released by the Canadian Institute of Actuaries. The outcome of this study will form the foundation for the mortality assumptions to be used in the Plan's next actuarial valuation to be conducted in 2027-28.

The Commission acknowledges, with sincere appreciation, the administrative team whose efforts resulted in another successful year of service to the membership. The Commission also expresses its appreciation to the Saskatchewan Teachers' Federation, the Superannuated Teachers of Saskatchewan, the school divisions and regional colleges and the administrative staff within the Ministry of Education for their respective contributions to the success of the Commission.



Dr. Derwyn Crozier-Smith
Chairperson, Teachers' Superannuation Commission

Profile

The Teachers' Superannuation Commission (TSC, the Commission) is established under *The Teachers Superannuation and Disability Benefits Act*.

The Minister of Finance is the trustee of the Teachers' Superannuation Fund (TSF) while the TSC is charged with administration of *The Teachers Superannuation and Disability Benefits Act*, *The Teachers' Dental Plan Act*, and *The Teachers' Life Insurance (Government Contributory) Act*.

The Province of Saskatchewan sponsors the TSF, with contributions also coming from plan members who are represented by the Saskatchewan Teachers' Federation (STF).

The Teachers Superannuation and Disability Benefits Act is a negotiable matter under *The Education Act, 1995*.

The Teachers' Superannuation Plan was closed in July 1980, and a new plan was created, now known as the Saskatchewan Teachers' Retirement Plan, for which administration has been transferred to the STF.

As at June 30, 2026, the TSF has net assets available for benefits of $0.139 billion, actuarial pension obligations of $4.331 billion, and a deficit of $4.192 billion.

More on-line at www.stsc.gov.sk.ca

Plan Governance at a Glance

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Teachers' Superannuation Commission

Mission

The Commission's mission is to provide pensions and benefits for plan members through prudent stewardship of assets and liabilities and effective plan administration in accordance with current legislation.

Mandate

To attain this outcome, our organizational mandate is to administer the various Acts to ensure the provision of retirement and negotiated benefits to teachers. The various Acts (and regulations thereto) are:
The Teachers Superannuation and Disability Benefits Act
The Teachers' Life Insurance (Government Contributory) Act
The Teachers' Dental Plan Act

The TSC is not subject to *The* Saskatchewan *Pension Benefits Act, 1992* except in relation to investments.

Objectives

Our specific objectives associated with this organizational mandate are:

- Communicate information and guidance to plan members
- Collect pension contributions from all participating teachers
- Calculate and distribute retirement benefits to teachers, spouses and dependents of deceased teachers
- Monitor the performance of the pension fund investments
- Negotiate and administer reciprocal transfer agreements with other jurisdictions
- Maintain appropriate financial records of the affairs of the Plans
- Manage accurate and timely dental claims administration in conjunction with the insurance carrier
- Administer the insurance claims associated with death and dismemberment in conjunction with the insurance carrier

Governance

The Commission maintains its governance manual which is posted on its website. This manual is the key document directing the Commission's governance activity during the year. The manual facilitates the planning and tracking of progress in areas such as ongoing board education, strategic planning, board self-assessment, and monitoring of administration operations and management. The manual also addresses various overarching matters such as: conflict of interest, dispute resolution, risk management, investment policy and monitoring, roles and responsibilities, and code of conduct.

Accountability

The TSC issues this annual report including audited financial statements supported by an actuarial opinion.

Commission Members

The TSC is responsible to the Minister in Charge for the administration of *The Teachers Superannuation and Disability Benefits Act*, who at present is also the Minister of Education (the Minister).

The TSC consists of seven members appointed by the Lieutenant Governor in Council:

- Three members are nominated by the STF executive committee
- Three members are nominated by the Minister
- A Chairperson is nominated by the other six members

Appointments are typically for a term of five years and are eligible for reappointment.

Dustin Antonini's five-year term as a government representative expired on July 29, 2025. Mr. Antonini was first appointed to the Commission effective September 23, 2015. The Commission gratefully recognizes the contributions of Mr. Antonini.

Tammi Keith was nominated by the Government of Saskatchewan as one of its representatives to the Commission due to vacancy created by the expiry of Mr. Antonini's term. Ms. Keith's five-year term became effective May 6, 2026.

Commission members as at June 30, 2026 with background credentials are:

Derwyn Crozier-Smith, B.Ed., B. A., M.Ed., Ph.D. Chairperson STF General Secretary (Retired), Former STF Executive Assistant	
Angela Chobanik, CPA Executive Director, Education Funding Ministry of Education	**Murray Wall, B.Ed., B.Sc., M.Ed.** Executive Director Superannuated Teachers of Saskatchewan
Leanne Forgie, CPA Director, Financial Analysis and Reporting Ministry of Education	**Rob Lehne, B.Ed.** Senior Administrative Staff Saskatchewan Teachers' Federation
Tammi Keith, CFA Director, Capital Markets Ministry of Finance	**Leanne White, B.Ed.** Senior Administrative Staff (Retired) Saskatchewan Teachers' Federation

	Meeting attendance	Expiration of term
Derwyn Crozier-Smith	4 of 5	August 26, 2026
Leanne White	5 of 5	December 7, 2027
Rob Lehne	5 of 5	November 1, 2028
Leanne Forgie	4 of 5	November 1, 2028
Murray Wall	4 of 5	December 11, 2029
Angela Chobanik	5 of 5	December 11, 2029
Tammi Keith	1 of 1	May 6, 2031

Commission Member Role and Responsibilities

It is the collective responsibility of the members of the Commission to:

- Fulfill the mission statement
- Administer the Plans in compliance with governing legislation
- Determine any question as to the application of *The Teachers Superannuation and Disability Benefits Act*
- Establish investment policy and monitor investment performance
- Promote awareness and understanding of the Plans
- Monitor management and administration of the Plans
- Report annually to the Minister responsible for the Commission

Commission Strategic Plan: Key Functions, Objectives and Actions

To fulfill its statutory obligations and to address challenges and opportunities, the Commission reviewed and revised its Strategic Plan for 2025-26 in May 2025. The Strategic Plan contemplates a number of risks identified in the Risk Assessment and Management Plan.

The Strategic Plan outlines four key functions:

1. Governance
2. Administration
3. Member Services
4. Affiliate Services

Each Key Function involves a number of Strategic Objectives that the Commission and its Executive Director review and revise on an annual basis in accordance with the TSC's governance manual. These Strategic Objectives indicate where the TSC is headed, at least in the foreseeable future.

For each Strategic Objective, the Strategic Plan highlights various Strategic Actions that the Commission will do to carry out the TSC's purpose of providing appropriate pension, dental and group life insurance benefits to relevant Saskatchewan members.

The application of the Strategic Plan is designed to highlight and communicate the nature of the services provided by the TSC and is intended to maintain the focus on activities that best address relevant risks and ensure statutory obligations are being met. The Strategic Plan is structured to be concise, practical, and manageable, relying on reference documents that contain greater detail (i.e., risks, communication, information systems) and facilitates healthy governance in identifying measurable objectives through which measurement against plan and reporting can occur.

Commission Strategic Plan: Key Functions, Objectives and Actions

1. Governance

The Commission's governance processes:

- Ensure the Commission carries out its purposes as set out in relevant legislation for the: Teachers' Superannuation Plan, Dental Plan, and Group Life Insurance Plan
- Exhibit leadership in fulfillment of fiduciary duty
- Establish TSC policies
- Provide an operational and governance framework; communicate and report on it

Strategy Objective:
Monitor, evaluate and report on the effectiveness of the TSC's governance structures ensuring compliance with relevant legislation and policies.

Strategic Actions:

- The Commission follows an annual planning calendar that is part of its Strategic Plan.
- As part of its annual planning, the Commission reviewed, revised and approved its Strategic Plan for 2025-26 in May 2025.
- The Commission reviewed, revised and approved amendments and additions to its Governance Manual at its December 2025 meeting.
- Commission members completed self-assessments and submitted signed conflict of interest declarations.
- At its October 2025 meeting, the Commission collectively reviewed the results of the Canadian Association of Supervisory Authorities (CAPSA) Governance questionnaire to assist in identifying if any gaps exist in its governance processes.
- The Commission met with its plan actuary to review and approve the actuarial method and assumptions to be used for the accounting extrapolations of the Teachers' Superannuation Plan as of June 30, 2026.
- Following an Asset Mix Optimization Study for the Teachers' Superannuation Fund (TSF), the Commission amended its Investment Policy and Objectives Statement (IP&OS) in October 2025 to implement a new investment strategy effective January 1, 2026. The revised strategy is designed to achieve an appropriate balance of capital preservation, liquidity, and income generation while recognizing the Fund's rapidly declining asset base. The IP&OS review also enhanced the clarity of investment policies and aligned the document with industry best practices.

Strategy Objective:
Encourage and foster a shared understanding of the TSC's governance structure and organizational processes within government, teacher membership and associated agencies.

Strategic Actions:

- The Commission maintains regular communication with the Ministries of Education and Finance with respect to the funding requirements from the General Revenue Fund for the teachers' superannuation, group life insurance and dental plans.
- The Commission has a Dispute Resolution Process, which outlines procedures to follow in the event a dispute with the Commission arises. Members can access this process on the TSC's website.

- The Commission tables separate annual reports that outline its activities, governance and financial reporting for the Teachers' Superannuation, Group Life Insurance and Dental Plans. The annual reports are widely distributed and accessible on the STSC website for all interested parties.
- The Commission produces two annual newsletters. One newsletter is for active/inactive members while the other is directed at superannuated members and spousal benefit recipients.
- The STSC maintains a website that provides communication material, member forms and pertinent information regarding the operations of the Commission as well as the teacher pension and benefit programs under administration.

Strategy Objective:

Encourage innovation in the identification and analysis of ways to add value and manage risks.

Strategic Actions:

- At its May 2025 meeting, the Commission reviewed and revised its Risk Assessment and Management Plan for 2025-26 to identify key risks and how to manage those risks.
- During 2025-26, the Commission adopted a Management Continuity Plan to ensure the proper resources are in place in the event of the extended absence of the Executive Director.
- The Commission and Management completed Fraud and Error questionnaires and submitted the results to the Saskatchewan Provincial Auditor.
- The Commission monitored the TSF investment performance of the July 2025 glidepath asset mix to measure the pace of the decline of the Fund's assets against the objectives of its de-risking/re-risking investment strategy.
- The Commission conducted an Asset Mix Optimization Study that resulted in the implementation of a new investment strategy for the TSF effective January 1, 2026, as the Fund continues to wind down toward its legislated windup date of June 30, 2030.

2. Administration

The Teachers' Superannuation Commission's Administration:

- Provides support for the provision of pension allowances, dental and group life insurance benefits to teachers in accordance with legislation
- Maintains and safeguards the TSC's assets directly and indirectly through agents and advisors
- Supports the Commission and government agencies as requested
- Implements Commission policies and directives
- Adds value and manages risks associated with the TSC's business portfolio
- Enriches and develops the TSC's human resources

Strategy Objective:
Ensure effective operation of the TSC's governance structure in accordance with legislation and policies.

Strategic Actions:

- At all meetings, the Commission receives an updated plan activity chart that allows the Commission to effectively monitor the ongoing activities of the Commission and TSC Administration to ensure action items are completed during the fiscal year.

Strategy Objective:
Establish and implement effective ways to carry out the TSC's Key Functions and Strategic Objectives.

Strategic Actions:

- As part of its annual planning, the Commission refined its Strategic Plan after approving a Risk Assessment and Management Plan at its May 2025 meeting.
- At its September 2025 meeting, the Commission evaluated the performance of its agents and advisors to whom it has delegated certain responsibilities.
- The Commission met with its investment consultant, Aon at its September 2025 and April 2026 meetings to review the performance of the investment returns and investment managers as it compares to established benchmarks within the IP&OS.
- The Commission received quarterly investment performance reports from plan fund managers, TD Asset Management and State Street Global Advisors.
- TSC administrative staff attended various education and professional development sessions during 2025-26.
- All TSC employees have established procedures for their positions that are regularly assessed and reviewed. Employee cross-training is in place to ensure coverage of assigned duties during vacations and extended absences.
- In consultation with its information technology service provider, the Commission maintains an information technology plan for disaster recovery that integrates with a business continuity plan for its information systems and operations.
- At its October 2025 meeting, the Commission reviewed, revised and approved its Communication Plan. The Communication Plan is aligned with the overall Strategic Plan and TSC Governance Manual.
- The Commission maintains an effective Risk Assessment and Management Plan.

Strategy Objective:
Provide effective oversight of the administrative operations of the TSC.

Strategic Actions:

- A Management Continuity Plan has been established to ensure the Commission can maintain effective operations and decision-making authority during an extended absence of the Executive Director.
- The Commission receives an administrative update report from Management on the administrative and financial operations of the TSC at every meeting.
- The Commission annually evaluates the performance of the Executive Director utilizing the management performance tool, *Planning for Success*.
- The Commission receives quarterly financial reports on the investment performance from its fund managers and independent semi-annual performance review and investment manager evaluations from its investment consultant.
- The Commission receives quarterly financial reports on the financial operations of the TSC as well as all pension and benefit plans under administration.

3. Member Services

The TSC acknowledges the importance of service to teachers. For member services, the TSC will:

- Assist/Enable teachers to understand the options available to them respecting their pension benefits in addition to dental and group life insurance coverage
- Support teachers through timely, responsive and appropriate communication
- Render services with personalized care and attention, with integrity, fairness and efficiency

Strategy Objective:
Identify and assess performance measurement against relevant service standards.

Strategic Actions:

- The TSC Staff provides care and attention to the quality of service provided to teachers for all plans under administration.
- The TSC staff collaborates with the insurance carrier(s) to implement the most efficient processes to administer the benefit plans.
- Administration meets annually with the insurance carrier(s) to review service standards and claim turnaround times for the benefit plans.

Strategy Objective:
Ensure continuity and consistency of service received.

Strategic Actions:

- The TSC has procedures and processes in place for cross-training to maintain high quality service and ensure adequate segregation of duties to mitigate risk to teacher superannuation and benefit plan monies.
- The TSC routinely assesses its staff requirements and adjusts accordingly.
- TSC staff are available to provide members with information and guidance on retirement planning options, as well as assistance with questions related to spousal benefits, group life insurance, and dental plans.
- The Commission established a Management Continuity Plan to ensure uninterrupted leadership and decision-making capacity in the event of a temporary or permanent absence of the TSC Executive Director and other key management personnel.
- The Commission maintains a Business Continuity Plan that is integrated with its information systems and Disaster Recovery Plan to support the uninterrupted delivery of critical services.
- The Commission has established policies and procedures to maintain uninterrupted service delivery to superannuates and teachers in the event that TSC employees are required to perform their duties from remote locations.
- The Commission continues to assess TSC's administrative needs to ensure the necessary resources are in place to serve plan members and fulfill its responsibilities for managing the teacher pension and benefit plans, both now and in the future, as certain administrative functions wind down.

4. Affiliate Services

The TSC interacts with a number of affiliate parties when delivering services to teachers. For affiliate services the TSC will:

- Support teachers through cooperative, progressive relationships with teacher related organizations (i.e. School Divisions, Saskatchewan Association of School Business officials (SASBO), League of Education Administrators, Directors and Superintendents (LEADS), etc.)
- Work with the Saskatchewan Teachers' Federation (STF) and Superannuated Teachers of Saskatchewan (STS) where possible and invited to do so in support of Saskatchewan teachers

Strategy Objective:

Seek collaboration and initiate activities that increase service to membership or add value and minimize risk to teachers or the people of Saskatchewan.

Strategic Actions:

- TSC staff communicate regularly with school divisions to support the efficient remittance of teacher contributions and premiums for the teachers' superannuation and group life insurance plans.
- The Commission informs the Ministry, STF and the STS whenever it conducts its triennial pension confirmation initiative and provides periodic updates on the status of the responses received from the superannuates and spousal beneficiaries.
- Maintain an open dialogue with the STF and STS to best serve the needs of current and superannuated teachers.
- The Commission supports the STS by facilitating the collection of benefit plan premiums through deductions from superannuates' pension payments.
- The TSC and STF maintain a common membership database for the Teachers' Dental Plan and Members' Extended Health Plan to enable teachers to have access to their health and dental benefits under one insurance carrier.

Administration

The TSC employs an Executive Director and staff required for administration of the various legislation and commission policies and is independent from management.

The administrative team consisting of 12.0 full time equivalent employees is responsible for all the administrative functions that result in meeting the objectives outlined earlier and includes the strategic and operating unit work plans, financial and business decisions, evaluation of results against these plans, and reporting of activity to Commission members. Refer to the governance manual for further elaboration of management's roles and responsibilities.

The administrative team also highlights certain policy decision items to the Commission members, including relevant recommendations, and responds to requests for information or onward execution as requested by Commission members.

Administration works very closely and cooperatively with the Saskatchewan Teachers' Federation and the Superannuated Teachers of Saskatchewan to ensure seamless delivery of consistent, high-quality services to teachers across the province. This is particularly true in relation to the administration of benefits for active and retired teachers. Collaboration on these member focused activities ensures both active and retired teachers of Saskatchewan have access to the proper information regarding the benefits available to them.

Management formally communicates to Commission members on the operational activities at the regularly scheduled meetings, in addition to ad-hoc communications on various matters. The Commission conducts performance evaluation of management against established objectives.

The $1.2 million operating budget of the Commission is paid out of monies appropriated by the Legislature.

Consultants

The TSC, as part of fulfilling its fiduciary duty in relation to the assets of the funds and as part of good governance, may acquire specialist competencies. This may include the engagement of technical, professional or other advisor, specialist or consultant services. Given the specialist knowledge required in investment management, defined benefit plan valuations and calculations, and pension administration software, the TSC does engage a number of outside consultants and advisors.

Actuarial consulting firms assist with the development of the investment policy guidelines, propose assumptions and perform the calculations of benefits for marriage breakdown, and actuarial present value for the purpose of reciprocal transfer agreements. Actuarial services are also required in preparing a valuation of the Plan and for cash flow projections. The current actuary for the plan is Aon.

Investment managers provide the necessary expertise in managing the pension assets in compliance with the asset mix guidelines to ensure risk-adjusted returns are maximized and achieve performance at or above the established performance benchmarks. Quarterly performance reports and presentations are provided to Commission members. TD Asset Management is responsible for managing the assets with the exception of a private equity fund managed by State Street Global Advisors.

State Street Trust Company, the superannuation plan custodian, provides compliance reporting on a quarterly basis and all results are reported to Commission members.

Aon also assists the Commission as an investment advisor by monitoring performance of the investment managers. Reports and presentations are provided to Commission members biannually.

When required, legal consultation is provided by either the Ministry of Justice or private legal counsel. Legal advice provided to the Commission ensures all legal obligations are fulfilled.

Specialized information technology services are purchased to ensure the critical pension administration system, retirement management and payroll systems and backbone network systems are securely maintained.

Valuation

The Commission performs actuarial valuations triennially and reviews its valuation assumptions for accounting extrapolations during inter-valuation periods in consultation with its plan actuary. The last valuation was completed as at June 30, 2024. The next valuation will be conducted during 2027-28 as at June 30, 2027.

The 2024 actuarial valuation used a discount rate of 3.1% per annum. This assumption represents the 10-year average of June 30 discount rates from June 30, 2015 through June 30, 2024. Each of the individual discount rates used in the 10-year average represents the single discount rate that would have been applied to the Teachers' Superannuation Plan based on yields on Saskatchewan provincial bonds on June 30 of the applicable year. The 10-year average rate used for the extrapolation to June 30, 2026 was 3.4%.

The financial statements at June 30, 2026 are based on an extrapolation of the June 30, 2024 valuation results utilizing the actuarial assumptions that were updated and approved for the June 30, 2026 accounting extrapolation. The total deficit as at June 30, 2026 is $4.2 billion.

The legal obligation to pay pensions to the teachers of Saskatchewan in accordance with the provisions of *The Teachers Superannuation and Disability Benefits Act* rests with the Government of Saskatchewan.

Investments

The assets of the Teachers' Superannuation Fund (known as the Teachers' Superannuation Plan or the "Plan") are held in trust by State Street Trust Company, custodian of the investments on behalf of the Plan. Custodial fees of $323 (2025 – $4,946) and $Nil (2025 – $1,217) for brokerage fees were paid to State Street Trust Company for 2026.

TD Asset Management is responsible for investing the funds. Investment fees paid to TD Asset Management for 2026 were $189,449 (2025 – $200,622). Investment management fees for private equity paid to State Street Global Advisors for 2025 were -$339,160 (2025 – $Nil) due to a return of fees paid in previous period now returned in 2025-26. CIBC Mellon is the custodian for the pooled fund investments on behalf of TD Asset Management.

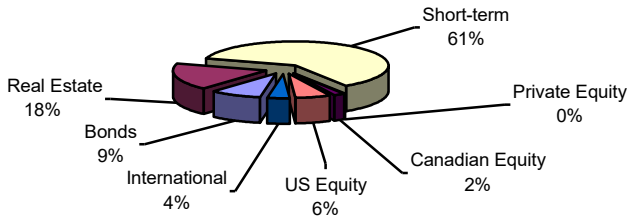
The TSC with the assistance of the investment manager, investment consultant, and actuarial consultant develop investment policies, strategies and objectives for the Plan. The Investment Policy & Objectives Statement (IP&OS) details the asset mix guidelines, and a benchmark portfolio against which the performance of the investment managers is measured. Individual asset class performance is also measured against their relevant, respective indices. The current IP&OS is posted on the STSC website.

In meeting with its investment consultant, the Commission reviews its IP&OS annually. A key aspect of risk is managed through adequate portfolio diversification. Working in conjunction with the asset manager, investment consultants and actuary, the desired risk-adjusted return is established.

IP&OS asset mix guidelines for the TSF as at June 30, 2026

	Minimum %	Maximum %
Canadian Equities, Large Cap	0	4.0
Canadian Equities, Small Cap	0	0
Total Canadian Equities	***0***	***4.0***
U.S. Equities, Large Cap (Unhedged)	2.0	8.0
International Equities, Public and Private (Unhedged)	0	5.0
Total Foreign Equities	***2.0***	***13.0***
Total Equities	***2.0***	***17.0***
Nominal Bonds	5.0	15.0
Short Term Bonds	50.0	70.0
Short Term Investments	0	10.0
Total Fixed Income	***55.0***	***95.0***
Real Estate	0.0	30.0

TSF portfolio asset mix at June 30, 2026



TSF Rates of Return – Periods to June 30, 2026						
	1 Year		4 Years		10 Years	
Asset class	Return	Bench mark	Return	Bench mark	Return	Bench mark
	%	%	%	%	%	%
Canadian Equity	**23.7**	**32.9**	**16.1**	**20.1**	**11.7**	**12.8**
U.S. Equity	**24.3**	**27.2**	**25.1**	**23.3**	**18.8**	**16.5**
International Equity	**25.3**	**25.0**	**-**	**-**	**-**	**-**
Private Equity	**-65.0**	**17.6**	**-19.4**	**12.8**	**-6.9**	**9.2**
Bonds	**3.8**	**3.5**	**4.4**	**4.1**	**2.2**	**1.7**
Real Estate	**-0.3**	**3.1**	**-0.1**	**0.5**	**5.3**	**5.6**
Total Fund	**6.8**	**10.2**	**6.2**	**7.5**	**6.1**	**4.2**

To reflect the declining asset base, the Commission adopted a de-risking investment strategy effective July 1, 2012 which resulted in a gradual reduction in return seeking, risky assets until June 30, 2018 when the allocation to return seeking assets began to be increased gradually until 2025.

With the Teachers' Superannuation Fund approaching its legislated wind-up date of June 30, 2030, the Commission conducted an Asset Mix Optimization Study during 2025-26 to determine an appropriate investment strategy and glide path for the Fund. Based on the study's findings, the Commission adopted a revised investment strategy, effective January 1, 2026, designed to achieve an appropriate balance of capital preservation, liquidity, and investment returns while recognizing the Fund's rapidly declining asset base.

Pension Administration Systems

The pension administration software is crucial for the tracking of service, contributions, refunds, purchases, crediting of interest to teacher accounts and pension estimates.

During the year, all system software was evaluated to ensure the underlying operating systems are actively supported by the various software providers, and to ensure the information technology (IT) systems remain functional in the current IT environment. Risk related to data and system conversion are appropriately planned and managed to ensure data and system integrity. The Commission maintains a business continuity and disaster recovery plans for its administrative operations and IT systems.

The Commission contracts with two outside information technology providers, ESTI Consulting Services and James Evans Associates (JEA) Limited. These two service providers possess the specific competencies needed to manage the IT risks effectively.

Risk Management

As part of governance processes, the Commission adopted a Risk Assessment and Management Plan whereby key risks are identified, along with identification of how risks will be managed and who is responsible. The outcome of this approach is to provide cost-effective management of risk and to create opportunities to add value. The following are potential risks that could adversely affect the operation of the Plan:

- Risk of loss associated with non-compliance with laws, rules, regulations, prescribed practices or ethical standards within jurisdiction of operation
- Risks arising from inability to implement appropriate business plans, strategies, decision-making, resource allocation and inability to adapt to changes in the business environment
- Risk of direct or indirect loss resulting from the inadequate or failed internal processes, people, system or from external events
- Risk associated with direct or indirect loss resulting from market events and investment related profiles
- Risk of not having adequate procedures and processes in place to continue operations in the event of a disaster or inability to access building

The Commission reviews and updates its Risk Assessment and Management Plan on an annual basis.

Communication

Timely and transparent communications are an essential element of good pension governance. The Commission strives to achieve effective communication with its teacher and superannuated members. Federal and Provincial legislation in the area of privacy along with the implementation of the Privacy Framework within the Province will not only serve to protect the interests of teachers but mitigate the related risks and concerns. This privacy legislation is impacting communication not only in relation to what type of information is communicated from the pension plan, but also in assessing what the Commission collects directly from members. The Commission has a Communication Plan that is reviewed annually.

In addition to this annual report, newsletters and the annual statements to members, the STSC website and email have become increasingly important as the preferred tools of communication and information exchange. The website provides considerable information:

- Downloadable forms for Dental, Group Life Insurance, Reciprocal Transfers, and personal information change forms
- Information, including Frequently Asked Questions on Dental, Pension, and Group Life Insurance
- Various legislative Acts and Regulations administered by the Commission
- Policies and responsibilities adhered to by the Commission
- Recent annual reports, superannuate and annual statement newsletters
- Contact information
- Dispute Resolution Process
- Governance Manual
- Communication Plan
- Strategic Plan
- Investment Policy & Objective Statement

More on-line at www.stsc.gov.sk.ca

Teachers' Superannuation Plan

The Teachers' Superannuation Plan was inaugurated on July 1, 1930 and became a closed plan in 1980.

The Teachers' Annuity Plan was established for new teachers who had not previously taught in Saskatchewan and certain teachers who chose to transfer from the old formula plan. Through provincial negotiations, the Annuity Plan later became the Saskatchewan Teachers' Retirement Plan (STRP) administered by the Saskatchewan Teachers' Federation.

Highlights

As at June 30	2026	2025
Active Members	11	16
Inactive Members	4,240	4,284*
Pensioners	7,862	8,123
Survivors	1,528	1,522
Total Members	**13,641**	**13,945**

*Due to a data correction, 42 records were added to the 2025 inactive members' count.

From July 1, 2025 to June 30, 2026 a total of 2 (2025 – 6) new allowances were granted.

Superannuation allowances are adjusted each January 1 by 80% of the percentage increase obtained by dividing the average Canadian consumer price index (CPI) for the 12 months ending on the 31st day of October of the previous year by the average CPI for the 12 months ending on the 31st day of October one year earlier. Annual increases are provided to help offset the effects of inflation.

On January 1, 2026, a cost of living allowance increase of 1.6% (2025 – 2.1%) was applied to superannuation allowances.

Investment earnings of 5.56% (2025 – 7.43%) were credited to the remaining teachers' accounts in the Teachers' Superannuation Fund. The credited interest is determined by the market value rate of return of the Fund which allocates 100% of both realized and unrealized gains and losses as well as investment expenses in accordance with the policy established for administrative purposes by the Commission.

As part of the Teachers' Superannuation Fund, the Teachers' Superannuation Commission administered a Voluntary Contributions Fund, which allowed active teachers to make additional tax-deductible contributions that were invested separately from the mandatory superannuation contributions. Voluntary contributions could remain in the Fund after a teacher retires, however members were required to transfer their monies out of the Fund at age 71 pursuant to the *Income Tax Regulations*.

During 2024-25, the Teachers' Voluntary Contributions Fund was wound down and closed with monies being disbursed from the Fund to the remaining members in accordance with *The Teachers' Superannuation and Disability Benefits Regulations*.

Teachers' Disability Benefits Plan

Part III of *The Teachers Superannuation and Disability Benefits Act* provided disability benefits for teachers who participate in the Teachers' Superannuation Plan. A teacher's disability benefit would cease on the earliest of:
(a) The commencement of a superannuation allowance;
(b) The attainment of age 65 by the teacher; and
(c) The death of the teacher.

In August 2022, the last teacher in receipt of disability benefits retired and started receiving a superannuation allowance from the Teachers' Superannuation Plan. As at February 2023, there are no longer any teachers participating in the Teachers' Superannuation Plan that would be eligible for benefits from the Teachers' Disability Benefits Plan and the Plan is now considered closed.

Teachers' Group Life Insurance Plan

The Teachers' Superannuation Commission administers the Teachers' Group Life Insurance Plan for active, disabled and superannuated teachers. An annual report for activities of the group life insurance plan will be tabled under separate cover for 2025-26.

Teachers' Dental Plan

The Teachers' Superannuation Commission administers the Teachers' Dental Plan for active and disabled teachers. An annual report for activities of the dental plan will be tabled under separate cover for the year ending December 31, 2026.

Teachers' Superannuation Commission Management Report, 2026

The management of the Teachers' Superannuation Commission is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. In Canada, it is the responsibility of management to prepare financial statements in accordance with Canadian generally accepted accounting principles.

The integrity of the financial records from which these financial statements are prepared is largely dependent on the systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are executed in accordance with proper authorization, transactions are appropriately recorded in order to permit preparation of financial statements and assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived there from.

The pension obligations and actuarial value of net assets available for benefit are determined by an actuarial valuation and extrapolation. Actuarial valuation and extrapolation reports require best judgment in order that the financial statements reflect fairly the financial position of the Plan. The actuary's opinion for the Teachers' Superannuation Plan for the June 30, 2024 valuation and the extrapolation of the valuation results to June 30, 2026 appear on page 24.

The financial statements have been audited by the Provincial Auditor of Saskatchewan. The report to the Members of the Legislative Assembly, stating the scope of the examination and opinion on the financial statements, appears on page 25.

The financial statements have been examined and approved by the Commission.



Doug Volk, BA (Econ), PPAC
Executive Director



Sharlene Arklie, FCPA, FCGA
Senior Manager, Financial Operations

Regina, Saskatchewan
October 15, 2026

Actuary's Opinion

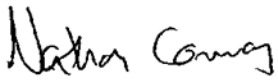
Aon was retained by the Saskatchewan Teachers' Superannuation Commission (the "Commission") to perform an actuarial valuation of the assets and liabilities of the Saskatchewan Teachers' Superannuation Plan (the "Plan") as at June 30, 2024. Aon was further retained to prepare an extrapolation of the valuation results to June 30, 2026 for inclusion in the Annual Report with respect to *The Teachers Superannuation and Disability Benefits Act* for the Year Ended June 30, 2026.

The valuation and extrapolation of the Plan's actuarial assets and liabilities were based on:

- Membership data provided by the Commission as at June 30, 2024;
- Financial Statements as at June 30, 2026 provided by the Commission;
- Methods prescribed by the Chartered Professional Accountants of Canada for pension plan financial statements; and
- Assumptions about future events (economic and demographic) which were developed by management and Aon and are considered as management's best estimate of these events.

While the actuarial assumptions used to estimate liabilities for the Plan's financial statements contained in the Annual Report represent management's best estimate of future events, and while, in my opinion, these assumptions are appropriate for the purposes of the valuation and extrapolation, the Plan's future experience will differ from the actuarial assumptions. Emerging experience differing from the assumptions will result in gains or losses that will be revealed in future valuations and will affect the financial position of the Plan.

I have tested the data for reasonableness and consistency with prior valuations and, in my opinion, the data is sufficient and reliable for the purposes of the valuation and the extrapolation. In my opinion, the methods and assumptions used in the valuation and extrapolation are appropriate for the purposes of the valuation and extrapolation. My opinions have been given, and the valuation and extrapolation have been performed, in accordance with accepted actuarial practice in Canada.



Nathan Conway
Fellow, Canadian Institute of Actuaries
Fellow, Society of Actuaries

October 15, 2026

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

Opinion

We have audited the financial statements of the Teachers' Superannuation Plan, which comprise the statement of financial position as at June 30, 2026, and the statement of changes in net assets available for benefits and the statement of changes in pension obligations 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 Teachers' Superannuation Plan as at June 30, 2026, the changes in its net assets available for benefits and changes in its pension obligations for the year then ended in accordance with Canadian accounting standards for pension plans.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Saskatchewan Teachers' Superannuation Commission *Annual Report for 2025-26*, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or any knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Teachers' Superannuation Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Teachers' Superannuation Plan to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during the audit.



Regina, Saskatchewan
October 15, 2026

Tara Clemett, CPA, CA, CISA
Provincial Auditor
Office of the Provincial Auditor

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Teachers' Superannuation Plan
Statement of Financial Position

Statement 1

As at June 30

(in thousands of dollars)

	2026			2025		
	Superannuation Fund	Voluntary Contributions Fund (Note 6)	Total	Superannuation Fund	Voluntary Contributions Fund (Note 6)	Total
ASSETS						
Cash	$ -	$ -	$ -	$ -	$ -	$ -
Due from General Revenue Fund (Note 3)	38	-	38	26	-	26
Accrued investment income	4	-	4	8	-	8
Investments (Note 4):						
Pooled Funds	117,358	-	117,358	126,131	-	126,131
Private equity	379	-	379	1,783	-	1,783
	117,737	-	117,737	127,914	-	127,914
Contributions receivable:						
Teachers	136	-	136	160	-	160
General Revenue Fund	21,112	-	21,112	21,631	-	21,631
	21,248	-	21,248	21,791	-	21,791
Total assets	$ 139,027	$ -	$ 139,027	$ 149,739	$ -	$ 149,739
LIABILITIES						
Accounts payable	$ 49	$ -	$ 49	$ 240	$ -	$ 240
Total liabilities	49	-	49	240	-	240
NET ASSETS AVAILABLE FOR BENEFITS (Statement 2)	138,978	-	138,978	149,499	-	149,499
Pension obligation (Statement 3)	4,331,443	-	4,331,443	4,417,449	-	4,417,449
Deficit	$ 4,192,465	$ -	$ 4,192,465	$ 4,267,950	$ -	$ 4,267,950

(See accompanying notes to the financial statements)

Teachers' Superannuation Plan Statement 2
Statement of Changes in Net Assets Available for Benefits

Year Ended June 30

(in thousands of dollars)

	2026			2025		
	Superannuation Fund	Voluntary Contributions Fund (Note 6)	Total	Superannuation Fund	Voluntary Contributions Fund (Note 6)	Total
INCREASE IN ASSETS:						
Investment income:						
Interest	$ 24	$ -	$ 24	$ (9)	$ 2	$ (7)
Dividends	-	-	-	42	-	42
Pooled fund distributions	7,690	-	7,690	5,395	2	5,397
Total investment income	7,714	-	7,714	5,428	4	5,432
Increase in fair value of investments	482	-	482	7,597	62	7,659
Contributions:						
General Revenue Fund other contributions	304,896	-	304,896	303,583	-	303,583
Teachers	22	-	22	33	-	33
General Revenue Fund matching contributions	22	-	22	33	-	33
Other transfers and contributions	-	-	-	-	-	-
Total contributions	304,940	-	304,940	303,649	-	303,649
Total increase in assets	$ 313,136	$ -	$ 313,136	$ 316,674	$ 66	$ 316,740
DECREASE IN ASSETS:						
Allowances to superannuates	$ 319,759	$ -	$ 319,759	$ 322,814	$ -	$ 322,814
Refunds and transfers	3,595	-	3,595	6,531	1,027	7,558
Investment expenses (Note 7)	(149)	-	(149)	207	1	208
Marriage breakdown payments	452	-	452	188	-	188
Total decrease in assets	$ 323,657	$ -	$ 323,657	$ 329,740	$ 1,028	$ 330,768
Decrease in net assets	(10,521)	-	(10,521)	(13,066)	(962)	(14,028)
NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	149,499	-	149,499	162,565	962	163,527
NET ASSETS AVAILABLE FOR BENEFITS, end of year	$ 138,978	$ -	$ 138,978	$ 149,499	$ -	$ 149,499

(See accompanying notes to the financial statements)

Teachers' Superannuation Plan — Statement 3
Statement of Changes in Pension Obligations

Year Ended June 30

(in thousands of dollars)

	2026			2025		
	Superannuation Fund (Note 8)	Voluntary Contributions Fund (Note 6)	Total	Superannuation Fund (Note 8)	Voluntary Contributions Fund (Note 6)	Total
PENSION OBLIGATIONS, beginning of year	$ 4,417,449	$ -	$ 4,417,449	$ 4,648,947	$ 962	$ 4,649,909
INCREASE IN PENSION OBLIGATIONS:						
Interest accrued on obligations	136,179	-	136,179	139,372	-	139,372
Impact of plan experience	-	-	-	11,788	-	11,788
Impact of change in mortality assumption	179,724	-	179,724	-	-	-
Obligations accrued	92	-	92	143	-	143
	315,995	-	315,995	151,303	-	151,303
DECREASE IN PENSION OBLIGATIONS:						
Impact of actual indexation	-	-	-	13,338	-	13,338
Impact of change in discount rate assumption	78,195	-	78,195	39,772	-	39,772
Impact of change to percent married and retirement rate assumptions	-	-	-	158	-	158
Obligations paid	323,806	-	323,806	329,533	962	330,495
	402,001	-	402,001	382,801	962	383,763
PENSION OBLIGATIONS, end of year	$ 4,331,443	$ -	$ 4,331,443	$ 4,417,449	$ -	$ 4,417,449

(See accompanying notes to the financial statements)

Teachers' Superannuation Plan
Notes to the Financial Statements

June 30, 2026

1. Status of the Commission

The Saskatchewan Teachers' Superannuation Commission (Commission) administers a pension plan, the Teachers' Superannuation Plan, consisting of the Teachers' Superannuation Fund and the Voluntary Contributions Fund (hereafter collectively referred to as the Plan). The Teachers' Superannuation Fund is used to account for the net assets accumulated for the defined benefit final average pension plan for teachers who commenced service prior to July 1, 1980. The Voluntary Contributions Fund was a money purchase fund, used to account for the net assets accumulated for teachers' voluntary contributions. In 2024-25, all funds have been disbursed to the participants in the Fund and the Fund was then closed.

Description of the Plan

The Plan is a registered pension plan as defined by the *Income Tax Act (Canada*) and accordingly, is not subject to income taxes. Allowances and refunds are subject to withholding taxes that are remitted to the Canada Revenue Agency. The following description is a summary only. For more complete information, reference should be made to *The Teachers Superannuation and Disability Benefits Act* (the Act).

Teachers' Superannuation Fund

a) Funding Policy

Members are required to contribute 6.05% of their salary subject to Canada Pension Plan contributions, and 7.85% on the remainder of their salary. The Government's General Revenue Fund (GRF) pays into the Teachers' Superannuation Fund an amount equal to the amount contributed by members. Also, the GRF pays into the Teachers' Superannuation Fund other contributions pursuant to section 9(4) of the Act. Section 9(4) of the Act requires the GRF to pay yearly an amount by which the allowances, transfers and refunds that are paid out in that fiscal year exceed the credited contributions of members with respect to whom an allowance commences or a refund or transfer is made in that fiscal year.

b) Age and Service Allowance

The annual amount of pension is determined as follows:

- 2% of the five highest years salary times years of service (maximum 35 years)
- reduced at age 65 for Canada Pension Plan integration
- increased each January 1 by 80% of the increase in the Consumer Price Index for Canada

c) Interest Credited to Contributions

As of July 1, 1994, the interest credited to contributions is based on an annual rate determined by the Commission to be the annual rate of return earned from the investments of the Fund in a fiscal year, compounded annually. See Note 5 for determination of investment earnings.

d) Death Benefits

When a superannuate dies, the spouse receives 60% of the allowance plus a further 10% for each dependent child to a maximum of 25%. If there is neither a spouse nor dependent children, the nominee or estate receives a lump sum payment of the difference, if any, between the teacher's contributions and interest at retirement and the total pension paid to date.

e) Refunds

Refunds to teachers typically consist of the teacher's contributions and interest on those contributions in the Teachers' Superannuation Fund.

In 2024-25, for the Voluntary Contributions Fund, all funds have been disbursed to the participants in the Fund and the Fund was closed.

2. Significant Accounting Policies

The following accounting policies are considered significant:

a) Basis of Presentation

The financial statements for the year ended June 30, 2026 have been prepared in accordance with Canadian accounting standards for pension plans as defined in the CPA Canada Handbook Section 4600, *Pension Plans*. For matters not addressed in Section 4600, *Pension Plans,* Canadian Accounting Standards for Private Enterprises (ASPE) have been followed. These financial statements were authorized and issued by the Board on October 15, 2026.

b) Investments

Investments denominated in foreign currency are translated at the exchange rate in effect at year end. Investment transactions and realized gains and losses are translated at the exchange rate in effect at the transaction date. Unrealized gains and losses resulting from exchange differences are included in the determination of the change in fair value of investments.

Pooled funds are recorded based on the net asset value per unit of the underlying investments determined using closing bid prices as at year end. Real estate pooled funds and private equity are recorded at fair value as estimated by independent appraisals. All investments are classified at fair value through profit or loss.

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 recorded amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the recorded amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the valuation of investments and accrued pension obligation. Actual results could differ from these estimates.

d) Change in Accounting Policy

In April 2025, the Commission changed the policy for allocating interest to remaining teacher accounts at the end of each year. Effective for the June 30, 2025 year end, the interest credited uses a market rate calculation where 100% of all investment income and expenses are credited in the current year.

e) Amended Standards Not Yet In Effect

In December 2022, the Accounting Standards Board (AcSB) issued amendments to Section 4600, Accounting Standards for Pension Plans to improve the presentation and disclosure of investments for pension plans that will be effective for years on or after January 1, 2027.

The Plan intends to adopt the amended standard in the fiscal year in which they become effective. Management is currently analyzing the impact these new standards will have on the financial statements.

3. Due From General Revenue Fund

The Plan's bank accounts are included in the Consolidated offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan. Under this arrangement, interest is calculated on the net position of all COBC accounts and is paid by the bank into the GRF.

The Plan's share of this interest is allocated and paid by the GRF on a quarterly basis into the Plan's bank accounts using the Government's thirty-day borrowing rate. The Government's average thirty-day borrowing rate in 2026 was 2.40% (2025 – 3.50%).

4. Investments

The Commission's investment strategy is to invest cash flows from contributions and investment returns into assets such as private equities and pooled funds comprising of Canadian and foreign equities, bonds and debentures as well as real estate.

Teachers' Superannuation Fund

The Act and the Plan's investment policy require that all the Fund's investments comply with the provisions of *The Pension Benefits Act, 1992*, which does not allow any one holding to represent more than 10% of the cost of the Fund's portfolio at the time of acquisition.

In accordance with its investment strategy adopted in July 2012, the Commission completed the final stage of its re-risking glidepath on July 1, 2025. As the Total Fund enters its final years of existence, the Commission completed an Asset Mix Optimization Study during 2025 to determine an appropriate asset mix and glide path for the Teachers' Superannuation Fund.

Subsequently, effective January 1, 2026, the Fund's asset mix was significantly de-risked in accordance with the investment strategy developed from the findings of the optimization study. The study resulted in the adoption of a revised investment strategy that seeks to balance capital preservation, liquidity, and investment returns while the Fund's asset base declines to its legislated end date of June 30, 2030.

Equities

	2026	2025
Pooled Funds	($000's)	
Canadian Equity	$ 2,956	$ 16,794
Foreign Equity	11,735	17,893
	14,691	34,687
Private Equity	379	1,783
Total Equities	$ 15,070	$ 36,470

The Plan's investment policy limits any holding in the Fund to no more than 30% of the outstanding shares of the issuing corporation. The investment policy allows up to 13.0% of the Fund to be invested in foreign equities, including those held in pooled funds. At June 30, 2026, the Plan held 10.0% (2025 – 14.0%) in foreign equities.

Foreign equities and pooled funds are denominated in Canadian dollars. The Fund's equities include common shares that have no fixed maturity date and are generally not exposed to interest rate risk.

Pooled Funds

The Plan holds units in pooled funds, which have no fixed interest rate, and its returns are based on the success of the fund manager. The Plan unit holdings are:

	Units Held		% of Total Units Outstanding		Fair Value		Investment Income and Change in Fair Value	
	2026	2025	2026	2025	2026	2025	2026	2025
	(000's)				($000's)		($000's)	
TD Emerald Canadian Short Term Investment Fund, Class B	59	53	0.02	0.02	$ 575	$ 515	$ 17	$ 16
TD Short Term Bond Fund	7,272	-	4.57	-	70,830	-	1,261	-
TD Greystone Canadian Fixed Income Fund	774	5,159	1.24	8.91	10,617	68,195	807	2,460
TD Greystone Canadian Equity Fund	44	309	0.25	1.77	2,958	16,794	3,731	3,845
TD Greystone U.S. Equity Fund	84	187	2.49	5.40	7,281	13,062	2,632	1,079
TD Emerald International Equity Index Fund, Class B	151	202	0.07	0.09	4,453	4,831	1,218	710
TD Greystone Real Estate Fund	105	115	0.17	0.20	20,644	22,734	(89)	163
					$ 117,358	$ 126,131	$ 9,577	$ 8,273

Private Equity

In 2005, the Plan committed $36 million US, as a Limited Partner, to GE Asset Management Incorporated (GEAM), investment manager for investment in the GEAM International Private Equity Fund, L.P. representing $437 million US in total partnership commitments. One pension trust represents 50% of committed and invested funds with the sixteen Limited Partners representing the remaining 50%. The purpose of the Partnership is to invest in primarily private placement investments and through such investments provide its partners with current income and long-term capital gains. The private placements would be those of companies located and doing a substantial portion of their business outside of the United States.

The Teachers' Superannuation Fund has 8.2% (2025 – 8.2%) of the committed and 8.2% (2025 – 8.2%) of the invested funds. As of June 30, 2026, the total value of the International Private Equity Fund, L.P. was $3.2 million US (2025 – $15.8 million US) and the Plan's share was $0.4 million CDN (2025 – $1.8 million CDN).

Determination of Fair Value

The determination of fair value of the Teachers' Superannuation Fund is based on valuations that make maximum use of available market information. The best measure of fair value is an independent quoted market price for the same instrument in an active market. An active market is one where quoted prices are readily available representing regularly occurring transactions. Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the inputs used in the valuation.

The three levels of the fair value hierarchy are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 Inputs other than quoted market prices that are observable for the asset or liability either directly or indirectly; and

Level 3 Inputs that are not based on observable market data.

The following table classifies the Plan's financial instruments within a fair value hierarchy:

Teachers' Superannuation Fund ($000's)

	Level 1		Level 2		Level 3		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Pooled funds	$ -	$ -	$ 96,714	$ 103,397	$ 20,644	$ 22,734	$ 117,358	$ 126,131
Private equity	-	-	-	-	379	1,783	379	1,783
Total	$ -	$ -	$ 96,714	$ 103,397	$ 21,023	$ 24,517	$ 117,737	$ 127,914

Fair value measurements using level 3 inputs:

Teachers' Superannuation Fund ($000's)

	Real Estate Pooled		International Private Equity		Total	
	2026	2025	2026	2025	2026	2025
Balance at July 1	$22,734	$23,572	$ 1,783	$ 3,790	$ 24,517	$ 27,362
Purchases	46	-	-	-	46	-
Sales	(2,000)	(1,000)	-	(2,956)	(2,000)	(3,956)
Net transfers in (out)	-	-	(339)	(76)	(339)	(76)
Gains (Losses):						
Realized	852	423	(1,105)	2,241	(253)	2,664
Unrealized	(988)	(261)	40	(1,216)	(948)	(1,477)
Balance at June 30	$20,644	$22,734	$ 379	$1 ,783	$ 21,023	$ 24,517

Realized and unrealized gains and losses appear in the increase or decrease in fair value of investments on the Statement of Changes in Net Assets Available for Benefits.

At June 30, 2026, the following techniques were used to determine the fair value of the investments categorized in level 3:

i. Real Estate Pooled Funds

For the TD Greystone Real Estate Pooled Funds, the Pool Fund Manager uses an independent arm's length appraisal process for each property held within the pooled fund to establish the fair market value of the real estate investments on a semi-annual basis for each property in the Pooled Fund.

The fund is audited by an independent accounting firm on an annual basis which includes a review of the valuation process as well as the appropriateness of the values contained within the financial statements of the Real Estate Pooled Fund to ensure compliance with all standards set by the CPA Canada Handbook and all Canadian pension legislation that may apply to the Fund or its shareholders. Changes in the underlying assumptions would have an immaterial impact on the market value of the investments.

ii. International Private Equity

The Plan's private equity investment in the International Private Equity Fund I is held through limited partnerships within the corresponding fund. The investments are valued using the net asset valuation technique by the General Partner, using the best information available, including quoted market prices or market prices for similar assets when available, internal cash flow estimates discounted at an appropriate interest rate or independent appraisals as appropriate. Changes in the underlying assumptions would have an immaterial impact on the market value of the investments.

5. Teachers' Superannuation Fund – Determination of Investment Earnings for Administrative Purposes

The Commission determines investment earnings of the Superannuation Fund in order to establish what interest must be credited to teachers, and what interest teachers must pay when purchasing past service. In April 2025, the Commission changed the policy to the Market value rate which allocates 100% of both realized and unrealized gains and losses as well as investment expenses to remaining teacher accounts effective June 30, 2025. In 2024-25 only, the change also results in the remaining unallocated gains and losses from previous years to be allocated to the current interest allocation. The investment earnings rate was 5.56% (2025 – 7.43%) for the year.

6. Voluntary Contributions Fund - Earnings Allocation to Members

During 2024-25, all remaining members were informed that the Commission had approved the wind-up of the Voluntary Contributions Fund and members were to withdraw their funds prior to December 31, 2024.

All funds were withdrawn from the Fund in 2024-25 and the Voluntary Contributions Fund is now closed.

7. Related Party Transactions

These financial statements include transactions with related parties. The Plan is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Plan is related to non-Crown enterprises that the Government jointly controls or significantly influences.

a) Administration

In accordance with the Act, all expenses of the administration are paid out of monies appropriated for the Ministry of Education by the Legislature. Accordingly, no provision for these costs is included in the financial statements.

Expenses related to managing, investing or disposing of assets of the Plan are paid directly by each fund. The annual expenses for custodial, brokerage and investment management fees appear below.

	2026			2025		
	Superannuation Fund ($ 000's)	Voluntary Contributions Fund ($ 000's)	Total ($ 000's)	Superannuation Fund ($ 000's)	Voluntary Contributions Fund ($ 000's)	Total ($ 000's)
Custodial fees	$ 1	$ -	$ 1	$ 5	$ -	$ 5
Brokerage fees	-	-	-	1	-	1
Investment and asset management fees	(150)	-	(150)	201	1	202
	$ (149)	$ -	$ (149)	$ 207	$ 1	$ 208

b) Investment Management Services

Investment management services are provided by TD Asset Management.

8. Actuarial Valuation - Pension Benefits

Accrued Pension Benefit Obligation

The present value of accrued pension benefits was determined using the projected benefit method prorated on services and the best estimate assumptions of the Teachers' Superannuation Commission. The Commission performs actuarial valuations every three years.

Extrapolations are made every year using the last valuation available since the valuation results are not available until approximately six months following the year-end. Aon prepared an actuarial valuation of the Teachers' Superannuation Fund as at June 30, 2024 with an extrapolation made to June 30, 2025 and June 30, 2026.

The pension liability is based on a number of assumptions about future events including discount rate, rate of salary increase, inflation rate, mortality, retirement rates and termination rates. The actual rates may vary significantly from the long-term assumptions used.

The 2024 actuarial valuation used a discount rate of 3.1% per annum. This assumption represents the 10-year average of June 30 discount rates from June 30, 2015 through June 30, 2024. Each of the individual discount rates used in the 10-year average represents the single discount rate that would have been applied to the Teachers' Superannuation Plan based on yields on Saskatchewan provincial bonds on June 30 of the applicable year. The 10-year average rate used for the extrapolation to June 30, 2026 was 3.4%.

For the June 30, 2024 valuation and the June 30, 2025 extrapolation, the Commission used the adjusted 2014 Canadian Pensioners' Mortality Public Sector table with sex-distinct mortality improvements in accordance with the MI-2017 mortality improvement scale. For the June 30, 2026 extrapolation, the Fund used the MI-2024 mortality improvement scale.

The Commission recognizes known actual indexation losses due to statutory cost of living adjustments.

The assumptions used in determining the actuarial value of accrued pension benefits were:

	2026	**2025**
▪ salary increases	2.75% thereafter	2.75% thereafter
▪ discount rate	3.4%/ year	3.2%/ year
▪ inflation	2.0%	2.0%
▪ mortality table	MI-2024	MI-2017

The table on the following page illustrates the effect of changing certain assumptions from the assumed rates. For the salary and discount rate categories, the changes in assumption are independent of one another. The inflation category, however, shows the impact of changing all assumptions that have an inflation component. In the scenario of the 1% change in inflation, the assumptions for the interest rate, salary increase, Year's Maximum Pensionable Earnings (YMPE) and Canada Revenue Agency pension maximum are also changed by 1%.

	Long-term assumptions					
Effect on Pension Obligation	**Salary**		**Discount rates**		**Inflation**	
	1.75%	3.75%	2.4%	4.4%	1.0%	3.0%
(Decrease) Increase ($000s)	$(0)	$0	$446,442	$(380,173)	$143,163	$(135,695)

Plan experience gains or losses result from the differences between actual and expected terminations, disabilities, retirements, salaries, yearly maximum pensionable earnings, interest credited and deaths that occur between valuations/extrapolations

Assumption changes arise when the assumptions change from the previous valuation/extrapolation to the current valuation/extrapolation. In the June 30, 2026 extrapolation, the changes in the discount rate assumption decreased the accrued pension benefit overall by $78.2 million and the change in the mortality assumption increased the accrued pension benefit overall by $179.7 million.

9. Investment Performance

The investment manager makes day-to-day decisions on whether to buy or sell investments in order to achieve the long-term performance objectives set by the Commission. The Commission reviews the investment performance of the Funds in terms of the performance of the benchmark portfolio over four-year rolling periods. The primary long-term investment performance objective for the entire portfolio is to outperform a benchmark portfolio.

The following is a summary of the Plan's investment performance, which assumes a full allocation of realized and unrealized gains and losses:

	2026 annual return%	Rolling four-year average annual return%
Teachers' Superannuation Fund [1]	6.8%	6.2%
Target rate of return [2]	10.2%	7.5%

[1] The annual returns are before deducting investment expenses.

[2] The Commission's weighted target rate of return for its investment portfolio (return on the benchmark portfolio) has been determined, after the fact, using the weighted actual returns of certain market indices such as S&P/TSX Capped Composite Index, S&P 500, MSCI EAFE, FTSE TMX Canada Universe Bond Index, MSCI/REALPAC Annual Property Index as well as 30-Day and 91-Day T-Bills.

10. Financial Risk Management

The nature of the Plan's operations results in a statement of financial position that consists primarily of financial instruments. The risks that arise are credit risk, market risk (consisting of interest rate risk, foreign exchange risk and equity price risk) and liquidity risk.

Significant financial risks are related to the Plan's investments. These financial risks are managed by having an investment policy, which is approved annually by the Commission. The investment policy provides guidelines to the Plan's investment managers for the asset mix of the portfolio regarding quality and quantity of fixed income, real estate and equity investments. The asset mix helps to reduce the impact of market value fluctuations by requiring investments in different asset classes and in domestic and foreign markets. The Commission reviews regular compliance reports from both its investment managers and custodian as to their compliance with the investment policy.

a) Credit Risk

Credit risk is the risk that one party does not pay funds owed to another party. The Plan's credit risk arises primarily from contributions receivable. The maximum credit risk to which it is exposed at June 30, 2026 is limited to the carrying value of the financial assets and is disclosed in the table below.

	2026 Carrying Value ($000's)	2025 Carrying Value ($000's)
Teachers' Superannuation Fund		
Cash	-	-
Accrued investment income	4	8
Contributions receivable	21,248	21,791
Due from General Revenue Fund	38	26

Contributions receivable are primarily made up of employee and employer contributions and are generally received in less than 30 days. Accrued investment income is received on the next scheduled payment date, generally annually or semi-annually.

Credit risk is minimal as most investments are in pooled funds.

b) Market Risk

The Commission invests in privately traded pooled funds and private equity not available on domestic and foreign exchanges. These securities are affected by market changes and fluctuations. The Commission manages market risk by investing in different domestic and foreign markets and through the establishment and review of asset mix ranges and limits for various investments within those pooled funds. The Commission does not use derivative financial instruments to alter the effects of these market changes and fluctuations except through their use in pooled funds**.**

Market risk represents the potential for loss from changes in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchange rates and equity prices. Market risk primarily impacts the value of investments.

Geopolitical Environment Market Risk

The current geopolitical environment increases uncertainty in financial markets with a possible resurgence of trade tariffs and inflation, including upward pressure on commodity prices and the potential for global supply-chain disruptions. With the recent changes in the U.S. Government, the threat of protectionism increases the risks of tariffs, stagflation, turbulence in the financial markets, and a weakening of the Canadian Dollar against other currencies. Management will continue to monitor the impact of geopolitical risk on its use of judgements, estimates and assumptions.

Interest Rate Risk

Interest rate risk refers to the adverse consequences of interest rate changes on the Plan's cash flows, financial position and income. This risk arises from differences in the timing and amount of cash flows related to the Plan's assets and liabilities.

It is estimated that a 100 basis point change in interest rates would change net assets available for benefits and Plan deficit by $5.8 million at June 30, 2026; representing 7.1% of the $82.0 million of fixed income investments.

Foreign Currency Risk

Foreign currency exposure arises from the Plan holding investments denominated in currencies other than the Canadian Dollar. Fluctuations in the relative value of the Canadian Dollar against these foreign currencies results in a positive or negative effect on the fair value of investments. Exposure to both U.S. equities and non-North American equities is limited to a maximum 13.0% of the market value of the total investment portfolio. At June 30, 2026, the Plan's exposure to U.S. currencies was 10.3% (2025 – 15.4%).

At June 30, 2026, a 10% change in the Canadian Dollar versus the U.S. Dollar exchange rate would result in approximately a $0.8 million change in the net assets available for benefits and Plan deficit.

Equity Price Risk

The Teachers' Superannuation Fund is exposed to changes in equity prices in Canadian, U.S. and EAFE markets. Equities and equity pooled funds comprise 12.5% (2025 – 27.1%) of the market value of the Fund's total investments. The investment policy of the Teachers' Superannuation Fund limits the Plan's equity exposure to 17.0% of the Plan's total investments and any holding to represent no more than 30% of the outstanding shares of the issuing corporation.

The table below indicates the approximate change that could be anticipated to both the increase in net assets available for benefits and Plan deficit based on changes in the Plan's benchmark indices at June 30, 2026.

	Change in thousands of $	
	10% increase	10% decrease
Teachers' Superannuation Fund		
S&P/TSX Composite Index	$ 296	$ (296)
S&P 500 Index	728	(728)
MSCI EAFE Index	445	(445)

Real Estate Risk

Risk in the real estate pooled fund is managed through diversification across real estate types and locations. Adverse impacts in any one segment of the market or geographic location are minimized by having holdings diversified across property type, geographic location and investment size. The real estate portfolio currently consists of $20.6 million (2025 – $22.7 million) in real estate pooled funds.

c) Liquidity Risk

The Plan is exposed to liquidity risk through its responsibility to pay pensions on a timely basis. The contributions from the GRF as well as the majority of Plan investments provide sufficient liquidity to support the Plan's required cash flows without impacting its asset mix. Cash resources are managed on a daily basis based on anticipated cash flows. Accounts payable are due within one year.

11. Cash Flow Forecast

The total cash inflow is the amount of contributions and investment income expected to be received by the pension plan. The GRF contributions include matching contributions and additional amounts contributed pursuant to section 9(4) of the Act. The total cash outflow is the amount required to pay all pension obligations. The cash required is the amount by which the cash outflows exceed cash inflows and is forecasted to the year 2055-56. The cash required will be funded from the proceeds of disposals of investments for the period 2026 to 2030.

The forecast of cash inflows and outflows have been determined using the long-term assumptions used in the June 30, 2024 valuation. All amounts shown are based on actual dollar forecasts and appear in the table below.

	Cash inflows				
	Teachers Contributions	GRF Contributions	Investment Income	Cash Outflows	Cash Required
	($ 000's)	($ 000's)	($ 000's)	($ 000's)	($ 000's)
2026-27	-	305,689	5,277	333,760	22,794
2027-28	-	301,928	3,960	330,561	24,673
2028-29	-	297,126	2,528	326,709	27,055
2029-30	-	289,373	927	322,184	31,884
2030-31	-	303,864	-	303,864	-
Total within 5 years	$ -	$ 1,497,980	$ 12,692	$ 1,617,078	$ 106,406
Total 6 to 10 years	$ -	$ 1,414,105	$ -	$ 1,414,105	$ -
Total 11 to 30 years	$ -	$ 2,652,686	$ -	$ 2,652,686	$ -

12. Fair Value of Financial Assets and Financial Liabilities

For the following financial instruments, the fair value approximates their carrying value due to the immediate or short-term nature of these instruments. These financial instruments are interest and non-interest bearing and are due or payable within the next year.

- Cash
- Due from GRF
- Accrued investment income
- Teachers' contributions receivable and GRF contributions receivable
- Accounts Payable

For investments, fair values are considered to be market value, the calculation of which is described in Note 4. The actuarial accrued pension benefits are long-term in nature and there is no market for settling these obligations. Therefore, determination of the fair value of the actuarial accrued pension benefits is not practicable (see Note 8).

13. Capital Management

The Plan receives new capital from employee and employer contributions. The plan also benefits from income and market value increases on its invested capital. The Plan's capital is invested in a number of pooled fund asset classes including equities, fixed-income and short-term investments. The Commission has delegated the operational investment decisions to a number of different investment management firms through a number of different investment mandates as defined in the Plan's Statement of Investment Policy and Objective Statement (IP&OS).

Investment Schedules

SCHEDULE 1
TEACHERS' SUPERANNUATION FUND
SCHEDULE OF INVESTMENTS AND ACCRUED INTEREST AS AT JUNE 30 (UNAUDITED)

	2026		2025	
	Total Fair Value ($000's)	Accrued Interest ($000's)	Total Fair Value ($000's)	Accrued Interest ($000's)
Pooled Funds	$ 117,358	$ -	$ 126,131	$ -
Short Term	-	4	-	8
Private Equity	379	-	1,783	-
Total	**$ 117,737**	**$ 4**	**$ 127,914**	**$ 8**

SCHEDULE 2

TEACHERS' SUPERANNUATION FUND

SCHEDULE OF INVESTMENTS ACQUIRED, YEAR ENDED JUNE 30, 2026 (UNAUDITED)

Investments	Fair Value $
Shares:	
TD Emerald International Equity Index Fund	2,148,654
TD Emerald Canadian Short Term Investments Fund	3,014,578
TD Greystone Canadian Equity Fund	12,248,273
TD Greystone Canadian Fixed Income Fund	2,998,746
TD Greystone US Equity Fund	8,997,256
TD Greystone Real Estate Fund Inc.	46,202
TD Short Term Bond Fund	80,927,648
Total:	**$ 110,381,357**

SCHEDULE 3

TEACHERS' SUPERANNUATION FUND

SCHEDULE OF INVESTMENTS DISPOSED, YEAR ENDED JUNE 30, 2026 (UNAUDITED)

Investments	Fair Value $
Shares:	
TD Emerald International Equity Index Fund	3,653,014
TD Emerald Canadian Short Term Investments Fund	2,952,157
TD Greystone Canadian Equity Fund	27,627,113
TD Greystone Canadian Fixed Income Fund	59,694,490
TD Greystone Us Equity Fund	15,294,810
TD Greystone Real Estate Fund Inc	2,000,000
TD Short Term Bond Fund	9,819,831
Total:	**$ 121,041,415**

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