



MD Financial  
Management Inc.

MDPIM Pooled Funds

2025 Annual

Financial Statements

# A Message Regarding Your Financial Statements

The Annual Financial Statements produced for our MDPIIM Pools are an important part our commitment to keeping clients informed about their MD investments. The Annual Financial Statements are produced on a pool-by-pool basis.

If you have any questions regarding these documents, please contact your MD advisor or the MD TradeCentre at 1 800 267-2332.

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## **Audited Annual Financial Statements for the Year Ended December 31, 2025**

These audited Annual Financial Statements do not contain the Annual Management Report of Fund Performance (“MRFP”) of the investment fund. If you have not received a copy of the Annual MRFP with this report, you may obtain a copy of the Annual MRFP at your request, and at no cost, by calling the toll-free number 1 800 267-2332, by writing to us at MD Financial Management Inc., 1870 Alta Vista Dr., Ottawa ON K1G 6R7, by visiting our website at [md.ca](http://md.ca) or by visiting the SEDAR+ website at [sedarplus.ca](http://sedarplus.ca). Securityholders may also contact us using one of these methods to request a copy of the investment fund’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

MD Financial Management Inc. wholly owns or has a majority interest in the MD Group of Companies. It provides financial products and services, is the fund manager for the MD Family of Funds and offers investment counselling services. For a detailed list of the MD Group of Companies, visit [md.ca](http://md.ca).

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed. Their values change frequently, and past performance may not be repeated. To obtain a copy of the prospectus, please call your MD Advisor, or the MD Trade Centre at 1 800 267-2332. The MD Family of Funds is managed by MD Financial Management Inc.

# MDPIM Pooled Funds

## Management's Responsibility for Financial Reporting

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Management acknowledges responsibility for the preparation and presentation of the financial statements of MDPIM Short-Term Bond Pool, MDPIM Dividend Pool, MDPIM Canadian Equity Pool, MDPIM US Equity Pool, MDPIM International Equity Pool, MDPIM Bond Pool, MDPIM Strategic Yield Pool, MDPIM Strategic Opportunities Pool, MDPIM Emerging Markets Equity Pool, MDPIM Canadian Equity Index Pool, MDPIM US Equity Index Pool and MDPIM International Equity Index Pool (collectively "the funds").

These financial statements have also been approved, in its capacity as trustee, by the Board of Directors of MD Financial Management Inc. The financial statements have been prepared by management in accordance with International Financial Reporting Standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has, where required, made these judgments and estimates on a reasonable basis to ensure that the financial statements are presented fairly in all material respects. Management also maintains strong internal controls to provide reasonable assurance that the financial information provided is reliable and accurate, that the funds' assets are appropriately accounted for and safeguarded, and that any compliance requirements arising under corporate legislation, securities regulations and internal codes of business conduct are strictly adhered to.

The Board of Directors of MD Financial Management Inc. are responsible to ensure that management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements as outlined above.

The Board of Directors meets with management and the external auditors periodically to discuss internal control, accounting and auditing matters and financial reporting issues, to satisfy themselves that each party has properly discharged its responsibilities. The Board reviews unaudited semi-annual financial statements and audited annual financial statements including the external auditors' report thereon. The Board considers these findings when making its ultimate approval of the financial statements for issuance. The Board also reviews the appointment of the external auditor annually.

The financial statements have been audited by KPMG LLP, the external auditors, in accordance with Canadian generally accepted auditing standards. KPMG LLP has full and free access to the MD Financial Management Inc. and MD Growth Investment Limited Boards.

Signed on behalf of MD Financial Management Inc. in its capacity as trustee of MDPIM Short-Term Bond Pool, MDPIM Dividend Pool, MDPIM Canadian Equity Pool, MDPIM US Equity Pool, MDPIM International Equity Pool, MDPIM Bond Pool, MDPIM Strategic Yield Pool, MDPIM Strategic Opportunities Pool, MDPIM Emerging Markets Equity Pool, MDPIM Canadian Equity Index Pool, MDPIM US Equity Index Pool and MDPIM International Equity Index Pool.



Todd Barnes  
President and Chief Executive Officer  
MD Financial Management Inc.



Roman Cherkashyn  
Chief Financial Officer  
MD Financial Management Inc.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Financial Statements

### Statements of Financial Position

(in \$000's except for units outstanding and per unit amounts)

	December 31, 2025	December 31, 2024
<b>Assets</b>		
Investments (Note 3, 8 and 9)	\$ 2,092,647	\$ 1,836,280
Cash	17,599	14,702
Dividends and interest receivable	777	901
Subscriptions receivable	779	486
	2,111,802	1,852,369
<b>Liabilities</b>		
Accrued expenses (Note 4)	11	8
Distributions payable	1	-
Redemptions payable	627	848
	639	856
<b>Net assets attributable to holders of redeemable units</b>	<b>\$ 2,111,163</b>	<b>\$ 1,851,513</b>
<b>Net assets attributable to holders of redeemable units per series</b>		
Series A	\$ 1,799,892	\$ 1,591,344
Series F	\$ 311,271	\$ 260,169
<b>Number of redeemable units outstanding (see Fund Specific Notes)</b>		
Series A	62,377,089	60,945,983
Series F	11,177,606	10,326,509
<b>Net assets attributable to holders of redeemable units per unit, per series</b>		
Series A	\$ 28.86	\$ 26.11
Series F	\$ 27.85	\$ 25.19

Approved by the Board of Directors of MD Financial Management Inc., Trustee



Director  
(Signed by Todd Barnes)



Director  
(Signed by Massimo Ceschia)

### Statements of Comprehensive Income

for the years ended December 31 (in \$000's except for per unit amounts)

	2025	2024
<b>Income</b>		
Net gain (loss) on investments		
Dividends	\$ 24,693	\$ 22,012
Interest for distribution purposes	58	217
Net realized gain (loss) on sale of investments	46,511	53,476
Change in unrealized appreciation (depreciation) of investments	152,942	400,300
	224,204	476,005
Net gain (loss) on financial derivative instruments		
Net realized gain (loss) on financial derivative instruments	318	-
	318	-
Net gain (loss) on financial derivative instruments		
Other Income		
Foreign exchange gain (loss) on cash	(516)	418
Early redemption fee	4	11
Securities lending (see Fund Specific Notes)	12	19
Other	16	58
	(484)	506
<b>Total income (loss)</b>	<b>224,038</b>	<b>476,511</b>
<b>Expenses</b>		
Management fees (Note 4)	210	147
Regulatory filing fees	80	38
Audit fees	9	9
Custodial fees	68	66
Securityholder reporting costs	7	10
Administration fees (Note 4)	181	193
Independent Review Committee (IRC) fees	3	3
Interest expense	8	14
Withholding tax on foreign income	3,315	3,294
Transaction costs (Note 5)	22	20
	3,903	3,794
Total expenses		
Operating expenses absorbed by the Fund Manager (Note 4)	(348)	(319)
	3,555	3,475
<b>Net expenses</b>	<b>3,555</b>	<b>3,475</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	<b>\$220,483</b>	<b>\$473,036</b>
<b>Increase (decrease) in net assets attributable to holders of redeemable units per series</b>		
Series A	\$188,956	\$417,755
Series F	\$ 31,527	\$ 55,281
<b>Increase (decrease) in net assets attributable to holders of redeemable units per unit, per series</b>		
Series A	\$ 3.08	\$ 6.80
Series F	\$ 2.94	\$ 6.44

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

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Financial Statements

### Statements of Changes in Net Assets Attributable to Holders of Redeemable Units

for the years ended December 31 (in \$000's)

	2025	2024
<b>SERIES A</b>		
<b>Net Assets Attributable to Holders of Redeemable Units – beginning of year</b>	\$1,591,344	\$1,230,877
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	188,956	417,755
<b>Redeemable unit transactions</b>		
Proceeds from issue	334,189	423,116
Payments on redemption	(313,792)	(479,727)
Reinvested distributions	17,667	15,768
	38,064	(40,843)
<b>Distributions</b>		
From net investment income	(18,472)	(16,445)
	(18,472)	(16,445)
<b>Net Assets Attributable to Holders of Redeemable Units – end of year</b>	\$1,799,892	\$1,591,344
<b>SERIES F</b>		
<b>Net Assets Attributable to Holders of Redeemable Units – beginning of year</b>	\$ 260,169	\$ 123,151
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	31,527	55,281
<b>Redeemable unit transactions</b>		
Proceeds from issue	90,476	119,979
Payments on redemption	(70,878)	(38,228)
Reinvested distributions	2,827	1,963
	22,425	83,714
<b>Distributions</b>		
From net investment income	(2,850)	(1,977)
	(2,850)	(1,977)
<b>Net Assets Attributable to Holders of Redeemable Units – end of year</b>	\$ 311,271	\$ 260,169

	2025	2024
<b>TOTAL FUND</b>		
<b>Net Assets Attributable to Holders of Redeemable Units – beginning of year</b>	\$1,851,513	\$1,354,028
Add (deduct) changes during the year:		
<b>Operations</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	220,483	473,036
<b>Redeemable unit transactions</b>		
Proceeds from issue	424,665	543,095
Payments on redemption	(384,670)	(517,955)
Reinvested distributions	20,494	17,731
	60,489	42,871
<b>Distributions</b>		
From net investment income	(21,322)	(18,422)
	(21,322)	(18,422)
<b>Net Assets Attributable to Holders of Redeemable Units – end of year</b>	\$2,111,163	\$1,851,513

### Statements of Cash Flows

for the years ended December 31 (in \$000's)

	2025	2024
<b>Cash flows from (used in) operating activities</b>		
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	\$ 220,483	\$ 473,036
<b>Adjustments for:</b>		
Proceeds from sale of investments	161,716	143,442
Purchase of investments	(218,630)	(186,077)
Unrealized foreign exchange (gain) loss on cash	73	17
Net realized (gain) loss on sale of investments	(46,511)	(53,476)
Change in unrealized (appreciation) depreciation of investments	(152,942)	(400,300)
Net change in non-cash working capital	127	83
<b>Net cash from (used in) operating activities</b>	(35,684)	(23,275)
<b>Cash flows from (used in) financing activities</b>		
Proceeds from issue of redeemable units	423,397	543,126
Distributions to holders of redeemable units, net of reinvested distribution	(827)	(691)
Amounts paid on redemption of redeemable units	(383,916)	(517,242)
<b>Net cash from (used in) financing activities</b>	38,654	25,193
<b>Unrealized foreign exchange gain (loss) on cash</b>	(73)	(17)
<b>Net increase (decrease) in cash during the year</b>	2,897	1,901
<b>Cash, beginning of year</b>	14,702	12,801
<b>Cash, end of year</b>	\$ 17,599	\$ 14,702
Interest received	108	166
Dividends received, net of withholding taxes	21,451	18,848

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

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
<b>FOREIGN EQUITIES</b>			
<b>Communication Services (10.9%)</b>			
Alphabet Inc. Cl. A	150,137	16,513	64,500
Alphabet Inc. Cl. C	131,809	15,884	56,771
AST SpaceMobile, Inc.	5,396	536	538
AT&T Inc.	191,763	6,288	6,538
Charter Communications, Inc. Cl. A	2,308	1,222	661
Comcast Corporation Cl. A	96,953	5,321	3,978
EchoStar Corporation Cl. A	3,192	326	476
Electronic Arts Inc.	5,763	877	1,616
Fox Corporation Cl. A	6,304	394	632
Fox Corporation Cl. B	2,307	160	206
Live Nation Entertainment, Inc.	4,238	476	829
Meta Platforms Inc. Cl. A	55,999	17,953	50,735
Netflix, Inc.	107,370	4,963	13,818
Omnicom Group Inc.	4,331	446	480
Pinterest, Inc. Cl. A	14,474	821	514
Reddit, Inc. Cl. A	3,243	920	1,023
Roblox Corporation Cl. A	16,138	1,617	1,795
Snap Inc. Cl. A	23,668	363	262
Spotify Technology SA	4,063	3,688	3,238
Take-Two Interactive Software, Inc.	4,411	798	1,550
The Trade Desk, Inc. Cl. A	11,308	1,938	589
The Walt Disney Company	45,988	7,201	7,181
TKO Group Holdings, Inc.	1,857	457	533
T-Mobile US, Inc.	12,656	2,128	3,527
Verizon Communications Inc.	114,664	7,284	6,410
Warner Bros. Discovery, Inc.	57,701	2,043	2,283
Warner Music Group Corp. Cl. A	3,933	159	166
<b>Total for Communication Services</b>		<b>100,776</b>	<b>230,849</b>
<b>Consumer Discretionary (10.5%)</b>			
Airbnb, Inc. Cl. A	10,208	1,979	1,902
Amazon.com, Inc.	246,886	35,292	78,216
Amer Sports, Inc.	3,177	154	163
Aptiv PLC	5,585	636	583
AutoZone, Inc.	459	779	2,137
Best Buy Co., Inc.	4,984	478	458
Booking Holdings Inc.	854	2,476	6,277
Carnival Corporation	27,076	869	1,135
Carvana Co.	3,480	1,347	2,016
Chipotle Mexican Grill, Inc.	33,833	903	1,718
Coupage, Inc. Cl. A	29,350	1,011	950
D.R. Horton, Inc.	7,140	638	1,411
Darden Restaurants, Inc.	3,816	679	964
Deckers Outdoor Corporation	3,496	721	497
DoorDash Inc. Cl. A	8,886	2,469	2,762
DraftKings Inc. Cl. A	12,708	765	601
eBay Inc.	12,317	660	1,472
Expedia Group, Inc.	3,074	592	1,195
Flutter Entertainment Public Limited Company	4,740	1,798	1,399
Ford Motor Company	109,781	1,675	1,977

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Garmin Ltd.	3,808	484	1,060
General Motors Company	24,956	1,323	2,785
Genuine Parts Company	3,790	584	640
Hilton Worldwide Holdings Inc.	5,833	763	2,300
Las Vegas Sands Corp.	9,435	635	843
Lennar Corporation Cl. A	6,038	595	852
Lowe's Companies, Inc.	14,658	2,557	4,852
Lululemon Athletica Inc.	2,470	1,348	705
Marriott International, Inc. Cl. A	5,815	992	2,476
McDonald's Corporation	19,172	5,413	8,043
MercadoLibre, Inc.	1,225	3,585	3,387
NIKE, Inc. Cl. B	29,428	3,163	2,573
NVR, Inc.	68	368	681
O'Reilly Automotive, Inc.	22,430	873	2,808
PulteGroup Inc.	6,013	409	968
Ross Stores Inc.	8,347	995	2,064
Royal Caribbean Cruises Ltd.	6,627	1,177	2,537
Starbucks Corporation	30,140	3,110	3,484
Tapestry, Inc.	5,327	822	934
Tesla, Inc.	75,010	24,583	46,301
The Home Depot, Inc.	26,181	8,083	12,365
The TJX Companies, Inc.	29,537	2,288	6,228
Tractor Supply Company	13,523	422	928
Ulta Beauty, Inc.	1,122	534	932
Viking Holdings Ltd.	3,631	224	356
Williams-Sonoma, Inc.	2,989	895	733
YUM! Brands, Inc.	8,491	1,306	1,763
<b>Total for Consumer Discretionary</b>		<b>123,452</b>	<b>221,431</b>
<b>Consumer Staples (4.2%)</b>			
Archer-Daniels-Midland Company	13,758	960	1,086
Church & Dwight Co., Inc.	6,629	814	763
Colgate-Palmolive Company	23,725	2,474	2,573
Constellation Brands, Inc. Cl. A	5,675	1,520	1,075
Costco Wholesale Corporation	11,695	5,994	13,842
Dollar General Corporation	5,822	898	1,061
Dollar Tree, Inc.	4,855	633	820
General Mills, Inc.	17,962	1,438	1,146
Kenvue Inc.	52,709	1,559	1,248
Keurig Dr Pepper Inc.	41,316	1,835	1,588
Kimberly-Clark Corporation	10,096	1,807	1,398
McCormick & Company, Incorporated	8,281	817	774
Mondelez International, Inc. Cl. A	35,542	2,579	2,626
Monster Beverage Corporation	20,856	1,236	2,195
PepsiCo, Inc.	36,925	6,893	7,274
Sysco Corporation	15,090	1,354	1,526
Target Corporation	11,560	1,408	1,551
The Clorox Company	4,053	797	561
The Coca-Cola Company	103,298	7,293	9,912
The Estee Lauder Companies Inc. Cl. A	5,768	865	829
The Hershey Company	4,108	899	1,026
The Kraft Heinz Company	24,285	1,269	808
The Kroger Co.	18,690	1,069	1,603

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
The Procter & Gamble Company	62,219	9,513	12,239
Tyson Foods, Inc. Cl. A	9,596	802	772
Walmart Inc.	114,148	6,553	17,455
<b>Total for Consumer Staples</b>		<b>63,279</b>	<b>87,751</b>
<b>Energy (2.8%)</b>			
Baker Hughes Company Cl. A	24,787	1,037	1,549
Cheniere Energy, Inc.	5,897	1,873	1,573
Chevron Corporation	49,061	7,688	10,263
ConocoPhillips	31,754	2,943	4,080
Coterra Energy Inc.	20,003	620	723
Devon Energy Corporation	15,865	733	798
Diamondback Energy, Inc.	4,991	780	1,030
EOG Resources, Inc.	14,163	1,889	2,041
EQT Corporation	15,322	837	1,127
Expand Energy Corporation	5,885	885	891
Exxon Mobil Corporation	111,156	12,279	18,360
Halliburton Company	18,816	884	730
Kinder Morgan, Inc. Cl. P	55,045	1,474	2,077
Marathon Petroleum Corporation	7,811	755	1,744
Occidental Petroleum Corporation	16,738	1,209	945
ONEOK, Inc.	16,620	1,490	1,677
Phillips 66	10,164	1,220	1,800
SLB Ltd.	33,736	2,359	1,777
Targa Resources Corp.	5,581	744	1,413
Texas Pacific Land Corporation	1,425	1,040	562
The Williams Companies, Inc.	32,568	1,403	2,687
Valero Energy Corporation	7,721	829	1,725
Venture Global, Inc. Cl. A	14,460	250	135
<b>Total for Energy</b>		<b>45,221</b>	<b>59,707</b>
<b>Financials (13.0%)</b>			
Affirm Holdings, Inc.	6,427	683	657
Aflac Incorporated	12,925	872	1,956
American Express Company	14,117	2,206	7,168
American International Group, Inc.	14,613	1,124	1,716
Ameriprise Financial, Inc.	2,608	822	1,755
Aon PLC Cl. A	5,123	1,563	2,481
Apollo Global Management, Inc.	10,898	2,618	2,165
Arch Capital Group Ltd.	8,902	742	1,172
Ares Management Corporation Cl. A	5,538	1,462	1,229
Arthur J. Gallagher & Co.	6,639	1,490	2,358
Bank of America Corporation	165,886	6,393	12,523
Berkshire Hathaway Inc. Cl. B	35,685	12,378	24,620
Blackrock, Inc.	3,959	3,087	5,816
Blackstone Inc.	19,083	3,067	4,037
Block, Inc.	13,774	1,651	1,231
Blue Owl Capital Inc. Cl. A	14,187	482	291
Brown & Brown, Inc.	7,085	692	775
Capital One Financial Corporation	16,404	2,048	5,457
Choe Global Markets, Inc.	2,623	379	904
Chubb Limited	9,865	2,147	4,226
Cincinnati Financial Corp.	4,543	540	1,018

Percentages shown in brackets relate investments at fair value to net assets of the Fund.



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## INDEPENDENT AUDITOR'S REPORT

To the Unitholders and Trustee of

MDPIM Short-Term Bond Pool  
MDPIM Dividend Pool  
MDPIM Canadian Equity Pool  
MDPIM US Equity Pool  
MDPIM International Equity Pool  
MDPIM Bond Pool  
MDPIM Strategic Yield Pool  
MDPIM Strategic Opportunities Pool  
MDPIM Emerging Markets Equity Pool  
MDPIM Canadian Equity Index Pool  
MDPIM US Equity Index Pool  
MDPIM International Equity Index Pool

(collectively, the "Funds")

### ***Opinion***

We have audited the financial statements of the Funds, which comprise:

- the statements of financial position as at December 31, 2025 and December 31, 2024
- the statements of comprehensive income for the years then ended
- the statements of changes in net assets attributable to holders of redeemable units for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").



In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at December 31, 2025 and December 31, 2024, and their financial performance and their cash flows for the years then ended in accordance with IFRS Accounting Standards.

### ***Basis for Opinion***

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Funds in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Other Information***

Management is responsible for the other information. Other information comprises:

- the information included in the Annual Management Reports of Fund Performance of the Funds.

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

In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in the Annual Management Reports of Fund Performance of the Funds as at the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor’s report.

We have nothing to report in this regard.

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

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



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

Those charged with governance are responsible for overseeing the financial reporting process of the Funds.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P', with a small upward tick at the end.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

March 31, 2026

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Citigroup Inc.	47,475	3,871	7,604
Citizens Financial Group, Inc.	11,570	568	928
CME Group Inc. Cl. A	9,730	2,190	3,647
Coinbase Global, Inc. Cl. A	5,363	2,137	1,665
Corpay, Inc.	1,707	542	705
Erie Indemnity Company Cl. A	640	444	252
Everest Group, Ltd.	1,058	395	493
Fidelity National Information Services, Inc.	13,202	1,880	1,204
Fifth Third Bancorp	14,953	572	961
First Citizens BancShares, Inc. Cl. A	206	635	607
Fiserv, Inc.	14,052	1,904	1,295
Global Payments Inc.	5,519	745	586
Huntington Bancshares Incorporated	38,110	685	908
Interactive Brokers Group, Inc. Cl. A	11,136	905	983
Intercontinental Exchange, Inc.	14,261	1,654	3,170
JPMorgan Chase & Co.	70,704	11,204	31,270
KKR & Co. Inc.	17,590	2,690	3,078
Klarna Group plc	4,224	196	168
Loews Corporation	4,426	392	640
LPL Financial Holdings Inc.	2,086	1,092	1,023
M&T Bank Corporation	4,025	828	1,113
Markel Group Inc.	320	912	944
Marsh & McLennan Companies, Inc.	13,010	2,189	3,313
MasterCard Incorporated Cl. A	20,995	6,859	16,451
MetLife, Inc.	16,227	1,194	1,758
Moody's Corporation	3,895	1,027	2,731
Morgan Stanley	32,464	2,645	7,910
MSCI Inc. Cl. A	1,932	638	1,521
Nasdaq, Inc.	10,494	660	1,399
Northern Trust Corporation	5,453	658	1,022
PayPal Holdings, Inc.	24,080	2,873	1,929
Principal Financial Group, Inc.	5,419	465	656
Prudential Financial, Inc.	9,439	1,325	1,462
Raymond James Financial, Inc.	4,574	489	1,008
Regions Financial Corporation Registered Shares	23,627	564	879
Robinhood Markets, Inc. Cl. A	19,231	1,548	2,985
Rocket Companies, Inc. Cl. A	22,877	524	608
Ryan Specialty Group Holdings, Inc. Cl. A	3,382	327	240
S&P Global Inc.	7,840	2,622	5,623
SoFi Technologies, Inc.	29,690	928	1,067
State Street Corporation	7,590	814	1,344
Synchrony Financial	10,130	450	1,160
T. Rowe Price Group Inc.	5,445	682	765
The Allstate Corporation	7,173	1,160	2,049
The Bank of New York Mellon Corporation	18,911	1,217	3,013
The Carlyle Group Inc.	6,165	518	500
The Charles Schwab Corporation	43,570	3,266	5,975
The Goldman Sachs Group, Inc.	7,759	2,837	9,361
The Hartford Insurance Group, Inc.	7,522	584	1,423
The PNC Financial Services Group, Inc.	9,540	1,776	2,733
The Progressive Corporation	15,474	2,083	4,836
The Travelers Companies, Inc.	6,151	1,217	2,449

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Toast, Inc. Cl. A	11,362	662	554
TPG Inc.	2,492	165	218
Tradeweb Markets Inc. Cl. A	2,821	505	416
Truist Financial Corporation	32,066	1,990	2,166
U.S. Bancorp	38,348	2,465	2,809
Visa Inc. Cl. A	44,107	10,212	21,232
W. R. Berkley Corporation	8,791	488	846
Wells Fargo & Company	82,549	5,483	10,560
Willis Towers Watson PLC	2,438	526	1,100
<b>Total for Financials</b>		<b>149,522</b>	<b>274,870</b>
<b>Health Care (9.7%)</b>			
Abbott Laboratories	45,350	4,853	7,799
AbbVie Inc.	46,291	6,535	14,517
Agilent Technologies, Inc.	6,871	818	1,283
Alnylam Pharmaceuticals, Inc.	3,369	1,320	1,839
Amgen Inc.	14,297	4,036	6,423
Becton, Dickinson and Company	7,324	2,144	1,951
Biogen Inc.	3,199	1,022	773
Boston Scientific Corporation	38,982	2,225	5,102
Bristol-Myers Squibb Company	54,849	4,189	4,061
Cardinal Health, Inc.	6,285	637	1,773
Cencora Inc.	4,841	1,034	2,244
Centene Corporation	12,066	975	681
CVS Health Corporation	33,047	3,391	3,600
Danaher Corporation	16,176	3,016	5,083
Dexcom, Inc.	10,078	1,422	918
Edwards Lifesciences Corporation	14,464	1,131	1,692
Elevance Health, Inc.	5,816	1,930	2,798
Eli Lilly and Company	21,968	8,175	32,404
GE HealthCare Technologies Inc.	10,952	1,405	1,233
Gilead Sciences, Inc.	32,769	3,112	5,520
HCA Healthcare, Inc.	4,507	802	2,888
Hologic, Inc.	5,218	414	533
Humana Inc.	3,177	1,282	1,117
IDEXX Laboratories, Inc.	2,049	822	1,903
Illumina, Inc.	3,520	529	634
Incyte Corporation	4,018	419	545
Insmed Incorporated	5,433	1,432	1,298
Insulet Corporation	1,868	701	729
Intuitive Surgical, Inc.	9,167	2,279	7,126
IQVIA Holdings Inc.	4,135	815	1,279
Johnson & Johnson	62,952	12,143	17,881
Labcorp Holdings Inc.	2,331	566	803
McKesson Corporation	3,272	1,223	3,684
Medtronic Public Limited Company	34,040	4,086	4,488
Merck & Co., Inc.	65,072	6,563	9,401
Mettler-Toledo International Inc.	518	530	991
Natera, Inc.	3,333	810	1,048
Pfizer Inc.	152,193	7,354	5,201
Quest Diagnostics Incorporated	3,394	601	808
Regeneron Pharmaceuticals, Inc. Registered Shares	2,572	1,907	2,725
ResMed Inc.	3,895	735	1,288

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Royalty Pharma PLC Cl. A	11,834	547	628
STERIS Public Limited Company	2,521	556	877
Stryker Corporation	9,036	2,641	4,359
The Cigna Group	6,965	1,841	2,631
The Cooper Companies, Inc.	3,753	348	422
Thermo Fisher Scientific Inc.	9,709	4,166	7,722
UnitedHealth Group Incorporated	23,416	9,643	10,610
Veeva Systems Inc. Cl. A	3,837	1,323	1,176
Vertex Pharmaceuticals Inc.	6,600	1,966	4,107
Waters Corporation	1,502	471	783
West Pharmaceutical Services, Inc.	1,690	573	638
Zimmer Biomet Holdings, Inc.	4,449	711	549
Zoetis Inc. Cl. A	11,411	1,659	1,971
<b>Total for Health Care</b>		<b>125,828</b>	<b>204,537</b>
<b>Industrials (8.1%)</b>			
3M Company	14,049	2,745	3,087
AMETEK, Inc.	5,014	770	1,413
Automatic Data Processing, Inc.	10,506	2,226	3,709
Axon Enterprise, Inc.	1,897	642	1,479
Broadridge Financial Solutions, Inc.	2,911	498	892
Builders FirstSource, Inc.	2,467	533	348
Carlisle Companies Incorporated	1,134	575	498
Carrier Global Corporation	21,034	807	1,525
Caterpillar Inc.	12,158	2,491	9,560
Cintas Corporation	9,131	1,103	2,357
Comfort Systems USA, Inc.	866	1,207	1,109
Copart, Inc.	21,723	839	1,167
CSX Corporation	46,344	1,388	2,306
Cummins Inc.	3,606	948	2,526
Deere & Company	6,501	1,699	4,154
Delta Air Lines, Inc.	17,416	1,105	1,659
Dover Corporation	3,375	443	904
Eaton Corporation PLC	9,824	1,538	4,295
EMCOR Group, Inc.	1,144	758	961
Emerson Electric Co.	14,481	1,415	2,638
Equifax Inc.	3,054	668	910
Expeditors International of Washington, Inc.	2,947	364	603
Fastenal Company	29,684	841	1,635
FedEx Corporation	5,601	1,534	2,221
Ferguson Enterprises Inc.	4,776	1,258	1,459
Fortive Corporation	6,261	440	474
GE Vernova Inc.	6,971	1,459	6,253
General Dynamics Corporation	5,866	1,740	2,711
General Electric Company	27,452	4,307	11,606
HEICO Corporation	673	255	299
HEICO Corporation Cl. A	2,522	687	874
Honeywell International Inc.	16,780	3,619	4,493
Howmet Aerospace Inc.	10,485	763	2,950
Hubbell Incorporated	1,266	529	772
Illinois Tool Works Inc.	8,167	2,038	2,761
Ingersoll Rand Inc.	8,596	541	935
J.B. Hunt Transport Services, Inc.	1,651	376	440

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Jacobs Solutions Inc.	2,997	414	545
Johnson Controls International PLC	17,180	1,096	2,824
L3Harris Technologies, Inc.	5,118	1,125	2,062
Leidos Holdings, Inc.	3,392	459	840
Lennox International Inc.	822	742	548
Lockheed Martin Corporation	6,161	2,918	4,090
Norfolk Southern Corporation	6,314	1,525	2,502
Northrop Grumman Corporation	3,710	1,654	2,904
Old Dominion Freight Line, Inc.	4,237	703	912
Otis Worldwide Corporation	10,584	999	1,269
PACCAR Inc.	14,251	1,210	2,142
Parker-Hannifin Corporation	3,318	1,060	4,003
Paychex, Inc.	9,281	1,167	1,429
Quanta Services, Inc.	3,813	553	2,209
Republic Services, Inc.	5,778	978	1,681
Rocket Lab Corporation	10,817	861	1,036
Rockwell Automation, Inc.	2,846	779	1,520
Rollins, Inc.	9,180	520	756
RTX Corporation	34,977	3,830	8,805
Southwest Airlines Co.	13,278	792	753
SS&C Technologies Holdings, Inc.	5,901	728	708
Symbotic Inc.	924	102	75
The Boeing Company	18,652	5,148	5,558
Trane Technologies PLC	5,822	1,055	3,110
TransDigm Group Incorporated	1,458	1,001	2,661
TransUnion	4,901	664	577
Uber Technologies, Inc.	52,269	4,478	5,862
Union Pacific Corporation	15,404	3,384	4,891
United Airlines Holdings, Inc.	8,346	697	1,281
United Parcel Service, Inc. Cl. B	19,119	3,271	2,603
United Rentals, Inc.	1,659	684	1,843
Veralto Corporation	6,000	527	822
Verisk Analytics, Inc. Cl. A	3,981	855	1,222
Vertiv Holdings Co.	8,807	1,565	1,958
W.W. Grainger, Inc.	1,098	636	1,521
Waste Management, Inc.	11,184	2,094	3,373
Watsco, Inc.	872	584	403
Westinghouse Air Brake Technologies Corp.	4,317	473	1,265
Xylem, Inc.	5,820	645	1,088
<b>Total for Industrials</b>		<b>97,125</b>	<b>171,634</b>
<b>Information Technology (34.0%)</b>			
Accenture PLC Cl. A	16,995	4,692	6,258
Adobe Inc.	10,685	4,011	5,133
Advanced Micro Devices, Inc.	41,607	3,437	12,230
Amdocs Limited	2,617	311	289
Amphenol Corporation Cl. A	31,782	1,300	5,895
Analog Devices, Inc.	12,755	1,913	4,748
Apple Inc.	374,976	48,581	139,919
Applied Materials, Inc.	20,636	1,901	7,279
AppLovin Corporation Cl. A	6,571	3,506	6,077
Arista Networks, Inc.	26,481	1,126	4,762
Astera Labs, Inc.	3,321	852	758

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Atlassian Corporation Cl. A	4,119	1,843	917
Autodesk, Inc.	5,535	1,193	2,249
Bentley Systems, Incorporated Cl. B	4,540	278	238
Broadcom Inc.	120,105	11,067	57,055
Cadence Design Systems, Inc.	7,118	1,059	3,054
CDW Corporation	3,452	652	645
Ciena Corporation	3,462	956	1,111
Circle Internet Group, Inc.	3,405	716	371
Cisco Systems, Inc.	102,376	5,983	10,824
CloudFlare, Inc. Cl. A	8,029	1,946	2,173
Cognizant Technology Solutions Corp. Cl. A	12,109	1,027	1,379
CoreWeave, Inc. Cl. A	6,160	947	605
Corning Incorporated	20,319	883	2,442
Credo Technology Group Holding Ltd.	3,781	924	747
CrowdStrike Holdings, Inc. Cl. A	6,443	3,421	4,145
Datadog, Inc. Cl. A	8,075	1,698	1,507
Dell Technologies Inc. Cl. C	7,906	1,269	1,366
Entegris, Inc.	3,789	564	438
Fair Isaac Corporation	609	778	1,413
Figma, Inc. Cl. A	4,859	302	249
First Solar, Inc.	2,520	578	904
Flex Ltd.	9,130	702	757
Fortinet, Inc.	15,786	635	1,721
Gartner, Inc.	1,827	435	633
GLOBALFOUNDRIES Inc.	1,318	66	63
GoDaddy Inc. Cl. A	3,538	686	602
Hewlett Packard Enterprise Company	36,718	739	1,210
HP Inc.	29,123	985	891
HubSpot, Inc.	1,261	1,403	695
Intel Corporation	120,437	6,197	6,100
International Business Machines Corporation	24,303	5,088	9,881
Intuit Inc.	7,035	3,089	6,396
IonQ, Inc.	7,696	603	474
Jabil Inc.	2,935	555	919
Keysight Technologies, Inc.	4,106	600	1,145
KLA Corporation	3,427	1,035	5,715
Lam Research Corporation	32,660	1,222	7,674
Marvell Technology, Inc.	22,097	3,497	2,577
Microchip Technology Incorporated	14,052	988	1,229
Micron Technology, Inc.	28,999	2,066	11,360
Microsoft Corporation	190,423	46,379	126,401
MongoDB, Inc.	2,016	814	1,161
Monolithic Power Systems	1,198	709	1,490
Motorola Solutions, Inc.	4,342	960	2,284
NetApp, Inc.	5,530	544	813
NVIDIA Corporation	605,505	19,794	154,997
Okta, Inc.	4,129	584	490
ON Semiconductor Corporation	9,229	679	686
Oracle Corporation	43,043	4,415	11,515
Palantir Technologies Inc. Cl. A	54,847	3,520	13,381
Palo Alto Networks, Inc.	17,333	3,083	4,382
PTC Inc.	2,989	556	715

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Pure Storage, Inc. Cl. A	7,755	787	713
Qnity Electronics, Inc.	5,433	750	609
QUALCOMM Incorporated	28,403	3,350	6,668
Roper Technologies, Inc.	2,889	1,315	1,765
Salesforce, Inc.	23,852	5,183	8,673
Samsara Inc. Cl. A	7,842	572	382
Seagate Technology Holdings Public Limited Company	5,196	518	1,964
ServiceNow, Inc.	26,970	3,047	5,671
Snowflake Inc. Cl. A	8,289	2,223	2,496
Strategy Inc. Cl. A	6,804	3,276	1,419
Super Micro Computer, Inc.	12,462	1,603	501
Synopsys, Inc.	4,791	1,828	3,089
TE Connectivity Public Limited Company	7,643	1,013	2,387
Teledyne Technologies Inc.	1,172	596	822
Teradyne, Inc.	3,972	571	1,055
Texas Instruments Incorporated	23,713	4,035	5,647
Trimble Inc.	5,649	490	607
Tyler Technologies, Inc.	1,081	582	673
Ubiquiti, Inc.	109	54	83
VeriSign, Inc.	2,140	513	714
Western Digital Corporation	8,903	748	2,105
Workday, Inc. Cl. A	5,589	2,170	1,648
Zebra Technologies Corporation Cl. A	1,091	420	364
Zoom Communications, Inc., Cl. A	6,594	822	781
Zscaler, Inc.	2,451	770	757
<b>Total for Information Technology</b>		<b>259,578</b>	<b>717,130</b>
<b>Materials (1.9%)</b>			
Air Products and Chemicals, Inc.	5,978	1,614	2,027
Amcor PLC	73,735	1,015	844
AngloGold Ashanti PLC	13,684	834	1,602
CF Industries Holdings, Inc.	4,913	380	521
Corteva, Inc.	18,278	974	1,682
CRH Public Limited Company	17,888	2,585	3,064
Dow Inc.	17,623	1,354	565
DuPont de Nemours, Inc.	11,088	1,126	612
Ecolab Inc.	6,945	1,592	2,502
Freeport-McMoRan Inc.	37,231	1,091	2,595
International Flavors & Fragrances Inc.	6,836	1,089	632
International Paper Company	14,608	896	790
Linde Public Limited Company	12,431	3,667	7,275
LyondellBasell Industries NV Cl. A	8,544	985	508
Martin Marietta Materials, Inc.	1,593	564	1,361
Newmont Corporation	30,250	1,753	4,146
Nucor Corporation	5,257	758	1,177
Packaging Corporation of America	2,900	603	821
PPG Industries, Inc.	5,674	921	798
Reliance Inc.	1,337	557	530
Smurfit WestRock Public Limited Company	14,653	913	778
Solstice Advanced Materials Inc.	4,195	285	280
Southern Copper Corporation	2,573	359	507
Steel Dynamics, Inc.	3,510	521	816
The Sherwin-Williams Company	6,198	1,446	2,757

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
Vulcan Materials Co.	3,628	761	1,420
Total for Materials		28,643	40,610
<b>Real Estate (1.7%)</b>			
American Tower Corporation	12,339	3,040	2,973
AvalonBay Communities, Inc.	3,646	947	907
CBRE Group, Inc. Cl. A	7,224	634	1,594
CoStar Group, Inc.	11,008	1,063	1,016
Crown Castle, Inc.	11,357	1,879	1,385
Digital Realty Trust, Inc.	8,666	1,500	1,840
Equinix, Inc.	2,451	1,825	2,577
Equity Residential	8,869	813	767
Essex Property Trust, Inc.	1,754	606	630
Extra Space Storage Inc.	5,539	915	990
Invitation Homes Inc.	13,854	669	528
Iron Mountain Incorporated	7,831	528	892
Mid-America Apartment Communities, Inc.	3,774	699	720
Prologis, Inc.	23,642	2,696	4,143
Public Storage	4,324	1,428	1,540
Realty Income Corporation	26,250	2,165	2,031
Regency Centers Corp.	4,027	391	382
SBA Communications Corporation	2,651	787	704
Simon Property Group, Inc.	9,273	1,926	2,356
Sun Communities Inc.	3,179	571	541
Ventas, Inc.	11,528	919	1,224
VICI Properties Inc.	35,112	1,482	1,355
Welltower Inc.	17,446	2,201	4,445
Weyerhaeuser Company	13,917	579	453
Total for Real Estate		30,263	35,993
<b>Utilities (2.3%)</b>			
Alliant Energy Corporation	7,486	518	668
Ameren Corporation	7,607	777	1,043
American Electric Power Company, Inc.	14,600	1,681	2,311
American Water Works Company, Inc.	5,068	832	908
Atmos Energy Corporation	3,901	575	897
CenterPoint Energy, Inc.	17,735	708	933
CMS Energy Corporation	9,729	791	934
Consolidated Edison, Inc.	9,411	1,080	1,283
Constellation Energy Corporation	8,016	706	3,887
Dominion Energy, Inc.	24,757	2,397	1,991
DTE Energy Company	6,102	881	1,080
Duke Energy Corporation	21,324	2,645	3,430
Edison International	9,706	895	800
Entergy Corporation	12,180	925	1,545
Eversource Energy	7,312	558	727
Eversource Energy	10,638	1,014	983
Exelon Corporation	29,131	1,359	1,743
FirstEnergy Corp.	16,961	863	1,042
NextEra Energy, Inc.	53,179	3,831	5,860
NiSource Inc.	15,249	828	874
NRG Energy, Inc.	5,143	856	1,124
PG&E Corporation	54,483	1,106	1,202

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Schedule of Investment Portfolio as at December 31, 2025

(in \$000's except for number of shares)

	Number of Shares	Average Cost (\$)	Fair Value (\$)
PPL Corp.	21,333	880	1,025
Public Service Enterprise Group Incorporated	13,334	962	1,470
Sempra	16,541	1,462	2,004
The Southern Company	29,892	2,507	3,578
Vistra Corp.	8,629	1,017	1,911
WEC Energy Group, Inc.	8,647	956	1,252
Xcel Energy Inc.	16,084	1,283	1,630
Total for Utilities		34,893	48,135
<b>Total for Foreign Equities (99.1%)</b>		<b>1,058,580</b>	<b>2,092,647</b>
<b>Total for Investments (99.1%)</b>		<b>\$1,058,580</b>	<b>\$2,092,647</b>
<b>Cash and Other Net Assets (0.9%)</b>			<b>18,516</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units (100.0%)</b>			<b>\$2,111,163</b>

Percentages shown in brackets relate investments at fair value to net assets of the Fund.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Fund Specific Notes

(in \$000's)

### Financial Instruments

MDPIM US Equity Index Pool (the "Fund") invests in foreign equities as shown in the Schedule of Investment Portfolio. These investments expose the Fund to risks associated with financial instruments. The Fund's exposure and sensitivity to these risks are presented below. A description of the risks and how the Fund manages these risks is discussed in Note 8 of the Notes to the Financial Statements.

### Credit Risk

As at December 31, 2025 and December 31, 2024, the Fund does not have significant exposure to credit risk.

### Currency Risk

Exposures to foreign currencies as at December 31, 2025 and December 31, 2024 are presented in the table below.

Currency	Cash and Other Net Assets Attributable to Holders of Redeemable Units	Investments at Fair Value	Derivative Exposure	Net Currency Exposure	% of Net Assets Attributable to Holders of Redeemable Units
<b>December 31, 2025</b>					
U.S. Dollar	\$11,666	\$2,092,647	\$1,424	\$2,105,737	99.7%
<b>Total</b>	<b>\$11,666</b>	<b>\$2,092,647</b>	<b>\$1,424</b>	<b>\$2,105,737</b>	<b>99.7%</b>
<b>December 31, 2024</b>					
U.S. Dollar	\$12,080	\$1,836,280	\$ -	\$1,848,360	99.8%
<b>Total</b>	<b>\$12,080</b>	<b>\$1,836,280</b>	<b>\$ -</b>	<b>\$1,848,360</b>	<b>99.8%</b>

As at December 31, 2025, if the Canadian Dollar had strengthened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have decreased by approximately \$210,574 or 10.0% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2024 – \$184,836 or 10.0%). Conversely, had the Canadian Dollar weakened against all other currencies by 10%, the Net Assets Attributable to Holders of Redeemable Units of the Fund could have increased by approximately \$210,574 or 10.0% of Net Assets Attributable to Holders of Redeemable Units (December 31, 2024 – \$184,836 or 10.0%). These sensitivities are estimates. Actual results may vary and the variance may be material.

### Interest Rate Risk

The majority of the Fund's financial assets are non-interest bearing. The maturity dates of the interest-bearing assets held by the Fund are less than one year. Therefore, the Fund's exposure to interest rate risk is not significant.

### Liquidity Risk

The Fund's financial liabilities are all due within one year. Redeemable units are redeemable on demand at the holder's option; however, the Fund does not expect the contractual maturity will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

### Other Price Risk

As at December 31, 2025, 99.1% (December 31, 2024 – 99.2%) of the Fund's Net Assets Attributable to Holders of Redeemable Units were invested in equity

financial instruments traded in active markets. If prices of securities traded on these markets decrease by 10%, with all other factors remaining constant, Net Assets Attributable to Holders of Redeemable Units could fall by approximately \$209,265 (December 31, 2024 – \$183,628). Conversely, if prices increase by 10%, Net Assets Attributable to Holders of Redeemable Units could rise by approximately \$209,265 (December 31, 2024 – \$183,628). These sensitivities are estimates. Actual results may vary and the variance may be significant.

### Concentration Risk

Concentration risk arises as a result of the concentration of exposures within the same category. The following table summarizes the Fund's concentration risk as a percentage of Net Assets Attributable to Holders of Redeemable Units:

Market Segment	December 31, 2025	December 31, 2024
<b>Foreign Equities</b>		
Communication Services	10.9%	9.3%
Consumer Discretionary	10.5%	11.2%
Consumer Staples	4.2%	5.2%
Energy	2.8%	3.1%
Financials	13.0%	13.6%
Health Care	9.7%	10.1%
Industrials	8.1%	8.1%
Information Technology	34.0%	32.2%
Materials	1.9%	1.9%
Real Estate	1.7%	2.1%
Utilities	2.3%	2.4%
<b>Cash and Other Net Assets (Liabilities)</b>		
	0.9%	0.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

### Fair Value Hierarchy

The following is a summary of the Fund's use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of the Fund's securities. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Market Inputs (Level 3)	Total
<b>December 31, 2025</b>				
Foreign Equities	\$2,092,647	\$ -	\$ -	\$2,092,647
<b>Total</b>	<b>\$2,092,647</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$2,092,647</b>
<b>December 31, 2024</b>				
Foreign Equities	\$1,836,280	\$ -	\$ -	\$1,836,280
<b>Total</b>	<b>\$1,836,280</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,836,280</b>

There were no significant transfers between Level 1 and Level 2 for the periods January 1, 2025 to December 31, 2025 and January 1, 2024 to December 31, 2024.

# MDPIM US Equity Index Pool (Formerly MDPIM S&P 500 Index Pool)

## Fund Specific Notes

(in \$000's)

### Redeemable Unit Transactions

for the years ended December 31

	2025	2024
<b>SERIES A</b>		
Outstanding, beginning of year	60,945,983	62,889,600
Issued	13,216,801	18,999,273
Redeemed	(11,785,695)	(20,942,890)
<b>Outstanding, end of year</b>	<b>62,377,089</b>	<b>60,945,983</b>
<b>SERIES F</b>		
Outstanding, beginning of year	10,326,509	6,527,481
Issued	3,602,138	5,525,189
Redeemed	(2,751,041)	(1,726,161)
<b>Outstanding, end of year</b>	<b>11,177,606</b>	<b>10,326,509</b>

### Securities on Loan

(in \$000's) **December 31, 2025** **December 31, 2024**

Fair value of securities loaned	\$15,271	\$10,532
Fair value of collateral (non-cash)	\$16,055	\$11,085

State Street Bank and Trust Co. is entitled to receive payments out of the gross amount generated from the securities lending transactions of the Fund and bears all operational costs directly related to securities lending as well as the cost of borrower default indemnification.

The table below sets out a reconciliation of the gross amount generated from the securities lending transactions of the Fund to the revenue from securities lending disclosed under securities lending income in the Fund's Statements of Comprehensive Income.

for the years ended December 31 (in \$000's)	2025	2024
Gross amount generated from the securities lending transactions	\$15	\$23
Amounts paid to State Street Bank and Trust Co.	\$(3)	\$(4)
<b>Net securities lending income as reported in the Statements of Comprehensive Income</b>	<b>\$12</b>	<b>\$19</b>

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

## 1. Name and formation of the Funds

### ESTABLISHMENT OF THE FUNDS

The MDPIIM Pooled Funds (individually a “Fund” and collectively the “Funds”) are unincorporated mutual fund trusts formed under the laws of the province of Ontario pursuant to the Declarations of Trust, and the creation dates are as follows:

	Series A Units	Private Trust Units	Series D Units	Series I Units	Series F Units
MDPIIM Short-Term Bond Pool	December 6, 2002				
MDPIIM Bond Pool	March 24, 2010				
MDPIIM Dividend Pool	January 4, 2007				
MDPIIM Strategic Yield Pool	January 23, 2013				
MDPIIM Canadian Equity Pool	June 16, 1999	August 9, 2000			
MDPIIM US Equity Pool	August 6, 1999	August 9, 2000			
MDPIIM International Equity Pool	December 6, 2002				
MDPIIM Strategic Opportunities Pool	January 23, 2013				
MDPIIM Emerging Markets Equity Pool	April 11, 2014		March 19, 2018	March 19, 2018	March 19, 2018
MDPIIM Canadian Equity Index Pool	March 20, 2017				November 21, 2017
MDPIIM US Equity Index Pool	March 20, 2017				November 21, 2017
MDPIIM International Equity Index Pool	March 20, 2017				November 21, 2017

Effective Feb 10, 2025, the name of MDPIIM S&P/TSX Capped Composite Equity Index Pool was changed to MDPIIM Canadian Equity Index Pool and MDPIIM S&P 500 Index Pool was changed to MDPIIM US Equity Index Pool.

MD Financial Management Inc. (“the Manager”) is the Manager and Trustee of the Funds. The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia (“Scotiabank”). The address of the Funds’ registered office is 1870 Alta Vista, Ottawa, Ontario.

The financial statements of the Funds include the Statements of Financial Position as of December 31, 2025 and December 31, 2024, as applicable, and the Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units or Shares and the Statements of Cash Flows for the years ended December 31, 2025 and 2024, except for Funds established during either period, in which case the information provided relates to the period from creation date to December 31, 2025 or 2024. The Schedule of Investment Portfolio for each of the Funds is at December 31, 2025.

These financial statements were authorized for issue by the Manager on March 31, 2026.

### SERIES OF UNITS

All MDPIIM Pooled Funds offer either “Private Trust Series” or “Series A” units which may be purchased by either MD Private Investment Counsel (an operating division of MD Financial Management Inc.) or MD Private Trust Company clients who have appointed MD Private Investment Counsel to provide discretionary portfolio management services and advice to them or MD Private Trust Company to provide trust services.

The MDPIIM Canadian Equity Pool and MDPIIM US Equity Pool “Series A” units are available to all qualified investors. These units are closed to new subscribers. Investors holding “Series A” units of these Funds are allowed to hold their units, as well as subscribe for additional “Series A” units of the Funds.

“Series D” units are available to qualified investors who acquire securities through an order execution only trading platform approved by MD Management Limited.

“Series F” units are available to all MD Management Ltd. clients who are qualified eligible investors and who have a fee-based account with MD Management Ltd.

“Series I” units were established to support the MD Precision Conservative Portfolio, the MD Precision Moderate Balanced Portfolio, the MD Precision Balanced Growth Portfolio, the MD Precision Maximum Growth Portfolio, the MD Precision Balanced Income Portfolio and the MD Precision Moderate Growth Portfolio. These units are only available to the six Funds listed above and certain institutional investors, and are not charged management fees.

## 2. Basis of presentation

These financial statements have been prepared in compliance with IFRS Accounting Standards. The preparation of these financial statements in accordance with IFRS Accounting Standards requires the use of judgment in applying accounting policies and to make estimates and assumptions concerning the future. Critical accounting judgments and estimates made by the Manager are disclosed in Note 7.

## 3. Material accounting policy information

### FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Canadian dollars, which is the Funds’ functional currency. Cash, investments and other assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange prevailing on each valuation date. Transactions during the year in currencies other than Canadian dollars are translated into Canadian dollars at the rate of exchange prevailing on the trade date of the transaction. The difference in the foreign exchange rate between trade date and settlement date of a transaction is recognized in income on the Statements of Comprehensive Income. Foreign exchange gains and losses relating to cash

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

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are presented as “Foreign exchange gain (loss) on cash” and those relating to other financial assets and liabilities are presented within net gains or losses on the sale of investments or derivatives.

All financial information is presented in Canadian dollars and has been rounded to the nearest thousand, unless otherwise stated.

## FINANCIAL INSTRUMENTS

The Funds classify and measure financial instruments in accordance with IFRS 9 “Financial Instruments” (IFRS 9). All financial assets and liabilities are recognized in the Statements of Financial Position when the Funds become party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive cash flows from the instrument has expired or the Funds have transferred substantially all the risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date.

The Funds classify investments, including derivatives, as fair value through profit or loss (FVTPL). Investment classification is based on both the Funds’ business model for managing those investments and their contractual cash flow characteristics. The portfolio of investments is managed and performance is evaluated on a fair value basis in accordance with the Funds’ investment strategy. The Funds are primarily focused on fair value information and use that information to assess performance and to make decisions. The contractual cash flows of the Funds’ debt securities are generally principal and interest, however, the collection of contractual cash flows is only incidental to achieving the Funds’ business model’s objective. Consequently, all investments are measured at FVTPL. Subsequent to initial recognition, investments, including derivatives, are measured at FVTPL. Gains and losses arising from changes in the fair value are included in the Statements of Comprehensive Income for the years in which they arise.

The Funds’ obligation for net assets attributable to holders of redeemable units is measured at FVTPL, with fair value being the redemption amount at the reporting date.

Cash is measured at fair value upon recognition and subsequently at amortized cost.

Other financial assets and liabilities, such as accrued interest and dividends receivable, accounts receivable for investment transactions, subscriptions receivable, amounts receivable for securities lending transactions, distributions payable, accounts payable for investment transactions and redemptions payable are recognized initially at fair value, net of transaction costs, and subsequently stated at amortized cost using the effective interest rate method. Under this method, these financial assets and liabilities reflect the amount required to be received or paid, discounted, when appropriate, at the contracts’ effective interest rate.

## NET ASSETS VERSUS NET ASSET VALUE

The Funds’ accounting policies for measuring the fair value of their investments and derivatives are identical to those used in measuring the net asset value (NAV) for transactions with unitholders in accordance with Part 14 of National Instruments 81-106 Investment Funds for Continuous Disclosure (“NI 81-106”).

## INCOME RECOGNITION

Gains and losses arising from changes in fair value of non-derivative financial assets are shown in the Statements of Comprehensive Income as “Change in unrealized appreciation (depreciation) of investments” and as “Net realized gain (loss) on sale of investments” when positions are sold.

Gains and losses arising from changes in fair value of derivatives are shown in the Statements of Comprehensive Income as “Change in unrealized

appreciation (depreciation) on derivative instruments” and as “Net realized gain (loss) on derivative instruments” when positions are closed out or have expired, where applicable.

The interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the Funds, accounted for on an accrual basis. Dividend income and distributions to unitholders are recorded on the ex-dividend date. Distributions from underlying funds out of interest, foreign income and related withholding taxes, Canadian dividends and net realized capital gains are recognized when declared. Realized gains or losses from investment transactions and the unrealized appreciation or depreciation of investments are computed on an average cost basis, which exclude brokerage commissions and other trading expenses. Brokerage commissions and other trading expenses are charged to income as incurred.

## OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when the Funds currently have a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Funds may enter into various master netting agreements or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Financial assets and liabilities that are subject to master netting or comparable agreements and the related potential effect of offsetting are disclosed in the respective Fund Specific Notes.

Transactions with counterparties are governed by separate master netting agreements. Each agreement allows for net settlement of certain open contracts where the Fund and respective counterparty both elect to settle on a net basis. In the absence of such an election, contracts will be settled on a gross basis. However, each party to the master netting agreement will have the option to settle all open contracts on a net basis in the event of default of the other party.

## NON-CASH TRANSACTIONS

Non-cash transactions on the Statements of Cash Flows include reinvested distributions from the underlying mutual funds and stock dividends from equity investments. These amounts represent non-cash income recognized in the Statements of Comprehensive Income. In addition, reclassifications between series of the same fund are also non-cash in nature and have been excluded from “Proceeds from issue of redeemable units” and “Cash paid on redemption of redeemable units” on the Statements of Cash Flows.

## FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are categorized as FVTPL and are recorded at fair value. In the case of securities traded in an active market, fair value is based on quoted market prices at the close of trading on the reporting date as provided by independent pricing services. The Funds use the last traded market price for both financial assets and financial liabilities where the last traded price falls within the day’s bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. In the case of investments not traded in an active market, or for those securities for which the Manager feels the latest market prices are not reliable, fair value is estimated based on valuation techniques established by the Manager. Valuation techniques

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

established by the Manager are based on observable market data except in situations where there is no relevant or reliable market data. The value of securities estimated using valuation techniques not based on observable market data, if any, is disclosed in the Financial Instruments Risks section of the financial statements.

## FINANCIAL DERIVATIVES INSTRUMENTS

A derivative is a financial contract between two parties, the value of which is derived from the value of an underlying asset such as an equity, bond, commodity, interest rate or currency. Certain Funds may use derivatives, such as options, futures, forward contracts, swap contracts, and other similar instruments, in a manner considered appropriate to achieving the Fund's investment objectives. Derivatives may be used to protect a security price, currency exchange rate or interest rate from negative changes (hedging) or to provide exposure to securities, indices, or currencies without investing in them directly (non-hedging). Derivatives contain various risks including the potential inability for the counterparty to fulfil their obligations under the terms of the contract, the potential for illiquid markets and the potential price risk which may expose the Funds to gains and/or losses in excess of the amounts shown on the Statements of Financial Position. Derivatives with unrealized gains are reported as financial derivative instruments under current assets and derivatives with unrealized losses are reported as financial derivative instruments under current liabilities.

### *Forward Currency Contracts*

Certain Funds may enter into forward currency contracts for either hedging or non-hedging purposes where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A forward currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. Investments in forward currency contracts are entered into with approved counterparties and are recorded at fair value. The fair value of a forward currency contract fluctuates with changes in foreign currency exchange rates. The fair value of forward currency contracts is reported as financial derivative instruments in the Statements of Financial Position. Forward currency contracts are marked to market daily and the changes in fair value of forward currency contracts are recorded in "Change in unrealized appreciation (depreciation) of derivative instruments". Upon closing of the contracts, the accumulated gains or losses are reported in "Net realized gain (loss) on sale of derivative instruments". The contractual amounts of open contracts are disclosed in the Schedule of Investment Portfolio in the Schedule of Derivative Instruments.

### *Futures Contracts*

Futures contracts are valued on each valuation day using the closing market price posted on the related public exchange. The fair value of future contracts is reported as "Financial Derivative Instruments" in the Statements of Financial Position. All gains or losses arising from futures contracts are recorded as part of "Change in unrealized appreciation (depreciation) of derivative instruments" in the Statements of Comprehensive Income until the contracts are closed out or expire, at which time the gains or losses are realized and reported as "Net realized gain (loss) on derivative instruments".

### *Credit Default Swaps*

Certain Funds may enter into credit default swap contracts, primarily to manage and/or gain exposure to credit risk where such activity is consistent with their investment objectives and as permitted by the Canadian securities regulatory authorities. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives credit protection and the seller of the contract guarantees the credit worthiness of a

referenced debt obligation. The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, or a tranche of a credit index. The credit risk exposure of a Fund to the referenced asset is comparable to the exposure that would have resulted if the Fund were invested directly in the referenced debt obligation. If the Funds are buyers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation or (ii) receive a net settlement amount equal to the notional amount of the credit default swap contract less the recovery amount of value of the referenced debt obligation. If the Funds are sellers of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Funds will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. The maximum credit risk to the Fund as a seller of protection is the notional amount of the contract.

Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Credit Default Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a credit default swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the credit default swap contracts are closed out, gains or losses, including upfront premiums, are realized and included in the Statements of Comprehensive Income in "Net realized gain (loss) on derivative instruments". Pursuant to the terms of the credit default swap contract, cash or securities may be required to be deposited as collateral.

### *Interest Rate Swaps*

Certain Funds may enter into interest rate swap contracts, primarily to manage and/or gain exposure to fluctuations in interest rates. An interest rate swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange a fixed payment for a floating payment that is linked to an interest rate and an agreed upon notional amount.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Interest Rate Swaps are disclosed in the Schedule of Derivative Instruments. The change in value of an interest rate swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the interest rate swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

### *Total Return Swaps*

Certain Funds may enter into total return swap contracts primarily to manage and/or gain exposure to the underlying reference asset. An total return swap is an agreement between the Fund and a counterparty where single or multiple cash flows are exchanged based on the price of an underlying reference asset and based on a fixed or variable rate.

Over the term of the contract, the Funds will pay to the counterparty a periodic stream of payments based on fixed or variable rate. Such periodic payments

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

paid are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Funds would receive payments based on any net positive total return and would owe payments in the event of a net negative total return. Total return swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a total return swap contract is included in the Statements of Financial Position as Financial Derivative Instruments. When the total return swap contracts are closed out, gains or losses are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## *Cross Currency Swaps*

Certain Funds may enter into cross currency swap contracts, primarily to manage and/or gain exposure to currency risk. A cross currency swap is an agreement between the Fund and a counterparty whereby the parties agree to exchange interest payments and principal on loans denominated in two different currencies.

Over the term of the contract, each party will pay to the other party a periodic stream of payments. Such periodic payments paid or received are accrued daily and are included in the Statements of Comprehensive Income in Net Interest Income (Expense) from Swap Contracts. Cross currency swaps are disclosed in the Schedule of Derivative Instruments. The change in value of a cross currency swap contract and any upfront premium paid or received is included in the Statements of Financial Position as Financial Derivative Instruments. When the cross currency swap contracts are closed out, gains or losses, as well as any upfront premiums, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## *Foreign Currency Option Contracts*

Certain Funds may purchase foreign currency options. Purchasing foreign currency options gives the Fund the right, but not the obligation to buy or sell the currency and will specify the amount of currency and a rate of exchange that may be exercised by a specified date. These options may be used as a hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

Foreign currency option contracts are disclosed in the Schedule of Derivative Instruments. The change in value of a foreign currency option contract and any premiums paid are included in the Statements of Financial Position as Financial Derivative Instruments. When the foreign currency option contracts are closed out, gains or losses, as well as any premiums paid, are realized and included in the Statements of Comprehensive Income in Net realized gain (loss) on derivative instruments.

## **CAPITAL RISK MANAGEMENT**

Units issued and outstanding are considered to be the capital of the Funds. The Funds do not have any specific capital requirements on the subscription and redemption of units, other than certain minimum subscription. The Funds' units are offered for sale on any business day and may be redeemed or issued at the Net Asset Value (NAV) per unit for the respective series on that business day. A business day refers to any day the Toronto Stock Exchange is open for business. The NAV for each series is computed daily by calculating the value of that series' proportionate share of net assets and liabilities of the Fund common to all series less liabilities attributable to that series. Expenses directly attributable to a series are charged to that series. Assets, common liabilities, revenues and other expenses are allocated proportionately to each series based

upon the relative NAVs of each series. The NAV per unit is determined by dividing the NAV of each series of a Fund by the total number of units of that series outstanding.

## **INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT**

"Increase (decrease) in net assets attributable to holders of redeemable units per unit" in the Statements of Comprehensive Income represents the increase or decrease in net assets attributable to holders of redeemable units attributable to each series of units for the year, divided by the weighted average units outstanding in that series during the year.

## **SECURITIES LENDING TRANSACTIONS**

A Fund may lend portfolio securities to earn additional income through a securities lending agreement with its custodian. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund receives collateral in the form of securities deemed acceptable under National Instrument 81-102, "Mutual Funds" ("NI 81-102") of at least 102% of the fair value of securities on loan. Collateral held is typically government and corporate bonds.

Income from securities lending is recorded as "Securities lending" on a monthly basis when it is receivable. Securities lending details are listed in Securities on Loan included in the Fund Specific Notes. The securities lending agent earns 20% of the gross income generated through any securities lending transactions in the Funds.

## **REDEEMABLE UNITS**

Certain Funds issue different series of redeemable units, which are redeemable at the holder's option and do not have identical rights. Such units are classified as financial liabilities. Redeemable units can be put back to the Funds at any date for cash equal to a proportionate share of the Funds' net asset value attributable to the series. The redeemable units are carried at the redemption amount that is payable at the Statements of Financial Position date if the holder exercises the right to put the unit back to the Funds. Funds with only one series do not meet the criteria to be classified as equity as they impose on the Fund the obligation to deliver cash other than on redemption. Each such Fund must distribute its taxable income to unitholders annually and has provided unitholders the option to receive such distributions in cash.

## **INVOLVEMENT IN UNCONSOLIDATED STRUCTURED ENTITIES**

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

Certain Funds' investment strategy entails trading in other funds on a regular basis. The Funds consider all of their investments in other funds ("Investee Funds") to be investments in unconsolidated structured entities. The Funds invest in Investee Funds whose objectives range from conserving principal to maximizing dividend income to long-term capital growth and whose investment strategies do not include leverage. The Investee Funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportionate stake in the respective Investee Fund's net assets. The Funds hold redeemable units in each of their Investee Funds and the Funds have the right to request redemption of their investment in Investee Funds daily. The Funds' investments in Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation. The change in fair value of each Investee Fund is included in the Statements of Comprehensive Income in "Change in unrealized appreciation

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

(depreciation) of investments". The Funds' maximum exposure to loss from their interest in Investee Funds is equal to the fair value of their investments in Investee Funds. Once a Fund has disposed of its shares in an Investee Fund the Fund ceases to be exposed to any risk from that investee fund.

Certain Funds invest in Exchange Traded Funds ("ETFs") which are disclosed on the Schedule of Investment Portfolio and these Funds have determined that their investments in such ETFs are deemed unconsolidated structured entities. These ETFs replicate, to the extent possible, the performance of the applicable benchmark indices, or seek to provide long-term capital growth or income, as applicable, by investing primarily in and holding the constituent securities of the applicable benchmark indices in substantially the same proportion as they are reflected in the applicable benchmark indices or seek to track the investment results of applicable benchmark indices. The ETFs finance their operations by issuing redeemable shares which are puttable at the holder's option and entitle the holder to a proportional stake in the respective ETF's net asset value. The underlying ETFs are listed on a recognized public stock exchange.

Certain Funds invest in mortgage-related and other asset-backed securities ("MBS"). These securities include mortgage pass-through securities, collateralized mortgage obligations, commercial mortgage-backed securities, asset-backed securities, collateralized debt obligations and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The debt and equity securities issued by these securities may include tranches with varying levels of subordination. These securities may provide a monthly payment which consists of both interest and principal payments. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities are created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans. The Funds' maximum exposure to loss from their interest in MBS is equal to the fair value of their investments in such securities as disclosed on the Schedule of Investment Portfolio.

A table has been included in the Fund Specific Notes section of the financial statements which describes the types of structured entities that the Funds do not consolidate but in which they hold an interest.

## ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18, Presentation and Disclosure in Financial Statements ("IFRS 18"). IFRS 18, which replaces IAS 1, Presentation of financial statements, introduces new requirements to present specified categories and defined subtotals in the statement of comprehensive income, new disclosure for management-defined performance measures, and additional requirements for aggregation and disaggregation of information. The standard is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Manager is assessing the impact of the adoption of this standard.

## 4. Expenses

### MANAGEMENT FEES AND INVESTMENT ADVISORY SURCHARGE

Certain series of the Funds pay the Manager a management fees. The management fees cover the cost of managing the Funds, arranging for investment analysis, recommendations and investment decision making for the Funds, arranging for distribution of the Funds, marketing and promotion of the Funds and providing or arranging for others services for the Funds. The management fee is an annualized rate based on the net asset value of each

series of the Funds. The management fees paid by the Funds are calculated and accrued daily and payable weekly.

No management fee is charged by Manager of the Funds in respect of: all units of MDPIM International Equity Pool, MDPIM Short-Term Bond Pool, MDPIM Bond Pool, MDPIM Dividend Pool, MDPIM Strategic Opportunities Pool, MDPIM Global Tactical Opportunities Pool and MDPIM Strategic Yield Pool; the Private Trust Series of MDPIM Canadian Equity Pool and MDPIM US Equity Pool; and Series A of MDPIM S&P/TSX Capped Composite Index Pool, MDPIM S&P 500 Index Pool, MDPIM International Equity Index Pool and MDPIM Emerging Markets Equity Pool, since investors in these units and series of units have agreed to pay a separate scaled managed account fee based on assets under management directly to MD Private Investment Counsel. The maximum fee is 1.56%.

The following series of Funds pay the Manager an annual management fee, exclusive of sales taxes, as follows:

Fund	Series A	Series D	Series F	Private Trust Units
MDPIM Canadian Equity Pool	1.25%	n/a	n/a	–
MDPIM US Equity Pool	1.25%	n/a	n/a	–
MDPIM Emerging Markets Equity Pool	0.40%	1.08%	0.71%	n/a
MDPIM Canadian Equity Index Pool	–	n/a	0.04%	n/a
MDPIM US Equity Index Pool	–	n/a	0.07%	n/a
MDPIM International Equity Index Pool	–	n/a	0.19%	n/a

Series A unitholders of MDPIM International Equity Pool are responsible for the payment of an Investment Advisory Surcharge charged by the Fund's advisor. The Manager absorbs a portion of this advisory fee, and as a result the Fund is responsible for the payment of a portion of the fee charged, which varies in the range of 0.20% to 0.30% of the NAV.

Series A unitholders of MDPIM Emerging Markets Equity Pool are responsible for the payment of Investment Advisory Surcharge charged by the Fund's advisor. The Manager absorbs a portion of this advisory fee, and as a result the Fund is responsible for the payment of a portion of the fee charged, which varies in the range of 0.40% to 0.50% of the NAV.

### ADMINISTRATION FEES

Each Fund (except for MDPIM Emerging Market Equity Pool in respect of Series I, Series F and Series D) pays for certain operating expenses as allowed by the securities regulator which relate to that particular Fund. Operating expenses include, but are not limited to, securities commission fees, audit fees, custodial fees, IRC fees and expenses, issue costs, all expenses related to the prospectus and to meetings of unitholders as well as Fund servicing costs. Operating expenses which relate to the series of units as a whole are proportionately allocated among those Funds to which they relate. The Manager of the Funds can, at any time, waive or absorb any operating expense for which the Fund is responsible.

The Manager pays certain operating expenses of the Series F and Series D units of MDPIM Emerging Markets Equity Pool in return for an administration fee of 0.20%, calculated as a fixed annual percentage of the Funds' net asset value. These expenses include regulatory filing fees and other day-to-day operating expenses including, but not limited to, audit fees, legal fees custodial fees, all expenses related to the prospectus and to meetings of unitholders, expenses related to fund accounting, fund valuation, unitholder reporting and record keeping, IRC fees and other expenses. The administration fee is

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

accrued daily and paid monthly. No administration fee is charged in respect of Series I units of MDPIEM Emerging Markets Equity Pool. Administration fees for Series I units are paid directly by investors.

## AUDIT FEES

The fees paid or payable to KPMG LLP as the external auditor of all Funds managed by the Manager, for the fiscal years of the funds are as follows:

	(\$)
Audit fees	288,294
Fees for the services other than audit	64,160

## 5. Related Party Transactions

The Manager is a wholly-owned subsidiary of The Bank of Nova Scotia ("Scotiabank"). Scotiabank also owns, directly or indirectly, 100% of Scotia Securities Inc. and Tangerine Investment Funds Limited, each a mutual fund dealer, and Scotia Capital Inc. (which includes Scotia McLeod and Scotia iTRADE), an investment dealer.

The Manager, on behalf of the Funds, may enter into transactions or arrangements with other members of Scotiabank or certain companies that are related or connected to the Manager (each a "related party"). All transactions between the Funds and the related parties are in the normal course of business and are carried out at arm's length terms.

- The Manager earns management fees for acting as trustee and manager of the Funds, as applicable and an administration fee in return for paying certain operating expenses as detailed in Note 4. Certain Funds also pay the Manager an Investment Advisory Fee Surcharge, as detailed in Note 4. The management fee, administration fee and investment advisory fee surcharge are disclosed in separate lines in the Statements of Comprehensive Income.
- Decisions about the purchase and sale of each Fund's portfolio investments are made by appointed Portfolio Managers of each Fund. Provided that the pricing, service and other terms are comparable to those offered by other dealers, a portion of the portfolio transactions may be executed for the Funds by a related party to the Funds. In such cases, the related party will receive commissions from the Funds. Brokerage fees paid to related parties for the years ended December 31, 2025 and 2024 are as follows (in \$'000's):

Fund	December 31, 2025	December 31, 2024
MDPIEM Dividend Pool	135	98
MDPIEM Strategic Yield Pool	21	3
MDPIEM Canadian Equity Pool	223	306
MDPIEM Strategic Opportunities Pool	12	3
MDPIEM Emerging Markets Equity Pool	9	4
MDPIEM Canadian Equity Index Pool	5	–
MDPIEM US Equity Index Pool	–	6
MDPIEM US Equity Pool	112	6
MDPIEM International Equity Pool	14	1

- The Manager received approval from the Independent Review Committee to invest the Funds' overnight cash with Scotiabank with interest paid by Scotiabank to the Funds based on prevailing market rates. The interest

earned by the Funds is included in "Interest for distribution purposes" in the Statements of Comprehensive Income.

- The Funds may invest in investment funds managed by the Manager, which are disclosed in the Schedule of Investment Portfolio for the respective Funds.
- The Manager has received approval from the Independent Review Committee for the Funds to purchase securities of related parties, such as investments in securities of Scotiabank. Any related party securities held by the Funds are disclosed in the Schedule of Investment Portfolio for the respective Funds. The Funds are also permitted to enter into derivative transactions with Scotiabank as counterparty.
- Distributions received from related party funds are included in "Income from Underlying Funds" in the Statements of Comprehensive Income.

## INDEPENDENT REVIEW COMMITTEE

The Manager has established an Independent Review Committee ("IRC") as required under National Instrument 81-107, "Independent Review Committee for Investment Funds" ("81-107"). The IRC reviews conflict of interest matters related to the operations of the Funds. In addition, in some circumstances, in place of obtaining unitholder approval, a Fund may be reorganized with or its assets transferred to another mutual fund managed by the Manager or an affiliate. This requires IRC approval, and that unitholders are sent a written notice at least 60 days before the effective date. The approval of the IRC is also required for a change of auditor.

The IRC is composed of four persons who are independent of the Manager, the Funds and entities related to the Manager.

The Manager pays all IRC fees on behalf of the Funds and allocates these fees equally across each Fund. The Manager recovers these costs via the administration fee charged to the Funds. For the year ended December 31, 2025, each Fund managed by the Manager paid approximately \$3,000 in IRC Fees.

## SHORT-TERM TRADING/EARLY REDEMPTION FEE

Clients who redeem or switch units or shares of an MD Fund are charged an early redemption fee equal to 2.00% of the amount redeemed or switched if the redemption or switch occurs within thirty (30) days of the date that the units or shares were purchased or switched. Redemption fees are recorded as income in the period of early redemption.

The early redemption fee does not apply to redemptions or switches:

- made in connection with any systematic and scheduled withdrawal program;
- where the amount of the redemption or switch is less than \$10,000; or
- made as a result of the recommendation of an MD Financial Consultant or MD Portfolio Manager related to a financial plan.

## 6. Redeemable units

The Funds' capital is represented by an unlimited number of authorized units without nominal or par value. All series of units are redeemable on demand by unitholders at the redemption amount represented by respective NAV of that series. Each unit entitles the unitholder to one vote at unitholder meetings and participates equally, with respect to other units of the same series, in any dividends or distributions, liquidation or other rights of that series. Distributions on units of a Fund are reinvested in additional units or at the option of the unitholder, paid in cash. The Funds' capital is managed in accordance with each of the Funds' investment objectives, policies and restrictions as outlined in the Funds' prospectus or offering documents, as applicable. The Funds have

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

no specific restrictions or specific capital requirements on the subscription or redemption of units, other than minimum subscription requirements.

The units of each series of Funds are issued and redeemed at their net asset value per unit of each series which is determined as of the close of business on each day that the Toronto Stock Exchange is open for trading. The net asset value per unit is calculated by dividing the net asset value per series by the total number of outstanding units in each series. The number of units issued and redeemed are presented in the Fund Specific Notes.

## 7. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. These estimates are based on information available as at the date of issuance of the financial statements. Actual results could materially differ from those estimates. The following discusses the most significant accounting judgments and estimates that the Funds have made in preparing the financial statements:

### INVESTMENT ENTITIES

In accordance with IFRS 10 "Consolidated Financial Statements", the Manager has determined that the Funds meet the definition of an Investment Entity which requires the Funds obtain funds from one or more investors for the purpose of providing investment management services, commit to their investors that their business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and measure and evaluate the performance of their investments on a fair value basis. Consequently, the Funds do not consolidate their investment in subsidiaries, if any, but instead measure these at fair value through profit or loss, as required by the accounting standard.

### FAIR VALUE MEASUREMENT OF SECURITIES AND DERIVATIVES NOT QUOTED IN AN ACTIVE MARKET

The Funds may, from time to time, hold financial instruments that are not quoted in active markets. The fair value of such securities may be determined by the Funds using reputable pricing sources or indicative prices from market makers. Broker quotes obtained from pricing sources may be indicative but not executable or binding. Where no market data is available, the Fund may value positions using internal valuation models as determined appropriate by the Manager and based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data to the extent practicable; however, the Manager may be required to make certain assumptions and/or estimates regarding risks, volatility and correlations as required. Changes in assumptions and estimates could affect the reported fair values of financial instruments. The Funds consider observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

### CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

In classifying and measuring financial instruments held by the Funds, the Manager is required to make judgments in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Funds' business model and considered that the Funds' investments, including derivatives, are managed and performance evaluated as a group on a fair value

basis. The Manager has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation for the Funds' investments.

## 8. Financial instrument risk

The Funds use financial instruments in order to achieve their respective investment objectives. The Funds' investments are presented in the respective Schedule of Investment Portfolio, which groups securities by asset type, geographic region and/or market segment.

The use of financial instruments subjects the Funds to a variety of financial instrument risks. The Funds' risk management practices include setting investment policies to limit exposures to financial instrument risks and employing experienced and professional investment advisors to invest the Funds' capital in securities within the constraints of investment policies. The Manager regularly monitors the Fund advisors' performance and compliance with the investment policies.

The significant financial instrument risks, to which the Funds are exposed, along with the specific risk management practices related to those risks, are presented below. Fund specific disclosures are presented in the "Financial Instruments Risks" section of the financial statements.

Market disruptions associated with geopolitical conflicts, global health crises, natural disasters and material tariffs have had a global impact, and uncertainty exists as to the long-term implications. Such disruptions can adversely affect the financial instrument risks associated with each of the Funds.

### CREDIT RISK

Credit risk is the risk that a counterparty to a financial instrument will not honour its obligation under the terms of the instrument, resulting in a loss. The Funds are exposed to credit risk through domestic and foreign bonds, preferred shares, derivative contracts, cash and short-term investments, amounts due from brokers, dividends and interest receivable and other receivables. A Fund may engage in securities lending pursuant to the terms of an agreement which includes restrictions as set out in the Canadian Securities Legislation. Collateral held is in the form of highly rated fixed income instruments. All securities under lending agreements are fully collateralized.

Credit risks arising from short-term investments and fixed income securities, including domestic and foreign bonds and preferred shares, are generally limited to the fair value of the investments as shown in the Schedule of Investment Portfolio. The Funds limit exposure to individual issuers/sectors and credit quality ratings. The credit worthiness of issuers in which the Funds invest are reviewed regularly and the portfolios are adjusted as required to match the minimum requirement as set forth in each Fund's prospectus. Each individual Fund's exposure to credit risk, if any, is presented in the Financial Instruments Risk section of the Financial Statements.

Credit risks arising from cash are limited to the carrying value as shown on the Statements of Financial Position, except in the case of MD Money Fund, where the credit risk is limited to the fair value of investments as shown on the Schedule of Investment Portfolio. The Funds manage credit risk on cash and short-term investments by investing in high grade short-term notes with credit ratings of R-1 (low) or higher as well as limiting exposure to any single issuer.

Certain derivative contracts are subject to netting arrangements whereby if one party to a derivative contract defaults, all amounts with the counterparty are terminated and settled on a net basis. As such, the maximum credit loss on derivative contracts is the financial derivative instrument asset in the Statements of Financial Position. Each Fund manages credit risk on derivatives by only entering into agreements with counterparties that have an approved credit rating. Credit risk on amounts due from brokers is minimal since transactions

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

are settled through clearinghouses where securities are only delivered for payment when cash is received.

Credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 102% of the fair value of the securities loaned. The collateral and loaned securities are marked to market each business day. The aggregate dollar value of portfolio securities lent and collateral held is presented in the Fund Specific Notes.

## LIQUIDITY RISK

Liquidity risk is the risk that the Funds will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Funds' exposure to liquidity risk arises primarily from the daily cash redemption of units. All Funds' financial liabilities come due within one year, other than those derivatives with longer maturities as disclosed in the Schedule of Investment Portfolio. To manage this liquidity requirement, the Funds invest primarily in liquid securities that can readily be sold in active markets and each Fund may borrow up to 5% of its NAV. At year end, no Fund had borrowed against its respective line of credit.

## CURRENCY RISK

Currency risk is the risk that the values of financial assets and liabilities denominated in foreign currencies fluctuate due to changes in foreign exchange rates. To the extent the Funds hold assets and liabilities denominated in foreign currencies, the Funds are exposed to currency risk. The Funds may also use forward contracts at the discretion of the Manager. Each individual Fund's exposure to currency risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

## INTEREST RATE RISK

Interest rate risk is the risk that the fair value (measured as the present value) of cash flows associated with interest bearing financial instruments will fluctuate due to changes in the prevailing market rates of interest. In general, as interest rates rise, the fair value of interest bearing financial instruments will fall. Financial instruments with a longer term to maturity will generally have a higher interest rate risk.

The Funds' interest-bearing financial instruments that subject the Funds to interest rate risk include domestic and foreign bonds and mortgage related and other asset back securities. The Funds' may also be exposed indirectly to interest rate risk through their position in interest rate swaps presented in the Schedule of Derivative Instruments. Short-term money market instruments are also interest bearing and therefore subject to interest rate risk. However, due to the short-term nature of the securities, the interest rate risk is generally not significant.

Interest rate risk management practices employed by the Funds include setting target durations based on the appropriate benchmark indices and monitoring the Funds' durations relative to the benchmarks. If interest rates are anticipated to rise, the Funds' durations can be shortened to limit potential losses. Conversely, if interest rates are anticipated to fall, the durations can be lengthened to increase potential gains. Each individual Fund's exposure to interest rate risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

## OTHER PRICE RISK

Other price risk is the risk that the fair value of financial instruments may decline because of changes in market prices of the financial instruments, other than declines due to interest rate risk and currency risk. Other price risk stems from financial instruments' sensitivity to changes in the overall market (market risk) as well as factors specific to the individual financial instrument.

Other price risk attributable to individual investments is managed through diversification of the portfolio and security selection and adjustments to fair value when there is significant volatility in international markets after markets are closed. Each individual Fund's exposure to other price risk, if any, is presented in the "Financial Instruments Risks" section of the financial statements.

Details of each Fund's exposure to financial instruments risks including fair value hierarchy classification are available in the "Financial Instruments Risks" section of the financial statements of each Fund.

## FINANCIAL RISKS FROM UNDERLYING MUTUAL FUNDS

Certain Funds may invest in other mutual funds. The Funds' investments in mutual funds are subject to the terms and conditions of the respective mutual fund's offering documentation and are susceptible to the risks related to the underlying mutual funds' financial instruments. The Funds' maximum exposure to loss from their interests in mutual funds is equal to the total fair value of their investment in mutual funds. Once the Funds dispose of their shares in an underlying mutual fund, the Funds cease to be exposed to any risk from that mutual fund. The exposure to underlying mutual fund investments is disclosed in the "Financial Instruments Risks" section of the financial statements of each Fund.

## 9. Fair value measurement

The Funds classify fair value measurements within a hierarchy that prioritizes the inputs to Funds' valuation techniques used in measuring fair value. Under these provisions, an entity is required to classify each financial instrument into one of three fair value levels as follows:

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

Level 2 – for inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and,

Level 3 – for inputs that are based on unobservable market data.

The classification of a financial instrument is based on the lowest level of input that is significant to the determination of fair value.

All fair value measurements are recurring. The carrying values of cash, receivable for investment transactions, dividends and interest receivable, subscriptions receivable, payable for investment transactions, redemptions payable, distributions payable and the Fund's obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature. Fair values of securities and derivatives are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 ceases to be actively traded, it is transferred out of Level 1. In such cases, fair value is determined using observable market data (eg. transactions for similar securities of the same issuer) and the instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3. Changes in valuation methods may result in transfers into or out of the assets' or liabilities' assigned levels. The level summary based on the hierarchy inputs is disclosed in the "Financial Instrument Risks" section of each Fund.

Level 3 financial instruments are reviewed by the Funds' fair valuation committee. The fair valuation committee considers the appropriateness of the valuation model inputs, as well as the valuation result, using valuation methods recognized as standard within the industry. Quantitative information about the unobservable inputs, sensitivity of the fair value measurements to changes in unobservable inputs and interrelationships between those inputs

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

are disclosed in the Fund Specific Notes under “Fair value measurement” if significant unobservable inputs are used when valuing Level 3 financial instruments.

## EQUITIES

The Funds’ equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. The Funds subscribe to the services of a third-party valuation service provider to provide fair value adjustments, when a defined threshold is met, to the prices of foreign securities due to changes in the value of securities in North American markets following the closure of the foreign markets. The parameters used to apply the fair value adjustments are based on observable market data. Where applicable, the foreign securities will be considered Level 2 priced securities.

## BONDS AND SHORT-TERM INVESTMENTS

Debt securities generally trade in the OTC market rather than on a securities exchange. Bonds including government, corporate, convertible and municipal bonds and notes, bank loans, US and Canadian treasury obligations, sovereign issues and foreign bonds are normally valued by pricing service providers that use broker-dealer quotations, reported trades and valuations from their internal pricing models. These internal pricing models use inputs which are observable including interest rate curves, credit spreads and volatilities. The inputs that are significant to valuation are generally observable and therefore the Funds’ bonds and short-term investments have been classified as Level 2, unless the determination of fair value requires significant unobservable input, in which the measurement is classified as Level 3.

## INVESTMENTS IN MUTUAL FUNDS AND EXCHANGE TRADED FUNDS

The Funds’ positions in the mutual funds and exchange traded funds are typically in positions that are actively traded and a reliable price is observable and as such is classified as Level 1.

## FINANCIAL DERIVATIVE INSTRUMENTS

Derivatives consisting of foreign currency forward contracts, interest rate swaps, credit default swaps and foreign currency options which are valued based primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency, interest rate and credit spreads. These derivative financial instruments have been classified as Level 2.

Futures contracts and options that are traded on a national securities exchange are stated at the last reported sale or settlement price on the day of valuation. To the extent these financial derivative instruments are actively traded they are categorized as Level 1.

## FAIR VALUATION OF INVESTMENTS (INCLUDING UNLISTED SECURITIES)

If the valuation methods described above are not appropriate, the Funds will estimate the fair value of an investment using established fair valuation procedures, such as consideration of public information, broker quotes, valuation models, discounts from market prices of similar securities or discounts applied due to restrictions on the disposition of securities, and external fair value service providers.

The extent of Funds’ use of quoted market prices (Level 1), internal models using observable market information as inputs (Level 2), and internal models without observable market information (Level 3) in the valuation of securities is summarized in each Fund’s “Financial Instruments Risks” section of the financial statements.

## 10. Income Taxes

Each of the Funds qualifies as a mutual fund trust under the provisions of the Income Tax Act (Canada) and, accordingly, is subject to tax on its income for the year, including net realized capital gains which are not paid or payable to its unitholders as at the end of the year. It is the intention of the Manager that all annual net investment income and sufficient net realizable taxable capital gains will be distributed to unitholders annually by December 31, such that there are no Canadian income taxes payable by the Funds. Accordingly, the Funds do not record Canadian income taxes in their financial statements.

## LOSSES CARRIED FORWARD

Capital losses can be carried forward indefinitely to reduce future net realized capital gains. Non-capital losses for income tax purposes may be carried forward up to twenty years and applied against all sources of income. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses have not been reflected in the Statements of Financial Position. As of December 31, 2025, the following Funds have capital and non-capital losses available for carry forward as presented below (in \$000’s):

Fund	Year of expiry	Non-Capital Loss \$	Capital Loss \$
MDPIM Short-Term Bond Pool		–	195,702
MDPIM Bond Pool		–	609,607
MDPIM Dividend Pool		–	–
MDPIM Strategic Yield Pool		–	171,514
MDPIM Canadian Equity Pool		–	–
MDPIM US Equity Pool		–	–
MDPIM International Equity Pool		–	–
MDPIM Strategic Opportunities Pool		–	–
MDPIM Emerging Markets Equity Pool		–	–
MDPIM Canadian Equity Index Pool		–	–
MDPIM US Equity Index Pool		–	190
MDPIM International Equity Index Pool		–	5,603

## WITHHOLDING TAXES

The Funds currently incur withholding taxes imposed by certain countries on investment income and in some cases, capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

## 11. Soft Dollar Commissions

Soft dollar commissions refers to the portion of total brokerage commissions paid to certain brokers that was available for payment to third party vendors for providing research, statistical or investment decision making services. These services assist the Manager and its sub-advisors with their investment decision

# Notes to Financial Statements

For the years ended December 31, 2025 and 2024

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making for the Funds. The ascertainable soft dollar commissions paid in connection with the investment portfolio transactions for the years ended December 31, 2025 and December 31, 2024 are set out below (in \$000's):

<b>Fund</b>	<b>2025 \$</b>	<b>2024 \$</b>
MDPIM Short-Term Bond Pool	–	–
MDPIM Bond Pool	–	–
MDPIM Dividend Pool	296	158
MDPIM Strategic Yield Pool	102	53
MDPIM Canadian Equity Pool	434	667
MDPIM US Equity Pool	188	158
MDPIM International Equity Pool	327	242
MDPIM Strategic Opportunities Pool	84	41
MDPIM Emerging Markets Equity Pool	477	635
MDPIM Canadian Equity Index Pool	–	–
MDPIM US Equity Index Pool	–	–
MDPIM International Equity Index Pool	–	–





**MD Financial  
Management Inc.**