



BOARD OF GOVERNORS

Meeting
Friday, October 9, 2026
OPEN SESSION: 2:00 p.m.–3:00 p.m.

AGENDA

- 1. Welcome and Adoption of Agenda** M. Lavallée, Chair
Declaration of Conflicts of Interest (if any)
- 2. Consent Agenda** Chair

Draft motion:
That the Consent Agenda be approved as presented.
 - 2.1. Approval of Minutes**
Open Session, June 19, 2026 (for approval) (pg. 2)
 - 2.2. Financial Update to July 31, 2026**
Report (for information) (pg. 7)
 - 2.3. Capital Projects Update**
Report (for information) (pg. 14)
 - 2.4. Quarterly Investment Performance Review – Windup Surplus and VER Funds – Q2**
Report (for information) (pg. 28)
 - 2.5. Quarterly Investment Performance Review – Endowment/Sinking Fund – Q2**
Report (for information) (pg. 38)
- 3. Chair's Remarks** Chair
- 4. President's Report** C. Bruce, President
 - 4.1 Reconciliation Reflection**
- 5. Moody's Credit Rating Update** D. de Launay/VP Al-idrissi
Report (for information) (pg. 61)
- 6. 2025/2026 Audited Financial Statements** A. Ramsay/ VP Al-idrissi
Report & Draft Financial Statements (for approval) (pg. 72)

Draft motion:
THAT the Board of Governors approve the 2025/2026 Audited Financial Statements, as presented.
- 7. Meeting Adjournment** Chair



Board of Governors

Minutes of the Meeting – Open Session

Peterborough ON, June 19, 2026

Present – In Person: M. Lavallée (Acting Chair), D. Kirk (Chair), C. Bruce, D. de Launay, C. Jacobs, V. Lovekin, P. Lovett-Reid, J. McGarrity, J. McKenna, L. Mitchell, P. Norman, J. Raine, H. Uluorta, (Vice-President, Finance & Administration) T. Al-idrissi, (Vice-President, Communications & Enrolment) M. Burns, (Vice-President, External Relations & Development) J. Davis, (Provost & Vice-President, Academic) M. Skinner, (Vice-President, People, Culture and Student Services) S. Williams, (Associate Vice-President, Finance) C. Turk, (University Secretary) B. Blackburn, (Associate University Secretary) R. Hall, (Recording Secretary) T. Edwards.

Regrets: G. Beggs, Y. Craig, T. Gervais, E. Hanna, A. Ramsay, K. Scaldwell, A. Vreugdenhil

[The Secretary confirms that quorum was present for this meeting.]

1. **Welcome and Adoption of Agenda.** The Chair called the Open Session of the meeting to order at 1:00 p.m. With no conflicts of interest declared, it was moved/seconded (McGarrity/Mckenna),

That the Board approve the agenda as presented. Carried

2. **Consent Agenda.** It was moved/seconded (Lovett-Reid/McKenna),

That the consent agenda be approved as presented. Carried

2.1 Approval of Minutes. The Open Session minutes of May 8, 2026, were approved as presented.

2.2 Capital Projects Update. Received for information.

2.3 Annual Report on Quality Assurance. Received for information.

2.4 Investment Performance Summary (Windup Surplus and VER Funds) – Q1. Received for information.

2.5 Investment Performance Summary Endowment/Sinking Fund – Q1. Received for information.

2.6 Annual Endowment Fund Distribution Report. Received for information.

2.7 Alumni Report. Received for information.

3. **Chair's Remarks.** The Chair thanked outgoing Governors for their service on the Board, as well as acknowledging new incoming Chancellor Zabeen Hirji, whose term commenced July 1, 2026.

4. **President's Report.** The President reported on various events and activities since the last meeting. She noted Trent's success at the annual Excellence Awards, hosted by the Canadian Council for Advancement of Education.
5. **Value of Liberal Arts & Sciences.** Provost Skinner introduced the Dean of Humanities and Social Sciences, Dr. Kathryn Norlock, and Dean of Science, Dr. Sarah West, to present on the value of a Liberal Arts & Sciences education.
6. **Financial Update to April 30, 2026 (Pre-audit).** Governor de Launay, Chair of the Finance & Property Committee, presented the Financial Update up to April 30, 2026. VP Al-Idrissi indicated a projected operating surplus of approximately \$0.1M, compared to the budgeted deficit of \$1.65M. While international enrolment was below projections resulting in a net tuition revenue shortfall, this was substantially offset by additional government funding received after budget approval, higher-than-budgeted miscellaneous revenues, and lower than projected staffing costs resulting from vacancies and hiring timelines. Cash on hand was higher than anticipated, while short-term investments were lower due to liquidity requirements associated with major capital projects. The audited 2025-2026 financial statements will be presented to the Audit & Investment Committee in September 2026. Any material operating surplus will be transferred to the operating pressures contingency reserve following finalization of the year-end results.

It was moved/seconded (de Launay/McGarrity),

That the Board of Governors approve of transferring up to the full amount of any material 2025–2026 operating surplus to the Operating Pressures Contingency Appropriation following completion of year-end financial statement preparation and audit adjustments. Carried

7. **2026/2027 Budget – Final Draft.** Governor de Launay presented the 2026/2027 budget, noting that the University was operating in a challenging environment, which continued to evolve during the budget process due to increased government funding announcements.

Enrolment was projected to decrease 6% from the previous year leading to an anticipated loss of \$25M in tuition. As a result, Trent was projecting a \$14.3M deficit for 2026/2027, growing to \$32M by 2028/2029, before implementing any new budget reduction strategies or other mitigating actions. To address the anticipated deficits the University is taking a multi-pronged, multi-year approach. Administration was recommending departmental budget reductions of \$11.9M. The budget also included \$0.6M in strategic investments in key institutional priorities and an improved contribution of \$0.4M from ancillary services. The remaining \$2.6M deficit would be funded through the operating pressures contingency.

In response to questions regarding the budget development process, President Bruce stated that Administration's decisions were guided by principles of financial sustainability, reputation and quality, strategic alignment, student experience, culture and people, and risk management. These principles informed efforts to identify budget reductions while protecting the University's academic mission and maintaining institutional quality. It was noted that Trent's interdisciplinary approach remains a significant strength, providing flexibility in responding to government priorities and labour market demands.

Following discussion, it was moved/seconded (de Launay/Norman),

That the Board of Governors approve:

- (1) The 2026/27 Operating Budget;**
- (2) The 2026/27 Ancillary Budget;**
- (3) The 2026/27 Tuition Fees; AND**
- (4) The 2026/27 Ancillary Fees,**

based on revised funding allocations from the Ministry of Colleges, Universities, Research Excellence and Security, as presented. Carried

8. **Special Resolution II.3 – Delegation of Authority for Budget Transfers and Disposal of Assets.** Chair of the Finance & Property Committee, Governor de Launay, presented the updated Special Resolution II.3. The proposed revisions included two substantive changes: clarification that the market value of assets being disposed of is based on their value at the time of disposition, and the inclusion of guidance regarding the disposal of assets acquired through third-party funding. All other changes were administrative or housekeeping updates.

It was moved/seconded (de Launay/McKenna),

That the Board of Governors approve revisions to Special Resolution II.3 – Delegation of Authority for Budget Transfers and Disposal of Assets, as presented. Carried

9. **Special Resolution II.7 – Stewardship and Use of Endowment Lands Revenue.** Governor Norman, on behalf of the Trent Lands Committee, introduced revisions to Special Resolution II.7. VP Davis outlined the minor policy amendments, which included clarifying that Administration would be responsible for providing the Board with the annual report on the status of revenues and expenditures in the Trent Lands account, rather than the University Secretary, and updating the reporting timeline to better align with annual financial reporting schedules. A date for next review was also added.

It was moved/seconded (Norman/McGarrity),

That the Board of Governors approve revisions to Special Resolution II.7 - Stewardship and Use of Endowment Lands Revenue as presented. Carried

10. Annual Heritage Update Report & Heritage Stewardship Policy Amendments.

Governor de Launay presented the Annual Heritage Update report. VP Al-idrissi reported that the Committee reviewed and provided advice on the Faryon Bridge, Great Hall roof, and Kerr House projects, in addition to the redistribution, repurposing, or, if beyond repair, disposal of furniture.

Amendments presented for the Heritage Stewardship Policy included updated definitions of terms, clarification on the responsibility of the Heritage Advisory committee, and clearer language on the management of assets deemed to have historical significance to the University.

It was moved/seconded (de Launay/Uluorta),

That the Board of Governors receive this report for information and approve revisions to the Heritage Stewardship Policy as presented. Carried

11. Health & Safety Policy. Governor McKenna introduced the updated Health & Safety Policy. VP Williams outlined the revisions to the document, which primarily involved removing redundant language in the *Responsibilities* section of the Policy as it was already captured in the associated procedures document. Other revisions were housekeeping in nature.

It was moved/seconded (McKenna/McGarrity),

That the Board of Governors approve revisions to the Health and Safety Policy, as presented. Carried

12. Annual Report on Sexual Violence. VP Williams presented the annual report on sexual violence, providing an overview of reporting trends, student support services, prevention education initiatives, and ongoing policy and program development. The report highlighted continued demand for survivor-centred supports, and sexual violence prevention and consent education programming across both campuses. Ongoing efforts to strengthen awareness, reporting, collaboration, and campus safety through new hybrid training modules, policy review activities, and community partnerships continue to improve how students receive and access these services. Governors discussed the importance of assessing the effectiveness of supports through student feedback and fostering a supportive campus culture that encourages disclosure and access to appropriate supports.

It was moved/seconded (McGarrity/Raine),

That the Board of Governors receive this report for information. Carried

13. Trent Lands and Nature Areas Plan Update. Governor de Launay introduced the Trent Lands and Nature Areas Plan Update. VP Davis highlighted the ongoing implementation of the long-term framework guiding campus development, environmental stewardship, and Indigenous collaboration. Developed through

extensive consultation, the plan supports the protection of Trent's natural lands and waterways, the integration of Indigenous and Western knowledge through the University Green Network stewardship plan, and continued engagement with Indigenous partners. The update also outlined progress on key initiatives, including the research farm, upper-year student housing, the long-term care home, future seniors village development, campus mobility improvements, and planning for a secondary campus entrance to support future growth.

It was moved/seconded (de Launay/Raine),

That the Board of Governors receive this report for information. Carried

- 14. Senate Annual Report to Board of Governors.** VP Skinner provided an overview of the activities outlined in the 2025/26 Senate annual report. This included various initiatives undertaken by major academic committees, including the search and selection of Trent's 13th Chancellor, program approvals, policy and academic regulation updates, and facilitated education session topics.

It was moved/seconded (McGarrity/Jacobs),

That the Board of Governors receive this report for information. Carried

- 15. Meeting Adjournment.** The open session of the meeting was adjourned at 3:07 p.m.

Brenda Blackburn
University Secretary

Mike Lavallée
Acting Chair



Board Report

Session: ☐ Closed Session; ☒ Open Session

Action Requested: ☐ Decision; ☐ Discussion/Direction; ☒ Information

To: Board of Governors

Date: October 9, 2026

Presented by: David de Launay, Chair Finance and Property Committee
Tariq Al-idrissi, VP Finance and Administration

Subject: Financial Update to July 31, 2026

Motion for Consideration (if applicable):

That the Board of Governors receive updated information on Trent's financial operating performance.

Executive Summary:

The 2026/2027 Operating Plan conservatively estimated total enrolment would decrease by 6.0%, from 12,324 full-time equivalents (FTEs) in 2025/2026 to a total of 11,587 FTEs. The budgeted decrease was primarily due to the continued impact of the Federal government's cap on international student study permits on international enrolment.

The Board-approved budget for 2026/2027 projects an operating deficit of \$1.824 million, which will be funded by the use of one-time operating pressures contingency reserves.

While the University has recently received preliminary information regarding Priority Growth funding eligible enrolment, it is too early in the enrolment cycle to determine if Priority Growth targets will be reached, or to adjust the financial forecast to the year-end. Enrolment projections will be revised once the November 1st count is official, at which time a revised financial forecast will be presented. There are no known adjustments to the financial forecast at this time.

Based on the current cash flow projections, the University will require the use of its operating line of credit by June 2029 and will exceed its borrowing capacity by March 2030 unless further mitigating strategies are implemented.

An overview of Trent's current financial position as of July 31, 2026 and projection to year-end are attached. These projections are subject to change once enrolment counts are completed, as in-year changes are known, and when year-end adjustments are finalized.

Analysis/Alternatives Considered:

This Financial Update is intended to provide an overview of the current financial results of operations to the most recently completed month-end and revised projections to year end compared to the Board-approved budget. It is typical for the actual results to date to indicate a positive variance from budget throughout the year as departmental carry forwards of

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unspent budgets and university strategic appropriations of any surplus funds are determined closer to year end once the financial position after year-end adjustments is better known. The projection to year end will be updated after November 1st and February 1st enrolment counts are finalized or when material changes to the budget assumptions arise, such as new enrolment projections, modifications to employee compensation once negotiations of collective agreements are completed, activity or required expenditures in response to changes in legislation or Ministry policies, changes to other funding, or unforeseen events.

Year-to-Date Performance

Cash on Hand: Cash on hand of \$69.2 million at July 31, 2026 is comparable to \$66.3 million in cash on the same date in 2025. The cash balance at July 31, 2026 is comprised of approximately \$37.4 million in restricted funds (externally funded trust, research and fundraising) and \$31.8 million in unrestricted cash (refer to Appendix A). This unrestricted balance represents approximately 1.8 times the normal total monthly cash requirements for the University.

Short Term Investments: In addition to the cash on hand noted above, the University has \$47.2 million (2025 - \$65.0 million) invested in multiple short-term GICs at July 31, 2026. These short-term investments are invested in \$2.2 - \$5.0 million increments earning between 2.90% to 3.70% with maturity dates between August 2026 and September 2027 to ensure liquidity should some or all this excess cash be required for operations.

Overall, year-over-year cash and short-term investments have decreased \$14.9 million due to timing of receipts and lower tuition receipts corresponding with lower enrolment.

Operating Line of Credit: The University has available an operating line of credit of \$6 million, which increases to \$12 million twice a year to offset periods of lower cash inflows. The interest rate on the operating line of credit, when drawn, is the bank's prime lending rate and amounts are repayable on demand. The University is not currently using this line of credit.

Operating Results: The year-to-date budget is estimated by prorating the annual budget based on the average of the last 4 years actual performance to date adjusted for typical trends, known timing and other seasonal factors.

The year-to-date actual financial performance indicates a favourable variance from budget as at July 31, 2026 due to the recognition of appropriations and carry forwards approved at April 30, 2026 available for use in fiscal 2026/2027.

Actual results are subject to change once enrolment numbers are finalized and year-end adjustments and approved appropriations are determined. As per past practice, all departments may request to carry forward any unspent budgets for future strategic initiatives. These requests are considered closer to the fiscal year-end when the overall financial position of the University is better known.

Year-end Operating Projection

Government Grants: The 2026/2027 Board-approved budget includes \$83.9 million in annual funding under the 2025-2030 Strategic Mandate Agreement (SMA4), of which nearly \$24 million is at risk subject to meeting performance and accountability requirements. Trent is receiving the third and final instalment for one-time Post-secondary Education Sustainability Funding of \$3.6 million in 2026/2027.

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On September 10, 2026, the Ministry approved Priority Growth Funding (PGF) to support total growth of additional funding-eligible FTEs above Trent's 2024/2025 funded enrolment base. Growth in 2025/2026 will result in an estimated \$0.8 million in funding, which will be received and reported in 2026/2027 fiscal year once verified through the enrolment audit (December 2026). For 2026/2027, the Ministry has approved 159 additional funding-eligible FTEs above Trent's 2024/2025 funded enrolment base. The approved FTE targets for any programs pending Ministry program approval are conditional on approval in advance of reporting the enrolment for funding purposes. Further details regarding the resulting funding for 2026/2027 will be received in the next few weeks. Until then, this funding has not been factored into this financial forecast.

Once enrolment counts are finalized November 1st and February 1st additional funding expectations will be included.

Enrolment Projections and Net Tuition Revenue: The 2026/2027 Operating Plan estimated total enrolment would decrease from 12,324 FTEs the previous year to a total of 11,587 FTEs, a 6.0% overall decrease.

Fall enrolment is not finalized until November 1, 2026 and total enrolment is not confirmed until February 1, 2027. Early indications are predicting Trent's domestic enrolment is trending higher than expected and resulting net tuition revenue from this increase may sufficiently offset the estimated potential shortfall from the international enrolment targets established in the 2026/2027 operating budget. Therefore, and as fall enrolment is not finalized, no adjustments have been made to the 2026/2027 projected results.

Operating Expenses: The majority of the University's operating expenses are incurred during the Fall 2026 and Winter 2027 academic terms. At this early date, senior administration is not aware of any material changes to planned operating expenses that would warrant an adjustment to the budget.

Financial Implications:

The Board-approved budget for 2026/2027 projects an operating deficit of \$1.824 million, which will be funded by the use of one-time operating pressures contingency reserves.

Cash Flow Projections

Senior administration has developed preliminary cash flow projections based on three-year historical trends, current enrolment projections and operating forecasts for the next five years, and capital project planning. This cash flow analysis includes unrestricted cash and short-term investments. Restricted cash is excluded as such cash must be used for the specified purpose which the funds were received.

Based on this analysis, the University will require the use of its operating line of credit by June 2029 and will exceed its borrowing capacity by March 2030 unless further mitigating strategies are implemented (refer to Appendix B). This analysis will be revised as operating and capital planning is updated.

Enterprise Risk Assessment:

The financial health of the University is paramount to the University's overall success and ability to fulfill its academic mandate and meet student expectations. Monitoring in-year

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financial performance against the approved budget is critical to ensuring well-informed decision making regarding the allocation and use of limited resources, and mitigating strategies if financial loss is anticipated.

Next Steps:

The next financial update will be provided at the next Finance and Property meeting on November 24, 2026. At that time, enrolment projections and the resulting financial implications will be updated based on projected November 1st enrolment counts.

Alignment with Mission, Vision, Values, Strategic Plan:

To fulfill their responsibilities, Governors should be informed of the University's financial situation. Regular financial updates will maintain Governors' awareness of the University's current financial status and allow for input and oversight where needed. Such updates also allow for in-year decisions for strategic investments if possible, or mitigation strategies as necessary to ensure financial health and sustainability in alignment with Trent's mission and Strategic Plan.

Consultation:

Not applicable

Compliance with Policy/Legislation:

Complying with a Board of Governors directive, the full Board will receive regular financial updates, through the Finance and Property Committee.

Committee/Board Mandate:

The Board of Governors is responsible for ensuring the financial health of the University and the proper management of its buildings, lands and capital projects. The Finance & Property Committee assists the Board in carrying out these responsibilities by monitoring the institution's financial, property and capital affairs and making related policy recommendations.

In its finance role, the Committee monitors budget projections and debt levels and recommends operating, ancillary and capital budgets for the approval of the Board of Governors. It recommends levels of student fees, spending authority, loans and lines of credit for Board approval. The Committee makes recommendations to the Board for the approval of any contract or purchase the total value of which exceeds the level of spending established for the President. The Committee may make financial policy recommendations to the Board including but not limited to policies on tuition and ancillary fees, banking, borrowing and purchasing. It may make recommendations to the Board concerning fiscal planning, internal financial controls or other areas affecting the financial health or accountability of the University. The administration may consult with the Committee on the subjects for internal audits and provide follow-up reports.

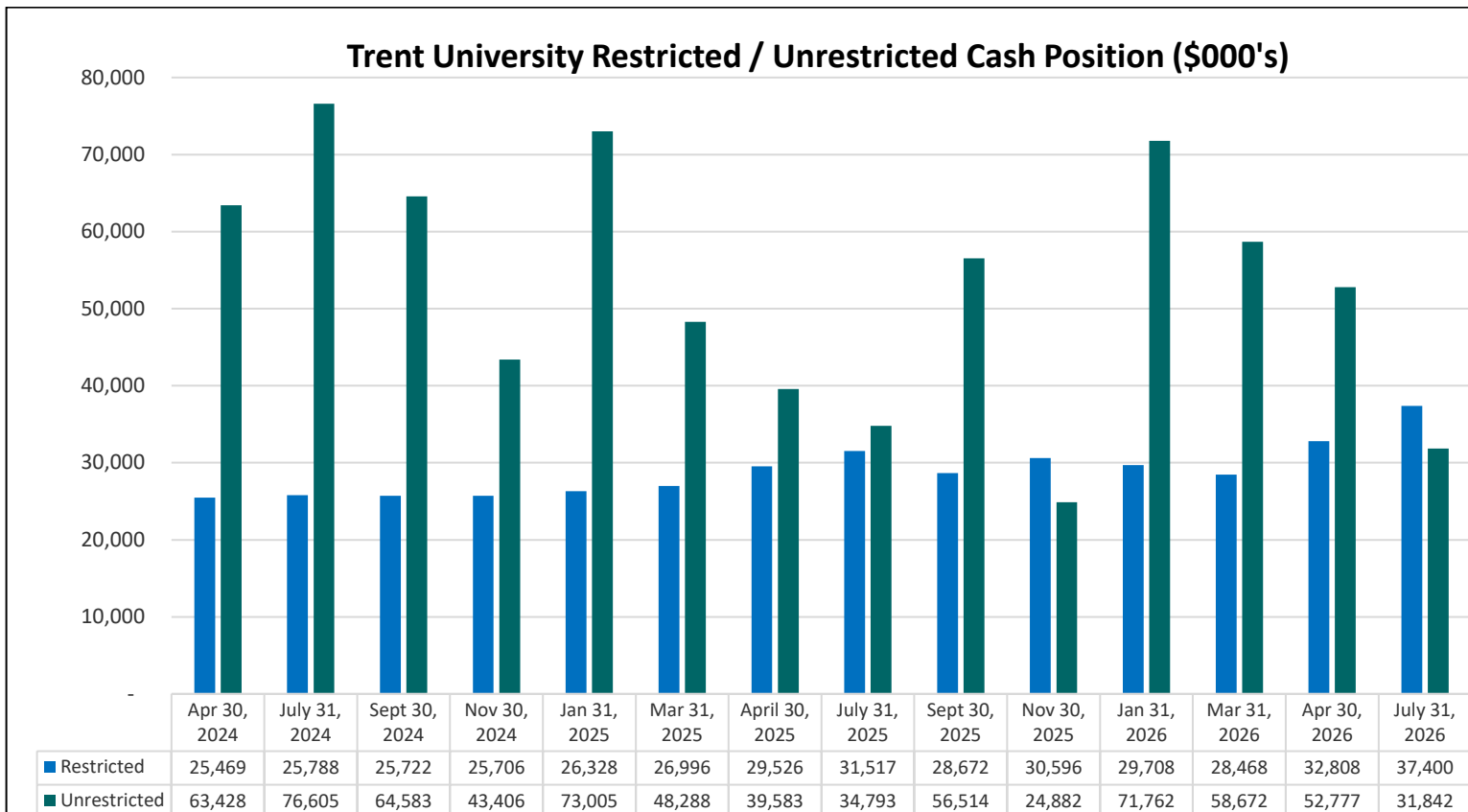
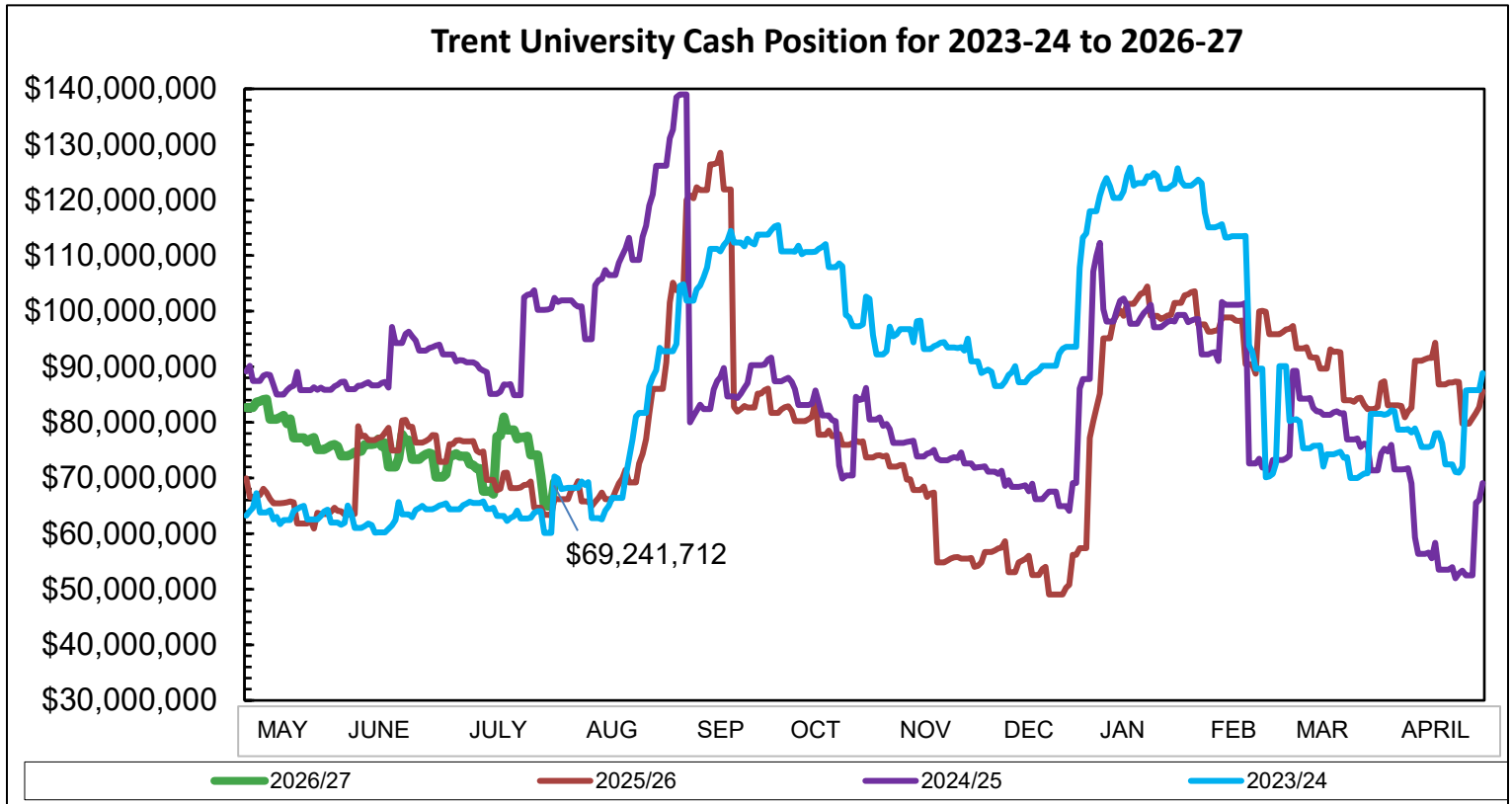
Supporting Reference Materials (attached):

Appendix A: Cash Position for the period ending July 31, 2026

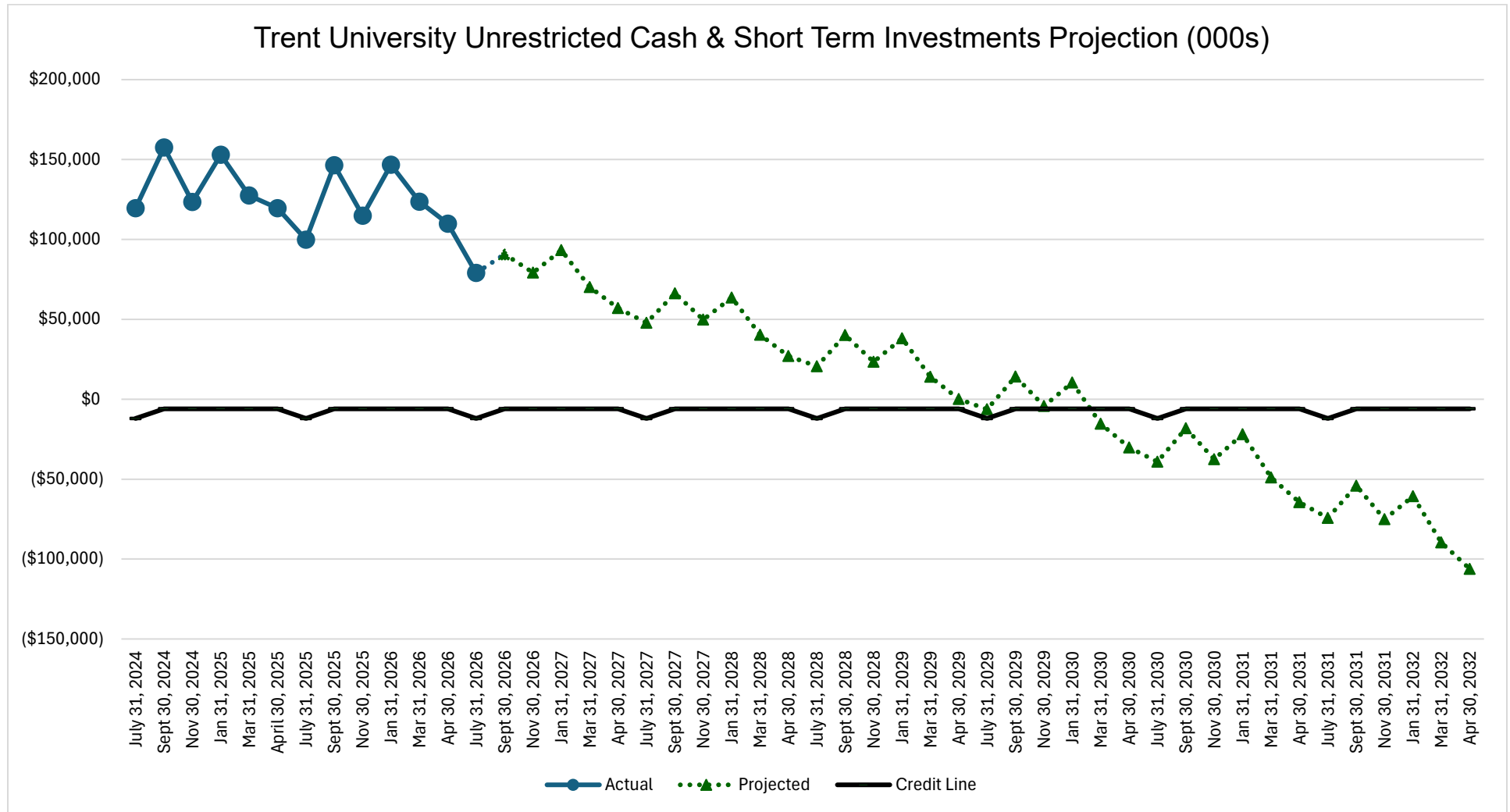
Appendix B: Unrestricted Cash Flow Projections

Appendix C: 2026/2027 Operating Budget Projection as at July 31, 2026

Appendix A: Cash Position for the Period Ending July 31, 2026



Appendix B: Unrestricted Cash Flow Projections



Appendix C:

Trent University
2026/2027 Operating Budget Projection
(\$000s)
As of July 31, 2026

	YTD ACTUAL	BOARD- APPROVED ANNUAL BUDGET	ANNUAL PROJECTION	ANTICIPATED ANNUAL VARIANCES
REVENUE				
Government grants	\$17,221	\$89,140	\$89,140	\$-
Tuition fees	11,309	106,910	106,910	-
Miscellaneous revenue	1,911	10,620	10,620	-
TOTAL REVENUE	\$30,441	\$206,670	\$206,670	\$-
EXPENSES				
Instructional staff	\$16,499	\$96,846	\$96,846	\$-
Non-instructional staff	13,272	65,801	65,801	-
Student financial aid	1,024	14,031	14,031	-
Non-staff expense	14,626	41,901	41,901	-
Total expense	\$45,421	\$218,579	\$218,579	\$-
Cost recoveries	(1,000)	(10,085)	(10,085)	-
TOTAL NET EXPENSE	\$44,421	\$208,494	\$208,494	\$-
EXCESS (DEFICIENCY) OF EXPENSE OVER REVENUE	\$(13,980)	\$(1,824)	\$(1,824)	\$-
Change in appropriations & endowment transfers	12,126	1,824	1,824	-
ANNUAL SURPLUS (DEFICIT) from University Operations	\$(1,854)	\$-	\$-	\$-



Board Report

Session: ☐ Closed Session; ☒ Open Session

Action Requested: ☐ Decision; ☐ Discussion/Direction; ☒ Information

To: Board of Governors

Date: October 9, 2026

Presented by: David de Launay, Chair, Finance and Property Committee
Tariq Al-idrissi, Vice-President, Finance & Administration

Subject: Capital Projects Update

Motion for Consideration (if applicable):

That the Board of Governors receive the Capital Projects Update for information.

Executive Summary:

With the academic year in full swing, the construction season continues, due to the scale of some projects. While we aim to complete projects before the year starts, projects such as the Faryon Bridge, the Gidigaa Migizi College, and the New Otonabee College residence are multi-year, multi-million-dollar projects that must continue while students are active on campus. Additionally, FRP-funded projects tend to start late because of provincial fiscal funding cycles and must be completed during the academic year.

Administration will have delivered over \$15M in capital projects this fiscal year once the construction season ends.

Discussion:

Facilities Renewal Program (FRP) – 2026/2027

Trent recently received a formal statement of funding allocation from the province indicating the FRP funding allocation to Trent is \$3.85M.

Unlike previous allocation notices issued by the province, this statement of funds indicates the same level of funding for the 2027-28 fiscal year and expanded uses for the institution, such as energy-as-a-service. This advance notice will help the Institution capitalize on the 2027 construction season.

FRP funding is intended to supplement an institution's own capital renewal program for activities such as:

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- repairs to the fabric and structure of buildings,
- repairs to building service equipment and electrical or mechanical systems, and built-in general academic support equipment,
- alterations and renovations to existing spaces to improve the condition and efficiency of teaching and research functions, and
- improvements to remove accessibility barriers for persons with disabilities.

The FRP program provides funds to repair, renovate, and modernize existing facilities owned by colleges and universities that are used for academic purposes (teaching and research). This restriction results in a large volume of capital renewal requirements on each Campus that is not eligible for improvements through FRP funds.

Trent must complete the following work before March 31, 2027, to qualify for funding.

Table 1 –Facilities Renewal Program Project List – 2026/2027

PROJECT GROUPS	Estimate	Status
Structural & Building Envelope	\$ 460,000	Varying Stages from Quotation to Complete
Mechanical & Electrical Improvements	\$1,940,000	Varying Stages from Initiation to Completion
Campus Safety	\$90,000	Complete
AODA Improvements	\$1,360,000	Design/Implementation
Total Estimated Expenses	\$3,850,000	

While the individual projects above are in various stages, the value committed and spent to date is over \$1M. Long lead times on Mechanical and Electrical components and the Kerr House accessibility project make up the majority of the balance.

Projects In Support of Gidigaa Migizi and the New Otonabee College Residence

As summer draws to a close, this project has progressed well. The majority of excavation, rock breaking, and large-scale shoring work is complete. With excavation nearing completion, crane assembly is underway. Additionally, the power supply conduit from Pioneer Road to the DNA building has been installed, and East Bank Drive is open in one direction to improve traffic flow onto campus.

Operational challenges are inherent when constructing a walking campus. The decision to build in close proximity to existing buildings was a known challenge and one accepted in terms of disruption. While operations in the vicinity, such as shipping and receiving and gas deliveries, are affected, the project has made efforts to reduce the impacts. The common impacts that will continue throughout the project are noise, vibration (less as we move out of the ground), and construction traffic.

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Expectations for the coming months include cranes rising, footings installed, and, optimistically, the structure beginning to rise from the footings. While structural elements continue to be constructed, interior design elements also progress.

Rehabilitation of the Faryon Bridge

The Faryon Bridge rehabilitation progressed well over the summer months. The contractors' attention to detail has been an important element of the Faryon renewal. For example, steps to board the balustrades, as they did 60 years ago, was undertaken to recreate the wood-grain appearance on the returns.

The major concrete work is expected to be completed before winter sets in. When spring and summer of 2027 arrive, the remaining protective coating will be installed, and periphery cleanup of elements will be completed.

Academic Space Rehabilitation

The planned academic renovation projects are complete. At the Symons Campus, JBH 126 has been renovated to improve classroom functionality and utilization. The room will also serve as Trent's secondary Emergency Operations Centre, with a natural gas-fired generator improving resilience.

At the Durham Campus, Classrooms A105 and A114 were combined to create a larger teaching space with capacity for more than 70 students, to better support instructional demand at Durham. While unknown conditions beneath the existing floor, from decades past, slowed the project, the classroom was completed for use in this academic season.

Student Housing Renovation

The housing office and the project management office (PMO) continue to develop the multi-year capital renovation plan for student housing.

Year	Project	Description
Ongoing	Champlain Residence Refurbishment Project Design	Project scoping, design, phasing plan & budget \$80K - procurement of consultant to take place early Fall, with design to take place through the academic year
	Lady Eaton Piping (Sanitary and Storm) - Design and repair	Based on the flushing results, the scope of the project will be reduced

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	Residence Electrical Panels – Replacements	Based on infrared scanning test results, electrical replacement work is prioritized - \$150K - work is 75% complete; the balance to be finished during reading break and Christmas
	LEC Air Handling Unit (north)	Refurbishment of the air handling unit serving LEC North \$150K - tender closing in September, replacement to occur in accordance with equipment delivery prior to March 31, 2027.
2027/28	Champlain (N) Windows Continued	Final phase of the window replacement project, \$2.4 M. - Detailed design is complete, project being issued for tender September, replacement targeted for Summer 2027.
	Residence Electrical Panels – Replacements	Based on infrared scanning test results, electrical replacement work is prioritized - \$150K
	Gzowski Door Replacement	Door replacement of residence rooms - \$175K
	CC residence Refurbishment Phase 1	\$2.0 M in renovations
	LEC Air Handling Unit (south)	Refurbishment of the air handling unit serving LEC South \$150K
	CC Tower Air Handling Unit	Refurbishment of the air handling unit serving CC tower \$50K
2028/29	CC Residence Refurbishment Phase 2	\$2.0 M in renovations

OC Academic Fireproofing

While replacing the OC Academic roof last summer, we uncovered defects in the underside fireproofing. Facilities Management worked throughout the academic year to resolve these issues while maintaining use of the spaces below. As the academic term came to a close, rehabilitation of academic spaces and replacement of the fireproofing began. The contractor, new to Trent, posed a challenge; however, the project was completed in time for the fall academic term.

DNA 109 Graduate Student Lounge

What was once a cubical-style workspace for graduate students has now been renovated to include an open-concept suite with various work areas. Amenities such as a kitchenette and breakout space are part of an effort to improve the student experience. The project progressed well through the summer and was completed before the fall term.

Donor-Funded College Renewal Projects

In addition to major infrastructure and classroom renewal projects, Facilities Management is supporting several donor-funded renewal initiatives across the Colleges. These projects are smaller than major capital works but meaningfully enhance the student experience by improving accessibility, livability, and a sense of welcome. Current donor-supported projects at Champlain College include the Champlain Living Learning Commons, Junior Common Room, and Champlain Guest Suite. At Otonabee College the Wilder House Lounge was renovated, including accessibility upgrades to support patio access. These projects demonstrate how targeted donor investment can enhance the everyday campus experience and help renew spaces central to college life.

Some challenges have recurred with new contractors at Trent; however, staff have worked tirelessly to mitigate contractors' lack of effort. Unfortunately, the tariff issue has also resurfaced for special-order aluminum windows. While the spaces will be usable, deficiencies and some infrastructure work remain. These projects will wrap up throughout the fall academic term.

Roundhouse and Teaching Lodge (Planning)

With philanthropic support, Trent is in the early stages of finalizing a site on the Symons Campus for a combined roundhouse and teaching lodge. Work continues as we develop the functional program and move into the preliminary design phase. This project reflects Trent's dedication to Indigenous knowledge and will no doubt be a featured building on campus. Fall engagement sessions are planned.

Kerr House Accessibility Ramp

Earlier this year, the Kerr House accessibility ramp was deemed unsafe, and winter maintenance also caused deterioration of the Kerr House façade. While the ramp is closed, Facilities Management has taken the opportunity to explore options to make the building more accessible. Interior ramp options are being explored, which may result in additional useful floor area for people with mobility challenges. In the meantime, façade repairs continue, and arrangements have been made for the use of Kerr House this year.

Longterm Care - peopleCare

While the construction of the new long-term care facility is not a direct Trent construction project, the partnership with peopleCare will provide students with hands-on experience in an active community. Tentative timelines for the first resident move-in are scheduled for September 2027.

Off Campus Student Housing – Water St Property

The land lease for off-campus student housing has been successful. London Property Corp. has completed construction for Sept. 1 move-ins and the facility is fully occupied. The initiative between Trent and London Property Corp. not only helps the City meet its housing targets, but also enables additional community housing and brings students closer to campus.

Additional Completed/Ongoing Projects

Although projects have been completed during the year, the project management office will continue to focus on the following projects over the coming months.

- Food Services Expansion - (Gzowski College - Oversee food service provider, Complete)
- 5-Year Asset Condition Inspections – (Complete)
- VP Research Office Reno – (Complete)
- Gzowski College/Enwayaang South Emergency Exit – (Complete)
- Build Communities Strong Fund – Project selection for expression of interest
- Active Transportation Master Plan – (Ongoing)
- Seniors' village infrastructure in cooperation with the LTC partner (Ongoing)
- Durham Sign – (Concept awaiting approval)
- Various Campus Structural Repairs – (Ongoing)
- Great Hall roof replacement – (Planning)
- Champlain Dining Hall Refresh [Furniture, Paint, Audio] – (Ongoing)
- Campus Entrance Relocation – (**Environmental Impact Study complete**, tree removal and detailed design pending City cooperation)
- Traill WH Pedestrian Bridge (Planning)
- 2 Impact Grants (Planning)

Future Capital Projects

Future projects include:

- Grounds Operation Facility Relocation (pending funding)
- Symons Class Renewal
- DNA A Block Roof Renewal
- Action items related to the Durham Task Force review
- Traill Lounge/Darkroom/Editing Suite

Page 7 of 14

- Gzowski EFIS repairs
- CC Patio

Financial Implications:

- Added funding by the University to complete non-eligible components of the FRP projects and infrastructure renewal.
- Capital planning for future projects.
- Academic/Research equipment replacement

Enterprise Risk Assessment:

Exceeding capital budgets and delaying project delivery can lead to increased financial pressures or reputational damage. Tariffs have slightly delayed projects and extended timelines. We anticipate this will continue.

Next Steps:

1. Continuing to develop the Infrastructure Asset Condition Inspection and Ratings,
2. Project development and project completion, and
3. Plan and formalize capital programs.

Consultation:

- Facilities Condition Database
- Web Work Order system
- Heritage Committee
- Asset Condition Reports
- ECS (Education Consulting Services) Space Utilization Study
- Trent Lands and Nature Areas Report
- Registrar Office

Committee/Board Mandate:

The Board of Governors is responsible for ensuring the financial health of the University and the proper management of its buildings, lands, and capital projects. The Finance & Property Committee assists the Board in fulfilling these responsibilities by monitoring the institution's financial, property, and capital affairs and making related policy recommendations.

In its property role, the Finance and Property Committee is responsible for the overall monitoring of campus capital building programs, stewardship of heritage assets, and makes recommendations to the Board of Governors for the approval of revisions to the Master Plan (siting of new facilities), the appointment of architects, final building designs, and major construction contracts.

Supporting Reference Materials (attached):

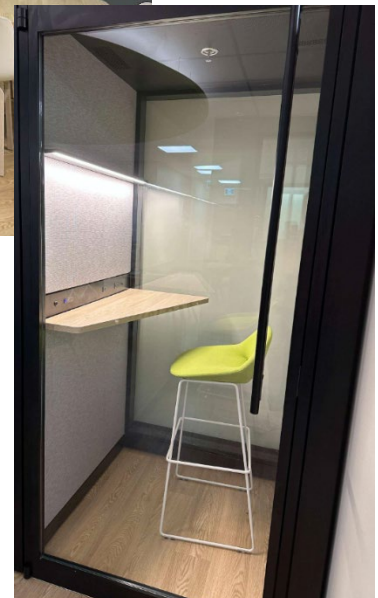
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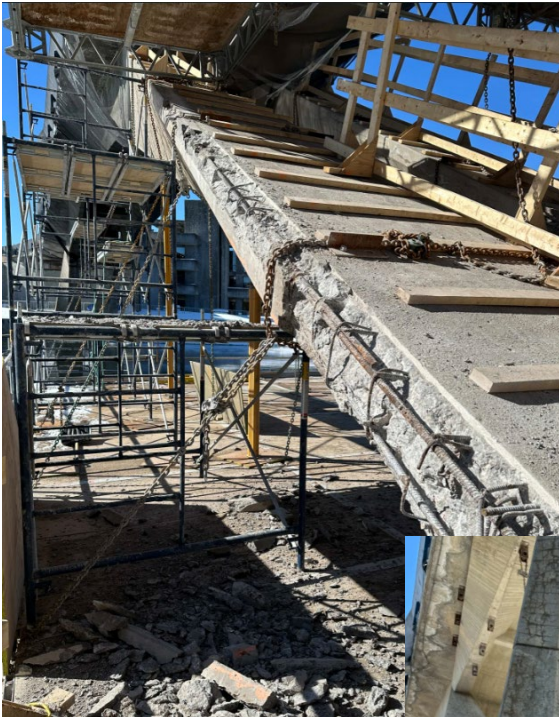
Before



After



Faryon Bridge



Gidigaa Migizi and the New Otonabee College Residence



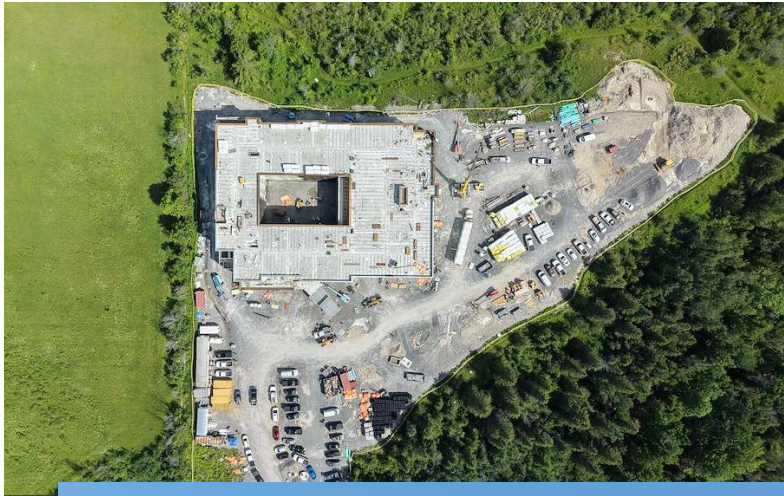
Water St Housing



Durham GTA



Longterm Care





Executive Summary

Trent University

Second Quarter 2026

Investment advice and consulting services provided by Aon Solutions
Canada Inc.



Major Capital Markets' Returns

As of 30 June 2026

	1 Quarter	YTD	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Equity								
S&P/TSX Composite	7.0	11.2	32.9	29.6	23.5	20.1	14.9	12.8
S&P 500	17.1	14.1	27.2	20.9	23.4	23.3	16.5	16.5
S&P 500 (USD)	15.2	10.2	22.3	18.7	20.6	20.4	13.4	15.5
MSCI EAFE (Net)	12.7	13.3	25.0	21.1	19.2	19.8	12.1	10.6
MSCI World (Net)	15.6	13.5	26.2	20.9	22.0	21.9	14.5	14.1
MSCI ACWI (Net)	16.8	15.1	28.6	22.0	22.5	21.8	14.0	13.8
MSCI Emerging Markets (Net)	26.1	28.2	49.2	31.0	25.9	20.1	10.2	11.1
Real Estate								
Global Real Estate Fund Index Core (GREFI) (LC)*	1.3	2.4	4.4	3.1	-0.4	-1.2	2.5	4.3
MSCI/REALPAC Canada Quarterly Property Fund	1.2	2.7	3.1	2.3	0.9	0.5	4.0	5.6
Fixed Income								
FTSE Canada Universe Bond	2.0	2.2	3.5	4.8	4.4	4.1	0.8	1.7
FTSE Canada Long Term Overall Bond	3.4	3.4	3.2	3.8	2.6	3.4	-1.7	0.9
FTSE Canada 91 Day T-Bill	0.6	1.1	2.5	3.1	3.8	3.8	3.1	2.0
Consumer Price Index								
Canadian CPI, unadjusted	1.0	2.4	2.8	2.3	2.4	2.5	3.6	2.7

Canadian Equities

The S&P/TSX Composite Index returned +7.0% in the second quarter of 2026, with 8 out 11 sectors posting positive returns. The best-performing sectors were Financials (+25.6%), Health Care (+14.0%), and Industrials (+10.6%), while Materials (-11.5%), Comm. Serv. (-10.0%), and Energy (-5.0%) detracted. Year-to-date, the S&P/TSX Composite Index returned +11.2%, with 8 out of 11 sectors delivering positive performance. Energy (+23.6%), Financials (+23.2%), and Utilities (+17.8%) led the performance, while Info Tech (-17.6%), Comm. Serv. (-4.8%), and Materials (-2.1%) lagged. Value stocks outperformed Growth over both in the quarter and year-to-date.

U.S. Equities

The S&P 500 Index returned 17.1% in Canadian dollar terms in the second quarter of 2026, with all sectors posting positive returns except for Energy (-12.0%). The best-performing sectors included Info Tech (+34.0%), Industrials (+16.8%), and Cons. Disc. (+11.1%). Growth stocks outperformed Value over the quarter. Year-to-date, the S&P 500 Index returned +14.1% in Canadian dollar terms. All sector delivered positive returns with Industrials (+24.4%), Info Tech (+24.0%), and Energy (+23.8%) leading. Value stocks outperformed Growth year-to-date.

Non-North American Equities

The MSCI EAFE Index returned 12.7% in Canadian dollar terms in the second quarter of 2026, with all sectors posting positive returns except for Energy (-15.8%). The top-performing sectors included Info Tech (+57.6%), Financials (+15.9%), and Industrial (+10.6%). Year-to-date, the index returned +13.3% in Canadian dollar terms. 9 out of 11 sectors delivered positive returns. The top performing sectors included Info Tech (+58.0%), Energy (+20.0%), and Materials (+17.9%), while Cons. Disc. (-4.4%) and Comm. Serv. (-1.4%) subtracted.

Canadian Fixed Income

The Canadian investment grade bond market, as measured by the FTSE Canada Universe Bond Index, returned +2.0% over the quarter. Provincial bonds (+2.7%) outperformed Corporate bonds (+2.1%) and Federal bonds (+1.5%). By maturity, long-term bonds (+3.4%) outperformed medium-term bonds (+1.9%) and short-term bonds (+1.2%). Year-to-date, the index returned +2.2%. Provincial bonds (+2.8%) outperformed Corporate bonds (+2.2%) and Federal bonds (+1.9%). Long-term bonds (+3.4%) outperformed medium-term bonds (+2.3%) and short-term bonds (+1.4%).

*Lagged one quarter.

Returns for periods greater than one year are annualized.

Sector returns are sourced from MSCI.



Asset Allocation & Performance

As of 30 June 2026

	Allocation	Performance (%)							
	Market Value (\$000)	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Special Investment Fund	2,587	5.8 (71)	6.9 (64)	15.7 (54)	14.7 (52)	12.9 (63)	11.9 (69)	7.5 (79)	7.4 (89)
Benchmark		5.8 (71)	6.9 (64)	15.9 (52)	14.9 (48)	13.1 (62)	12.0 (67)	7.5 (78)	7.4 (89)
Value Added		0.0	0.0	-0.2	-0.2	-0.1	-0.1	-0.1	0.0
OPSEU Pension Fund	13,237	0.5 (96)	1.1 (96)	2.3 (96)					
OPSEU Plan Benchmark		0.6 (83)	1.1 (92)	2.4 (93)					
Value Added		0.0	0.0	-0.1					

Calendar Year Performance

As of 30 June 2026

	Year to Date	2025	2024	2023	2022	2021	2020	2019	2018
Special Investment Fund	6.9 (64)	13.9 (32)	12.6 (83)	10.6 (61)	-9.3 (68)	9.7 (94)	8.7 (56)	14.2 (68)	-2.4 (48)
Benchmark	6.9 (64)	14.2 (28)	12.7 (82)	10.7 (57)	-9.3 (71)	9.6 (94)	8.6 (58)	14.3 (67)	-2.6 (52)
Value Added	0.0	-0.3	-0.1	-0.1	0.1	0.1	0.2	-0.1	0.2
OPSEU Pension Fund	1.1 (96)								
OPSEU Plan Benchmark	1.1 (92)								
Value Added	0.0								

Comparative Performance

As of 30 June 2026

	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years Ending Jun-2026	4 Years Ending Jun-2025	4 Years Ending Jun-2024	4 Years Ending Jun-2023
Special Investment Fund	5.8 (71)	6.9 (64)	15.7 (54)	14.7 (52)	12.9 (63)	11.9 (69)	5.5 (89)	5.5 (93)	4.2 (89)
Benchmark	5.8 (71)	6.9 (64)	15.9 (52)	14.9 (48)	13.1 (62)	12.0 (67)	5.6 (89)	5.5 (93)	4.2 (92)
Value Added	0.0	0.0	-0.2	-0.2	-0.1	-0.1	-0.1	0.0	0.1
TDAM Emerald Canadian Equity Index	7.0 (55)	11.2 (44)	32.8 (21)	29.6 (18)	23.5 (17)	20.1 (21)	10.8 (67)	12.4 (77)	8.6 (65)
S&P/TSX Composite	7.0 (56)	11.2 (44)	32.9 (21)	29.6 (19)	23.5 (18)	20.1 (21)	10.7 (68)	12.3 (78)	8.6 (66)
Value Added	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0
TDAM Emerald Pooled U.S. Index	17.2 (37)	14.1 (44)	27.2 (38)	20.9 (35)	23.4 (36)	23.2 (36)	14.0 (26)	17.1 (38)	13.1 (32)
S&P 500 (CAD)	17.1 (37)	14.1 (44)	27.2 (37)	20.9 (35)	23.4 (36)	23.3 (36)	14.0 (26)	17.1 (37)	13.1 (32)
Value Added	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TDAM Emerald Hedged Synthetic U.S. Equity Index	14.4 (58)	8.8 (79)	19.6 (69)	16.4 (70)	18.5 (70)	18.3 (70)	9.8 (82)	15.6 (58)	11.1 (60)
S&P 500 (Hedged)	14.5 (57)	9.0 (77)	19.9 (69)	16.6 (68)	18.8 (69)	18.6 (67)	10.1 (79)	15.9 (53)	11.5 (55)
Value Added	-0.1	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.3	-0.4
TDAM Emerald International Equity Index	12.7 (43)	13.6 (48)	25.4 (50)	21.3 (56)	19.3 (54)	20.0 (51)	9.1 (53)	9.8 (57)	5.7 (71)
MSCI EAFE (Net)	12.7 (43)	13.3 (53)	25.0 (51)	21.1 (57)	19.2 (55)	19.8 (53)	9.0 (54)	9.7 (59)	5.6 (73)
Value Added	0.0	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1
TDAM Emerald Canadian Bond Index	2.0 (84)	2.3 (81)	3.5 (96)	4.8 (97)	4.4 (99)	4.1 (99)	0.1 (100)	-1.9 (100)	-1.0 (100)
FTSE Canada Universe Bond	2.0 (88)	2.2 (85)	3.5 (97)	4.8 (96)	4.4 (99)	4.1 (99)	0.1 (100)	-1.9 (100)	-1.0 (100)
Value Added	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TDAM Emerald Short-Term Index	0.7 (17)	1.3 (34)	2.8 (20)	3.5 (18)	4.2 (11)	4.1 (20)	3.5 (29)	2.5 (39)	1.6 (40)
FTSE Canada 91 Day TBill	0.6 (62)	1.1 (92)	2.5 (90)	3.1 (90)	3.8 (85)	3.8 (90)	3.2 (82)	2.3 (87)	1.5 (83)
Value Added	0.1	0.1	0.3	0.3	0.3	0.3	0.3	0.2	0.2

Returns for periods greater than one year are annualized.
Returns are expressed as percentages
In December 2024, the OPSEU plan was winded up and the surplus was held in cash
As of April 29, 2025, the OPSEU Pension Plan is invested in the TD Emerald Canadian Treasury Government of Canada Fund

Comparative Performance

As of 30 June 2026

	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years Ending Jun-2026	4 Years Ending Jun-2025	4 Years Ending Jun-2024	4 Years Ending Jun-2023
OPSEU Pension Fund	0.5	1.1	2.3						
<i>OPSEU Plan Benchmark</i>	0.6	1.1	2.4						
Value Added	0.0	0.0	-0.1						
TDAM Emerald Canadian Treasury Managment Goverment	0.5	1.1	2.3						
<i>FTSE Canada 30 Day TBill</i>	0.6	1.1	2.4						
Value Added	0.0	0.0	-0.1						



Returns for periods greater than one year are annualized.
Returns are expressed as percentages
In December 2024, the OPSEU plan was winded up and the surplus was held in cash
As of April 29, 2025, the OPSEU Pension Plan is invested in the TD Emerald Canadian Treasury Government of Canada Fund

Summary of Investment Objectives

Plan Information

Mandate	Comments	Recommendations
Special Investment Fund	▪ The Special Investment Fund returned 5.8% for the quarter ending 30 June 2026, ranking in the 71st percentile among Aon’s universe of balanced funds. ▪ All index funds tracked their respective indices as expected. ▪ No material negative influences.	▪ No action is required.
OPSEU Pension Plan	▪ The OPSEU Pension Fund returned 0.5% for the quarter ending 30 June 2026, ranking in the 96th percentile among Aon’s universe of Canadian money market funds. ▪ As of December 2024, the OPSEU plan was winded up and the surplus was held in cash. ▪ As of April 29, 2025, the OPSEU Pension Plan is invested in the TD Emerald Canadian Treasury Government of Canada Bond.	▪ No action is required.

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Trent University

Investment Monitoring Report
Executive Summary
For the quarter ending June 30, 2026



Executive Summary

Markets Overview

As at June 30, 2026

Market Returns (Canadian Dollar)			
Region	Index	Quarter	Year to Date

Equities

Canada	S&P/TSX Composite	7.0%	11.2%
Global	MSCI World	15.6%	13.5%
Global	MSCI ACWI	16.8%	15.1%
US	S&P 500	17.4%	14.3%
Non-North America	MSCI EAFE	12.7%	13.3%
Emerging Markets	MSCI Emerging Markets	26.1%	28.2%

Fixed Income

Canada	FTSE Canada Universe Bond	2.0%	2.2%
Canada	FTSE Canada Long-term Bond	3.4%	3.4%
Canada	FTSE Canada Corporate Bond	2.1%	2.2%
Canada	FTSE Canada 91 Day T-Bill	0.6%	1.1%
Canada	FTSE Canada Real Return Bonds	3.7%	5.0%

Value	Other	Quarter	Year to Date
Annual: 2.8%	Consumer Price Index	1.0%	2.4%
\$4,008.02	Gold - US \$/oz	-14.1%	-7.2%
\$72.92	Oil - Brent/BBL US\$	-38.4%	19.8%

Rate	Currency vs. Canadian Dollar	Quarter	Year to Date
1.421	U.S. Dollar	1.9%	3.7%
1.6218	Euro	0.9%	0.8%
0.00874	Japanese Yen	-0.2%	0.0%
1.8823	Great-Britain Pound	2.1%	2.1%

Recap

- The second quarter of 2026 was characterized by broad-based gains across financial markets, as investors looked through ongoing geopolitical uncertainty and focused on resilient corporate earnings, improving economic sentiment, and continued strength in technology-related sectors.
- Global equity markets delivered strong positive returns during the quarter, with Emerging Markets outperforming on the back of strong technology-sector gains. U.S. equities continued to perform well, supported by large-cap technology companies, while developed international markets also posted solid gains. Canadian equities generated positive returns but lagged most global markets, as exceptional gains in Financials were partly offset by weakness in the Energy and Materials sectors.
- Fixed income also delivered positive returns during the quarter. Lower government bond yields and stable credit spreads supported returns across both government and corporate bonds, while longer-duration bonds benefited from the greater sensitivity to declining yields.
- The Canadian dollar depreciated against most major currencies, particularly the U.S. dollar, providing an additional return tailwind for Canadian investors with unhedged foreign equity exposures.

Data sourced from Bloomberg, Morningstar.

Total Fund - Gross Trailing Returns

For periods ending June 30, 2026

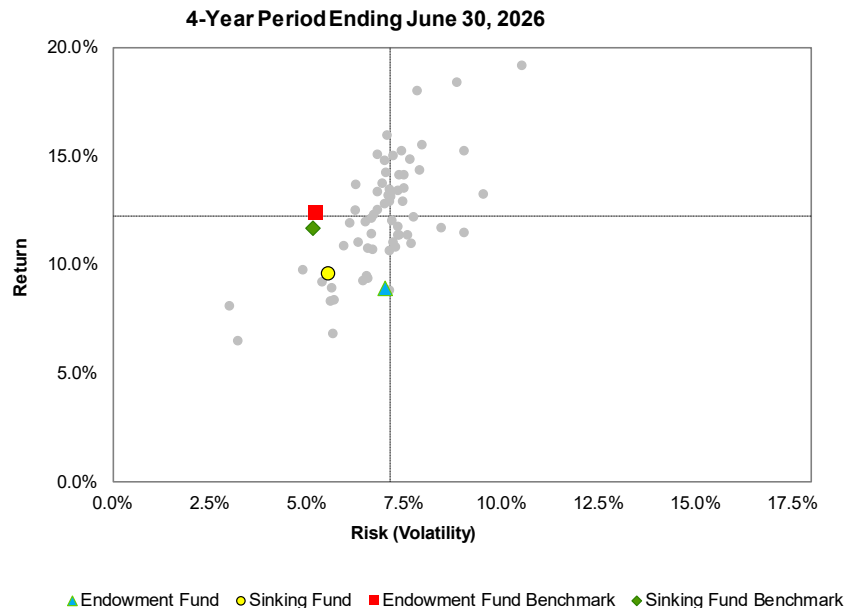
As at June 30, 2026	Trailing period returns ¹						
	QTR	YTD	1-year	2-year	3-year	4-year	5-year
Endowment Fund (Gross)	8.7%	6.6%	11.2%	9.7%	9.7%	8.9%	5.1%
Endowment Fund Benchmark ²	8.3%	8.5%	16.4%	13.8%	13.2%	12.4%	7.6%
Value Added	0.4%	-1.9%	-5.2%	-4.1%	-3.5%	-3.5%	-2.5%
Annualized 4.6% return + CPI	2.1%	4.8%	7.6%	7.1%	7.2%	7.3%	8.4%
Value Added	6.6%	1.8%	3.6%	2.6%	2.5%	1.6%	-3.3%
Sinking Fund (Gross)	7.8%	5.7%	9.7%	8.7%	8.8%	9.6%	5.5%
Sinking Fund Benchmark ²	8.2%	8.5%	16.0%	13.3%	12.5%	11.7%	7.1%
Value Added	-0.4%	-2.8%	-6.3%	-4.6%	-3.7%	-2.1%	-1.6%
Annualized 4.6% return + CPI	2.1%	4.8%	7.6%	7.1%	7.2%	7.3%	8.4%
Value Added	5.7%	0.9%	2.1%	1.6%	1.6%	2.3%	-2.9%

¹ Returns greater than one year are annualized. All return information prior to December 2020 is provided by the previous consultant, and information after December 2020 is calculated by TELUS Health from custody statements provided by CIBC Mellon.

² See Appendix for benchmark details.

Total Fund Performance - Risk/Return Analysis^{1,2,3,4}

For periods ending June 30, 2026



4-year period	Statistics			
	Endowment Fund	Sinking Fund	Endowment Fund Benchmark	Sinking Fund Benchmark
Volatility	7.0%	5.6%	5.2%	5.2%
Value Added	-3.5%	-2.1%	N/A	N/A
Information Ratio	-1.1	-0.9	N/A	N/A
Tracking Error	3.3%	2.2%	N/A	N/A
Downside Market Capture	472.5%	111.8%	100.0%	100.0%
Upside Market Capture	86.4%	83.4%	100.0%	100.0%

¹ Returns greater than one year are annualized. Returns are gross of fees.

² All return information prior to December 2020 is provided by the previous consultant, and information after December 2020 is calculated by TELUS Health from custody statements provided by CIBC Mellon.

³ Peer comparison is the eVestment Canadian Balanced Universe.

⁴ See Appendix for benchmark details.

Portfolio Details

Manager Updates

Topic	Summary
Investment monitoring results – Quantitative	- The Endowment Fund outperformed while the Sinking Fund underperformed their respective benchmarks during the second quarter of 2026. Both underperformed over the most recent four-year period. Both the Endowment Fund and Sinking Fund exceeded their absolute return objective of the CPI + 4.6% over the most recent 3-year period. - The Fiera Canadian Equity strategy experienced outperformance in Q2 2026, driven by a lack of exposure to the Energy and Materials sectors and strong security selection in communication services. - Both the Mawer and Schrodgers Global Equity Funds underperformed the MSCI ACWI Index over all periods presented with exception to the most recent quarter where Schrodgers slightly outperformed. - The PH&N Canadian Core Plus Bond Fund outperformed its benchmark over all periods presented. - Within the Alternatives category, the IFM Global Infrastructure Fund outperformed its benchmark over all periods presented while the Manulife Canadian Property Portfolio underperformed over the most recent quarter and most recent 1,2 and 5-year periods.
Investment monitoring results – Qualitative	Fiera: The Canadian Equity team is currently undergoing a transition as lead PM Nessim Mansoor and key team members are no longer actively managing the strategy. Nicholas Smart has taken over lead portfolio management responsibilities and a trio of senior investment specialists from Jarislowsky Fraser are slated to join the Fiera Canadian Equity team after an undisclosed transition period. - We recommend that the University should review their allocation and consider alternative solutions. Schrodgers: On February 12, 2026, Schrodgers plc agreed to terms with Nuveen to combine our two businesses to create one of the world's largest global active asset managers. They believe this combination will present an opportunity to enhance the service and investment solutions available while maintaining their investment approach. The transaction is not expected to be completed until Q4 2026, and it is expected that for at least 12 months after Schrodgers will continue to operate as a standalone business. It's the intention to maintain Schrodgers' existing investment and client teams across both asset management and wealth management, enabling clients to benefit from continuity and best-in-class client service. - While we have no immediate concerns, we will continue to monitor the situation should any changes arise in the Schrodgers Global Equity portfolio.

Total Fund - Net Trailing Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ¹				
	QTR	YTD	1-year	2-year	3-year
Endowment Fund (Net)	8.5%	6.3%	10.5%	9.0%	9.0%
Endowment Fund Benchmark ²	8.3%	8.5%	16.4%	13.8%	13.2%
Value Added	0.2%	-2.2%	-5.9%	-4.8%	-4.2%
Annualized 4.6% return + CPI	2.1%	4.8%	7.6%	7.1%	7.2%
Value Added	6.4%	1.5%	2.9%	1.9%	1.8%
Sinking Fund (Net)	7.7%	5.4%	8.9%	8.0%	8.1%
Sinking Fund Benchmark ²	8.2%	8.5%	16.0%	13.3%	12.5%
Value Added	-0.5%	-3.1%	-7.1%	-5.3%	-4.4%
Annualized 4.6% return + CPI	2.1%	4.8%	7.6%	7.1%	7.2%
Value Added	5.6%	0.6%	1.3%	0.9%	0.9%

¹ Returns are net of fees since June 2022 (active manager transition). Information is calculated by TELUS Health from custody statements provided by CIBC Mellon and investment manager statements, fee schedules, and invoices.

² See Appendix for benchmark details.

Total Fund - Gross Calendar Year Returns

	Calendar year returns ¹							
	2025	2024	2023	2022	2021	2020	2019	2018
Endowment Fund	6.3%	12.0%	11.4%	-13.7%	11.4%	9.2%	15.2%	-2.2%
Endowment Fund Benchmark ²	11.2%	15.0%	10.8%	-10.6%	11.2%	9.3%	15.7%	-5.2%
Value Added	-4.9%	-3.0%	0.6%	-3.1%	0.2%	-0.1%	-0.5%	3.0%
Sinking Fund	5.6%	12.0%	10.3%	-9.6%	11.2%	9.5%	15.7%	-2.3%
Sinking Fund Benchmark ²	10.6%	14.4%	9.7%	-11.1%	11.2%	9.3%	15.7%	-5.2%
Value Added	-5.0%	-2.4%	0.6%	1.5%	0.0%	0.2%	0.0%	2.9%

¹ All return information prior to December 2020 is provided by the previous consultant, and information after December 2020 is calculated by TELUS Health from custody statements provided by CIBC Mellon.

² See Appendix for benchmark details.

Endowment Fund Managers - Gross Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ^{1,2,3,4}						
	QTR	YTD	1-year	2-year	3-year	4-year	5-year
PH&N Canadian Core Plus Bond	2.4%	2.6%	4.5%	5.7%	5.3%	5.0%	1.5%
FTSE Canada Bond Universe	2.0%	2.2%	3.5%	4.8%	4.4%	4.1%	0.8%
Value Added	0.4%	0.4%	1.0%	0.9%	0.9%	0.9%	0.7%
Fiera Canadian Equity	9.1%	7.9%	7.7%	15.9%	15.3%	15.6%	12.8%
S&P/TSX Composite	7.0%	11.2%	32.9%	29.6%	23.5%	20.1%	14.9%
Value Added	2.1%	-3.3%	-25.2%	-13.7%	-8.2%	-4.5%	-2.1%
Mawer Global Equity	14.0%	9.8%	15.0%	7.6%	9.6%	12.2%	8.2%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%	21.8%	14.0%
Value Added	-2.8%	-5.3%	-13.6%	-14.4%	-12.9%	-9.6%	-5.8%
Schroders Global Sustainable Growth	16.9%	9.9%	20.4%	14.4%	16.8%	18.8%	11.6%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%	21.8%	14.0%
Value Added	0.1%	-5.2%	-8.2%	-7.6%	-5.7%	-3.0%	-2.4%
Manulife Canadian Property Portfolio	1.3%	1.8%	3.2%	3.2%	-0.8%	-0.7%	5.2%
MSCI/REALPAC	1.2%	2.8%	3.1%	2.3%	0.9%	0.5%	4.0%
Value Added	0.1%	-1.0%	0.1%	0.9%	-1.7%	-1.2%	1.2%
IFM Global Infrastructure (Canada), LP	4.4%	6.6%	11.6%	11.9%	9.2%	9.6%	10.2%
6% annual rate	1.5%	3.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Value Added	2.9%	3.6%	5.6%	5.9%	3.2%	3.6%	4.2%

¹ Returns greater than one year are annualized.

² The Fund has been invested with Fiera, Mawer, Schroders, PH&N, and Manulife since July 2022. Returns for prior periods are presented for illustrative purposes.

³ The Fund has been invested with IFM since January 2023. Returns for prior periods are presented for illustrative purposes.

⁴ Source: Investment manager statements.

Endowment Fund Managers - Net Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ¹				
	QTR	YTD	1-year	2-year	3-year
PH&N Canadian Core Plus Bond	2.3%	2.4%	4.1%	5.3%	4.8%
FTSE Canada Bond Universe	2.0%	2.2%	3.5%	4.8%	4.4%
Value Added	0.3%	0.2%	0.6%	0.5%	0.4%
Fiera Canadian Equity	8.9%	7.6%	7.2%	15.3%	14.8%
S&P/TSX Composite	7.0%	11.2%	32.9%	29.6%	23.5%
Value Added	1.9%	-3.6%	-25.7%	-14.3%	-8.7%
Mawer Global Equity	13.8%	9.4%	14.1%	6.7%	8.7%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%
Value Added	-3.0%	-5.7%	-14.5%	-15.3%	-13.8%
Schroders Global Sustainable Growth	16.8%	9.6%	19.8%	13.8%	16.2%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%
Value Added	0.0%	-5.5%	-8.8%	-8.2%	-6.3%
Manulife Canadian Property Portfolio	1.0%	1.3%	2.1%	2.1%	-1.9%
MSCI/REALPAC	1.2%	2.8%	3.1%	2.3%	0.9%
Value Added	-0.2%	-1.5%	-1.0%	-0.2%	-2.8%
IFM Global Infrastructure (Canada), LP	4.2%	6.2%	10.8%	11.0%	8.4%
6% annual rate	1.5%	3.0%	6.0%	6.0%	6.0%
Value Added	2.7%	3.2%	4.8%	5.0%	2.4%

¹ Source: Investment manager statements and invoices.

Sinking Fund Managers - Gross Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ^{1,2,3}						
	QTR	YTD	1-year	2-year	3-year	4-year	5-year
PH&N Canadian Core Plus Bond	2.4%	2.6%	4.5%	5.7%	5.3%	5.0%	1.5%
FTSE Canada Bond Universe	2.0%	2.2%	3.5%	4.8%	4.4%	4.1%	0.8%
Value Added	0.4%	0.4%	1.0%	0.9%	0.9%	0.9%	0.7%
Fiera Canadian Equity	9.1%	7.9%	7.7%	15.9%	15.3%	15.6%	12.8%
S&P/TSX Composite	7.0%	11.2%	32.9%	29.6%	23.5%	20.1%	14.9%
Value Added	2.1%	-3.3%	-25.2%	-13.7%	-8.2%	-4.5%	-2.1%
Mawer Global Equity	14.0%	9.8%	15.0%	7.6%	9.6%	12.2%	8.2%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%	21.8%	14.0%
Value Added	-2.8%	-5.3%	-13.6%	-14.4%	-12.9%	-9.6%	-5.8%
Schroders Global Sustainable Growth	16.9%	9.9%	20.4%	14.4%	16.8%	18.8%	11.6%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%	21.8%	14.0%
Value Added	0.1%	-5.2%	-8.2%	-7.6%	-5.7%	-3.0%	-2.4%
Manulife Canadian Property Portfolio	1.3%	1.8%	3.2%	3.2%	-0.8%	-0.7%	5.2%
MSCI/REALPAC	1.2%	2.8%	3.1%	2.3%	0.9%	0.5%	4.0%
Value Added	0.1%	-1.0%	0.1%	0.9%	-1.7%	-1.2%	1.2%

¹ Returns greater than one year are annualized.

² The Fund has been invested with Fiera, Mawer, Schroders, PH&N, and Manulife since July 2022. Returns for prior periods are presented for illustrative purposes.

³ Source: Investment manager statements.

Sinking Fund Managers - Net Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ¹				
	QTR	YTD	1-year	2-year	3-year
PH&N Canadian Core Plus Bond	2.2%	2.2%	3.7%	4.9%	4.4%
FTSE Canada Bond Universe	2.0%	2.2%	3.5%	4.8%	4.4%
Value Added	0.2%	0.0%	0.2%	0.1%	0.0%
Fiera Canadian Equity	8.9%	7.6%	7.1%	15.3%	14.7%
S&P/TSX Composite	7.0%	11.2%	32.9%	29.6%	23.5%
Value Added	1.9%	-3.6%	-25.8%	-14.3%	-8.8%
Mawer Global Equity	13.9%	9.6%	14.4%	7.0%	9.0%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%
Value Added	-2.9%	-5.5%	-14.2%	-15.0%	-13.5%
Schroders Global Sustainable Growth	16.8%	9.7%	19.9%	14.0%	16.3%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%
Value Added	0.0%	-5.4%	-8.7%	-8.0%	-6.2%
Manulife Canadian Property Portfolio	1.0%	1.3%	2.1%	2.1%	-1.8%
MSCI/REALPAC	1.2%	2.8%	3.1%	2.3%	0.9%
Value Added	-0.2%	-1.5%	-1.0%	-0.2%	-2.7%

¹ Source: Investment manager statements and fee schedules.

Jarislowsky Chair Account - Gross Returns

For periods ending June 30, 2026

As at June 30, 2026	Trailing period returns ^{1,2}				
	QTR	YTD	1-year	2-year	3-year
Total Jarislowsky Chair Account	7.1%	3.1%	7.8%	10.9%	10.5%
Canadian Equity	8.7%	6.6%	14.0%	19.5%	15.2%
S&P/TSX Composite	7.0%	11.2%	32.9%	29.6%	23.5%
Value added	1.7%	-4.6%	-18.9%	-10.1%	-8.3%
Foreign Equity	6.1%	-2.0%	0.8%	3.2%	6.3%
MSCI ACWI Index (Net) (CAD)	16.8%	15.1%	28.6%	22.0%	22.5%
Value added	-10.7%	-17.1%	-27.8%	-18.8%	-16.2%

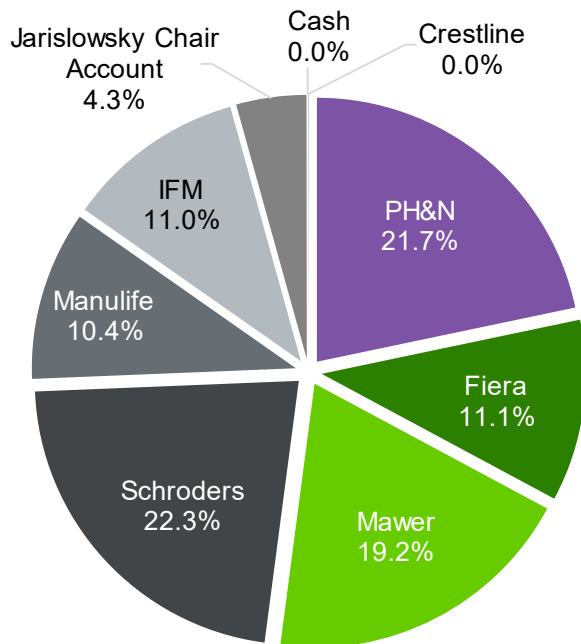
¹ Returns greater than one year are annualized.

² Source: Investment manager statements.

Total Fund – Manager Allocation Review

As at June 30, 2026

Breakdown by Manager^{1,2}



By Manager	Market value	Weight
PH&N	\$27,204,394	21.7%
Fiera	\$13,950,415	11.1%
Mawer	\$24,102,503	19.2%
Schrodgers	\$27,924,445	22.3%
Manulife	\$13,000,538	10.4%
IFM	\$13,729,987	11.0%
Jarislowsky Chair Account	\$5,383,965	4.3%
Crestline	\$4,529	0.0%
Cash	\$15,778	0.0%
Total	\$125,316,553	100.0%

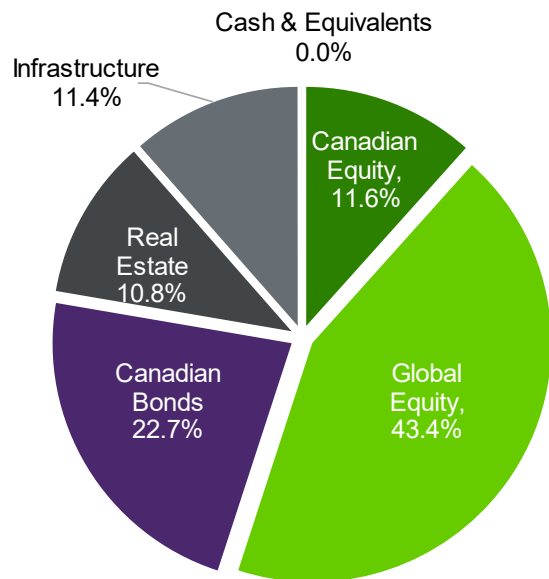
¹ Figures may not add to 100% due to rounding.

² Source: CIBC Mellon, Jarislowsky Fraser, IFM.

Endowment Fund Review – Asset Allocation Review

As at June 30, 2026

Breakdown by Asset class^{1,2,3}



By Asset class	Market value	Weight
Canadian Equity	\$13,950,415	11.6%
Global Equity	\$52,026,948	43.4%
Canadian Bonds	\$27,204,394	22.7%
Real Estate	\$13,000,538	10.8%
Infrastructure	\$13,729,987	11.4%
Cash & Equivalents	\$15,778	0.0%
Endowment (Multi-manager) total	\$119,928,060	100.0%

¹ Figures may not add to 100% due to rounding.

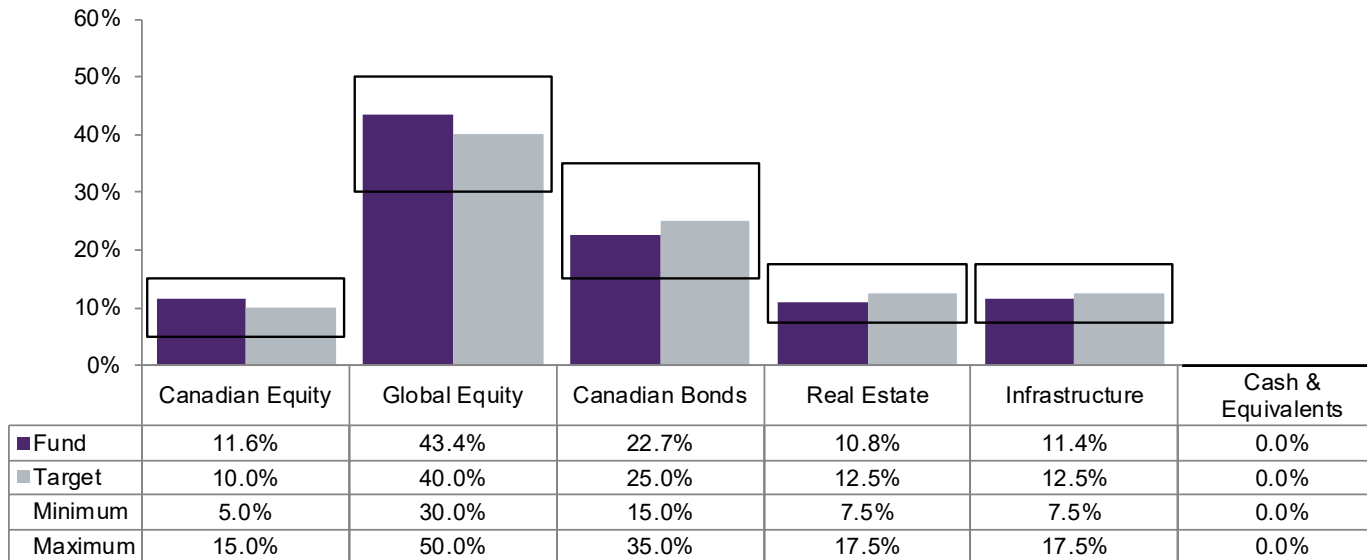
² Source: CIBC Mellon, Jarislowsky Fraser, IFM.

³ Excludes Jarislowsky Fraser Chair Account and the FD Northwater Fund

Endowment Fund – Compliance Review

As at June 30, 2026

Asset allocation^{1,2}



Asset Mix for the Endowment is in compliance with the Statement of Investment Policies & Procedures ("SIP&P") as of June 30, 2026

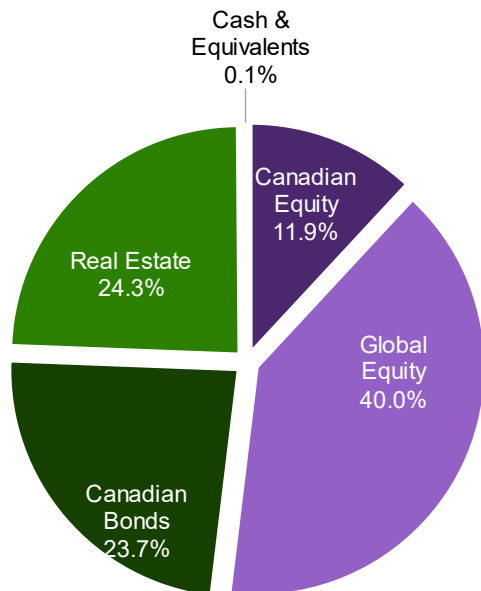
¹ Figures may not add to 100% due to rounding.

² Source: CIBC Mellon, Jarislowsky Fraser, IFM.

Sinking Fund Review – Asset Allocation Review

As at June 30, 2026

Breakdown by Asset class^{1,2}



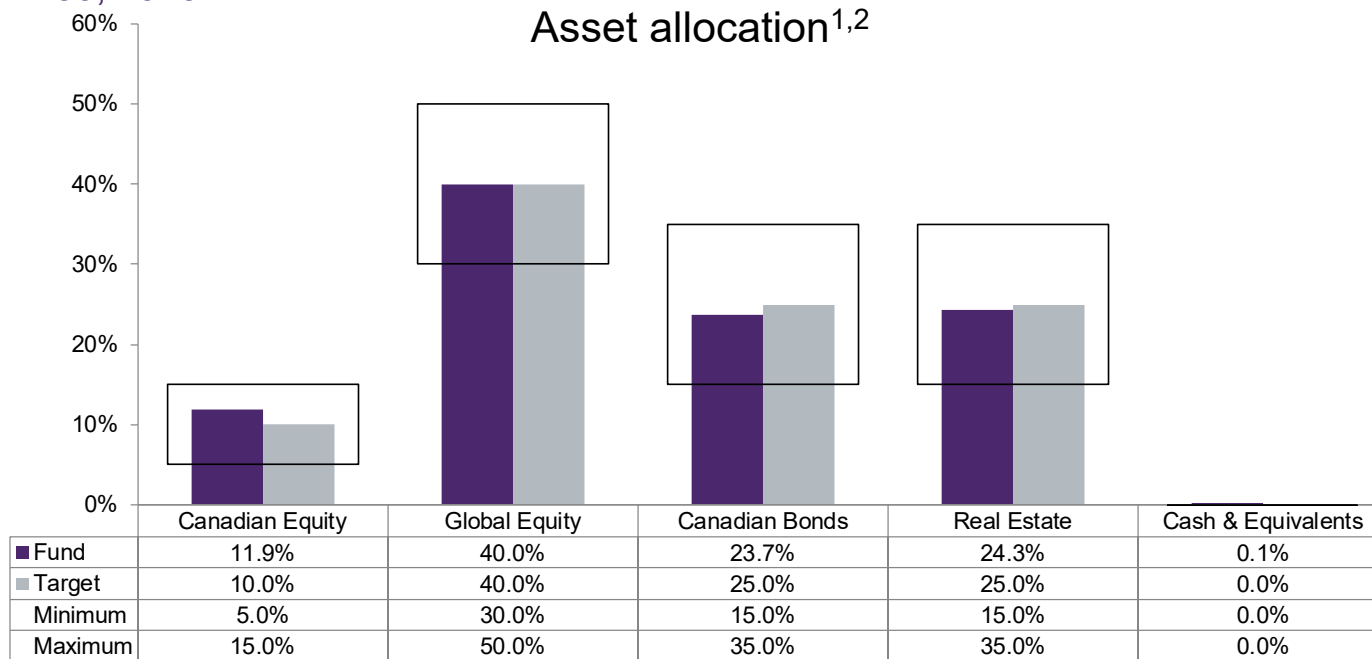
	Market value	Weight
Canadian Equity	\$720,470	11.9%
Global Equity	\$2,419,707	40.0%
Canadian Bonds	\$1,432,976	23.7%
Real Estate	\$1,468,582	24.3%
Infrastructure	\$0	0.0%
Cash & Equivalents	\$7,116	0.1%
Total	\$6,048,850	100.0%

¹ Figures may not add to 100% due to rounding.

² Source: CIBC Mellon.

Sinking Fund – Compliance Review

As at June 30, 2026



Asset Mix for the Sinking Fund is in compliance with the Statement of Investment Policies & Procedures (“SIP&P”) as of June 30, 2026

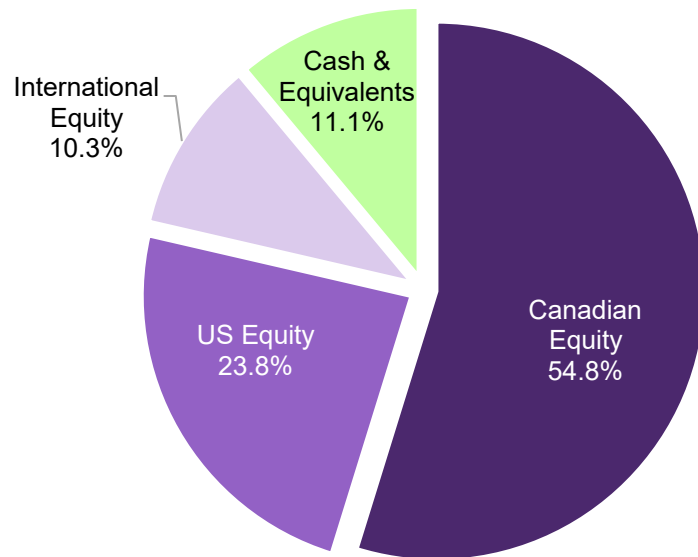
¹ Figures may not add to 100% due to rounding.

² Source: CIBC Mellon

Jarislowsky Chair Account – Asset Allocation Review

As at June 30, 2026

Breakdown by Asset class^{1,2}



By Asset class	Market value	Weight
Canadian Equity	\$2,949,631	54.8%
US Equity	\$1,282,669	23.8%
International Equity	\$556,074	10.3%
Cash & Equivalents	\$595,591	11.1%
Total	\$5,383,965	100.0%

¹ Figures may not add to 100% due to rounding.

² Source: Jarislowsky Fraser.

Appendix

Appendix: Total Fund Benchmark Composition

Endowment Fund

From	To	S&P/TSX Composite TR Index	S&P 500 TR Index, net, C\$	S&P 500 TR Hedged Index, net, C\$	MSCI EAFE TR Index, net, C\$	MSCI ACWI TR, net, C\$	FTSE Canada Universe Bond Index	FTSE Canada 91-Day T-Bill Index	Annual Return of 6%	MSCI REALPAC	Total
June 30, 2022	Present	10.0%	-	-	-	40.0%	25.0%	-	12.5%	12.5%	100.0%
Dec. 31, 2012	June 30, 2022	20.0%	10.0%	10.0%	20.0%	-	37.0%	3.0%	-	-	100.0%

Sinking Fund

From	To	S&P/TSX Composite TR Index	S&P 500 TR Index, net, C\$	S&P 500 TR Hedged Index, net, C\$	MSCI EAFE TR Index, net, C\$	MSCI ACWI TR, net, C\$	FTSE Canada Universe Bond Index	FTSE Canada 91-Day T-Bill Index	MSCI REALPAC	Total
June 30, 2022	Present	10.0%	-	-	-	40.0%	25.0%	-	25.0%	100.0%
Dec. 31, 2012	June 30, 2022	20.0%	10.0%	10.0%	20.0%	-	37.0%	3.0%	-	100.0%

Glossary of Terms

Standard Deviation

A measure of the variability of a series of returns around the average, or expected value. Typically used as a proxy for a level of risk.

Tracking Error

A measure of the volatility of excess returns relative to a benchmark. It quantifies how closely a portfolio follows its benchmark index, representing the standard deviation of the difference between the portfolio's returns and the benchmark's returns.

Sharpe Ratio

A metric to assess the performance of an investment compared to a risk-free asset, after adjusting for its risk. It is calculated by subtracting the risk-free rate from the return of the investment and then dividing the result by the investment's standard deviation of returns.

Information Ratio

A measure of a portfolio manager's ability to generate excess returns relative to a benchmark, divided by the tracking error of the portfolio. It highlights the consistency and efficiency of generating superior returns.

Downside Market Capture

A statistic that indicates how a portfolio's performance correlates with negative benchmark returns. It represents the percentage of downside movement a portfolio captures when the market declines.

Upside Market Capture

A statistic that measures how a portfolio's performance correlates with positive benchmark returns. It indicates the percentage of upside movement a portfolio captures when the market rises.



Board Report

Session: ☐ Closed Session; ☒ Open Session

Action Requested: ☐ Decision; ☐ Discussion/Direction; ☒ Information

To: Board of Governors

Date: October 9, 2026

Presented by: David de Launay, Chair Finance and Property Committee
Tariq Al-idrissi, VP Finance and Administration

Subject: **Moody's Credit Rating Update**

Motion for Consideration (if applicable):

That the Board of Governors receive this report for information.

Executive Summary:

On March 30, 2026, Moody's Canada Inc (Moody's) completed their periodic review of the ratings of Trent University. Per the announcement (previously shared with the Finance and Property Committee on April 28, 2026):

"Trent University's ratings, including its a1 baseline credit assessment (BCA) and Aa3 long-term issuer and senior unsecured debt ratings, with a stable outlook, reflect its very good brand and strategic positioning as a medium sized, primarily undergraduate institution with a growing focus on high demand STEM programs. Consistently strong student demand has supported favourable fiscal performance, underpinned by strong wealth and liquidity and relatively low leverage. Credit challenges include inflation and rising salaries which weigh on EBIDA margins, and revenue constraints from weaker international enrolment and provincially mandated caps on domestic tuition fee increases."¹

On July 20, 2026, Moody's affirmed Trent's a1 baseline credit assessment (BCA) and Aa3 long-term issuer and senior unsecured debt ratings but revised Trent's rating outlook to negative (from stable). Per the announcement (attached as Appendix A):

"The ratings affirmation reflects Trent's strong balance sheet and low leverage, which provide significant flexibility and capacity to absorb near-term deficits. Total cash and investments stood at around CAD266 million in fiscal 2024-25, covering operating expenses by 1.0x and total adjusted debt by 2.1x. The affirmation also reflects Trent's established position as a mid-sized Ontario university in a high-growth area, supported

¹ Source: Moody's Ratings Announcement of Periodic Review dated March 30, 2026

by strong domestic undergraduate demand and strategic focus on higher-demand STEM, business, co-op and experiential programs. [Moody's] expects that growth in demand from domestic students should offset some of the reductions in international student enrolment and associated revenue."

"The negative outlook reflects the risk that persistent, widening operating deficits will weaken Trent's credit profile in the absence of significant and successfully implemented cost-saving and revenue-raising measures. The pressure stems mainly from further declines in international enrolment...together with inflationary increases in compensation, benefits and other operating costs. Although current fiscal results are solid, medium-term projections point to widening deficits and reduced operating flexibility."²

Under the University Financial Accountability Framework (Framework), Trent's credit rating of Aa3 confirmed by Moody's is the most favourable credit rating and results in a No Action category score.

Analysis/Alternatives Considered:

Methodology

Moody's derives its ratings of non-US universities using two methodologies, the Higher Education methodology and the Government-Related Issuers (GRI) methodology.

The Higher Education methodology (July 2024) uses a scorecard-indicated outcome and other considerations to determine a Baseline Credit Assessment. This methodology captures key credit considerations using a globally comparable approach. The broad factors are: scale, market profile (brand and strategic positioning and operating environment), operating performance (EBIDA margin), financial resources and liquidity (total cash and investments and total cash and investments to operating expenses), leverage (total cash and investments to total adjusted debt and annual debt service coverage) and financial policy and strategy. Other relevant considerations captured in the methodology include: multi-year trends, ESG considerations, marketable real estate, regulatory considerations, financial controls, liquidity, and event risk.³

The GRI methodology provides an assumption of extraordinary support from the government based on an assessment of the likelihood of government support to avoid a default based on structural and willingness factors. If the province's credit rating is higher than the BCA of the University, the rating of the University can receive upward credit considerations based on Moody's assumption of support from the province. The basis of support assumption includes the willingness and ability of the province to provide support and includes Moody's opinions on oversight, economic importance, and previous examples of government intervention.⁴

² Source: Moody's Ratings announcement dated July 20, 2026

³ Source: Moody's Ratings – Rating Methodology Higher Education July 25, 2024

⁴ Source: Moody's Ratings – Rating Methodology Government-Related Issuers May 23, 2025

Moody's Assessment of Trent University

In its credit opinion detailed report dated July 31, 2026, Moody's identified Trent's credit strengths include "solid brand and market position supported by strong domestic demand, STEM expansion and targeted research, strong liquidity and wealth levels relative to peers, [and] modest debt levels despite planned increase in leverage."⁵ Moody's noted credit challenges include "international student enrolment challenges highlight exposure to policy, demand and brand risk, weakening operating performance despite an improved funding framework, with execution risk in restoring fiscal balance."⁶

Trent's scorecard based on the year ended April 30, 2025 is as follows:

Factor and Sub-factors	Value	Score
Scale (15%)		
Adjusted Operating Revenue (USD Million)	196.1	A
Market Profile (20%)		
Brand and Strategic Positioning	A	A
Operating Environment	A	A
Operating Performance (10%)		
EBIDA Margin	9.2%	A
Financial Resources and Liquidity (25%)		
Total Cash and Investments (USD Million)	192.7	Aa
Total Cash and Investments to Operating Expenses	1.0	Aa
Leverage and Coverage (20%)		
Total Cash and Investments to Total Adjusted Debt	2.1	Aa
Annual Debt Service Coverage	6.1	Aaa
Financial Policy and Strategy (10%)		
Financial Policy and Strategy	A	A
Credit Rating		
Assigned Baseline Credit Assessment	A1	
Long-term Issuer Rating and Senior Unsecured Debt Rating	Aa3 Negative	

⁵ Source: Moody's Ratings – Credit Opinion Trent University (Canada) dated July 31, 2026

⁶ Source: Moody's Ratings – Credit Opinion Trent University (Canada) dated July 31, 2026

Moody's assessed Trent with an ESG credit impact score of CIS-3 based on an Environmental score of 2, a Social score of 3 and a Governance score of 2. This score "indicates ESG considerations have a moderately negative impact on the rating, mainly reflecting social risks from adverse federal immigration policy changes, as well as governance risks related to executing fiscal mitigation and recovery plans while managing a large capital program."⁷

	Negative Impact				Positive Impact
Environmental Score				▼	
Social Score			▼		
Governance Score				▼	
ESG Credit Impact Score			▼		

Financial Implications:

The confirmed credit rating by Moody's has no direct financial impact on Trent University.

Trent's credit rating is a strong indicator of the financial health of the University. This key performance metric is one of the nine metrics/ratios used to measure the financial health risk of universities and determine the appropriate course of action under the Framework. Trent's credit rating confirmed by Moody's results in a No Action category as the most favorable credit rating will apply when universities have more than one credit rating.

Enterprise Risk Assessment:

Maintaining a strong credit rating has positive implications across the enterprise risk register, including reputational and financial risk. This credit rating is positively impacted by Trent's good brand and strategic positioning, strong wealth and liquidity metrics, relatively low leverage and strong fiscal performance. Enterprise risks that could negatively impact the credit rating include international student enrolment challenges, weakening operating performance, and execution risk in restoring fiscal sustainability.

Next Steps:

Moody's announcement of periodic review of ratings of Trent was made public July 20, 2026.

Alignment with Mission, Vision, Values, Strategic Plan:

Maintaining (or enhancing) the University's credit rating is a key performance metric in measuring financial sustainability in alignment with Trent's mission and Strategic

⁷ Source: Moody's Ratings announcement dated July 20, 2026

Directions regarding financial health and sustainability. To fulfill their responsibilities, Governors should be informed of the University's financial situation.

Consultation:

This credit rating review was conducted by Moody's Canada Inc in follow up to the review conducted earlier in 2026. Members of Moody's met with Tariq Al-idrissi, VP Finance and Administration, and Cheryl Turk, AVP, Finance, on January 28, 2026 to discuss Trent's enrolment projections, fiscal outlook, capital plan and debt, cash and liquidity, research, endowments and fundraising activities and other relevant factors, with supporting documentation subsequently provided.

Trent provided high-level financial projections to Moody's on February 27, 2026 and again in late June following the confirmation of provincial funding and the Board approval of the 2026-2027 Operating Budget.

Compliance with Policy/Legislation:

A review of Trent's credit rating is required each year prior to the anniversary date of the issuance of the debentures. Under the covenants of the debentures, Trent must make commercially reasonable efforts to maintain a credit rating of the debentures. This review is completed by Morningstar DBRS.

The Moody's credit rating is a second credit rating undertaken to improve the University's assessment under the Framework. This credit rating is subject to annual monitoring and review.

Committee/Board Mandate:

The Board of Governors is responsible for ensuring the financial health of the University and the proper management of its buildings, lands and capital projects. The Finance and Property Committee assists the Board in carrying out these responsibilities by monitoring the institution's financial, property and capital affairs and making related policy recommendations.

In its finance role, the Committee monitors budget projections and debt levels and recommends operating, ancillary and capital budgets for the approval of the Board of Governors. It recommends levels of student fees, spending authority, loans and lines of credit for Board approval. The Committee makes recommendations to the Board for the approval of any contract or purchase where the total value exceeds the level of spending established for the President. The Committee may make financial policy recommendations to the Board including but not limited to policies on tuition and ancillary fees, banking, borrowing and purchasing. It may make recommendations to the Board concerning fiscal planning, internal financial controls or other areas affecting the financial health or accountability of the University. The administration may consult with the Committee on the subjects for internal audits and provide follow-up reports.

Supporting Reference Materials (attached):

Appendix A – Moody's Announcement dated July 20, 2026

MOODY'S

RATINGS

Rating Action: Moody's Ratings revises Trent University's outlook to negative, affirms Aa3 ratings

20 Jul 2026

Toronto, July 20, 2026 -- Moody's Ratings (Moody's) has revised Trent University's rating outlook to negative from stable, and affirmed its a1 baseline credit assessment (BCA) and Aa3 long-term issuer and senior unsecured debt ratings.

RATINGS RATIONALE

RATIONALE FOR CHANGE IN OUTLOOK TO NEGATIVE

The negative outlook reflects the risk that persistent, widening operating deficits will weaken Trent's credit profile in the absence of significant and successfully implemented cost-saving and revenue-raising measures. The pressure stems mainly from further declines in international enrolment, projected to drop to about 10% of total enrolment by 2027-28 relative to a peak of around 24% of total enrolment in 2023-24, and related revenues following the reputational and demand impact on Canadian universities from federal enrolment caps, together with inflationary increases in compensation, benefits and other operating costs.

Although current fiscal results are solid, medium-term projections point to widening deficits and reduced operating flexibility. In the absence of successfully implemented mitigation measures, we expect that EBIDA margins will decline to 2.1% by 2027-28, from 6.5% in 2025-26, driven by enrolment declines and persistent cost pressures. Trent expects to support its operations from reserves in the face of revenue pressure, reducing liquidity. Management has identified some sources of mitigation to narrow operating deficits in the next two years and is developing a five-year fiscal recovery plan to ensure long-term stability. However, these mitigation measures are not yet detailed or in place and the absence of a clear plan at this time highlights uncertainty in successfully controlling operating pressures, resulting in significant execution risk.

RATIONALE FOR AFFIRMATION OF THE RATINGS

The ratings affirmation reflects Trent's strong balance sheet and low leverage, which provide significant flexibility and capacity to absorb near-term deficits. Total cash and investments stood at around CAD266 million in fiscal 2024-25, covering operating expenses by 1.0x and total adjusted debt by 2.1x.

The affirmation also reflects Trent's established position as a mid-sized Ontario university in a high-growth area, supported by strong domestic undergraduate demand and strategic focus on higher-demand STEM, business, co-op and experiential programs. We expect that growth in demand from domestic students should offset some of the reductions in international student enrolment and associated revenue.

Recent management actions targeting vacancy management and departmental cost reductions, along with Ontario's revised post-secondary funding and tuition framework, help mitigate near-term fiscal challenges. Under the revised provincial framework, annual funding allocations increase and allows universities to raise domestic tuition fees by 2% annually starting 2026-27 following tuition fee freezes in place since 2019. As a result, we expect balanced 2025-26 fiscal results and a CAD1.8 million deficit in 2026-27 (compared with CAD10 million budgeted deficit).

Projected debt metrics incorporate planned borrowing of CAD23.7 million, raising total debt by about 20%. The borrowing will finance the university's prepayment towards the total construction costs related to the

subleased academic and administrative space within a significant capital project structured as a public-private partnership with a private developer for a new on-campus college. While strategically beneficial, the project adds construction, demand and financing risk at a time of weaker operating flexibility.

Trent's Aa3 ratings incorporate its a1 BCA and our assessment of a moderate likelihood of extraordinary support from the Province of Ontario (Aa3 stable) should the university face a liquidity stress event.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONSIDERATIONS

Trent's CIS-3 Credit Impact Score indicates that ESG considerations have a moderately negative impact on the rating, mainly reflecting social risks from adverse federal immigration policy changes, as well as governance risks related to executing fiscal mitigation and recovery plans while managing a large capital program.

The E-2 environmental issuer profile score (IPS) reflects limited exposure to environmental risks.

The S-3 social IPS reflects demographic and policy-related risks affecting enrolment and tuition revenue, including exposure to lower enrolment demand and weakened reputation of Canadian universities following federal immigration caps on international student applications.

The G-2 governance IPS reflects a typical Canadian university governance structure. Management is proactively looking to implement a multi-pronged fiscal mitigation and recovery plan, although successful implementation of these measures is subject to execution risk.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATINGS

Given the negative outlook, an upgrade is unlikely in the near term. The outlook could return to stable if Trent demonstrates credible and durable progress toward balanced operations while preserving liquidity and limiting additional leverage. This could be supported by stable or growing enrolment, additional recurring provincial funding, or successful execution of quantified cost reductions and new revenue initiatives.

The ratings could be downgraded if Trent is unable to realize the benefits of its fiscal mitigation strategies, resulting in only limited progress in narrowing operating deficits over the outlook horizon. Downward pressure could also arise if continued deficits, driven by weaker enrolment levels and tuition revenue, contribute to persistently weaker EBIDA margins that require further draws on liquidity to fund operations. A significant increase in direct debt or debt-like obligations related to capital projects would also contribute to downward rating pressure.

The methodologies used in these ratings were Government-related Issuers published in May 2025 and available at <https://ratings.moodys.com/rmc-documents/443641>, and Higher Education published in July 2024 and available at <https://ratings.moodys.com/rmc-documents/425580>. Alternatively, please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of these methodologies.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

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Board Report

Session: ☐ Closed Session; ☒ Open Session

Action Requested: ☒ Decision; ☐ Discussion/Direction; ☐ Information

To: Board of Governors

Date: October 9, 2026

Presented by: Anne Ramsay, Chair Audit and Investment Committee
Tariq Al-idrissi, Vice President Finance and Administration

Subject: **2025/2026 Audited Financial Statements**

Motion for Consideration (if applicable):

That the Board of Governors approve the 2025/2026 Audited Financial Statements, as presented.

Executive Summary:

Although certain audit procedures remain outstanding, the preliminary audit opinion of the external auditors, KPMG LLP, is that the accompanying draft financial statements (see Appendix A) present fairly, in all material respects, the financial position of Trent University as at April 30, 2026, and its results of operations, its changes in net assets, and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations. The final auditor's report will be dated upon the completion of the remaining procedures, including the Board of Governors' approval of the financial statements. The final audited financial statements will be dated October 9, 2026, the date of the Board of Governors' meeting.

The financial statements presented for Board approval have been updated from those presented at the Audit and Investment Committee in the following way:

- Statement of Cash Flows - added reference to note 7 on the line "Purchase of other assets" to help the reader tie this information to the note regarding the payments made towards the total construction costs of the subleased spaces related to the Gidigaa Migizi College Residence project.
- Note 20(h) – updated the expected date of substantial completion and occupancy for the Gidigaa Migizi College Residence and Otonabee College Residence Project based on the most recent announcement regarding the timelines for the project.
- Note 13 – As the UPP has not provided final information regarding the January 1, 2026 UPP filed valuation and annual special payments required, these statements have been finalized using the preliminary information provided by the UPP. The University does not expect any material difference in the final information.

The auditor's report draws attention to Note 23 of the financial statements, which explains the restatement of prior year information due to the change in accounting treatment of the UPP pre-conversion obligation from a contingent liability to an employee future benefit liability recorded at the present value of the future special payments. The impact of this restatement resulted in an understatement to the prior year employee future benefits liability and an overstatement to prior year net assets of \$19.6 million.

For 2025/2026, Trent University had a total revenue of \$296.9 million, primarily from government grants and tuition fees, and total expenses of \$285.3 million, primarily for salaries and benefits, scholarships and bursaries, and supplies, resulting in a total excess of revenue over expenses across all funds of \$11.6 million for the fiscal year. The unrestricted net assets fund balance deficiency is \$64.6 million as at April 30, 2026, of which \$46.9 million is related to the employee future benefits liability.

Actual results in the Operating Fund were essentially balanced. Enrolment decreased 6.7% from the prior year to 12,324 FTEs in 2025/2026, generating \$24.3 million less tuition revenue than last year. This decrease was primarily a result of continued impact of government restrictions on international student study and work permits. Government funding increased compared to last year largely due to additional STEM funding of \$12.7 million and one-time Post-secondary Education Sustainability Funding of \$2.7 million. Tuition revenue now represents 56.3% of total operating revenues, while operating government grants represent 36.6% of total operating revenues. After \$3.8 million in net appropriations for strategic initiatives and \$0.1 million in contributions to endowments, the Operating Fund ended the fiscal year with a surplus of \$0.2 million before fair value and pension actuarial adjustments.

Analysis/Alternatives Considered:

External Audit

The external audit, performed remotely by KPMG LLP, was conducted in July and August, 2026.

Each year the audit includes unpredictable procedures. This year, KPMG LLP reviewed a sample of bank reconciliations to ensure segregation of duties and appropriate approvals were in place. KPMG LLP does not have any findings to report as a result of these unpredictable procedures.

Management worked with the auditors and Trent's and KPMG LLP's actuaries to ensure that the actuarial valuation of the employee future benefits liability was assessed using an acceptable model, the key assumptions were reasonable, and that the value calculated was accurate. Management also worked with the University's investment managers to ensure the fair value of level III investments was reasonably determined and note disclosures were appropriate.

Component materiality applied in the audit of the University's standalone financial information was \$4.5 million, as previously set in the Audit Planning Report presented by KPMG LLP in March 2026. Due to Trent's investment in KHT Eastbank LP and KHT Eastbank GP Inc. in February 2026 – other entities in which the University has significant

influence – KPMG established a group materiality of \$4.6 million. The audit misstatement posting threshold was set at \$230,000.

The auditors did not identify any misstatements through the course of the audit that were corrected by management in the current year. KPMG LLP identified one uncorrected misstatement of \$258,285, which represents the difference in opening net assets related to the recognition of a lease payment for the 2026 Energy Performance Contract in the prior year. KPMG LLP concurs with management's representation that this misstatement is not material to the financial statements and has no effect on the auditor's report.

Based on this year's audit work, KPMG LLP considers all of the other deficiencies in internal control over financial reporting identified during last year's audit as resolved. KPMG LLP did not identify any new control deficiencies.

The financial statements enclosed remain draft until all audit procedures are completed, including KPMG LLP's review of subsequent events up to the date of the auditor's report, receipt of response to their legal letter, receipt of the signed management representation letter and obtaining the Board of Governor's approval.

Investment in KHT Eastbank LP and KHT Eastbank GP Inc. – Note 5

In February 2026, the University entered into agreements related to the Gidigaa Migizi Collete Residence and Otonabee College Residence project, obtaining class B securities providing a 34.19% ownership stake in KHT Eastbank LP and acquiring 3,419 common shares in KHT Eastbank GP Inc. representing a 34.19% ownership stake. Senior administration, in consultation with KPMG Accounting Advisory Services, has determined that Trent exercises significant influence (not control) over these two entities and will therefore account for these investments using the equity method of accounting in accordance with the applicable financial reporting framework. As these entities are in the start-up phase, there is no income or loss attributable to Trent's ownership interest requiring recognition in these financial statements.

UPP Pre-Conversion Obligation – Notes 13 and 23

The University converted the Faculty Pension Plan to the University Pension Plan (UPP) on January 1, 2022. Under the agreements with the UPP, Trent remains 100% responsible for any pre-conversion pension obligation for the first nine and a half years starting January 1, 2022, after which the responsibility for such changes becomes gradually shared over the next ten years with the other participants of the UPP, after which the responsibility is totally shared with all members of the UPP.

The first pre-conversion deficit obligation for the Faculty Pension Plan was determined based on UPP's January 1, 2023 actuarial valuation. The University was informed of this obligation by the UPP in September 2023 and provided note disclosure in the 2022/2023 audited financial statements, treating this obligation as a contingent liability. The University commenced making annual special payments towards this obligation in December 2023, retroactive to January 1, 2023; these payments were recorded as an expense in the fiscal year they were made. Each subsequent year, the UPP has made the decision to file their annual actuarial valuation, resulting in an updated determination

of Trent's pre-conversion deficit obligation and corresponding required annual special payments.

During this year's audit, management became aware that the UPP pre-conversion deficit obligation is required to be recorded as an employee future benefit liability in the Statement of Financial Position, measured as the present value of future payments using the UPP's discount rate, rather than as a contingent liability reported through note disclosure only. The liability is reassessed annually with a corresponding remeasurement gain or loss recorded in the Statement of Changes in Net Assets. Furthermore, the annual special payments should be recorded against this liability rather than expensed in the Statement of Operations.

Management has corrected its accounting treatment for the pre-conversion deficit obligation in these financial statements. Based on the UPP's January 1, 2026 actuarial valuation, the obligation for the Faculty Pension Plan is \$19.7 million, with a recorded employee future benefit liability of \$18.8 million measured as the present value of future payments using the UPP's discount rate of 5.6%. This liability is included in Note 13. Due to materiality, management has also restated the 2025 comparable results to reflect the financial results had the obligation and special payments been accounted for correctly from inception in 2023. The impacts of this restatement are disclosed in Note 23.

Management has also recalculated the 2024/2025 metrics used to ascertain action plans under the University Financial Accountability Framework and determined there would be no change to the overall assessment of No Action for Trent despite this restatement.

Financial Implications:

Summary of Revenue and Expense – All Funds

Trent University had total revenue of \$296.9 million (2024/2025 restated: \$298.2 million) and total expenses of \$285.3 million (2024/2025 restated: \$280.7 million) resulting in an excess of revenue over expense of \$11.6 million across all funds for the 2025/2026 fiscal year (2024/2025 restated: \$17.5 million). Combined with the change in internally restricted net assets, the change in investment in capital assets, internally endowed amounts and remeasurements related to the University's employee future benefits, the total overall increase in unrestricted fund balance was \$11.8 million for the year (2024/2025 restated: \$2.4 million). This decreased the unrestricted net assets fund balance deficiency from \$76.4 million to \$64.6 million as at April 30, 2026, \$46.9 million of which results from the employee future benefits liability.

Government grants include the first year of operating funding under the Strategic Mandate Agreement 2025-2026 (SMA4), which is fixed based on enrolment within the established corridor and achieving performance metrics. Trent received more operating grants this year than last year (described below). In addition to operating grants, the University also received relatively consistent funds for research, trust and other special purpose grants which are restricted funds that must be used for the specific purpose as outlined in the funding agreement.

Tuition revenue is all considered operating funding. The University's enrolment generated \$117.4 million in tuition revenue in 2025/2026 (see details below).

Government grants represent approximately 30.8% (2024/2025 restated: 24.3%) of total revenue while tuition fees represent 39.5% (2024/2025 restated: 47.5%) of total revenue.

Revenue from ancillary sales and services increased by \$3.1 million to \$53.9 million (2024/2025 restated: \$50.8 million). Donation and grant revenue of \$6.8 million (2024/2025 restated: \$6.2 million) and other income, comprised of investment income and miscellaneous revenue (OUAC application fees, advanced qualifications, property rental fees, etc.) of \$21.9 million (2024/2025 restated: \$21.5 million) remained relatively stable.

Comparable with last year, salaries and benefits represent 65.3% of total expenses. Scholarships and bursaries remained flat at \$19.2 million. Supplies expense decreased by \$5.5 million; this expense category includes \$2.8 million less in operating supplies (described below), \$1.8 million less in ancillary supplies, and \$1.7 million less in capital non-asset expenses. External trust expenses increased by \$1.1 million while other trust and research expenses were similar to last year.

The change in internally restricted net assets (new appropriations less appropriations used in the year) was \$1.4 million, the change in investment in capital assets (net change in capital assets excluding amounts funded by external sources, capital lease financing or long-term debt) was \$2.3 million, and the net increase in internally endowed amounts was \$1.1 million. The net gain on remeasurements, predominately related to the University's employee future benefits, was \$2.2 million after restatement, resulting largely from investment gains and actuarial gains/losses on accrued benefit obligations.

Summary of Operating Fund

The Operating Fund had total revenue of \$208.7 million (2024/2025 restated: \$215.8 million) and total expenses of \$208.5 million (2024/2025 restated: \$215.8 million) resulting in a nominal surplus of \$0.2 million before fair value and pension actuarial adjustments (2024/2025 restated: \$0.0 million).

Enrolment was 6.7% less than last year, dropping from 13,206 FTEs to 12,324 FTEs due primarily to continuation of government restrictions imposed on international study and work permits. This decline did not impact government operating grants as Trent's eligible enrolment (primarily domestic) exceeded the enrolment corridor midpoint for 2025/2026 under SMA4. (Note: enrolment FTEs are converted to weighted grant units (WGUs) for the purposes of calculating the enrolment corridor). Trent substantially met or exceeded all of its first-year performance metrics under SMA4 and therefore, consistent with prior years, the University was able to retain substantially all of its performance funding.

As part of SMA4 funding for 2025/2026, the University received \$12.7 million in STEM funding that was not part of operating funding in the prior year. Trent also received one-time Postsecondary Education Sustainability Funding of \$4.3 million, which was \$2.8 million more than in 2024/2025, and nearly \$1 million in new Initial Teacher Education program funding.

Due to the decline in international enrolment, tuition revenue declined by \$24.3 million and the international student recovery (netted against government grants) was nearly \$1 million less than in the prior year.

Government operating grants represent approximately 36.6% (2024/2025 restated: 26.9%) of total operating revenue while student tuition fees represent 56.3% (2024/2025 restated: 65.7%) of total operating revenue.

Investment and other income declined by \$1.2 million from last year (as anticipated in the 2025/2026 budget) largely due to decreased current interest rates and the use of cash to fund operating and capital initiatives.

Salaries and benefits were approximately 5.5% higher than last year mainly due to increases in salary and wage rates per the collective agreements, and associated benefits.

Scholarships and bursaries remained consistent at \$14.7 million. Supplies expenses are \$2.8 million less than last year: \$1.6 million decrease resulting from the cessation of operations at the Simcoe facility, \$0.6 million less in bad debt expense as the prior year included the write off of accumulated international exchange program receivable not collectible, and \$0.6 million of additional administrative overhead contribution, as part of the budget reduction strategies.

The University approved net appropriations of \$3.8 million for strategic initiatives and contributed an additional \$0.1 million to endowments during the year. After the appropriations, transfers to endowments and interfund transfers related to capital assets, the surplus from operations was \$0.2 million (2024/2025 restated: nominal) before fair value and pension actuarial adjustments.

Statement of Financial Position

Cash at April 30, 2026 of \$87.0 million was \$17.5 million more than last year. At year end, the University had \$58.1 million (2024/2025 restated: \$81.3 million) in short-term investments consisting of fixed income securities in the form of guaranteed investment certificates which yield interest at rates of 2.90% to 3.80% (2024/2025 restated: 3.55% to 4.63%) and mature between June 2026 and September 2027. These short-term investments were made possible by excess cash on hand due to prior years' increased tuition revenue and additional one-time grant funding.

Accounts receivable decreased by approximately \$2.7 million to \$18.4 million. The majority of this amount is student receivables less allowance for doubtful accounts. The primary reason for the increase in the allowance for doubtful accounts relates to the collectability of amounts associated with international enrolment over the past few years, as these students tend to carry higher financial risk.

At April 30, 2026, the fair value of Trent's long-term endowment investments was \$119.4 million, an increase in fair value of \$8.8 million largely due to market returns. The University's long-term investments also include \$4.7 million in contributions to the sinking fund for the debentures, which have a fair value at April 30, 2026 of \$5.8 million.

Other investments and other assets are new this year. The first is related to the equity investment in the Gidigaa Migizi College Residence and Otonabee College Residence project, as described above. The second is reflective of the payments made towards the total construction costs of the subleased spaces related to that project.

In fiscal 2025/2026, Trent had \$16.8 million in capital asset additions, including the parking lot expansion, Faryon bridge project, and other projects covered by the Facilities Renewal Fund. The University received \$6.0 million in deferred capital contributions for capital assets.

Employee future benefits liability includes:

- The portion of the windup surplus remaining after the conversion of the University's registered staff pension plan to the UPP on January 1, 2025 to be distributed to the members of the staff pension plan (Trent's portion is shown separately as an asset);
- The Supplementary Retirement Arrangement (SRA) for the faculty association that was not transferred to the UPP. The obligations under the SRA remain the responsibility of the University and the SRA has no assets;
- The health and other benefit plans for the faculty and staff; and
- The UPP pre-conversion obligation (explained above).

Total accrued benefit liability, net of the fair value of plan assets and the wind-up surplus, at April 30, 2026 was \$46.9 million (2024/2025 restated: \$51.7 million). Employee future benefits remeasurements resulted in a \$2.2 million gain this year (2024/2025 restated: \$7.6 million gain) primarily due to actuarial gains.

Key Financial Metrics

The University Financial Accountability Framework (the Framework) is used by the Ministry to assess an institution's financial health and sustainability. The audited financial statements of each university are the only permitted data source for the calculation of the eight metrics and ratios in the liquidity, sustainability and performance categories. (Note, the ninth indicator in the Framework is the credit rating assessed by a designated credit rating agency). Using the current calculations in the Framework, Trent's **unofficial** financial metrics for 2025/2026 and 2024/2025 (restated) would be as follows, with a resulting classification as No Action across all three categories:

Metric/Ratio	2025/2026	2024/2025 Restated
Liquidity		
Primary Reserve Ratio (days)	151 	145
Working Capital Ratio	1.95 	2.04
Sustainability		
Viability Ratio	166.44% 	157.08%
Debt Ratio	36.46% 	38.52%
Debt to Revenue Ratio	23.91% 	23.81%
Interest Burden Ratio	1.07% 	1.09%

Performance		
Surplus (Deficit) Ratio	3.91% ↓	5.87%
Net Operating Revenues Ratio	3.59% ↓	4.35%

Enterprise Risk Assessment:

An external audit report provides full assurance to the users of the financial statements that the University's accounting records are fair, complete and in adherence with Canadian generally accepted accounting principles, industry standards and regulatory requirements. An external audit process ensures the University's internal controls, processes, guidelines and policies are adequate, effective and in compliance with government requirements, industry standards and the institution's policies, and that reporting mechanisms prevent material errors in financial statements.

Next Steps:

For enhanced transparency and accountability, the annual Audited Financial Statements are posted on the University's public website once approved by the Board of Governors. These statements are also shared with our primary bank lender and credit rating agencies. Additionally, these statements are used as the basis for our annual submission to the Council of Ontario Finance Officers (COFO).

Alignment with Mission, Vision, Values, Strategic Plan:

To fulfill their responsibilities, Governors should be informed of the University's financial situation. The annual report on the Audited Financial Statements provides Governors with awareness of the University's current financial status and allows for input and oversight where needed in alignment with Trent's strategic direction to ensure that it is financially healthy and sustainable.

Consultation:

The external audit of the University's financial statements was conducted by KPMG LLP. AON provided the required actuarial valuation for the employee future benefits.

Compliance with Policy/Legislation:

In accordance with *The Trent University Act, 1962-63*, section 31, the accounts of the University shall be audited at least once a year by an auditor appointed by the Board of Governors. The financial statements of the University have been prepared by management in accordance with Part III of the Chartered Professional Accountants Canada (CPA Canada) Handbook which sets out generally accepted accounting principles for not-for-profit organizations in Canada.

Committee/Board Mandate:

In its audit role, the Audit and Investment Committee is responsible for reviewing results of external audits and ensuring that appropriate financial controls are in place. The Committee monitors the University's legislative compliance and maintains a watching brief on statutory and accountability requirements.

The Committee's mandate includes:

- Receiving reports on the results of the general accounts, interim and other external audits, reviewing the independence of the auditors, and meeting with the external auditors privately at least once per year;
- Reviewing and recommending for Board approval the University's annual financial statements;
- Making recommendations concerning internal financial controls, requesting additional reports from the administration or auditors on matters of concern, or may require a meeting with legal counsel to seek advice on a major audit-related issue;
- Determining subjects for internal audits or review/consulting assignments by the auditors or others; and
- Assessing and monitoring risks related to its responsibilities for audit and statutory compliance matters.

Supporting Reference Materials (attached):

Schedule A – 2025/2026 Audited Financial Statements (DRAFT September 29, 2026)

Financial Statements April 30, 2026

DRAFT v7 - Sept 29, 2026

TRENT UNIVERSITY
Financial Statements
April 30, 2026**Index**

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TRENT UNIVERSITY

Statement of Administrative Responsibility

Year Ended April 30, 2026

The management of Trent University (the University) is responsible for the preparation of the financial statements, the notes thereto and all other financial information contained in this financial report.

Management has prepared the financial statements in accordance with Canadian accounting standards for not-for-profit organizations developed by Chartered Professional Accountants of Canada. Management believes the financial statements present fairly the University's financial position as at April 30, 2026 and the results of its operations and cash flows for the year then ended. In order to achieve the objective of fair presentation in all material respects, reasonable estimates and judgements were employed.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal controls designed to provide reasonable assurance that University assets are safeguarded from loss and that the accounting records are a reasonable basis for the preparation of the financial statements.

The University's Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for approving the financial statements. The Board of Governors carries out its responsibility for review of the financial statements and the financial report principally through its Audit and Investment Committee. The majority of the members of the Audit and Investment Committee are not officers or employees of the University. The Audit and Investment Committee meets regularly with management as well as with the external auditors to discuss the results of audit examinations and financial reporting matters, and to satisfy itself that each party is properly discharging its responsibilities. The external auditors have full access to the Audit and Investment Committee with and without the presence of management.

The financial statements for the year ended April 30, 2026 have been reported on by KPMG LLP, the auditors appointed by the Board of Governors. The Independent Auditor's Report outlines the scope of their audit and their opinion on the presentation of the information in the financial statements.

Tariq Al-Idrissi
Vice-President, Finance and Administration

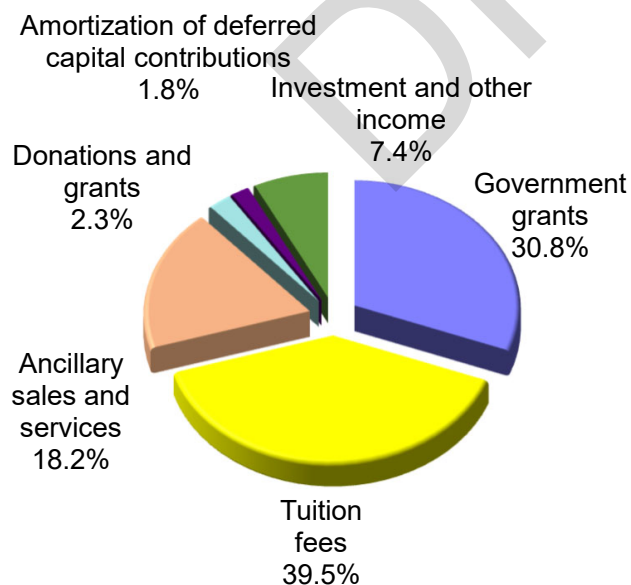
Cathy Bruce, PhD
President and Vice-Chancellor

October 9, 2026

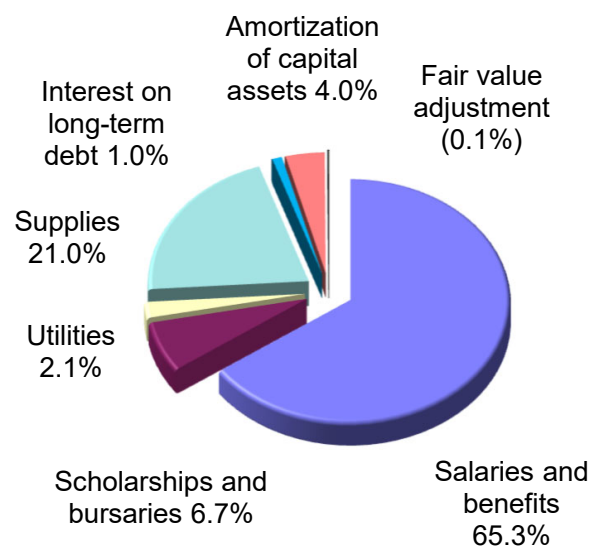
TRENT UNIVERSITY
Summary of Revenue and Expense - All Funds
Year Ended April 30, 2026
(millions of dollars)

2026	2025	2024	2023		2026	2025	2024	2023
\$91.5	\$72.5	\$79.4	\$70.1	Government grants	30.8%	24.3%	26.4%	28.1%
117.4	141.7	141.0	110.6	Tuition fees	39.5%	47.5%	46.8%	44.4%
53.9	50.8	50.3	44.5	Ancillary sales and services	18.2%	17.0%	16.7%	17.8%
6.8	6.2	5.2	5.1	Donations and grants	2.3%	2.1%	1.7%	2.0%
5.4	5.5	5.2	5.0	Amortization of deferred capital contributions	1.8%	1.9%	1.7%	2.0%
21.9	21.5	20.4	14.2	Investment and other income	7.4%	7.2%	6.7%	5.7%
\$296.9	\$298.2	\$301.5	\$249.5		100.0%	100.0%	100.0%	100.0%
\$186.4	\$176.3	\$159.7	\$141.6	Salaries and benefits	65.3%	62.8%	62.8%	63.3%
19.2	19.2	15.4	14.8	Scholarships and bursaries	6.7%	6.8%	6.1%	6.6%
5.9	5.9	5.6	4.9	Utilities	2.1%	2.1%	2.2%	2.2%
59.9	65.4	60.0	49.8	Supplies	21.0%	23.3%	23.6%	22.3%
2.9	2.9	2.9	2.9	Interest on long-term debt	1.0%	1.0%	1.1%	1.3%
11.2	11.1	10.6	9.7	Amortization of capital assets	4.0%	4.0%	4.2%	4.3%
(0.2)	(0.1)	0.0	0.0	Fair value adjustment	(0.1%)	0.0%	0.0%	0.0%
\$285.3	\$280.7	\$254.2	\$223.7		100.0%	100.0%	100.0%	100.0%

2026 REVENUE



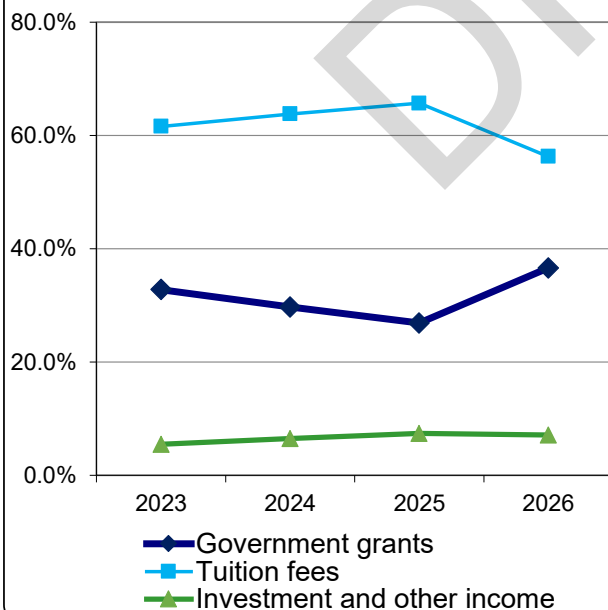
2026 EXPENSE



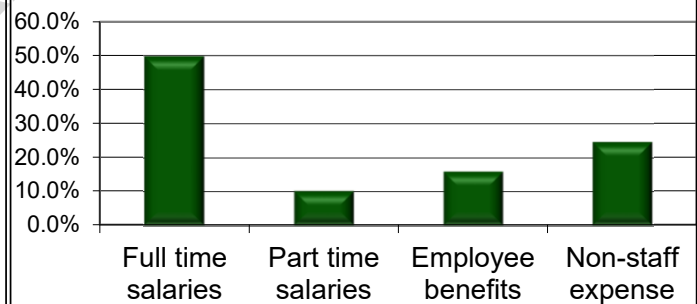
TRENT UNIVERSITY
Summary of Operating Fund
Year Ended April 30, 2026
(millions of dollars)

2026	2025	2024	2023		2026	2025	2024	2023
\$76.4	\$58.0	\$65.8	\$58.8	Government grants	36.6%	26.9%	29.7%	32.8%
117.4	141.7	141.0	110.6	Tuition fees	56.3%	65.7%	63.8%	61.6%
0.1	0.1	0.1	0.3	Donations and grants	0.0%	0.0%	0.0%	0.1%
14.8	16.0	14.5	9.8	Investment and other income	7.1%	7.4%	6.5%	5.5%
\$208.7	\$215.8	\$221.4	\$179.5		100.0%	100.0%	100.0%	100.0%
\$157.4	\$149.2	\$136.8	\$120.8	Salaries and benefits	75.5%	69.2%	61.9%	67.5%
14.7	14.7	11.8	11.3	Scholarships and bursaries	7.1%	6.8%	5.3%	6.3%
4.4	4.5	4.2	3.6	Utilities	2.1%	2.1%	1.9%	2.0%
21.2	24.0	21.4	14.2	Supplies	10.2%	11.1%	9.7%	7.9%
2.0	2.0	2.0	2.0	Interest on long-term debt	1.0%	0.9%	0.9%	1.1%
3.8	8.7	29.9	20.2	Appropriated earnings	1.8%	4.0%	13.5%	11.3%
4.9	11.6	13.7	6.3	Interfund transfers	2.3%	5.4%	6.2%	3.5%
0.1	1.1	1.4	0.7	Transfer to endowments	0.0%	0.5%	0.6%	0.4%
208.5	215.8	221.2	179.1		100.0%	100.0%	100.0%	100.0%
\$0.2	\$0.0	\$0.2	\$0.4	Excess from operations				
0.2	0.1	0.0	0.0	Fair value adjustment				
1.9	2.3	2.3	1.2	Pension actuarial adjustment				
\$2.3	\$2.4	\$2.5	\$1.6					

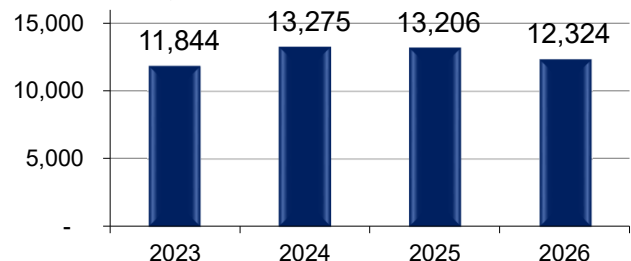
**OPERATING REVENUE
FOUR YEAR TREND**



2026 OPERATING EXPENSE



**STUDENT ENROLMENT FULL TIME
EQUIVALENT FOUR YEAR TREND**



TRENT UNIVERSITY
Statement of Financial Position
April 30, 2026
(thousands of dollars)

	2026	2025 (restated, note 23)
ASSETS		
Current		
Cash	\$ 87,005	\$ 69,532
Accounts receivable (note 3)	18,404	21,075
Prepaid expenses	4,190	3,986
Current portion of investments (note 4)	58,101	81,255
	<u>167,700</u>	<u>175,848</u>
Investments (note 4)	125,230	115,326
Other investments (note 5)	6,515	-
Capital assets (note 6)	250,372	244,819
Other assets (note 7)	2,871	-
Employee future benefits asset (note 13)	6,827	6,922
	<u>\$ 559,515</u>	<u>\$ 542,915</u>
LIABILITIES AND NET ASSETS		
Current		
Accounts payable and accrued liabilities (note 8)	\$ 33,346	\$ 30,805
Deferred revenue (note 9)	52,492	55,364
Current portion of capital lease obligation (note 11)	87	73
	<u>85,925</u>	<u>86,242</u>
Long-term debt (note 10(a))	71,000	71,000
Capital lease obligation (note 11)	207	230
Deferred capital contributions (note 12)	102,655	102,034
Employee future benefits liability (note 13, 23)	46,872	51,656
	<u>306,659</u>	<u>311,162</u>
Net Assets		
Unrestricted (note 23)	(64,597)	(76,419)
Internally restricted (note 14)	116,506	117,954
Investment in capital assets (note 15)	83,843	81,506
Endowments (note 16)	117,104	108,712
	<u>252,856</u>	<u>231,753</u>
Contingent liabilities and commitments (note 20)	<u>\$ 559,515</u>	<u>\$ 542,915</u>

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

Approved by the Board of Governors

Governor

Governor

TRENT UNIVERSITY
Statement of Changes in Net Assets
Year Ended April 30, 2026
(thousands of dollars)

	2026				
	Unrestricted	Internally Restricted	Investment in Capital Assets	Endowments	Total
Net assets (deficit), beginning of year	\$ (56,828)	\$ 117,954	\$ 81,506	\$ 108,712	\$ 251,344
Correction of UPP pre-conversion liability (note 23)	\$ (19,591)				\$ (19,591)
Net assets (deficit), beginning of year, as restated	(76,419)	117,954	81,506	108,712	231,753
Excess of revenue over expense	11,609	-	-	-	11,609
Change in internally restricted net assets (note 14)	1,448	(1,448)	-	-	-
Change in investment in capital assets (note 15)	(2,337)	-	2,337	-	-
Employee future benefits remeasurements (note 13)	2,154	-	-	-	2,154
Change in endowments (note 16)	(1,052)	-	-	8,392	7,340
Net assets (deficit), end of year	\$ (64,597)	\$ 116,506	\$ 83,843	\$ 117,104	\$ 252,856

	2025 (restated, note 23)				
	Unrestricted	Internally Restricted	Investment in Capital Assets	Endowments	Total
Net assets (deficit), beginning of year	(60,479)	105,616	72,942	102,312	220,391
Correction of UPP pre-conversion liability (note 23)	(18,315)				(18,315)
Net assets (deficit), beginning of year, as restated	(78,794)	105,616	72,942	102,312	202,076
Excess of revenue over expense	17,510	-	-	-	17,510
Change in internally restricted net assets (note 14)	(12,338)	12,338	-	-	-
Change in investment in capital assets (note 15)	(8,564)	-	8,564	-	-
Employee future benefits remeasurements (note 13, 23)	7,635	-	-	-	7,635
Change in endowments (note 16)	(1,868)	-	-	6,400	4,532
Net assets (deficit), end of year	\$ (76,419)	\$ 117,954	\$ 81,506	\$ 108,712	\$ 231,753

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

TRENT UNIVERSITY
Statement of Operations
Year Ended April 30, 2026
(thousands of dollars)

	<u>2026</u>	<u>2025</u> (restated, note 23)
REVENUE		
Government grants	\$ 91,538	\$ 72,468
Tuition fees	117,428	141,701
Ancillary sales and services	53,890	50,760
Donations and grants	6,829	6,230
Amortization of deferred capital contributions (note 12)	5,388	5,530
Investment income (note 4)	9,785	11,515
Miscellaneous (note 18)	12,098	9,991
	<u>296,956</u>	<u>298,195</u>
EXPENSE		
Salaries and benefits (note 23)	186,373	176,279
Scholarships and bursaries	19,159	19,195
Utilities	5,943	5,921
Supplies	59,920	65,422
Interest on long-term debt	2,939	2,939
Amortization of capital assets	11,189	11,065
Change in fair value of employee future benefits financial instruments	(176)	(136)
	<u>285,347</u>	<u>280,685</u>
EXCESS OF REVENUE OVER EXPENSE	11,609	17,510
Change in internally restricted net assets (note 14)	1,448	(12,338)
Change in investment in capital assets (note 15)	(2,337)	(8,564)
Employee future benefits remeasurements (note 13, 23)	2,154	7,635
Internally endowed amounts (note 16)	<u>(1,052)</u>	<u>(1,868)</u>
INCREASE IN UNRESTRICTED FUND BALANCE FOR THE YEAR	11,822	2,375
UNRESTRICTED FUND BALANCE		
- beginning of year (note 23)	<u>(76,419)</u>	<u>(78,794)</u>
UNRESTRICTED FUND BALANCE - end of year	<u>\$ (64,597)</u>	<u>\$ (76,419)</u>

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

TRENT UNIVERSITY
Statement of Cash Flows
Year Ended April 30, 2026
(thousands of dollars)

	<u>2026</u>	<u>2025</u> (restated, note 23)
CASH PROVIDED FROM (USED FOR):		
OPERATING ACTIVITIES		
Excess of revenue over expense for the year	\$ 11,609	\$ 17,510
Add (deduct) non-cash items:		
Amortization of capital assets	11,189	11,065
Amortization of deferred capital contributions (note 12)	(5,388)	(5,530)
Loss on disposal of capital assets	45	63
Change in fair value of financial instruments	(6,387)	976
Change in employee future benefits liability/ asset (note 23)	(4,689)	(9,925)
Employee future benefits remeasurements (note 13, 23)	2,154	7,635
	<u>8,533</u>	<u>21,794</u>
Change in non-cash working capital items (note 19)	2,136	(8,814)
	<u>10,669</u>	<u>12,980</u>
INVESTMENT ACTIVITIES		
Change in investments	13,122	(21,825)
Purchase of capital assets	(16,787)	(17,630)
Purchase of other assets (note 7)	(2,871)	-
	<u>(6,536)</u>	<u>(39,455)</u>
FINANCING ACTIVITIES		
Change in external endowments	7,340	4,532
Change in capital lease obligation	(9)	(130)
Deferred capital contributions received (note 12)	6,009	3,865
	<u>13,340</u>	<u>8,267</u>
INCREASE IN CASH FOR THE YEAR	17,473	(18,208)
CASH - beginning of year	<u>69,532</u>	<u>87,740</u>
CASH - end of year	<u>\$ 87,005</u>	<u>\$ 69,532</u>

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

TRENT UNIVERSITY
Notes to the Financial Statements
April 30, 2026
(Tabular amounts in thousands of dollars)

1. AUTHORITY

Trent University (the University) operates under the authority of The Trent University Act, 1962-63. The University is dedicated to academic research and to providing post-secondary and post-graduate education. The University is a registered charity and, under the provisions of section 149 of the Income Tax Act (Canada), is exempt from paying income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The financial statements of the University have been prepared by management in accordance with Part III of the Chartered Professional Accountants Canada (CPA Canada) Handbook which sets out generally accepted accounting principles for not-for-profit organizations in Canada.

(a) Basis of presentation

The financial statements reflect the assets, liabilities, revenue, expenses and other transactions of all the operations for which the University has jurisdiction.

The University accounts identify financial activity separately for operating transactions, internally restricted transactions, externally restricted transactions and endowment transactions as follows:

- Operating transactions are for general activities. Revenue and expense from operating are reported in the Statement of Operations.
- Internally restricted transactions are generally for funds designated for specific activities by University administration. These transactions are reported in the Statement of Operations.
- Externally restricted transactions are associated with funds received from external sources which can only be spent in accordance with the restrictions provided by the funding sources. These transactions are reported in the Statement of Operations to the extent the funds are spent and restrictions are met.
- Endowment transactions include contributions which are designated as endowment by the external source providing the funds and contributions designated as endowment by University administration. Externally restricted endowment contributions are directly reported on the Statement of Changes in Net Assets.

Investments in for-profit entities subject to significant influence are accounted for using the equity method, whereby the investment is initially recorded at cost, net of any impairment and adjusted thereafter for the University's share of the entity's net surplus or deficit and any further impairments. Any distributions received are accounted for as a reduction in the investment.

The University accounts for its investment in KHT Eastbank LP (Note 5 and Note 20(h)) and KHT Eastbank GP Inc. (Note 5), both for-profit entities over which the University exercises significant influence, using the equity method in accordance with the Accounting Standards for Not-for-Profit Organizations. As both entities have a December 31st fiscal year end, the University records its share of the investee's operating results as of that date.

TRENT UNIVERSITY
Notes to the Financial Statements
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(Tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(b) Cash

Cash represents operating cash on deposit and is reported at fair value.

(c) Capital assets

Capital assets are recorded at cost, or in the case of donated assets, at fair market value on the date of the donation. Capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land and site improvements	no amortization
Buildings and components	15 - 40 years
Capital lease and leasehold improvements	Initial term of lease
Parking lots	20 years
Equipment and furnishings	10 years
Computer equipment	5 years
Vehicles	5 years
Library books and serials	5 years
System software	5 years

Costs of capital projects in progress are capitalized. Interest costs attributable to the construction of major new facilities are capitalized during the construction period. Amortization commences when the project is substantially complete.

The carrying value of capital assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not contribute to the University's ability to provide goods and services. An impairment loss is recognized when the carrying amount is not recoverable and exceeds its fair value. An impairment loss is not reversed if the fair value of the related capital asset subsequently increases.

The value of artwork and library rare collections have been excluded from the financial statements except for a nominal value which is not amortized. Donated collections are recorded as revenue at values based on appraisals by independent appraisers and are expensed in the year received. Purchased collections are expensed in the year they are acquired.

(d) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Assets acquired under capital leases are amortized as described in Note 2(c). Obligations under capital leases are reduced by the principal portion of lease payments. The imputed interest portion of lease payments is charged to expense.

TRENT UNIVERSITY
Notes to the Financial Statements
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(Tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(e) Revenue recognition

The University follows the deferral method of accounting for revenue derived from the provision of service and from revenue contributions. Contributions include government grants and donations and may either be unrestricted, externally restricted, or endowments.

Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Revenue received by the University for the provision of goods and services is recognized when goods and services are provided. Student fees are recognized as revenue when courses are provided. Sales and services and ancillary revenue is recognized at the point of sale or when the service has been provided.

Externally restricted contributions for purposes other than endowment or the acquisition of capital assets are deferred and recognized as revenue in the year in which related expenses are incurred. Externally restricted contributions can only be used for the purposes designated by external contributors. Externally restricted endowment contributions and related restricted investment revenue are reported as direct increases in net assets. Contributions for the acquisition of capital assets are deferred and recognized as revenue on the same basis as the related capital assets are amortized.

Pledged donations are not recorded until received due to the uncertainty involved in their collection.

(f) Employee future benefit plans

The University is a member of the University Pension Plan (UPP), which is a multi-employer jointly sponsored, defined benefit plan. The University's contributions are accounted for as if the plan were a defined contribution plan due to the plan being a multi-employer plan. The University's contributions are expensed in the period they come due.

The University provides eligible staff with other retirement and post-employment benefits and accounts for these plans using the immediate recognition approach. Under this approach, the University recognizes the amount of the defined benefit obligation net of the fair value of the plan assets in the Statement of Financial Position. Current service and finance costs are expensed during the year. Remeasurements and other items, representing the total of the difference between actual and expected return on plan assets, actuarial gains and losses, net change in valuation allowance, and past service costs are recognized as a direct increase or decrease in net assets.

The University measures the defined benefit obligations for plans without a funding valuation requirement using an accounting valuation. The accounting discount rates are determined based on the yield of high quality corporate bonds at the time of the financial statements.

TRENT UNIVERSITY
Notes to the Financial Statements
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(Tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(f) Employee future benefit plans (continued)

The cost of these plans is determined using the projected benefit method prorated on services and management's best estimates regarding assumptions about a number of future conditions, including investment returns, salary changes, withdrawals, and mortality rates. The fair market value of assets is used for disclosure and calculation of pension costs, effective on the measurement date which is April 30 of each year.

(g) Financial instruments

The University's financial assets and liabilities consist of cash, accounts receivable, investments, accounts payable and accrued liabilities, and long-term debt. Financial assets and liabilities are initially recognized at fair value. They are subsequently measured at amortized cost which approximates fair value due to their short term maturities, except for investments, which are quoted in an active market and are measured at fair value.

The fair value of investments recorded in the financial statements is determined as follows:

- Fixed income securities include guaranteed investment certificates which are stated at cost, which together with accrued investment income approximates fair value given the short-term nature of these investments.
- Bonds and equities are valued at year-end quoted market prices using closing prices.
- Pooled fund investments, consisting of infrastructure and real estate funds, are valued at the unit values supplied by the pooled fund administrators, which represent the University's proportionate share of underlying net assets at fair values determined using quoted market prices or alternative valuation methods where quoted market prices are not available.

Changes in fair value of long-term investments for employee early retirement plans are recognized in the Statement of Operations. Changes in fair value of long term investments for endowments are recognized in the Statement of Changes in Net Assets.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year. If an indicator of impairment exists, the University determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset, or the amount the University expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

TRENT UNIVERSITY
Notes to the Financial Statements
April 30, 2026
(Tabular amounts in thousands of dollars)

2. SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (continued)

(h) Foreign currency translation

Transactions denominated in foreign currencies are accounted for at the exchange rate in effect at the date of the transaction. At year end, monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at the rates of exchange prevailing at the date of the financial statements. The resulting gains and losses are included in revenue except to the extent that they relate to investments, in which case they are recognized in the same manner as investment income.

(i) Fundraising activities

Gifts and grants from fundraising activities are recorded when received.

(j) Sabbaticals and other leaves

The cost of sabbaticals and leaves are recorded when paid.

(k) Contributed services

Volunteers as well as members of the University community including alumni contribute an extensive number of hours per year to assist the institution in carrying out its service delivery activities. Such contributed services are not recognized in the financial statements.

(l) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingencies at the date of the financial statements and the reported amount of revenue and expense during the period. These estimates are reviewed annually and as adjustments become necessary, they are recognized in the financial statements in the period in which they become known. Areas requiring the use of estimates relate to the assumptions used in the determination of the useful life of capital assets, valuation allowances for receivables, valuation of level III investments, and obligations related to the employee future benefits liability/asset. Actual results could differ from those estimates.

(m) Cloud Computing Arrangements

The University has chosen the simplification approach under Accounting Guideline AcG-20, Customer's Accounting for Cloud Computing Arrangements, whereby expenditures related to elements in cloud computing arrangements are recorded as an expense as incurred.

TRENT UNIVERSITY
Notes to the Financial Statements
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3. ACCOUNTS RECEIVABLE

	2026	2025
Student receivables	\$ 15,724	\$ 15,504
Government receivables	5,242	5,679
Research receivables	945	842
Trust receivables	647	335
Other receivables	2,593	2,494
	<u>25,151</u>	<u>24,854</u>
Less allowance for doubtful accounts	(6,747)	(3,779)
	<u>\$ 18,404</u>	<u>\$ 21,075</u>

4. INVESTMENTS AND INVESTMENT INCOME

Details of investments at fair value are as follows:

	2026	2025
Cash equivalents	\$ 388	\$ 328
Fixed income securities	58,101	81,255
Bonds	28,152	25,686
Equities	69,242	63,548
Infrastructure funds	13,124	12,048
Real estate funds	14,324	13,716
	<u>183,331</u>	<u>196,581</u>
Less current portion of fixed income securities	(58,101)	(81,255)
	<u>\$ 125,230</u>	<u>\$ 115,326</u>

Investments are allocated as follows:

Endowment funds	\$ 119,429	\$ 110,591
Sinking funds related to long-term debt	5,801	4,735
Short-term fixed income securities	58,101	81,255
	<u>\$ 183,331</u>	<u>\$ 196,581</u>

Investment income is comprised of the following:

Realized income on investments	\$ 8,585	\$ 11,622
Change in fair value of financial instruments	1,200	(107)
	<u>\$ 9,785</u>	<u>\$ 11,515</u>

Fixed income securities consist of guaranteed investment certificates which yield interest at rates of 2.90% to 3.80% (2025 - 3.55% to 4.63%) and mature between June 2026 and September 2027 (2025 - June 2025 and April 2026).

TRENT UNIVERSITY
Notes to the Financial Statements
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5. OTHER INVESTMENTS

In February 2026, the University entered into a Limited Partnership Agreement, obtaining Class B securities, providing a 34.19% ownership stake in KHT Eastbank LP related to the development of the Gidigaa Migizi College Residence and Otonabee College Residence project referred to in Note 20(h). As of April 30, 2026, the University has made equity contributions of \$6,514,911 in the limited partnership. Under the Limited Partnership Agreement, the University is subject to liquidity restrictions that will remain in place until certain conditions are met. These conditions cannot be satisfied before August 29, 2031.

In February 2026, the University also entered into a Shareholder Agreement, acquiring 3,419 common shares in KHT Eastbank GP Inc. for the sum of \$34.19, representing a 34.19% ownership stake.

As there were no operational results for KHT Eastbank LP or KHT Eastbank GP Inc. during the period, no proportionate share of earnings has been recognized in these financial statements.

6. CAPITAL ASSETS

	Cost	2026 Accumulated Amortization	Net Book Value
Land and site improvements	\$ 40,099	\$ -	\$ 40,099
Buildings and components	326,277	154,286	171,991
Building and leasehold improvements under capital lease	17,475	4,969	12,506
Equipment, vehicles, furnishings and software	48,738	37,513	11,225
Library books and serials	19,069	19,069	-
Parking lots	6,444	30	6,414
Collections	1	-	1
Work-in-progress	8,136	-	8,136
	<u>\$ 466,239</u>	<u>\$ 215,867</u>	<u>\$ 250,372</u>

	Cost	2025 Accumulated Amortization	Net Book Value
Land and site improvements	\$ 40,099	\$ -	\$ 40,099
Buildings and components	318,665	146,627	172,038
Building and leasehold improvements under capital lease	17,475	4,145	13,330
Equipment, vehicles, furnishings and software	51,260	40,308	10,952
Library books and serials	24,347	24,347	-
Collections	1	-	1
Work-in-progress	8,399	-	8,399
	<u>\$ 460,246</u>	<u>\$ 215,427</u>	<u>\$ 244,819</u>

Management has assessed for full or partial impairment and determined there is none.

TRENT UNIVERSITY
Notes to the Financial Statements
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(Tabular amounts in thousands of dollars)

7. OTHER ASSETS

As of April 30, 2026, the University has made payments of \$2,871,166 towards the total construction costs of the subleased spaces related to the Gidigaa Migizi College Residence and Otonabee College Residence project referred to in Note 20(h). These prepayments will reduce the annual sublease base rent.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities is comprised primarily of trade accounts payable, government remittances, and payroll related accruals. The University's government remittances for payroll-related taxes payable at the end of the year were current and amounted to \$2,148,063 (2025 - \$2,153,650).

9. DEFERRED REVENUE

Deferred revenue represents unexpended amounts received in the current and prior years for services to be provided in a future year and consists of the following:

	2026	2025
Externally restricted donations	\$ 3,272	\$ 2,233
Trust funds	16,935	16,673
Research funds	12,176	10,814
Student fees	11,641	16,056
Provincial government grants	-	1,104
Other	8,468	8,484
	<u>\$ 52,492</u>	<u>\$ 55,364</u>

10. LONG-TERM DEBT

(a) Long-term debt

In February 2017, the University refinanced its then existing long-term debt by issuing series A senior unsecured debentures in the amount of \$71,000,000, bearing interest at 4.139% per annum, payable semi-annually, with the principal amount maturing on February 17, 2057. The University has established a sinking fund for the repayment of the \$71,000,000 at maturity. At April 30, 2026, the fair value of the sinking fund is \$5,800,984 (2025 - \$4,735,183) (refer to Note 4).

(b) Bank credit facility

The University has available an operating line of credit of up to \$12,000,000. The interest rate on the operating line of credit, when drawn, is the Bank's prime lending rate from time to time. Amounts are repayable on demand. The line of credit was not drawn on for operating purposes at April 30, 2026 (2025 - \$Nil).

TRENT UNIVERSITY
Notes to the Financial Statements
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11. CAPITAL LEASE OBLIGATION

The University has financed certain vehicles by entering into capital leasing arrangements. Capital lease repayments are due as follows:

	2026	2025
2026	\$ -	\$ 94
2027	106	91
2028	106	101
2029	93	75
2030	15	-
2031	10	
Total minimum lease payments	330	361
Less amount representing interest	(36)	(58)
Present value of net minimum capital lease payments	294	303
Less current portion of capital lease obligation	(87)	(73)
	\$ 207	\$ 230

Interest and lease charges of \$24,613 (2025 - \$32,413) relating to capital lease obligations has been included in interest expense. The net book value of vehicles under capital lease is \$453,454 (2025 - \$533,978).

12. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of grants and donations for the purchase of capital assets. The changes in the deferred capital contributions balance are as follows:

	2026	2025
Balance, beginning of year	\$ 102,034	\$ 103,699
Contributions received for capital acquisitions	6,009	3,865
Amortization of deferred capital contributions	(5,388)	(5,530)
Balance, end of year	\$ 102,655	\$ 102,034

TRENT UNIVERSITY
Notes to the Financial Statements
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13. EMPLOYEE FUTURE BENEFITS LIABILITY (ASSET)

The Trent University faculty association (Faculty), employees represented by Ontario Public Sector Employees Union (OPSEU) Local 365 and exempt administrative staff (non-Faculty Staff) are members of a jointly sponsored multi-employer pension plan, the University Pension Plan. The assets and liabilities of the University's registered Faculty Pension Plan were transferred to the UPP as at January 1, 2022 and the assets and liabilities of the University's registered Non-Faculty Pension Plan were transferred to the UPP as at January 1, 2025. On the respective conversion dates, the accrual of the benefits and contributions under the UPP commenced for each group.

On conversion date, the registered Faculty Pension Plan was terminated as all the assets and liabilities were transferred to the UPP. The registered Non-Faculty Pension Plan had an estimated windup surplus of \$12,965,246 on conversion, which is required to remain in the Non-Faculty Pension Plan as the maximum amount of assets that can be transferred to the UPP under the *Pension Benefits Act* is an amount equal to a plan's windup liabilities. The registered Non-Faculty Pension Plan will be terminated when the windup surplus is distributed in accordance with the *Pension Benefits Act* and the terms of the Non-Faculty Pension Plan. Distribution of the remaining windup assets is expected by Fall 2026, with 50% or \$6,827,000 (2025 - \$6,922,000) to be transferred to the University pending legislative approvals. This surplus has been reclassified as an employee future benefit asset and presented separately on the University's Statement of Financial Position.

Any pension surplus or deficit of the UPP is a joint responsibility of the members and employers for service after the conversion dates and may affect future contribution rates for members and employers. Contribution rates are determined by the UPP's Joint Sponsors (representing employees and employers). The University does not recognize any share of the UPP's post-conversion pension surplus or deficit as insufficient information is available to identify the University's share of the underlying pension assets and liabilities. The most recent UPP actuarial valuation filed with pension regulators as at January 1, 2026 indicated an actuarial surplus on a going concern basis of \$440,199,000 (January 1, 2025 - \$245,033,000).

Employer contributions made to the UPP during the fiscal year amounted to \$5,547,373 (2025 - \$5,408,357) for the Faculty and \$5,083,578 (2025 - \$1,508,185) for the Non-Faculty Staff. These amounts are included in salaries and benefits in the Statement of Operations.

The University is also required to fund any net pension obligations (determined based on the UPP's actuarial assumptions) related to service costs up to the respective conversion dates. Based on the actuarial valuations performed on conversion of each plan, using the UPP actuarial assumptions, the University had an initial surplus for both plans and as such did not have a pension obligation on transition to the UPP.

Based on the actuarial valuation performed by the UPP as at January 1, 2026, the University has a pre-conversion deficit obligation for the Faculty Pension Plan of \$19,670,000 (2025 - \$20,435,000) using the smoothed actuarial value of assets. The University does not have any pre-conversion service deficit obligation for the Non-Faculty Pension at this time.

TRENT UNIVERSITY**Notes to the Financial Statements****April 30, 2026****(Tabular amounts in thousands of dollars)****13. EMPLOYEE FUTURE BENEFITS LIABILITY (ASSET) (continued)**

During the fiscal year, the University made payments in the amount of \$2,186,811 (2025 - \$2,194,511) towards its past service pension obligation for the Faculty as determined by the UPP filed actuarial valuations. No such payments were required for the Non-Faculty Staff during this fiscal year.

Annual special payments, payable monthly, are required to address this deficit as follows:

	2026	2025
January 2023 to December 2037	\$ 985	\$ 985
January 2024 to December 2038	893	893
January 2025 to December 2039	228	228
January 2026 to December 2040	48	-
	<u>\$ 2,154</u>	<u>\$ 2,106</u>

The University has recorded a liability in the Statement of Financial Position measured as the present value of future payments using the discount rate of 5.60% (2025 - 5.45%) consistent with the rate used in the UPP January 1, 2026 actuarial valuation. A corresponding remeasurement loss is recorded in the Statement of Changes in Net Assets.

The pension obligation for pre-conversion service may fluctuate in the future based on changes to the UPP's actuarial assumptions and for changes in experience in future periods. The pre-conversion pension obligation will continue to be the responsibility of the University for the first nine and a half years starting January 1, 2022 for the Faculty and for the first ten years starting January 1, 2025 for the Non-Faculty Staff, after which the responsibility for such changes becomes gradually shared over the next ten years with the other participants of the UPP, after which the responsibility is totally shared with all members of the UPP.

The University has a provision in its budget to cover the required annual pre-conversion special payment obligations.

The Supplementary Retirement Arrangements (SRA) for the faculty association and senior exempt administrative staff were not transferred to the UPP. The obligations under the SRA remain the responsibility of the University. The University provides other retirement and post-employment benefits such as health care reimbursements to eligible employees.

TRENT UNIVERSITY
Notes to the Financial Statements
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13. EMPLOYEE FUTURE BENEFITS LIABILITY (ASSET) (continued)

The significant actuarial assumptions used in determining the accrued benefit obligations for all plans were as follows:

	2026	2025
Discount rate	4.89%	4.68%
Rate of compensation increase - active participants	3.75%	3.75%
Rate of compensation increase - disabled participants	2.50%	2.50%
Rate of inflation	2.00%	2.00%

The significant UPP transfer assumptions used for the conversion of the Non-Faculty pension plan as at April 30, 2025 included a discount rate of 5.45%, a 4.0% rate of compensation increase for active participants, a 2.0% rate of compensation increase for disabled participants and a 2.0% rate of inflation.

Information regarding the University's benefit plans is as follows:

	2026			
	Non-Faculty Pension Plan	SRA & Other Plans	UPP Pre-Conversion	Total
Accrued benefit obligation	\$ 6,378	\$ 30,593	\$ -	\$ 36,971
Fair value of plan assets	(13,205)	(2,559)	-	(15,764)
	(6,827)	28,034	-	21,207
Reclassification of wind-up surplus asset	6,827	-	-	6,827
UPP pre-conversion obligation	-	-	18,838	18,838
Accrued benefit liability	\$ -	\$ 28,034	\$ 18,838	\$ 46,872
Current service costs	\$ 222	\$ 215	\$ -	\$ 437
Finance costs and recoveries	(142)	1,452	-	1,310
Net benefit cost	\$ 80	\$ 1,667	\$ -	\$ 1,747
Investment gains	-	270	-	270
Actuarial gains on accrued benefit obligation	-	3,341	-	3,341
Change in valuation	(157)	-	-	(157)
Effect of the valuation allowance on finance cost	142	-	-	142
Past service costs	-	(8)	-	(8)
Pre-conversion measurement loss	-	-	(1,434)	(1,434)
Net remeasurements gains (losses) and other items	\$ (15)	\$ 3,603	\$ (1,434)	\$ 2,154

TRENT UNIVERSITY
Notes to the Financial Statements
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(Tabular amounts in thousands of dollars)

13. EMPLOYEE FUTURE BENEFITS LIABILITY (ASSET) (continued)

	2025 (restated, note 23)			
	Non-Faculty Pension Plan	SRA & Other Plans	UPP Pre- Conversion	Total
Accrued benefit obligation	\$ 6,220	\$ 34,563	\$ -	\$ 40,783
Fair value of plan assets	(13,142)	(2,498)	-	(15,640)
	(6,922)	32,065	-	25,143
Reclassification of wind-up surplus asset	6,922	-	-	6,922
UPP pre-conversion obligation			19,591	19,591
Accrued benefit liability	\$ -	\$ 32,065	\$ 19,591	\$ 51,656
Current service costs	\$ 4,679	\$ 293	\$ -	\$ 4,972
Finance costs and recoveries	142	1,554	-	1,696
Net benefit cost	\$ 4,821	\$ 1,847	\$ -	\$ 6,668
Investment gains	18,032	148	-	18,180
Actuarial gains (losses) on accrued benefit obligation	698	(1,541)	-	(843)
Change in valuation	(6,220)	-	-	(6,220)
Past service costs	-	(11)	-	(11)
Pre-conversion measurement loss			(3,471)	(3,471)
Net remeasurements gains (losses) and other items	\$ 12,510	\$ (1,404)	\$ (3,471)	\$ 7,635

14. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets are funds set aside to support various commitments and initiatives to enhance the quality, structure and organization of programs and activities for the student body as well as protect against possible adverse circumstances caused by changes in student enrolment, funding levels and salary cost escalations. The internally restricted net assets are as follows:

	2026	2025
Departmental operating budget carryforward funds	\$ 15,300	\$ 20,768
Capital and infrastructure projects	29,131	30,056
Sinking fund for debenture retirement (note 10(a))	4,715	4,000
Ancillary operations	16,105	11,495
Research and trust funds	9,673	7,591
Other funds committed for specific purposes	41,582	44,044
	<u>\$ 116,506</u>	<u>\$ 117,954</u>

TRENT UNIVERSITY**Notes to the Financial Statements****April 30, 2026****(Tabular amounts in thousands of dollars)****15. INVESTMENT IN CAPITAL ASSETS**

	2026	2025
Capital assets (note 6)	\$ 250,372	\$ 244,819
Add: Unspent deferred capital contributions	5,337	5,023
Less: Long-term debt pertaining to capital assets	(64,068)	(64,068)
Capital lease obligation (note 11)	(294)	(303)
Deferred capital contributions (note 12)	(102,655)	(102,034)
Donated assets (note 20(g))	(1,850)	(1,850)
Financed internally	(2,999)	(81)
	<u>\$ 83,843</u>	<u>\$ 81,506</u>

16. ENDOWMENTS

Endowment funds are restricted donations received by the University and contributions internally restricted by the University, in exercising its discretion. The endowment principal is required to be maintained intact. The investment income generated from these endowments must be used in accordance with the various purposes established by the donors. The University ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided.

	2026 Fair Value	2025 Fair Value
Student assistance	\$ 62,369	\$ 57,869
General endowment	6,302	6,242
Library	3,854	3,642
Research	5,619	3,687
Colleges, departments, other	38,960	37,272
	<u>\$ 117,104</u>	<u>\$ 108,712</u>

The Board of Governor's investment earnings distribution policy allows a maximum annual distribution of 3.5% (2025 - 3.5%) on the average four-year rolling market value at December 31.

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16. ENDOWMENTS (continued)

	Externally Restricted	2026 Internally Restricted	Total
Balance, beginning of year, at fair value	\$ 90,375	\$ 18,337	\$ 108,712
Endowment contributions	2,886	50	2,936
Realized Investment income	3,236	764	4,000
Unrealized investment gain	5,160	949	6,109
Investment fees and expenses	(917)	(187)	(1,104)
Transfer to disbursement fund	(3,025)	(524)	(3,549)
Balance, end of year, at fair value	\$ 97,715	\$ 19,389	\$ 117,104

	Externally Restricted	2025 Internally Restricted	Total
Balance, beginning of year, at fair value	\$ 85,843	\$ 16,469	\$ 102,312
Endowment contributions	1,562	1,134	2,696
Realized Investment income	7,260	1,537	8,797
Unrealized investment income	(713)	(64)	(777)
Investment fees and expenses	(973)	(209)	(1,182)
Transfer to disbursement fund	(2,604)	(530)	(3,134)
Balance, end of year, at fair value	\$ 90,375	\$ 18,337	\$ 108,712

In order to provide more long-term protection for some of the internally restricted funds included in the endowments of the University, the Board of Governors have a Declaration of Trust Agreement which segregates, preserves and administers certain internally restricted endowment funds in trust. At April 30, 2026, the total fair value of the internally restricted endowment funds under the Declaration of Trust Agreement was \$8,063,273 (2025 - \$7,590,329).

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17. ONTARIO STUDENT TRUST FUND

Externally restricted endowments include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund (OSOTF) and the Ontario Trust for Student Support (OTSS) programs. Under these programs, the government matched endowed donations made to the University.

Phase I - Ontario Student Opportunity Trust Fund

Schedule of changes in expendable funds available for awards for the year ended April 30, at cost:

	2026	2025
Expendable funds available for awards, beginning of year	\$ 900	\$ 825
Net transfers from endowment fund	310	321
Bursaries awarded	(291)	(246)
Expendable funds available for awards, end of year	\$ 919	\$ 900
Total OSOTF, Phase I, end of year	\$ 7,235	\$ 7,208
Number of bursaries awarded	311	221

Schedule of changes in endowment fund balance for the year ended April 30, at fair value:

	2026	2025
Endowment balance, beginning of year	\$ 9,270	\$ 9,447
Unrealized losses for the year	553	(178)
Investment income, net of fees and expenses	238	322
Net transfer to expendable funds	(310)	(321)
Endowment balance, end of year	\$ 9,751	\$ 9,270

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17. ONTARIO STUDENT TRUST FUND (continued):

Phase II - Ontario Student Opportunity Trust Fund

Schedule of changes in expendable funds available for awards for the year ended April 30, at cost:

	2026	2025
Expendable funds available for awards, beginning of year	\$ 284	\$ 268
Net transfers from endowment fund	69	71
Bursaries awarded	(51)	(55)
Expendable funds available for awards, end of year	\$ 302	\$ 284
Total OSOTF, Phase II, end of year	\$ 1,792	\$ 1,774
Number of bursaries awarded	89	77

Schedule of changes in endowment fund balance for the year ended April 30, at fair value:

	2026	2025
Endowment balance, beginning of year	\$ 2,065	\$ 2,105
Unrealized gains/(losses) for the year	123	(40)
Investment income, net of fees and expenses	53	72
Net transfer to expendable funds	(69)	(72)
Endowment balance, end of year	\$ 2,172	\$ 2,065

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17. ONTARIO STUDENT TRUST FUND (continued):

Ontario Trust Fund Student Success (OTSS)

Schedule of changes in expendable funds available for awards for the year ended April 30, at cost:

	2026	2025
Expendable funds available for awards, beginning of year	\$ 1,784	\$ 1,530
Net transfers from endowment fund	493	531
Bursaries awarded	(405)	(277)
Expendable funds available for awards, end of year	\$ 1,872	\$ 1,784
Total OTSS, end of year	\$ 13,438	\$ 13,324
Number of bursaries awarded	635	471

Schedule of changes in endowment fund balance for the year ended April 30, at fair value:

	2026	2025
Endowment balance, beginning of year	\$ 15,161	\$ 15,212
Unrealized gains/(losses) for the year	905	(148)
Investment income, net of fees and expenses	414	627
Net transfer to expendable funds	(507)	(530)
Endowment balance, end of year	\$ 15,973	\$ 15,161

18. MISCELLANEOUS INCOME

	2026	2025
Non-tuition student fees	\$ 5,554	\$ 5,241
Miscellaneous income	6,544	4,750
	\$ 12,098	\$ 9,991

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19. CHANGE IN NON-CASH WORKING CAPITAL ITEMS

The change in non-cash working capital items consists of the following:

	2026	2025
Accounts receivable	\$ 2,671	\$ (3,505)
Prepaid expenses	(204)	(1,077)
Accounts payable and accrued liabilities	2,541	2,515
Deferred revenue	(2,872)	(6,747)
	<u>\$ 2,136</u>	<u>\$ (8,814)</u>

20. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Canadian Universities Reciprocal Insurance Exchange

Trent University is a member of the Canadian Universities Reciprocal Insurance Exchange (CURIE). CURIE pools the property damage and public insurance risks for seventy eight Canadian universities and colleges. All members pay annual deposit premiums which are actuarially determined and are subject to further assessment in the event members' premiums are insufficient to cover losses and expenses. As at December 31, 2025, the date of the latest financial statements available, CURIE had an accumulated comprehensive income of \$133,885,561 (2024 - \$130,336,783).

(b) Litigation

The nature of the University's activities are such that there may be litigation pending or in the prospect at any time. With respect to claims at April 30, 2026, administration believes that the University has valid defenses and appropriate insurance coverage in place. In the event that any claims are successful, such claims are not expected to have a material effect on the University's financial position. Accordingly, no provision has been made in the financial statements.

(c) Powerhouse Agreement

In November 2012, the University finalized the Lease, Acquisition and Transfer Agreement, Shareholders' Agreement, General Conveyance and Indemnity Agreement transactions with a wholly-owned subsidiary of Peterborough Utilities Inc. (Transferee) for the lease of the powerhouse site and existing structure and for the transfer of the redevelopment project. The Transferee completed the project and operations commenced on June 16, 2013. The Transferee assumed responsibility for the operation of the redeveloped facility. At the end of the twenty year lease term, the University will exchange its interest in the project site for a 50% ownership of the total project.

TRENT UNIVERSITY**Notes to the Financial Statements****April 30, 2026****(Tabular amounts in thousands of dollars)****20. CONTINGENT LIABILITIES AND COMMITMENTS (continued)****(d) Energy Performance Contract**

In December 2015, the University entered into a Tri-Party Energy Performance Contract. The Tri-Party agreement required a \$15,499,561 capital investment from the University. Monthly lease payments commenced January 2019 and are contingent on annual energy cost savings, which are currently estimated at \$850,000 per year.

In March 2021, the University amended the Tri-Party Energy Performance Contract to include the installation of a battery energy storage system. This amended agreement required a further \$9,458,913 capital investment from the University. Monthly lease payments on the additional improvements commenced June 2023 and are also contingent on annual energy cost savings, which are currently estimated at \$467,500 per year.

The monthly lease payments under the amended Tri-Party Energy Performance Contract are expected to end in May 2031.

(e) Student Centre Loan Guarantee

In December 2015, the University entered into an agreement with the Trent Central Student Association (TCSA) to construct a Student Centre and lease a portion of the building to the TCSA. As part of this agreement, the University guaranteed payment of a \$10,500,000 loan facility for the TCSA to assist in financing the construction of the Student Centre. The balance outstanding on the loan at April 30, 2026 is \$7,574,547 (2025 - \$7,828,457). The lease began in September 2017 once the construction was complete. The lease is for a period of 30 years, with the option to extend for seven periods of ten years each.

(f) Cleantech Commons

In October 2018, the University entered into a Lease Agreement with the City of Peterborough (the City) for the development of the Cleantech Commons, a research and innovation park on 85 acres of Trent-owned lands. The University will retain ownership of the Cleantech Commons lands. Under the 110-year head ground lease with the City, the City will develop the Cleantech Commons and will sublet serviced sites in the research park to mutually agreed upon subtenants in a phased manner. The University will share in the net revenue generated through rent paid to the City by the subtenants.

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20. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(g) Durham Campus Development

In May 2019, the Corporation of the City of Oshawa transferred approximately 1.85 acres of land adjacent to the Durham GTA campus for the development of a student residence and academic space. At the time of transfer, the donated land had an estimated fair market value of \$1,850,000, which is reflected in these financial statements.

In June 2019, the University entered into a Lease Agreement with a Developer for the purpose of constructing on the donated land a multi-storey building containing a 200-bed student residence and academic space, as well as associated site improvements including landscaping and parking facilities (together referred to as the Property). Occupancy occurred on September 1, 2020.

The term of the lease is 50 years less one day after the occupancy date, with an option to extend the term for five additional periods of five years. During the term of the lease, the Developer will retain ownership of the Property and be responsible for the operation and maintenance of the Property. Upon expiration of the lease, the Property and all fixtures to the land become the absolute property of the University. The University retains ownership of the land during the lease term.

On the occupancy date, the University made a one-time payment to the Developer as rent to occupy the academic space for the initial term of the lease, which is reflected as a capital lease in the University's financial statements. No additional rent will be payable for the University's continued occupancy of the academic space during any extension terms. The University is responsible for the operating expenses related to the academic space.

During the term of the lease, the University will make occupancy payments derived from student residence fees to the Developer. During the first 30 years of the initial term, the University will provide the Developer with guaranteed occupancy payments. During the year, the University expensed \$215,428 (2025 - \$646,270) of guaranteed occupancy payments. The University will participate in student revenues in excess of established occupancy rates and in net non-student revenue. The Developer is responsible for the operating expenses related to the residence space.

In September 2024, the University entered into an amending agreement to temporarily change the use of space currently housing some student residence beds to office space for academic and administrative use for a three-year term September 1, 2024 to August 31, 2027. The term may be extended, at the University's option, for five periods of three years each or may be terminated with not less than twelve months written notice. The rent paid in respect of the temporary space during the year was \$1,053,538 (2025 - \$516,181). Future rent payments for the initial term of the lease are included in minimum lease payments in Note 20(l).

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20. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(h) Gidigaa Migizi College Residence and Otonabee College Residence Project

In June 2025, the University entered into a Ground Lease Agreement with a Developer for the purpose of constructing on the Peterborough Symons campus two multi-storey buildings: (i) a new college residence, Gidigaa Migizi College Residence, containing a 740-bed student residence, food services, academic and administrative spaces and associated amenities, and (ii) a new Otonabee College Residence facility housing 648 student residence beds and associated amenities (together referred to as the Project). The expected date of substantial completion is August 16, 2029 with occupancy on or before September 1, 2029.

The term of the lease is 49 years from the Commencement Date, defined as the date on which a minimum of 650 beds in the residences is available to be occupied by University students. The Developer has the option to extend the term for four additional periods of ten years each. During the term of the lease, the Developer will retain ownership of the Project and be responsible for the operation and maintenance of the Project. Upon expiration of the lease, the Project and all fixtures to the land become the absolute property of the University. The University will retain ownership of the land during the lease term.

On the Commencement Date, the Developer will pay a one-time rent payment to the University. Additional rent will be paid to the University when specified return on investment hurdles are achieved. The University will not be providing an occupancy guarantee to the Developer. The Developer will be responsible for the operating expenses related to the residence and associated amenity spaces, including residence life services that will be provided by the University.

For the same term (including any extensions) as the Ground Lease Agreement, the University will sublease the academic and administrative spaces from the Developer. Base rent payable monthly in advance to the Developer will be based on a specified percentage of total costs to deliver the subleased premises, escalating 5% every five years during the initial term of the lease. Annual sublease base rent shall not increase during the extension terms. As stated in Note 7, the University is exercising its option to make one-time payments to the Developer of up to 25% of the total construction costs of the subleased spaces, which is estimated at \$23,679,495. These prepayments, which will reduce the annual sublease base rent, will be externally financed using credit facilities during construction, converting to conventional debt instruments upon completion of construction.

The University will be responsible for the operating expenses related to the academic and administrative subleased spaces.

As stated in Note 5, the University entered into a Limited Partnership Agreement, purchasing Class B shares representing a 34.19% ownership stake in KHT Eastbank LP with a total equity investment commitment of \$14,000,000. This investment will be funded from University appropriations.

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20. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(i) Other Lands Development

In May 2018, the University signed a Development Agreement with the City of Peterborough effective August 2018 which included an obligation by the University not to sell, lease or encumber for a 15-year period to December 31, 2032 approximately 23 acres of Trent-owned lands for potential sports fields development by the City. The agreement also provides that the University may provide an alternate site, agreeable to the City acting reasonably, if the University requires the identified lands for a purpose which is contrary to this obligation. At this time, the University does not believe it necessary to propose an alternate site to the City, and is currently using the identified lands for University purposes, which is not in contravention of the University's obligations to the City.

(j) Land Leases

The University has land lease agreements with a Developer for the purpose of constructing and operating on Trent-owned lands buildings comprised of town houses and/or apartment units. The buildings shall be used and occupied primarily as residential housing for students, facility personnel and employees at the University. All construction is at the sole cost of the Developer.

The term of each lease is 99 years after the date on which the construction is substantially complete. During the term of each lease, the Developer retains ownership of the buildings and is responsible for the operation and maintenance of the buildings. Upon expiration of the leases, the buildings and all improvements to the land become the absolute property of the University. The University retains title to the land at all times during the leases.

The leases include minimum rent payable by the Developer to the University during the term of the leases and additional rent commencing in the twentieth lease year and continuing for the balance of the lease terms based on a percentage of gross revenues earned by the Developer during each lease year.

(k) Faryon Bridge Rehabilitation Project

In December 2025, the University entered into a contractual agreement for the rehabilitation of the Faryon Bridge on the Symons campus in Peterborough. The estimated cost of the project is \$22,876,877 including contingency, taxes and associated fees, which will be funded from University appropriations, sinking funds and fundraising. Costs incurred to April 30, 2026 were \$2,839,700, which are included in capital assets work-in-progress. The rehabilitation work commenced in January 2026 with an expected completion date of Fall 2027.

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20. CONTINGENT LIABILITIES AND COMMITMENTS (continued)

(I) Minimum lease payments

The University leases premises for student residence and academic space. The future aggregate minimum lease payments for the next five years under operating leases are as follows:

	2026	2025
2026	\$ -	5,540
2027	6,202	5,556
2028	3,040	2,992
2029	1,292	1,269
2030	1,017	993
2031	339	-
	<u>\$ 11,890</u>	<u>\$ 16,350</u>

21. FINANCIAL RISKS

(a) Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The University is exposed to credit risk with respect to the accounts receivable and investments. The University assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The credit risk related to investments is considered to be negligible because the University's investment policy restricts investments to those with investment grade ratings by recognized credit rating services. There have been no changes to this risk exposure in 2026.

(b) Interest rate risk

The University is exposed to interest rate risk on its fixed interest rate financial instruments, which subject the University to a fair value risk. The University manages this risk through the investment policy of the Board of Governors. Investments are monitored by a Committee of the Board of Governors and managed by investment managers subject to asset mix and performance benchmarks contained in the investment policy. The investment managers report on a regular basis to the Committee of the Board of Governors. There have been no changes to this risk exposure in 2026.

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21. FINANCIAL RISKS (continued)

(c) Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. The University manages this risk by ensuring sufficient liquid resources are available for operations. The objective is to have sufficient liquid resources to continue operating and to provide flexibility to take advantage of opportunities that will advance its mission. The need for sufficient liquid resources is considered in the preparation of an annual budget and in the monitoring of cash flows and actual operating results compared to the budget. There have been no changes to this risk exposure in 2026.

(d) Currency risk

The University is exposed to foreign currency risk with respect to its investments denominated in foreign currencies, including underlying investments in pooled funds denominated in foreign currencies because the fair value and future cash flows will fluctuate due to the changes in the relative value of the foreign currencies against the Canadian dollar. The University manages this risk through the investment policy of the Board of Governors. Investments are monitored by a Committee of the Board of Governors and managed by investment managers subject to asset mix and performance benchmarks contained in the investment policy. The investment managers report on a regular basis to the Committee of the Board. There have been no changes to currency risk exposure in 2026.

(e) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of market factors. The University's investment policies detail the objectives, management and guidelines of investment, as well as providing for an appropriate risk tolerance strategy through diversification of the investment portfolio. There have been no changes to market risk exposure in 2026.

22. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform with the current year's presentation.

23. CORRECTION OF UPP PRE-CONVERSION OBLIGATION

During the year, management became aware that the UPP pre-conversion obligation, previously disclosed as a contingent liability in the notes to the financial statements, is required to be recorded as an accrued liability in the financial statements. The impact of this correction has been recorded retrospectively with the cumulative effect up to May 1, 2024. The following table details the amounts that have been adjusted.

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23. CORRECTION OF UPP PRE-CONVERSION OBLIGATION (continued)

	2025 As previously reported	Understatement of Employee Future Benefit Liability	Overstatement of Expenses for UPP Pre- Conversion Obligation Payments	2025 As restated
<u>Statement of Financial Position:</u>				
Employee future benefits liability, beginning of year	\$ 36,344	18,315	-	\$ 54,659
Unrestricted net assets (deficiency), beginning of year	\$ (60,479)	(18,315)	-	\$ (78,794)
Total net assets, beginning of year	\$ 220,391	(18,315)	-	\$ 202,076
Employee future benefits liability, end of year	\$ 32,065	19,591	-	\$ 51,656
Unrestricted net assets (deficiency), end of year	\$ (56,828)	(19,591)	-	\$ (76,419)
Total net assets, end of year	\$ 251,344	(19,591)	-	\$ 231,753
<u>Statement of Changes in Net Assets:</u>				
Unrestricted net assets (deficiency), beginning of year	\$ (60,479)	(18,315)	-	\$ (78,794)
Excess of revenue over expenses	\$ 15,315	-	2,195	\$ 17,510
Employee future benefit remeasurements	\$ 11,106	(3,471)	-	\$ 7,635
Unrestricted net assets (deficiency), end of year	\$ (56,828)	(21,786)	2,195	\$ (76,419)
<u>Statement of Operations:</u>				
Salaries and benefits	\$ 178,474	-	(2,195)	\$ 176,279
Total expenses	\$ 282,880	-	(2,195)	\$ 280,685
Excess of revenue over expenses	\$ 15,315	-	2,195	\$ 17,510
<u>Statement of Cash Flows:</u>				
Change in employee future benefits liability/asset	\$ (11,201)	3,471	(2,195)	\$ (9,925)
Employee future benefit remeasurements	\$ 11,106	(3,471)	-	\$ 7,635
<u>Financial Statement Note 13: Employee Future Benefits Liability/Asset</u>				
UPP pre-conversion obligation	\$ -	19,591	-	\$ 19,591
Accrued benefit liability	\$ 32,065	19,591	-	\$ 51,656
Pre-conversion measurement loss	\$ -	3,471	-	\$ 3,471
Net remeasurement gains (losses) and other items	\$ 11,106	(3,471)	-	\$ 7,635