

2024

Annual Report

UBC FACULTY PENSION PLAN



THE UNIVERSITY OF BRITISH COLUMBIA



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Message from the *Chair* & *Executive Directors*

We are pleased to present the 2024 Annual Report for the UBC Faculty Pension Plan (also known as “FPP” or “the Plan”).

The annual report provides members with an update on key areas including FPP Board and Plan initiatives, financial and membership highlights, investment fund and market updates, and investment performance. In addition to reading this report, we encourage members to attend the annual Pension Forum to hear about these key areas in more detail. This year’s Pension Forum will take place on Wednesday, May 7, 2025 at 11 am.

Investments focused on long-term outcomes

Despite declines in the markets towards the end of 2024, it turned out to be yet another successful year. Investors found reasons to be optimistic—against a backdrop of declining short-term interest rates and a perceived pro-business changing of guard in the White House, U.S. stocks ended the year near record highs as the S&P 500 climbed over 36% (in Canadian dollars). Non-U.S. markets rose to a lesser degree: the MSCI EAFE (International equities) increased 13% and the S&P/TSX Composite Index (Canadian equities) climbed 22%. The Canadian bond market also increased, but at 4.1%, much less than equities.

As you would expect from such an environment, traditional balanced portfolios (60% stocks and 40% bonds) posted very strong returns. The diversified UBC FPP Balanced Fund delivered a solid 13.53% return (net of fees), minimally behind its target benchmark primarily because its real estate component lagged the portion of the portfolio’s benchmark linked to inflation. Global and Canadian equity segments also lagged their respective benchmarks.





Governance Review & Strategic Plan

The FPP Board recognizes that good governance is one of the most critical pieces in effective administration of the Plan. In 2024, with the help of an external consultant, the FPP Board completed a comprehensive review of their governance policies and practices to see if they can be improved in any way. As a result, the FPP Board and management are currently working on a strategic plan that will help to strengthen our organization and practices, and will provide a path that will carry us forward in the coming years. We expect to complete this work in 2025.

Updated Pension Administration Guidelines

In September 2024, the Canadian Association of Pension Supervisory Authorities (CAPSA) updated their guidelines for capital accumulation plans like the FPP. While not formally legislated, it is generally expected that registered pension plans should operate in accordance with these guidelines.

An updated CAPSA *Guideline No. 3: Guidelines for Capital Accumulation Plans* was released, replacing the previous guideline published in 2004. This guideline not only outlines the responsibilities of the FPP and its service providers, but it also provides detailed information on the responsibilities of Plan members. Members are responsible for understanding how their pension plan works, their investment options and investment risk profile, and how to best utilize the Plan's retirement and financial planning tools and educational resources.

As well, the new CAPSA *Guideline No. 10: Guideline for Risk Management for Plan Administrators* was introduced, providing consolidated approaches to pension risk management on topics, such as cyber security, investment governance and ESG (Environmental, Social and Governance) practices. As described in this guideline, the UBC FPP will be expected to develop a robust risk register to oversee the management of risks in the Plan and to confirm the necessary controls and risk mitigation factors

The FPP Board continues to take a long-term perspective, believing in a steady hand and a well-diversified investment program. In 2024, the FPP Board stayed closely aligned with the policy parameters without making any significant changes to the UBC FPP program; however, the foreign equity segment received a facelift when a manager with disappointing results was replaced by two new managers (this took place in Q1 of 2025). The foreign equity division between passive index funds and active managers was also reviewed and ultimately changed by increasing the passive mandate target weight from 30% to 50%.

Moreover, the FPP Board actively reviews the type and number of investment options available to members, and adds new ones if they fit well within the overall objectives and investment philosophy of the Plan. In 2024, the focus of the FPP Board was to build an appropriate real assets stand-alone investment option to enhance the lineup of different single asset class fund options, which are used by members to design a custom asset mix strategy that meets their unique needs and risk profile. The details of the new fund will be communicated with members in the near future. Coinciding with the launch of this new fund, the Plan will be working over the course of 2025 to enhance the suite of educational resources and materials available to members.

are currently in place to manage these risks. The development of this risk register will be a priority for the UBC FPP in 2025 and we anticipate completion by early 2026. The UBC FPP Board and management are reviewing both updated guidelines to ensure that the Plan continues to align with industry best practices, and they will implement process recommendations as required.

FPP Board and Management Updates

At the end of 2024, Dr. Joyce Boon and Dr. Murray Carlson retired from the FPP Board. Dr. Boon has been a long-standing appointed Board trustee of the FPP since 2006, and Dr. Carlson was appointed to the FPP Board in 2019.

Dr. Andis Klegeris, Professor of Pharmacology, Biology and Biotechnology at UBC Okanagan, and Dr. Markus Baldauf, Associate Professor, Finance from the UBC Sauder School of Business joined the FPP Board at the beginning of 2025. Dr. Baldauf has been appointed for a two-year term and Dr. Klegeris has been appointed for a four-year term.

In June 2024, Debbie Wilson, Director, Pensions, retired from UBC. As part of the leadership team, Ms. Wilson had a significant role in overseeing the successful administration and operations of the Pension Administration Office over the last ten years. Peggy Martins was hired as Ms. Wilson's successor, and she brings over 20 years of pension industry experience, having worked with organizations such as

Alexander Forbes, Mercer, Great-West Life, and most recently, the IWA-Forest Industry Pension & LTD Plans.

We would like to thank Dr. Boon, Dr. Carlson, and Ms. Wilson for their significant contributions and expertise provided to the FPP Board, Pension Administration Office, and especially to the members of the FPP

Changes to the FPP Member Services team

Although 2024 is the primary focus of this annual report, we feel it is important to also acknowledge a retirement occurring in 2025. After 13 years with the Pension Administration Office, Lorraine Heseltine, FPP Member Services Specialist, will retire in June 2025. Lorraine has been a key resource on the FPP Member Services team and has assisted hundreds of members with their retirement and beyond. On behalf of the FPP Board and management, we would like to extend our deepest gratitude to Lorraine for her outstanding service to members and the Plan. We wish her the very best on a well-deserved retirement.

We would also like to welcome Diana Almeida to the FPP team, who joined in March 2025 as an FPP Member Services Specialist. Our Member Services teams at both the UBC Pension Administration Office and Sun Life play an essential role in delivering the comprehensive suite of services and educational seminars available to the Plan membership. We encourage you to read more about the team and the services that they provide on pages 4-6 of this report.



R. Kenneth Carty
*Chair, UBC FPP
Board of Trustees*



Kamila Giesbrecht
*Executive Director,
Investments*



Derrick Johnstone
*Executive Director,
Pensions*

Spotlight:

FPP Member Services



Celebrating a career of pension services: *Lorraine Heseltine*

This year, we would like to recognize a significant transition within the team. After more than 13 years of dedicated service, **Lorraine Heseltine**, FPP Member Services Specialist, will be retiring in June 2025.

Lorraine has been a vital member of the FPP team since she joined UBC in 2012. From providing educational seminars to one-on-one consultations, Lorraine has been the face of the FPP for hundreds of faculty members, helping them navigate the retirement process and often maintaining meaningful connections with them well-beyond their career at UBC. FPP members consistently express their appreciation for her care, patience, and thoroughness in explaining complex retirement topics, guiding them through various life events, and providing many other essential FPP services. We asked Lorraine to reflect on her time with the FPP and share her plans for her next chapter:

Q: During your 13 years with FPP Member Services, what are some of the key things you've learned?

Lorraine: Prior to joining UBC, I was responsible for the third-party administration of numerous defined benefit pension plans at the Vancouver office of a global pension and benefits consulting firm. Although these plans came in many shapes and sizes, none compared to the flexibility of the UBC Faculty Pension Plan.

I think the biggest thing I learned was that a defined contribution pension plan can be an extremely valuable employee benefit depending on its design. As I told the FPP Board of Trustees recently, it has been an honour to represent the UBC Faculty Pension Plan as it is truly the envy of many defined contribution plan sponsors.

Q: From your perspective, how has the membership changed over time?

Lorraine: When I joined UBC in 2012, the FPP had 628 pensioners and there are now over 1,700 (and yes, I think I know them all). As well, member engagement has increased as pension plans have become topical over the last decade. This is evident by the number of members attending our pension seminars. The attendance has doubled from even just five years ago.

Q: What are you most looking forward to in retirement? What will you miss about the FPP?

Lorraine: Over the years I've received some very good advice from many retirees—in particular, they recommend not making any commitments in the first year of retirement. With so many opportunities, it is a very exciting time and I am looking forward to reinventing myself. I have made some very dear friends over the years and will definitely miss my interactions with our Plan members.



Welcoming *Diana Almeida*

With Lorraine's retirement approaching, **Diana Almeida** joined the Pension Administration Office in March 2025 and will step into the FPP Member Services Specialist role in June. Diana (pronounced "dee-AN-nuh") comes to us from the IWA-Forest Industry Pension Plan where she was a Pension Specialist for the last seven years. We asked Diana to share a bit about her career and background:

Q: Tell us a bit about your career prior to joining UBC. What drew you to this FPP Member Services Specialist role?

Diana: I hold a Bachelor of Arts in Psychology from SFU, as well as CPHR¹, and CEBS² designations. My interest in retirement benefits began when I started working in

the pension department at SFU. I quickly understood the importance of helping members and their families navigate their retirement options during such a pivotal time in their lives. This passion carried over when I moved to the IWA-Forest Industry Pension Plan, and now I'm excited to continue this work with the UBC Faculty Pension Plan.

Q: What are you looking forward to most about working at UBC?

Diana: I believe in the importance of fostering a collaborative environment by building positive and lasting relationships with both staff and faculty. I look forward to connecting with the university community while ensuring our members are well supported.

FPP Member Services *Team*

Diana will work alongside Lily Lee, our FPP Member Services Associate. Lily joined the Pension Administration Office in 2013, and prior to joining the team, she cultivated a successful career in the financial services industry. Lily graduated from UBC with a Bachelor of Commerce degree, holds an FMA³ designation from the Canadian Securities Institute, and has her CEBS² designation.

Our team assists members with all aspects of the Plan, from inquiries regarding the features and benefits of the Plan to assisting members with their retirement income options. Diana and Lily welcome one-on-one meetings with members and host online seminars throughout the year.

The team also includes Louise Mah, FPP Pension Clerk, and Diana Iampietro, FPP Manager. Louise has worked at the Pension Administration Office for over 20 years. Diana joined in 2012 and leads the FPP Member Services and administration teams.



LEFT TO RIGHT: LOUISE MAH, LORRAINE HEELTINE, DIANA IAMPIETRO, DIANA ALMEIDA, LILY LEE

¹ CPHR: CHARTERED PROFESSIONAL IN HUMAN RESOURCES

² CEBS: CERTIFIED EMPLOYEE BENEFITS SPECIALIST

³ FMA: FINANCIAL MANAGEMENT ADVISOR

2024 Member Services *at a Glance*



7



Understanding your
Retirement Income
Options seminars
176 ATTENDEES

4



Understanding your
Faculty Pension Plan
seminars
76 ATTENDEES

1,179



Retirement income
estimates generated

248



Faculty members
reminded of their eligibility
to join the Plan

BASED ON OUR SPRING & FALL
ELIGIBILITY EMAIL NUMBERS

291



New members welcomed
to the Plan

BASED ON OUR SPRING & FALL NEW
MEMBER EMAIL NUMBERS



Sun Life *Client Care*

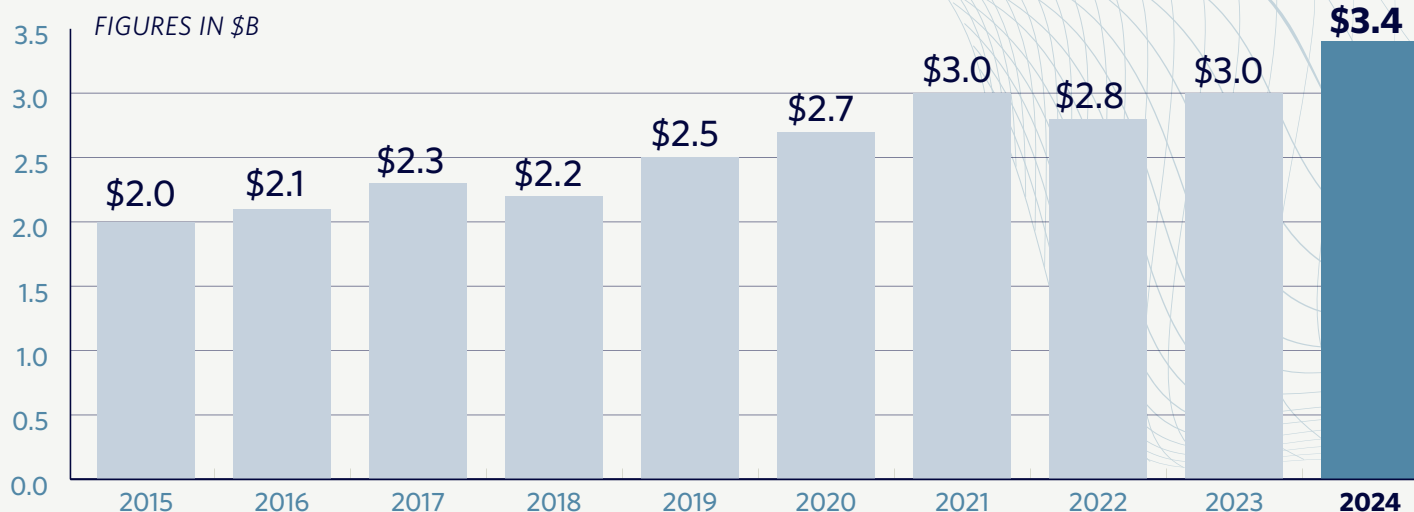
The FPP is co-administered by Sun Life. In addition to the FPP Member Services team at the Pension Administration Office, Sun Life Client Care supports FPP members by helping them with managing their member account at mysunlife.ca/ubcfpp. As well, they handle forms, statements, account balances, personal rates of return, beneficiary changes, investment changes, lump sum withdrawals, RRIF/LIF-Type accounts, tax slips, transfers-out to external registered plans, and more.

For a detailed list of the services that are handled by the FPP Member Services team vs. the Sun Life Client Care centre, as well as contact information and team hours of operation, please refer to the FPP website: faculty.pensions.ubc.ca/contact/member-services

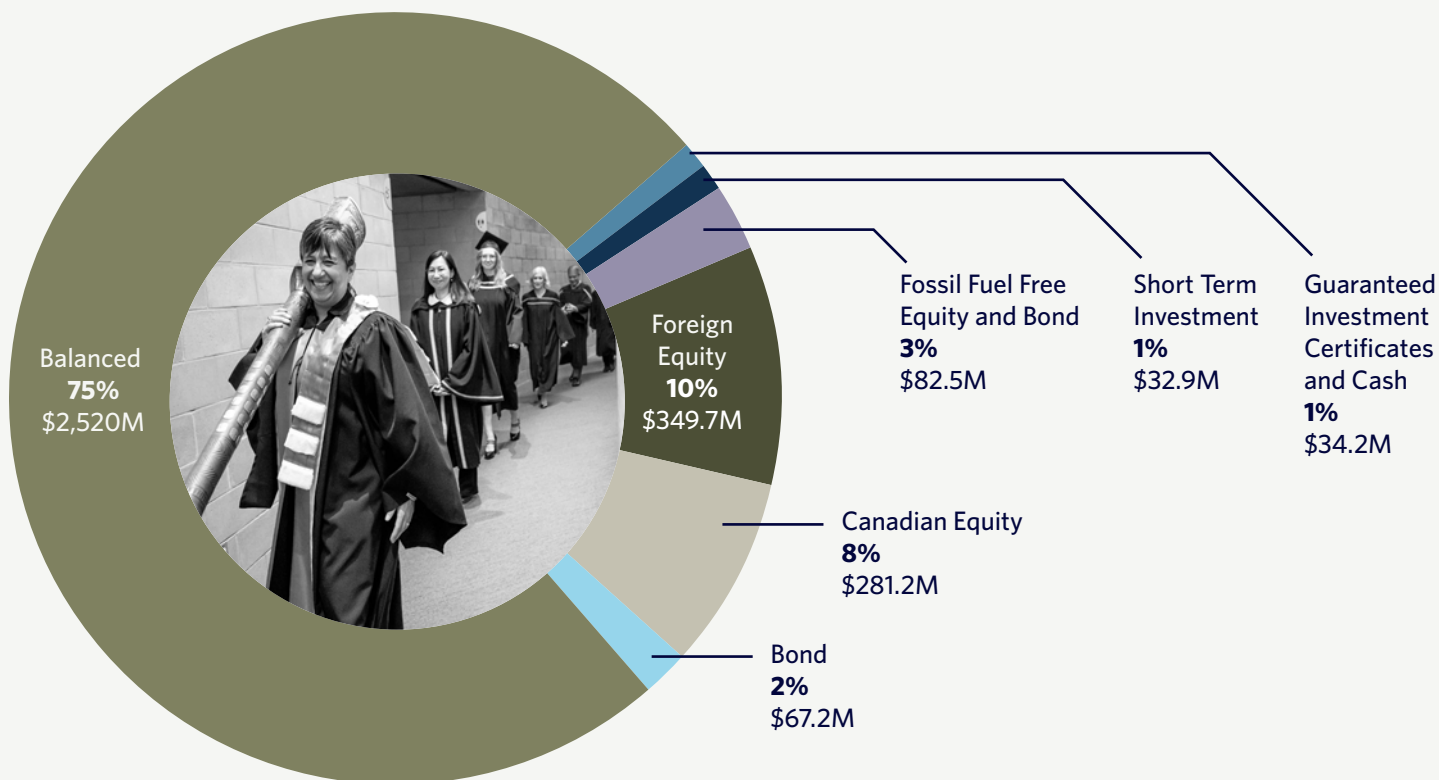
Financial *Highlights*

Total Assets *of the Plan*

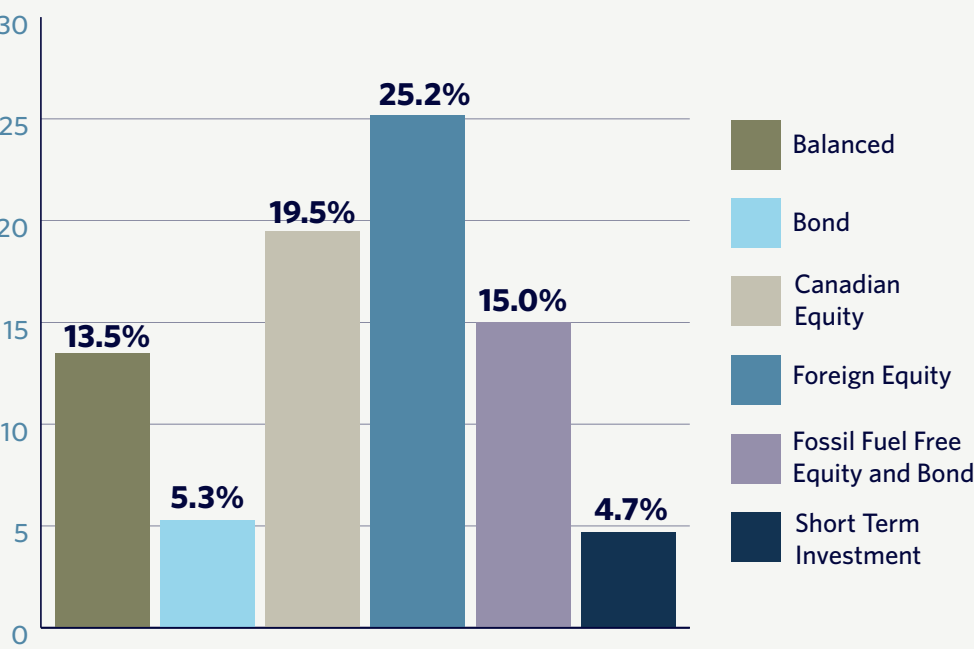
\$3.4 Billion
TOTAL FOR 2024



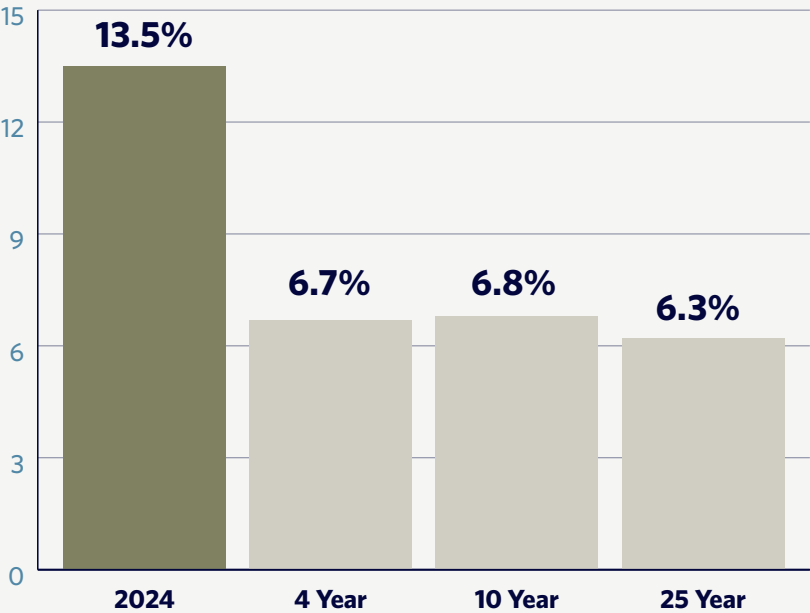
Market Value *of the Funds*



2024 Fund *Net Rates of Return*

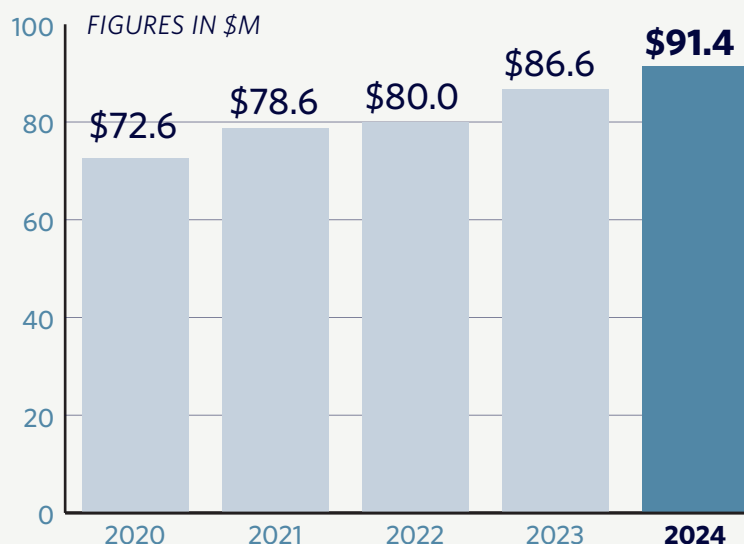


Balanced Fund *Annualized Net Rate of Return*



Total Contributions* to the Plan

\$91.4 Million
TOTAL FOR 2024



Simplify your investments and consolidate them online

When you bring your other registered plans to the UBC FPP, you can track and manage all your investments in one spot. And thanks to the buying power of the FPP, you'll pay competitive management fees.

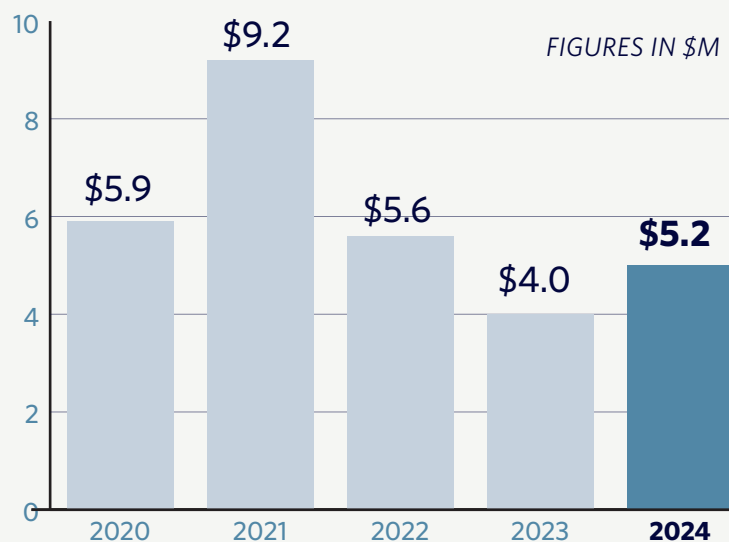
Why not simplify where you watch your money grow?

For details about transfers into the UBC FPP, visit faculty.pensions.ubc.ca/plan-members/transfer-in

***Total contributions** includes employer contributions, member contributions and voluntary contributions.

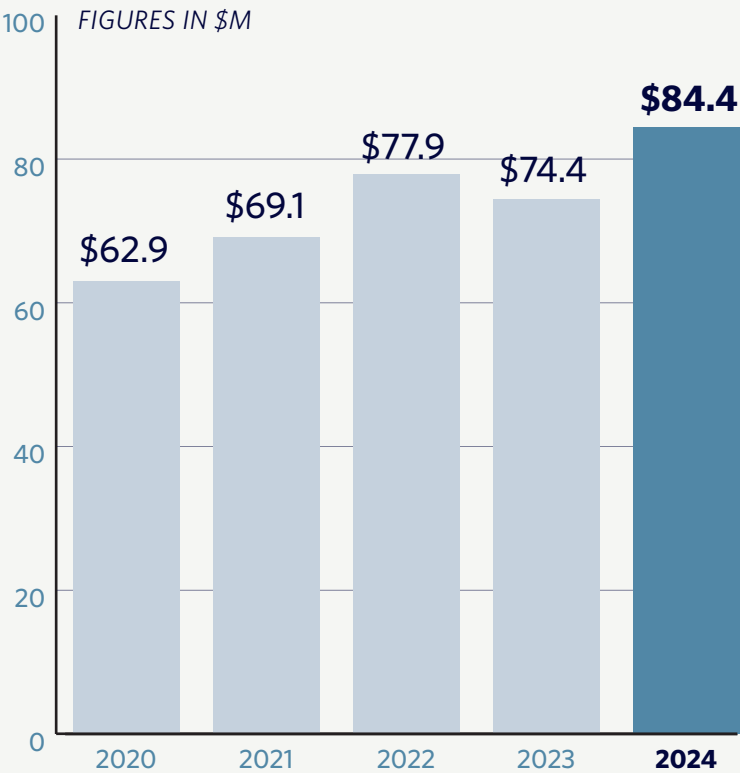
Total Transfers into the Plan

\$5.2 Million
TOTAL FOR 2024



Total Retirement *Benefits Paid*

\$84.4 Million
TOTAL FOR 2024



Membership *Highlights*

Total *Plan Membership*



7,356 TOTAL FOR 2024

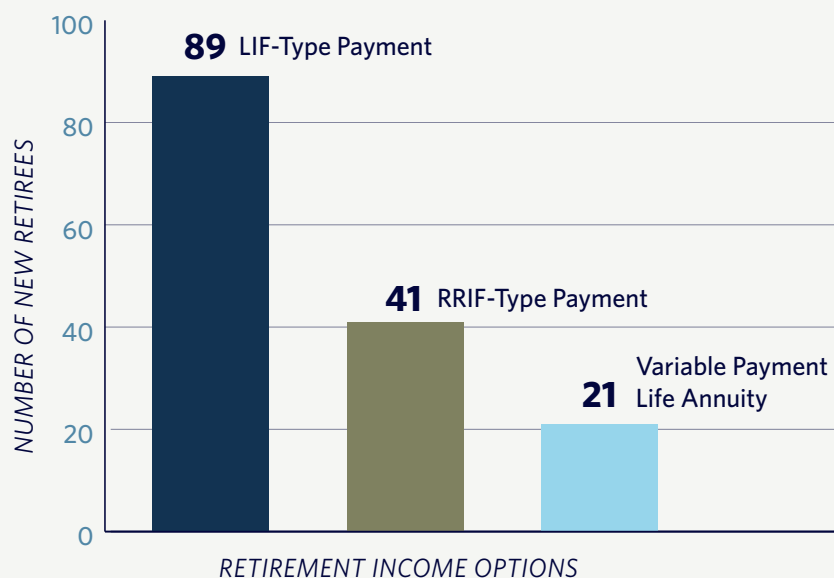
Active Members	3,934 (54%)
Deferred Members	1,705 (23%)
Retired Members	1,717 (23%)

Retirement Income *Started in 2024*

\$104.9

Million

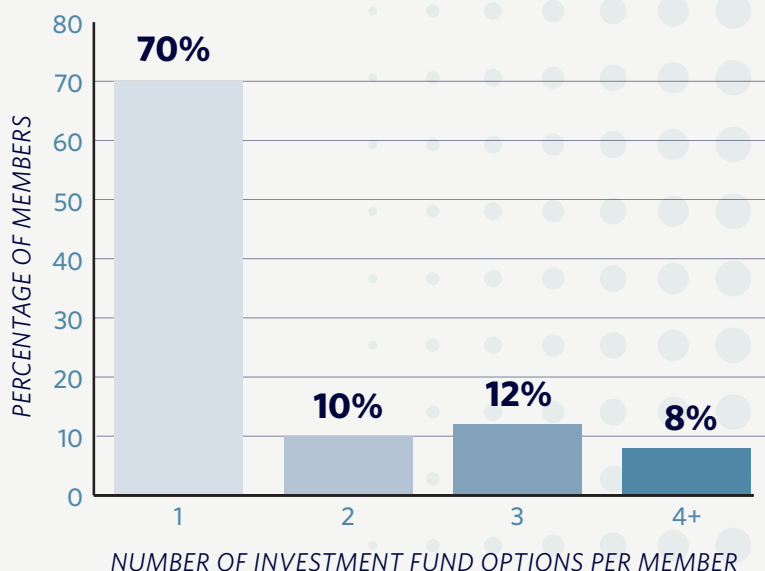
TOTAL ASSETS TRANSFERRED TO
RETIREMENT INCOME WITHIN THE PLAN



Fund Options *Usage*

Members are automatically invested in the UBC FPP Balanced Fund; however, this default investment option may not be suitable for every member's personal financial situation. The FPP also offers single asset class investment fund options that members can use to further tailor their investment asset mix. Members should understand all the investment options available and how they can utilize the different options to achieve their financial goals.

Learn more at faculty.pensions.ubc.ca and select *Investments > Investment Options*



Resources & Tools:

Planning for Your Future

You have access to investment education, resources and tools online to help with your financial and retirement planning. Here are some of these resources and tools:

Financial & Retirement *Planning Tools*

Through your member account at **mysunlife.ca/ubcfpp**, you have access to online tools, including the Asset Allocation and Retirement Income Estimator tools.

The Asset Allocation tool can help you determine your investment time horizon and comfort with investment risk, and in turn, can help you select investment options that are right for you.

The Retirement Income Estimator tool provides illustrations and retirement forecasts based on your account information and customized information that you provide. It is a great way to see if you are on track to meet your retirement goals.

Learn more about these helpful tools at **faculty.pensions.ubc.ca** and select *Forms & Resources > Financial Calculators*

Member Account *mysunlife.ca/ubcfpp*

In addition to the customized tools noted here, your member account at **mysunlife.ca/ubcfpp** offers helpful information and tools to help you manage your investments. Here you can also view your statements, personal rates of return, and fund management fees. Get familiar with your member account by using the online roadmap at **faculty.pensions.ubc.ca/online roadmap**

Investment *Education*

Education resources are available on our website to help you understand the Plan's investment options, how the investments are managed, and the role of fees when investing. Visit **faculty.pensions.ubc.ca** and select *Investments > Investment Education* to learn more.

Pension *Seminars*

Our seminars are a great way to learn about your pension plan and your options at retirement. All seminars are offered online so you can conveniently join from wherever you are.

Understanding your UBC Faculty Pension Plan

This seminar covers the Plan's key features and benefits, investment options, and member responsibilities. Whether you have recently joined the Plan or have been a member for a while, you'll come away with useful information about your pension plan and how to make the most of your member experience.

Understanding your Retirement Income Options

If you are approaching retirement, this seminar will cover in depth the various retirement options available to you. Learn about the benefits of keeping your money invested in the FPP after you retire.

Register for a seminar at **faculty.pensions.ubc.ca** and select *News & Events > Upcoming Pension Seminars*

Plan website:
faculty.pensions.ubc.ca

The FPP website contains a wealth of information about the Plan. Visit **faculty.pensions.ubc.ca/navigatingtheFPPwebsite** for a roadmap of how to navigate the Plan website.



Investment *Philosophy*

The FPP is an integral part of saving for retirement for our members. The Plan's objective is to grow each member's funds over time such that at retirement there is sufficient capital accumulated to help fund their retirement years.

The FPP provides a number of different fund options so that members can design an asset mix strategy that meets their unique needs and risk profile. The Board actively reviews the type and number of investment options available to the members and will add new ones if they fit well with the overall objectives and investment philosophy of the Plan.

The UBC FPP Balanced Fund investment option is also provided for those members who prefer a pre-established diverse mix of the various asset classes. It seeks to provide satisfactory long-term growth with moderate year-to-year volatility through a broadly diversified asset classes and investment managers.

The FPP hires external investment management companies to invest in each asset class. These are large professional firms that are market leaders in their field. Due to the large asset size of the FPP, we can attract world-class firms to not only work with us at attractively low fees, but also provide us with a wide range of both asset class and investment manager style diversification.

The FPP employs both active and passive investment strategies within the fund options as some capital markets or asset classes are more efficient than others. Active managers are used where there is a probability of adding value and/or providing some downside protection over a passive strategy. The allocation between active and passive mandates is also reviewed regularly by the Board.

We understand that with any investing there are numerous risks involved such as currency risk, interest rate risk, credit risk, inflation risk, and high volatility risk. The FPP seeks to mitigate these risks by providing broad diversification across asset classes, manager styles, regional exposures, and asset classes that provide some inflation protection. However, we also realize that these risks must be assumed to some degree to be able to earn a meaningful return over time in excess of the inflation rate.

A large number of our members choose to leave their accumulated assets in the Plan after they retire. The FPP provides a number of retirement options to assist members, which allows them to continue to invest in our highly diversified, cost-effective funds.

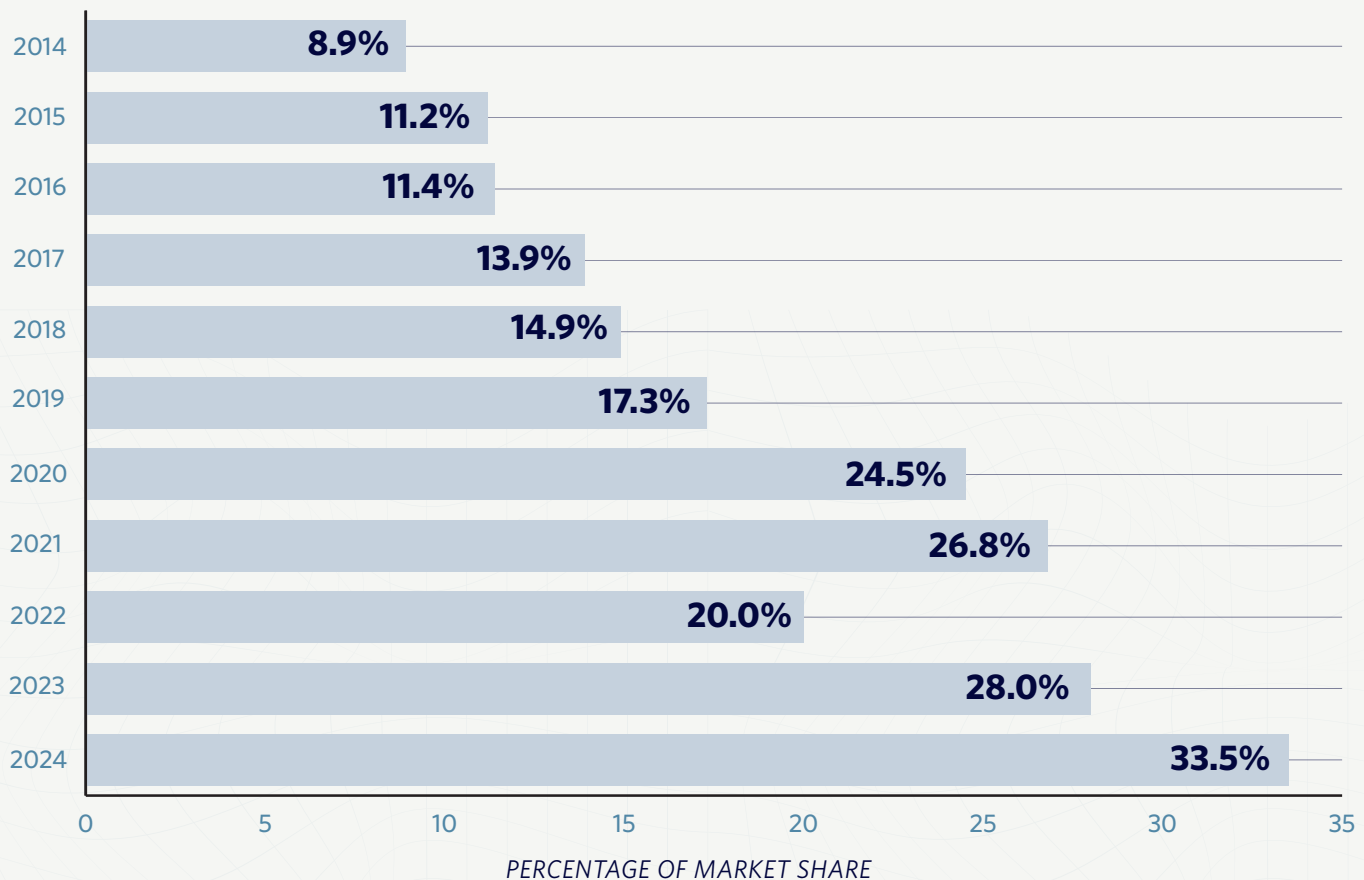
*Due to the large asset size of the FPP, we can attract world-class firms to not only work with us at attractively **low fees**, but also provide us with a wide range of both **asset class** and **investment manager style diversification**.*

Investment *Markets*

The year 2024 turned out to be yet another strong year for markets. The S&P 500 had one of its best years ever, rising 36.4% (in Canadian dollars). Under the surface, however, it is interesting to note the source of this outstanding return—more than half of it was from only eight stocks. The companies in question were Nvidia, Apple, Amazon, Alphabet, Microsoft, Meta, Tesla (the “Magnificent Seven”), and Broadcom. In terms of market weight, the graph below shows how the Magnificent Seven have increased their market share within the S&P 500 Index over the years.

The Canadian market had similar concentration driving returns, but with a bit more sector diversity from the market leaders. Shopify, Celestica, and a number of gold companies were significant contributors to the S&P/TSX Composite, which increased 21.7% in 2024. International markets lagged North America, with the MSCI EAFE rising 13.2%. The FTSE Canada Bond Universe increased by 4.1%, as yields declined slightly.

Market Share of the Magnificent Seven within the S&P500 Index (2014 to 2024)



Source: Bloomberg & S&P

Given the momentum and popularity in a small handful of “story stocks,” many investment professionals are reminded of Warren Buffet’s advice to “be fearful when others are greedy and greedy when others are fearful” (side note: Buffet’s investment company Berkshire Company reached record levels of cash early in 2025). To end 2024, valuations for the aforementioned leading U.S. companies were indeed rich, which warrants caution. These are good businesses, but their popularity has made them expensive, trading at Price to Earnings (P/E) ratios ranging from 20x to well over 50x (in the case of Nvidia). The long-term average P/E for markets is close to 15x to 16x. While strength in the technology sector was a primary driver of returns in 2024, the U.S. election results also contributed late in the year as markets responded positively to the potential for tax cuts, additional fiscal stimulus, and expected deregulation under the new administration.

However, this sentiment will be tested in 2025, as many policies from the current U.S. administration could meaningfully slow economic growth in the

short term. Tariffs are generally a dampener on global policies and Trump’s approach to immigration could impact the economy. These policies could also be inflationary. With the U.S. Federal Reserve already struggling to bring CPI back to target, the market is now expecting fewer rate cuts going forward.

With a rapid run-up in equity markets preceding the spectre of economic policy that hasn’t been implemented in decades, it is difficult to be confident in anything but a continuation of recent volatility. Looking at the glass half full, volatility can create opportunity, and we are optimistic that our high caliber managers will be ready to take advantage of such opportunities on behalf of our members. The FPP Board continues to take a long-term perspective, believing in a well-diversified investment program. Following some small adjustments over the past year, which were designed to improve the program’s quality, flexibility, and resilience, the FPP Board now plans to stay closely aligned with policy parameters in 2025 without making any significant changes.



*The FPP Board continues to take a long-term perspective, believing in a **well-diversified investment program.***

Investment Fund *Performance*

UBC FPP *Balanced Fund*

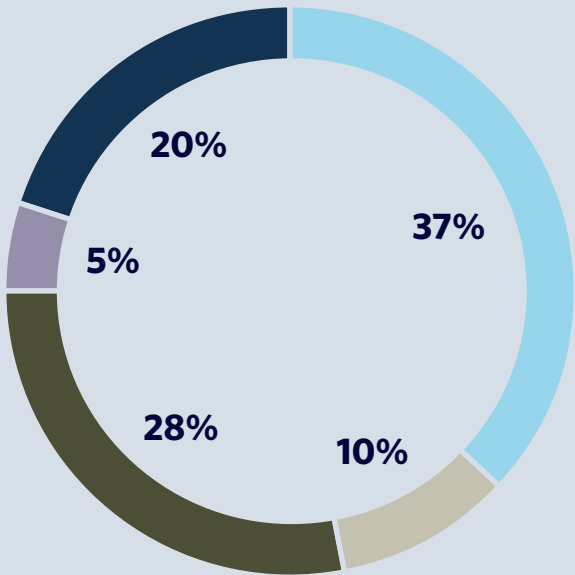
The 14.02% gross return in 2024 was muted by the lack of performance from our real estate portfolio, as well as some weakness in our global equity (also referred to as "foreign equity") component.

Globally, aggregate equity market performance (as measured by the MSCI All Country World Index) clocked in at 29.4%. Our passive managers tracked their target benchmarks, and our active managers had mixed results—one exceeded its benchmark, the other lagged (and was dismissed from its mandate in the middle of the year). Overall, the global equity component of the UBC FPP Balanced Fund was behind its benchmark by 1.77%.

The Canadian stock market gained 21.7%, as measured by the S&P/TSX Composite Index. The UBC FPP Balanced Fund's Canadian equity portfolio delivered a strong 19.92%, but 1.73% behind the benchmark. Our managers had mixed results—one exceeded its benchmark, the other one lagged it meaningfully.

The real assets component, with a target allocation of 20%, remained overweight by approximately 3% for most of 2024. This asset class contributed positively to overall returns in 2024, but definitely held back value-add this past year. While the infrastructure component contributed positively and in line with the return targets for these strategies, real estate still faced meaningful write-downs last year and contributed negatively to the overall annual results.

Over the most recent 4-year period, the UBC FPP Balanced Fund posted a gain of 7.14%, out-performing its benchmark by 0.70%.



- Bonds **37%**
- Canadian Equities **10%**
- Global Equities **28%**
- Global Low Volatility Equities **5%**
- Real Assets **20%**

Annual Gross Rate of Return

	1 Year	4 Years
Actual	14.02	7.14
Benchmark Return	13.57	6.44
Value Added	0.45	0.70

UBC FPP *Bond Fund*

The UBC FPP Bond Fund consists mostly of Canadian bonds. It is managed by three different managers who employ four different active strategies. Over the long term, the Bond Fund is expected to earn a return between the UBC FPP Short Term Investment Fund and the UBC FPP Balanced Fund.

In 2024, the UBC Bond Fund posted an impressive 5.75% gross return, 1.73% above the benchmark. This was largely attributable to the new structure that was implemented in July of 2022. Two of the managers have "core plus" strategies, which focus on the Canadian bond market but allow for tactical allocations to foreign bonds, mortgages, high yield bonds, and currencies. The other two strategies fall within the Fixed Income Enhancement Strategies group; they were added to the portfolio to provide an additional layer of diversification to the performance drivers within the fixed income markets.

Over the most recent 4-year period, the UBC FPP Bond Fund posted a return of -0.2%, but out-performed its benchmark by 1.09%.

**Bonds
100%**

Annual Gross Rate of Return

	1 Year	4 Years
Actual	5.75	-0.20
Benchmark Return	4.02	-1.29
Value Added	1.73	1.09



UBC FPP

Canadian Equity Fund

Equities are expected to earn the highest long-term average rates of return of the major asset classes, but with the highest level of risk or volatility. Excess volatility is reduced by diversifying across different investment styles and different active investment strategies.

The UBC FPP Canadian Equity Fund posted a gain of 19.92% and was behind the benchmark by 1.73%.

Over the most recent 4-year period, the UBC FPP Canadian Equity Fund posted a gain of 13.09%, outperforming its benchmark by 0.60%.



UBC FPP

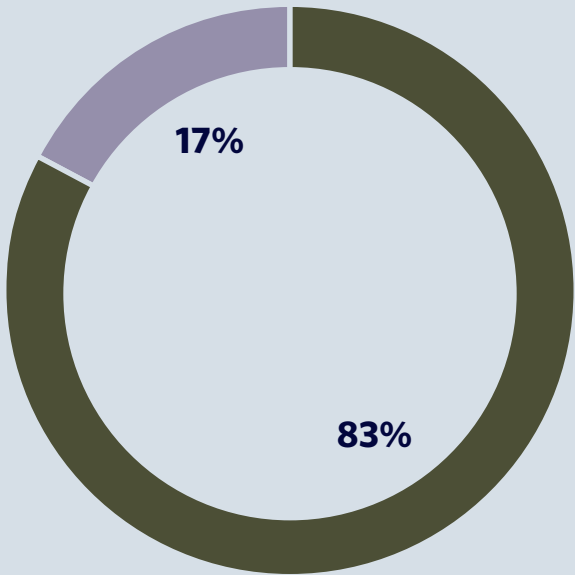
Foreign Equity Fund

The UBC FPP Foreign Equity Fund is a diversified portfolio of global equities, managed by two active managers and one passive manager (two passive strategies). One of the active managers provided very disappointing results and was eliminated from the portfolio in June, with proceeds from this elimination invested temporarily into the global equity passive strategy.

Returns are impacted by changes in currency rates. The currency impact was positive for the UBC FPP Foreign Equity Fund this year as the Canadian dollar declined more than 8% over the year relative to the U.S. dollar, which helped to boost U.S. equity returns for all unhedged Canadian investors. Excess volatility is reduced by diversifying across different investment styles, different countries, and different investment managers (each with different approaches to investing).

The UBC FPP Foreign Equity Fund posted a gain of 25.62% in 2024, but lagged its benchmark by 1.77%. Of our two active managers, one significantly outperformed while the other significantly underperformed their common benchmark. The two passive strategies tracked their benchmarks in line with expectations.

Over the most recent 4-year period, the UBC FPP Foreign Equity Fund posted a gain of 12.38%, outperforming its benchmark by 0.39%



- Global Equities **83%**
- Global Low Volatility Equities **17%**

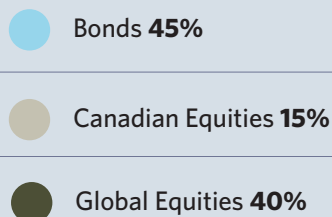
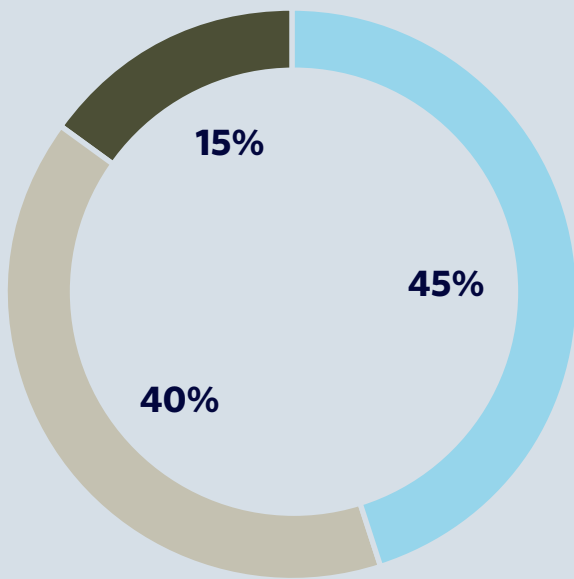
Annual Gross Rate of Return

	1 Year	4 Years
Actual	25.62	12.38
Benchmark Return	27.39	11.99
Value Added	-1.77	0.39

UBC FPP *Fossil Fuel Free Equity and Bond Fund*

This UBC FPP Fossil Fuel Free Equity and Bond Fund excludes investments in fossil fuels such as thermal coal, oil, and natural gas, while investing in a diversified, actively managed, quality-focused portfolio of bonds and stocks. The portfolio's carbon footprint is actively managed to deliver materially reduced emission intensity.

Not surprisingly, given the market backdrop, the UBC FPP Fossil Fuel Free Equity and Bond Fund delivered a strong 15.46% gain in 2024; however, it underperformed its benchmark by 1.09%. Just two years ago, the Fund recorded a loss of 14%, about 3% behind its benchmark. The Fund's volatility needs to be considered by members, as it does not have the same level of diversification as the UBC FPP Balanced Fund. Two years ago, the FPP Board added a new manager to the Fund in an effort to mitigate future manager-centric risk.



Annual Gross Rate of Return

	1 Year	4 Years
Actual	15.46	6.05
Benchmark Return	16.55	6.67
Value Added	-1.09	-0.62



UBC FPP *Short Term Investment Fund*

The UBC FPP Short Term Investment Fund (STIF) is the Plan's lowest risk/ lowest return option. It typically produces a return similar to prevailing short-term interest rates in Canada. As expected, returns were in-line with the benchmark.



Annual Gross Rate of Return

	1 Year	4 Years
Actual	4.81	2.91
Benchmark Return	4.92	2.88
Value Added	-0.11	0.03

Investment Manager Performance

Asset Class

Manager

Index-based Benchmark

Canadian Equity

Connor, Clark & Lunn Q-Growth Fund

Jarislowsky Fraser (*Fossil Fuel Free Fund only*)

Leith Wheeler Investment Counsel

PH&N (*Fossil Fuel Free Fund only*)

S&P/TSX Composite TR

Non-Canadian Equity

Arrowstreet Capital

MSCI World Investable Market Index

BlackRock MSCI ACWI ex Canada Index

MSCI ACWI ex Canada Index

BlackRock MSCI World ex Canada Minimum Volatility Index

MSCI World ex Canada Minimum Volatility (CAD) Index

Jarislowsky Fraser (*Fossil Fuel Free Fund only*)

PH&N (*Fossil Fuel Free Fund only*)

MSCI World Index, Net (CAD) Index

Fixed Income

Jarislowsky Fraser (*Fossil Fuel Free Fund only*)

PH&N Core Plus

PH&N Universe Bonds (*Fossil Fuel Free Fund only*)

PIMCO Canada Corp.

FTSE Canada Universe Bond

PIMCO Monthly Income

Bloomberg U.S. Aggregate (Hedged)

RP Corporate

FTSE Canada All Corp Bond

Real Estate

BentallGreenOak*

CBRE U.S. Core Partners*

UBS*

Brookfield Infrastructure*

Consumer Price Index + 4%

Money Market

Sun Life Financial Money Market

FTSE TMX Canada Cdn 91-Day Treasury Bill

Gross Rates of Return (%)

For periods ending December 31, 2024

1 year

4 years

Total Fund Management Fees*

Balanced Fund 0.60%

Bond Fund 0.48%

Canadian Equity Fund 0.38%

Foreign Equity Fund 0.45%

Fossil Fuel Free Equity and Bond Fund 0.46%

Short Term Investment Fund 0.15%

*Fees are effective February 28, 2025 and include all the operating expenses and investment management fees. Sign in to your account at mysunlife.ca/ubcfpp to view current fees.

Who We Are

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The UBC Faculty Pension Plan is administered by a Board of Trustees comprising eight trustees. Four trustees are elected by and from the members of the Plan and four are appointed by the University.

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Sauder School of Business
Term expires December 31, 2026

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Professor Emeritus
Political Science
Term expires December 31, 2026

Dr. Andis Klegeris

Professor of Pharmacology,
Biology & Biotechnology
UBC Okanagan
Term expires December 31, 2028

Dr. Pam Ratner

Professor Emeritus
School of Nursing
Term expires December 31, 2028

Elected by Plan Members

Dr. Joy Begley

Associate Professor Emeritus
Sauder School of Business
Term expires December 31, 2025

Dr. Martin Comyn

Retired Research Scientist
TRIUMF
Term expires December 31, 2027

Dr. Lorenzo Garlappi

Professor
Sauder School of Business
Term expires December 31, 2025

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Professor
Sauder School of Business
Term expires December 31, 2027

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