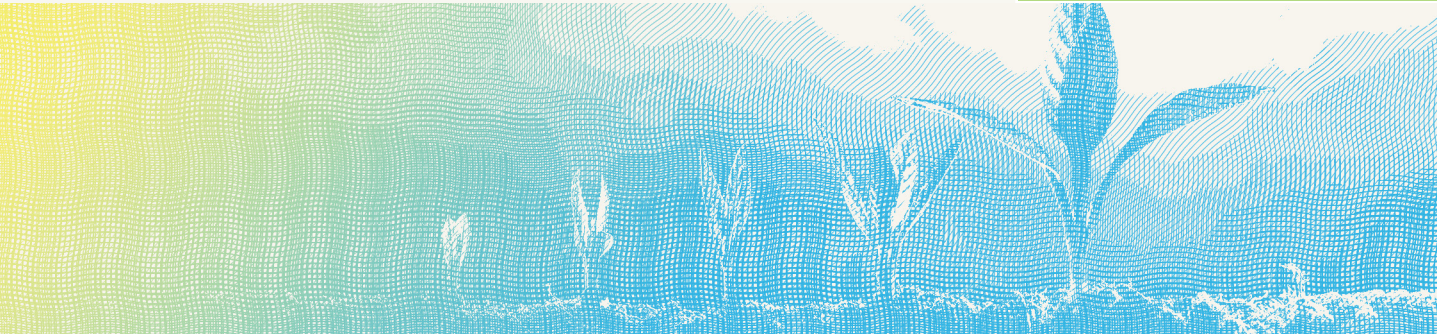


INVESTMENT UPDATE

AUGUST 2025



Quarterly investment update (as at June 30, 2025)

Markets opened the second quarter of 2025 with turbulence, reacting sharply to former President Trump’s “Liberation Day” tariff policy. However, confidence gradually returned, and global equities staged a strong recovery driven by AI-related demand and more constructive signals in trade negotiations. While the outlook for tariffs remains uncertain, the recent rally suggests that investors are beginning to look past short-term disruptions. At the same time, the episode underscored how vulnerable export-driven sectors remain, reinforcing the value of maintaining a well-diversified portfolio to achieve long-term investment goals.

In Canada, the S&P/TSX Composite delivered an 8.5 per cent return, supported by encouraging signs in trade negotiations, a continued rally in gold, and strong earnings from the Financial Services sector. Our Canadian equity portfolio delivered solid gains with a return of 8.1 per cent.

The U.S. market rebounded strongly from the initial tariff-driven selloff, climbing 5.2 per cent during the quarter to reach new all-time highs. Information Technology and Communication Services led the way as the top-performing sectors. Our U.S. equity portfolio underperformed the benchmark, recording a return of 3.4 per cent.

International equities delivered another strong quarter, with the MSCI EAFE Index gaining 6.0 per cent in the second quarter. Several sectors posted double-digit returns, including Communication Services, Information Technology, Industrials, Utilities, and Real Estate. Our international equity portfolio outperformed the benchmark, achieving 7.2 per cent for the quarter.

The Bank of Canada paused its rate-cutting cycle in the second quarter as it evaluated the impact of tariffs on inflation and economic

growth. Headline inflation remained subdued at 1.7 per cent, with the removal of the carbon tax in April. The fixed income benchmark declined by 0.6 per cent during the quarter, while our fixed income portfolio outperformed the benchmark with a decline of 0.3 per cent.

Government efforts to improve housing affordability continued to face challenges, and average rents are expected to rise further. Despite these pressures, the Real Estate market remained stable and neutral during the quarter, with the benchmark returning 0.8 per cent. Our real estate pooled fund closely tracked that performance posting a return of 0.7 per cent.

Despite short-term headwinds from immigration caps and increased supply, demand for affordable units remained resilient, helping keep vacancy levels stable. Our mortgage portfolio delivered a positive return of 1.1 per cent for the quarter, outperforming the benchmark return of 0.3 per cent.

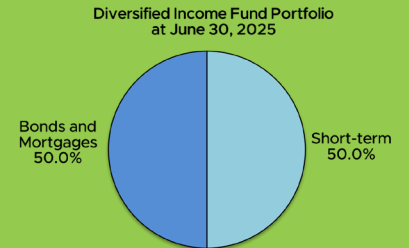
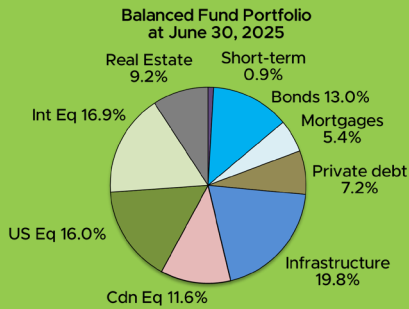
The infrastructure asset class continued to benefit from rising energy demand tied to data centres that require significant power to support the rapid growth of AI and cloud computing. The sector performed well overall, with its lower correlation to traditional equities and fixed income. Our infrastructure portfolio, however, underperformed the benchmark, recording a return of negative 0.3 per cent compared with the benchmark gain of 1.8 per cent.

Our Private Debt allocation faced notable challenges, returning a negative 5.3 per cent compared to the 1.5 percent benchmark gain, as sectors more sensitive to interest rates experienced greater performance dispersion.

Overall, while market volatility remains a concern, diversified exposure across asset classes continues to support long-term portfolio resilience.



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The market value of the Balanced Fund (BF) at June 30, 2025 was \$745.6 million. This represents a return of 4.60 per cent after administrative expenses are allocated to member accounts.

The Diversified Income Fund (DIF) assets totaled \$10.1 million at quarter end, returning 1.68 per cent after administrative expenses.

The accompanying charts detail the BF and DIF asset mix as at June 30, 2025.

For more information, please visit our website at saskpension.com.

SPP acknowledges the assistance of TD Asset Management, Leith Wheeler Investment Counsel and George & Bell in the preparation of this update.

Top 10 Balanced Fund (BF) holdings at June 30, 2025						
	Canadian Equities	% of Port-folio	U.S. Equities	% of Port-folio	Non-North American Equities	% of Port-folio
1	Royal Bank of Canada	7.3	NVIDIA Corporation	3.6	Standard Chartered PLC	2.0
2	Toronto-Dominion Bank	5.8	Microsoft	3.5	Aker BP	1.9
3	Constellation Software Inc.	4.2	Alphabet	2.5	BNP Paribas	1.8
4	Bank of Montreal	3.9	Apple	2.4	Rheinmetall	1.8
5	Toromont Industries	3.6	Broadcom	2.0	Julius Baer Group	1.7
6	Canadian Natural Resources	3.3	Meta Platforms	2.0	Fortum	1.7
7	CIBC	3.1	Philip Morris Intl.	2.0	Snam S.p.A	1.5
8	Tourmaline Oil	3.0	Amazon	1.8	Azimut Holding	1.5
9	Waste Connections	2.9	Exxon Mobil Corp.	1.7	Equinor	1.4
10	Pembina Pipeline Corp.	2.8	JPMorgan Chase & Comp.	1.6	St. James's Place	1.3

SPP portfolio year to date June 30, 2025		
	Return*	Benchmark
Balanced Fund		
Short-term	1.6%	1.5%
Bonds	1.9%	1.4%
Mortgages	3.5%	2.5%
Private debt	-5.2%	3.0%
Cdn. equities	8.9%	10.2%
U.S. equities	0.1%	0.8%
NNA equities	16.4%	13.3%
Real estate	0.5%	0.9%
Infrastructure	4.6%	4.5%
Diversified Income Fund		
Bonds & mortgages	2.7%	2.2%
Short-term	1.6%	1.5%
*Gross return before administration expenses		