

Welcome to the UBC Faculty Pension Plan 2025 Forum.

We will start in a few minutes.

- If you need help with a technical issue during the session, please use the **Chat** feature.
- If you have a question about the content of the presentation, please use the **Q&A** feature.
- Questions will be moderated throughout the presentation.
- This session will be recorded for future viewing.

To ask questions:

- Click on the **Q&A** icon at the bottom of your screen in Zoom
 - » Type in your questions
 - » You may submit your questions throughout the presentation





UBC FACULTY PENSION PLAN **PENSION FORUM**

MAY 7, 2025



R. KENNETH CARTY, CHAIR, FPP BOARD OF TRUSTEES
DERRICK JOHNSTONE, EXECUTIVE DIRECTOR, PENSIONS
KAMILA GIESBRECHT, EXECUTIVE DIRECTOR, INVESTMENTS
LILY LEE & DIANA ALMEIDA, FPP MEMBER SERVICES
PEGGY MARTINS, DIRECTOR, PENSIONS, MODERATOR

Board of Trustees



Dr. R. Kenneth Carty, Chair

Professor Emeritus
Political Science

Dr. Pam Ratner

Professor Emeritus
School of Nursing

Dr. Robert Heinkel, Vice-Chair

Professor
Sauder School of Business

Dr. Lorenzo Garlappi

Professor
Sauder School of Business

Dr. Joy Begley

Professor Emeritus
Sauder School of Business

Dr. Martin Comyn

Retired Research Scientist
TRIUMF

Dr. Andis Klegeris

Professor of Pharmacology, Biology &
Biotechnology
UBC Okanagan

Dr. Markus Baldauf

Associate Professor, Finance,
Sauder School of Business

2024 Board Initiatives and Projects



- Completed a Board governance review. Developing a ***Strategic Plan*** to be completed in 2025
- Responding to regulatory initiatives with the creation of a Plan ***Risk Register***
- Worked to create a new stand-alone ***Real Assets Fund*** investment option for members
- Ongoing:
 - Annual review of the *Statement of Investment Policy and Goals*
 - Oversight of the Plan's investment managers, including making appropriate changes
- Welcomed two new Board members – Dr. Andis Klegeris and Dr. Markus Baldauf

Financial & Membership Stats

Plan Administration Update

Derrick Johnstone
Executive Director, Pensions

Plan Statistics December 31, 2024

TOTAL PLAN MEMBERSHIP



7,356

TOTAL FOR 2024

Active Members
3,934 (54%)

Deferred Members
1,705 (23%)

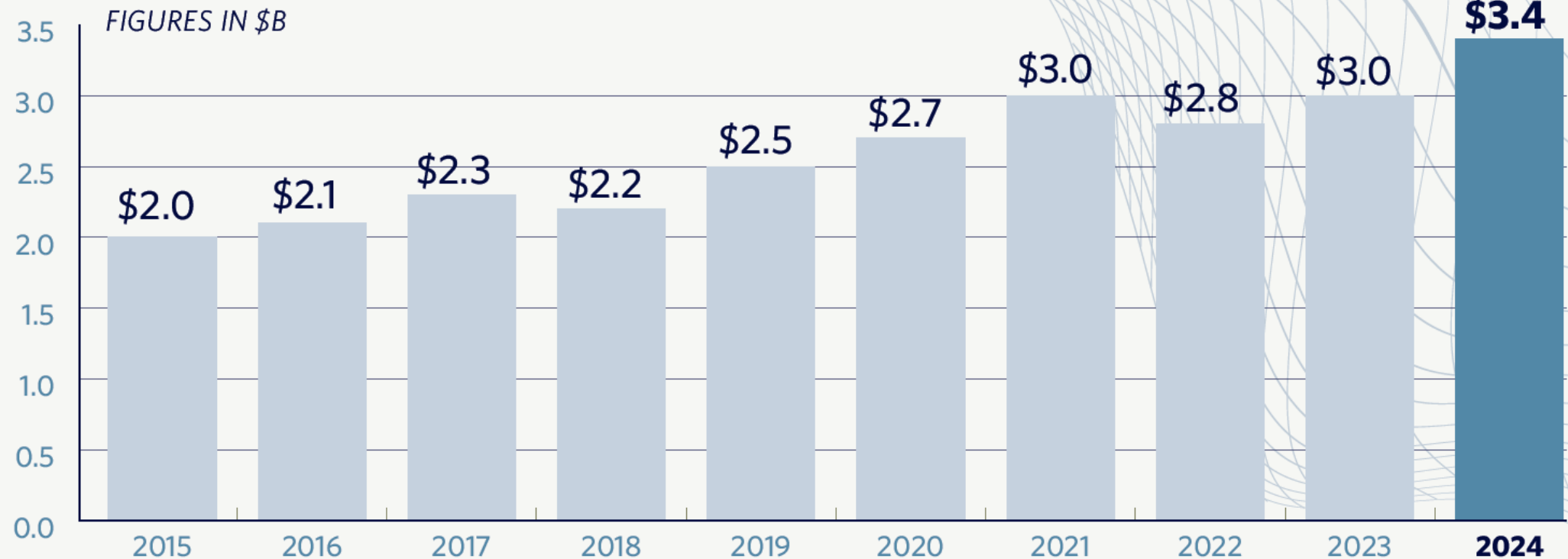
Retired Members
1,717 (23%)

Plan Statistics December 31, 2024

Total Assets *of the Plan*

\$3.4

Billion
TOTAL FOR 2024

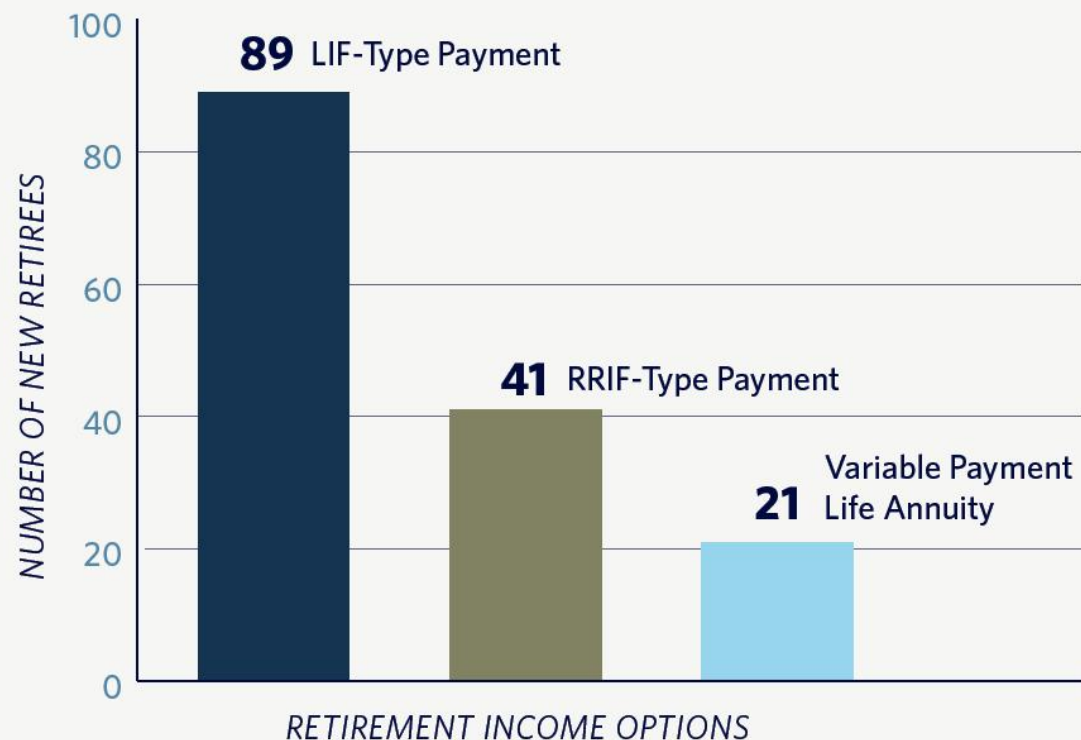


Retirement incomes started in 2024

\$104.9

Million

TOTAL ASSETS TRANSFERRED TO
RETIREMENT INCOME WITHIN THE PLAN



Plan Administration



- Updated Pension Administration Guidelines - CAPSA
 - Registered pension plans expected to operate in accordance with the guidelines
 - Guideline No. 3 (specific to defined contribution plans): Responsibilities of UBC FPP and its service providers as well as responsibilities of Plan members.
 - Guideline No. 10: New guidelines providing consolidated approaches to pension risk management (e.g. cyber security, investment governance and ESG practices, etc.)
 - Development of risk register priority for 2025

Plan Administration



- Managing administration and investment expenses to ensure members receive value
 - Current fees are available through your account at **mysunlife.ca/ubcfpp > Plan Overview > Account Fees**
- FPP Management and Member Services Team Update
 - Debbie Wilson, Director, Pensions retired in June 2024
Peggy Martins hired as her successor
 - Lorraine Heseltine, Member Services Specialist, retiring in June 2025
 - Diana Almeida hired as a new Member Services Specialist

FPP Member Services

Diana Almeida & Lily Lee
Member Services Team

Member Services



**Pension
Seminars**

**Member
Inquiries &
One-on-one
meetings**

**Sun Life Client
Care Centre**

Financial & Retirement Planning Resources & Tools



Plan website:
faculty.pensions.ubc.ca

**Member
account at**
mysunlife.ca/ubcfpp

FPP Update
Newsletter

Investment Review

Kamila Giesbrecht
Executive Director, Investments

Investment Options

- Balanced Fund
- Canadian Equity Fund
- Foreign Equity Fund
- Bond Fund
- Real Assets Fund (NEW)
- Fossil Fuel Free Equity & Bond Fund
- Money Market Fund (Short Term Investment Fund)
- GICs



Focus on Asset Allocation



Image source: pionline.com/defined-contribution/finally-cheaper-alternatives-managed-accounts-called-personalized-target-date, Pensions & Investments, 6 May 2024

Retirement Counselling Funding

Members of the UBC Faculty Association are eligible for reimbursement for retirement counselling from a financial consultant up to a maximum of three hours (\$750 limit) per member.



The financial consultant must have a designation or degree as follows:

- Actuary
- Certified financial planner (CFP)
- Chartered professional accountant (CPA)
- Lawyer
- Registered financial planner (RFP)

Please note that as this is a non-taxable benefit the counselling must be specific to retirement and retirement planning.

Focus on Asset Allocation

UBC FPP Investment Options



Core Investment Fund Options

UBC FPP Balanced Fund (default)

- Foreign Equities (Global Equities)
- Canadian Equities
- Real Assets (Alternatives)
- Bonds (Fixed Income)



UBC FPP Foreign Equity Fund



UBC FPP Bond Fund

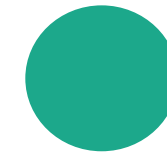


UBC FPP Canadian Equity Fund

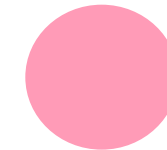


UBC FPP Real Assets Fund **(NEW)**

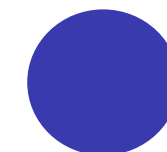
Additional Investment Options (for a special purpose)



UBC FPP Fossil Fuel Free
Equity and Bond Fund



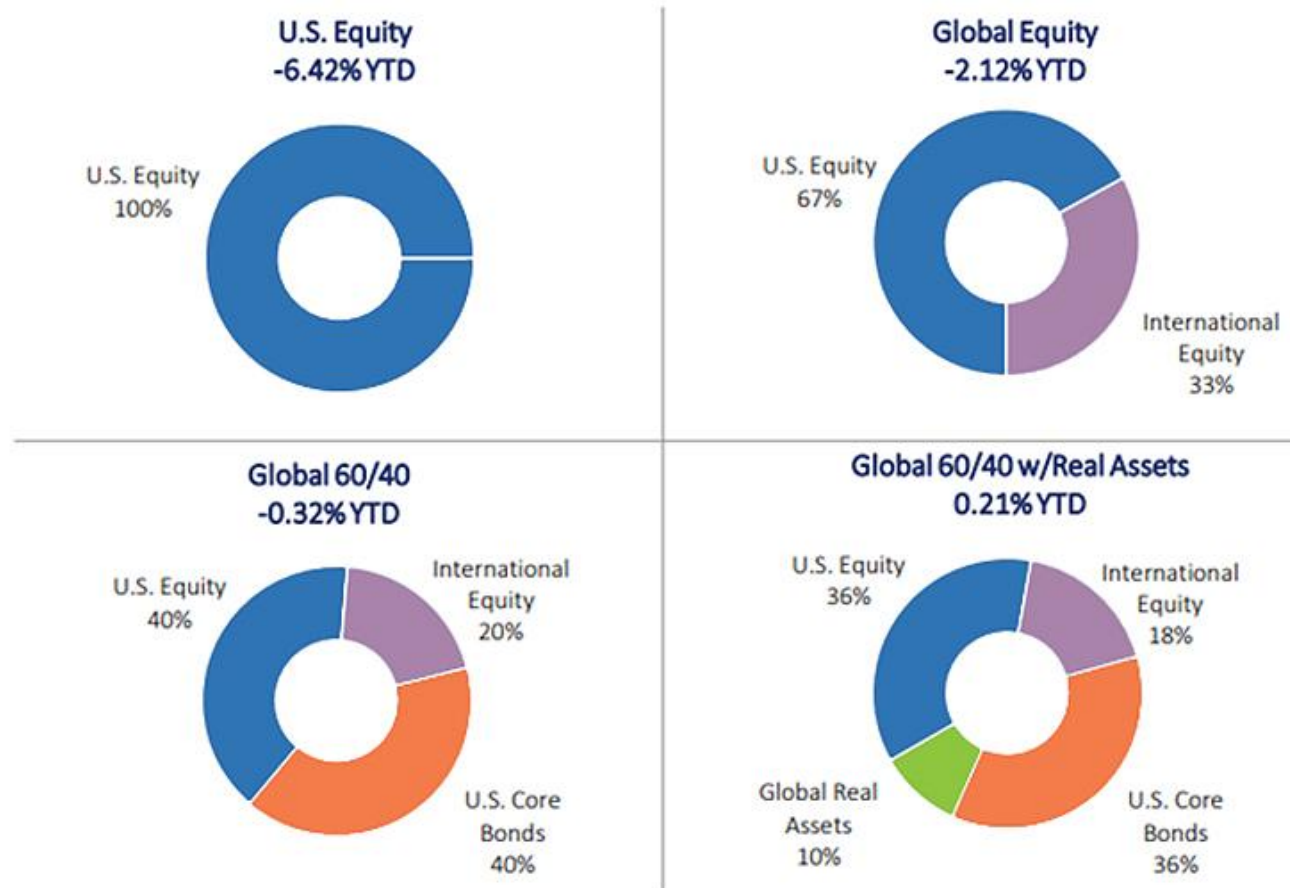
UBC FPP Short Term
Investment Fund



Guaranteed Funds
(GICS available in 1- to 5-Year Terms)

Value of Diversification

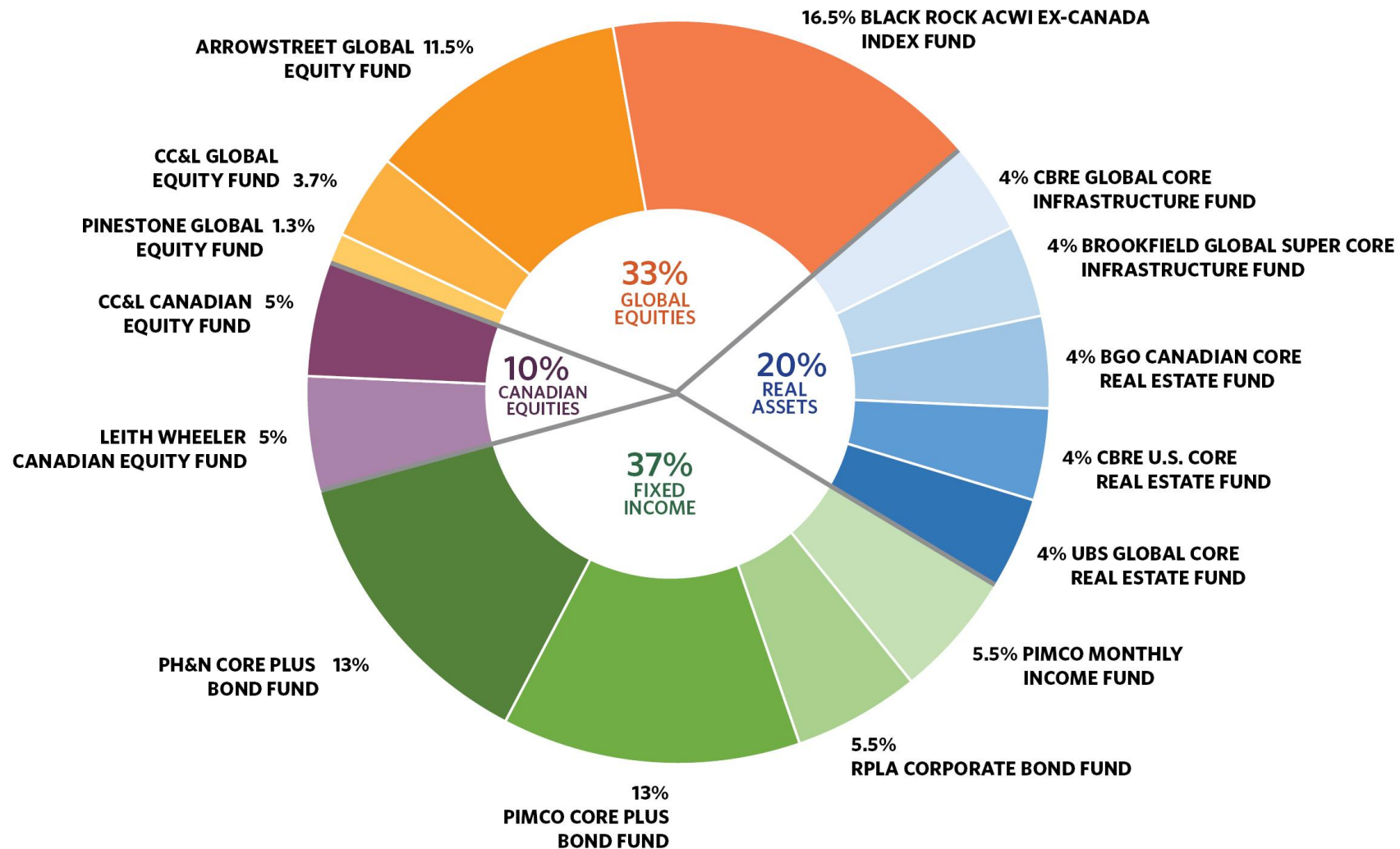
- 2022 was the year to appreciate diversification, but 2023 & 2024 not so much
- 2025 is proving that there is still value in the discipline of diversification



Source: Bloomberg, Wilshire Advisors. For illustrative purposes only.

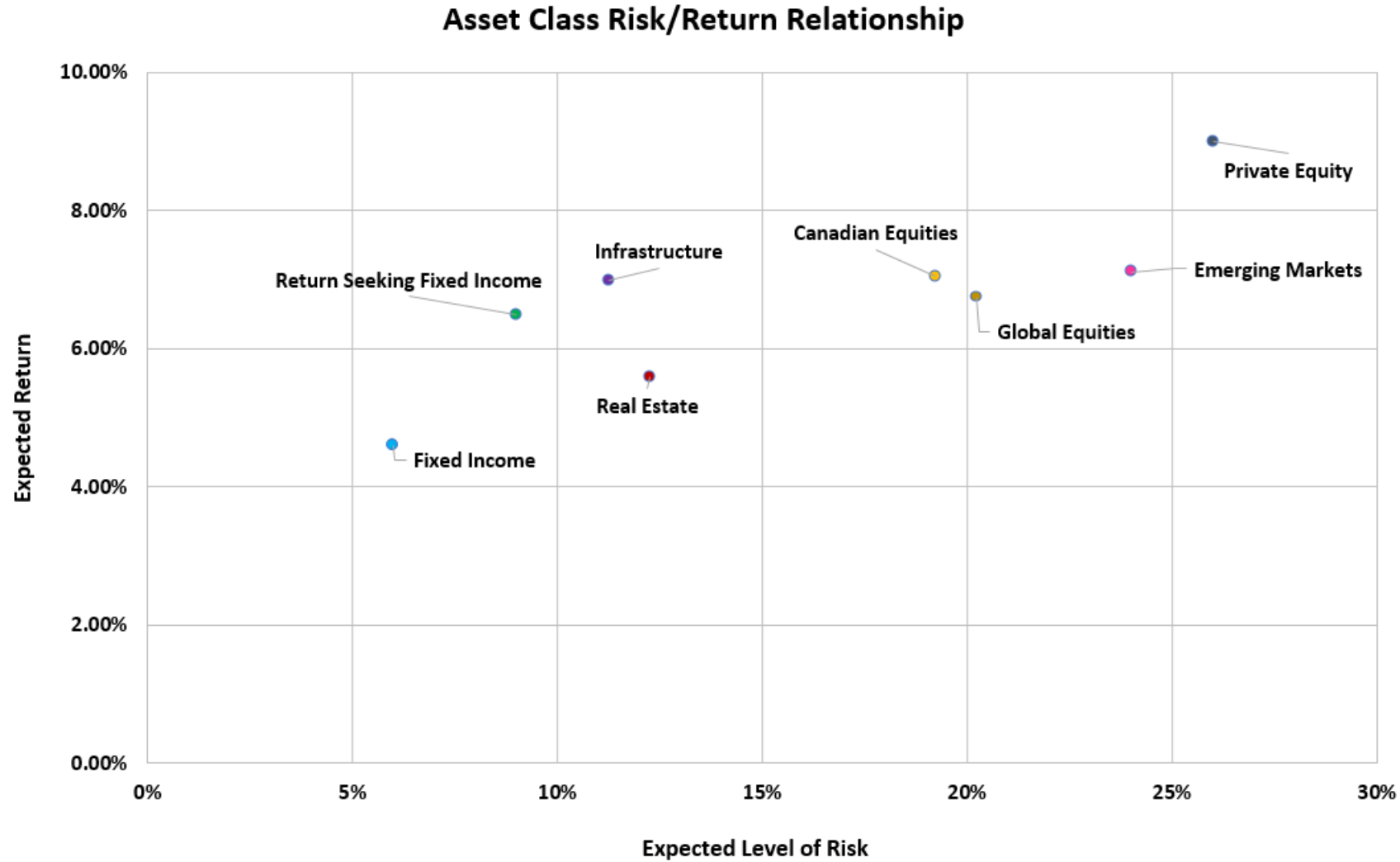
Balanced Fund - Update

TARGET ASSET MIX & LEVEL OF DIVERSIFICATION



Why Real Assets?

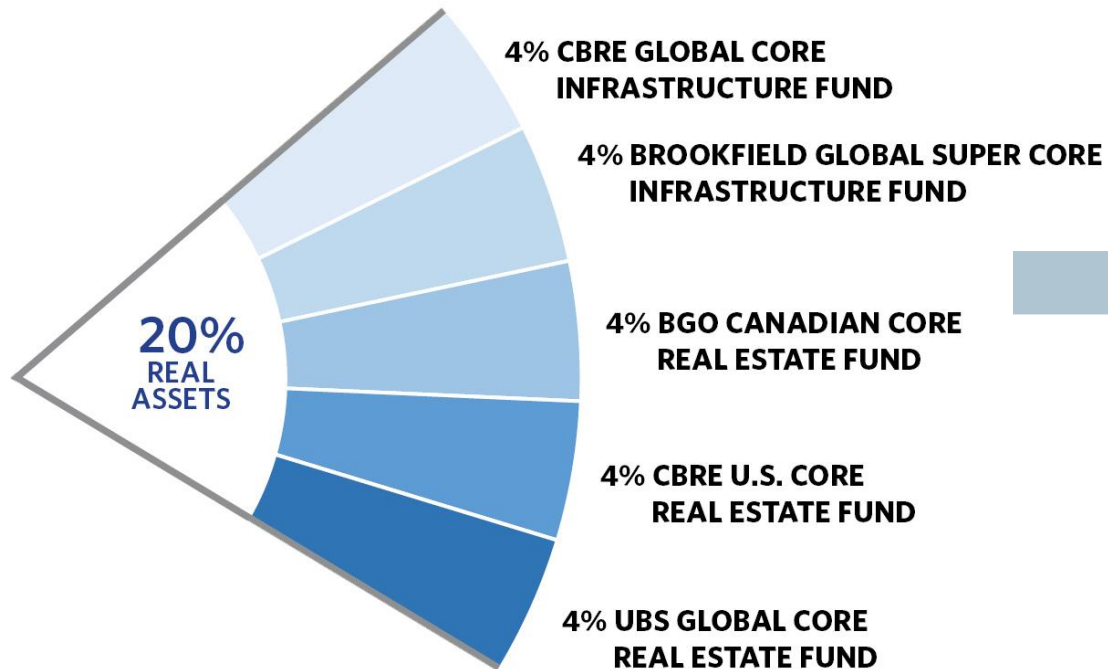
Risk/Return Relationship



Real Assets

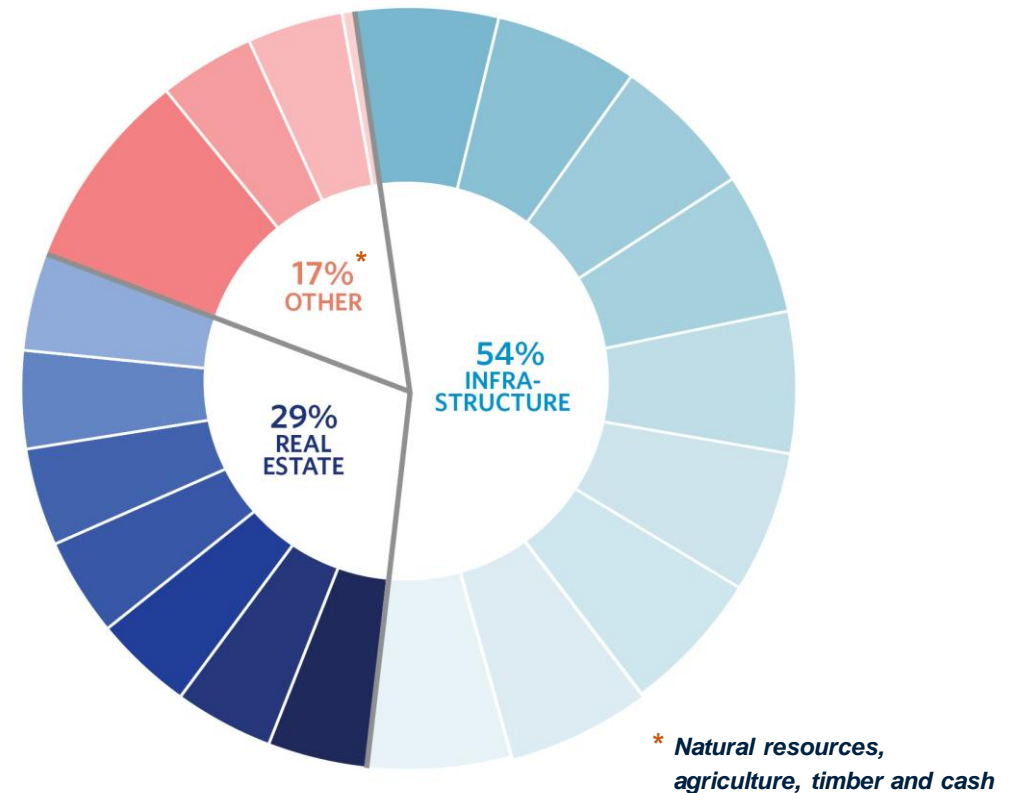
Real Assets Portfolio

- 100% Private Assets



Real Assets Fund (RAF) – New Fund

- 49% Private Assets, 51% Public Assets

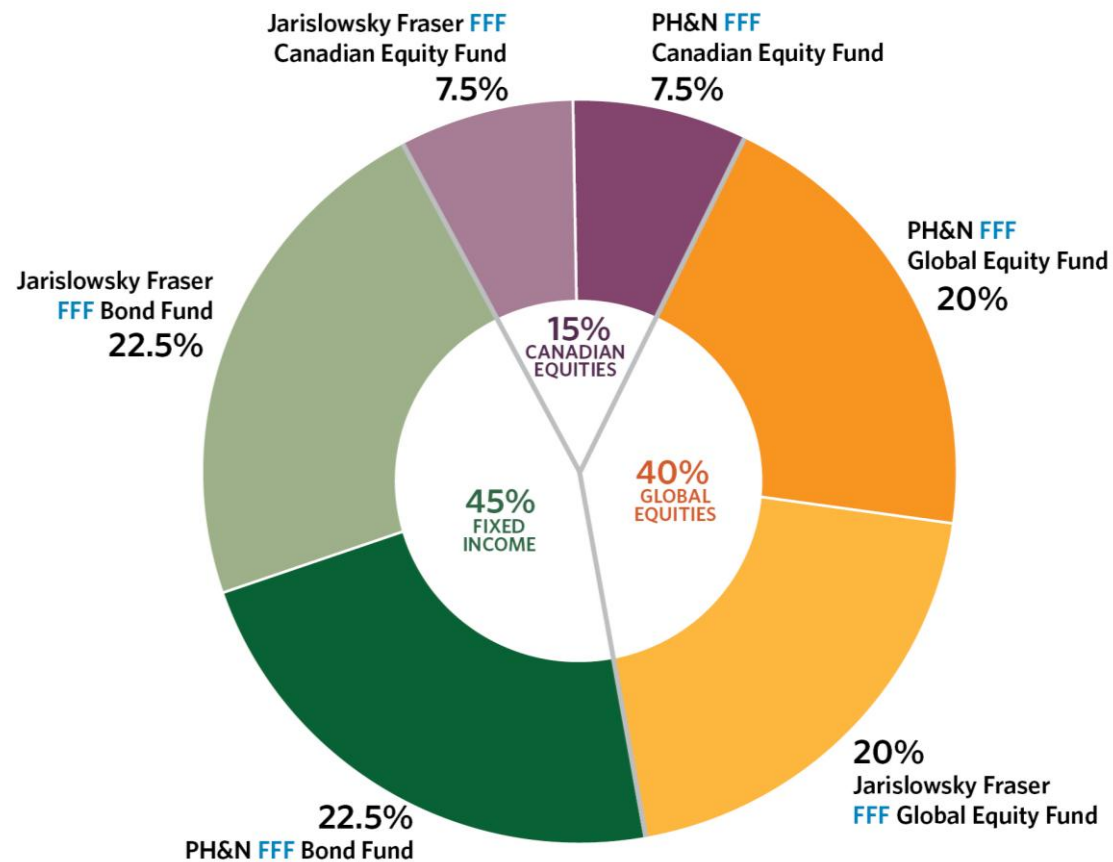


Diversification by asset class, geography, strategy and manager

Investment Options Update – Fossil Fuel Free Equity and Bond Fund



TARGET ASSET MIX & LEVEL OF DIVERSIFICATION



- Added on April 1, 2020
- Assets approx. \$85M

FFF = Fossil Fuel Free

Markets...

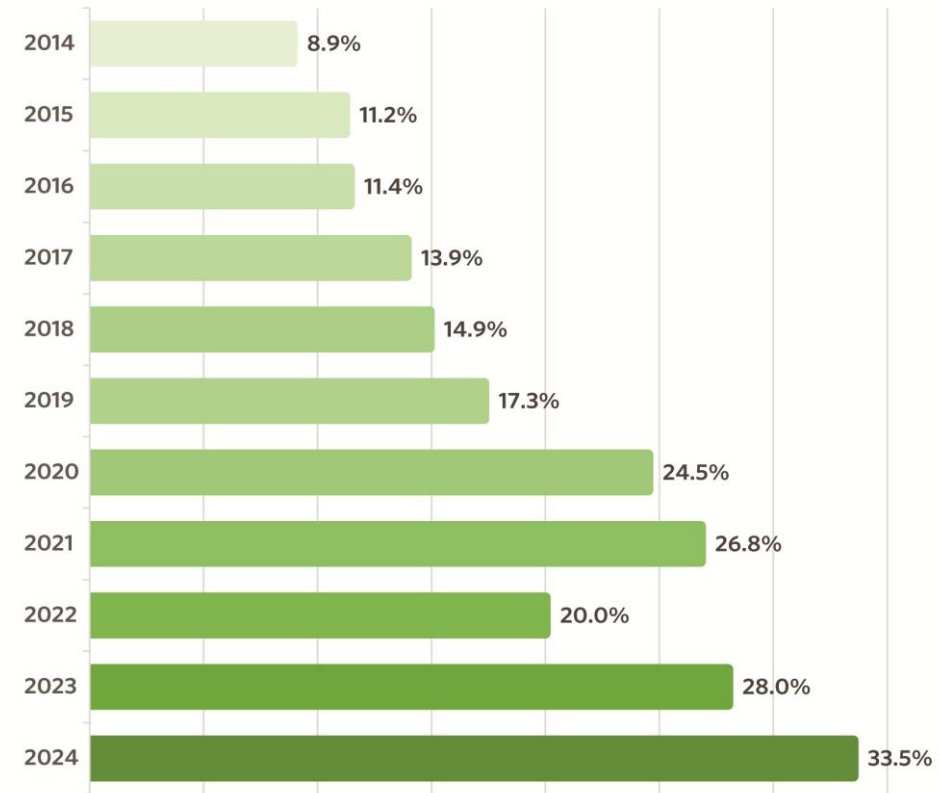
- 2024 turned out to be yet another strong year... The S&P 500 had one of its best years ever, rising 36.4% (in Can. dollars).

- U.S. Market Concentration



Market share of Magnificent Seven (Apple, Amazon, Alphabet, Microsoft, Meta, Nvidia, Tesla) within the S&P 500 index over the years

- 2025 Tariffs...



Source: Bloomberg and S&P



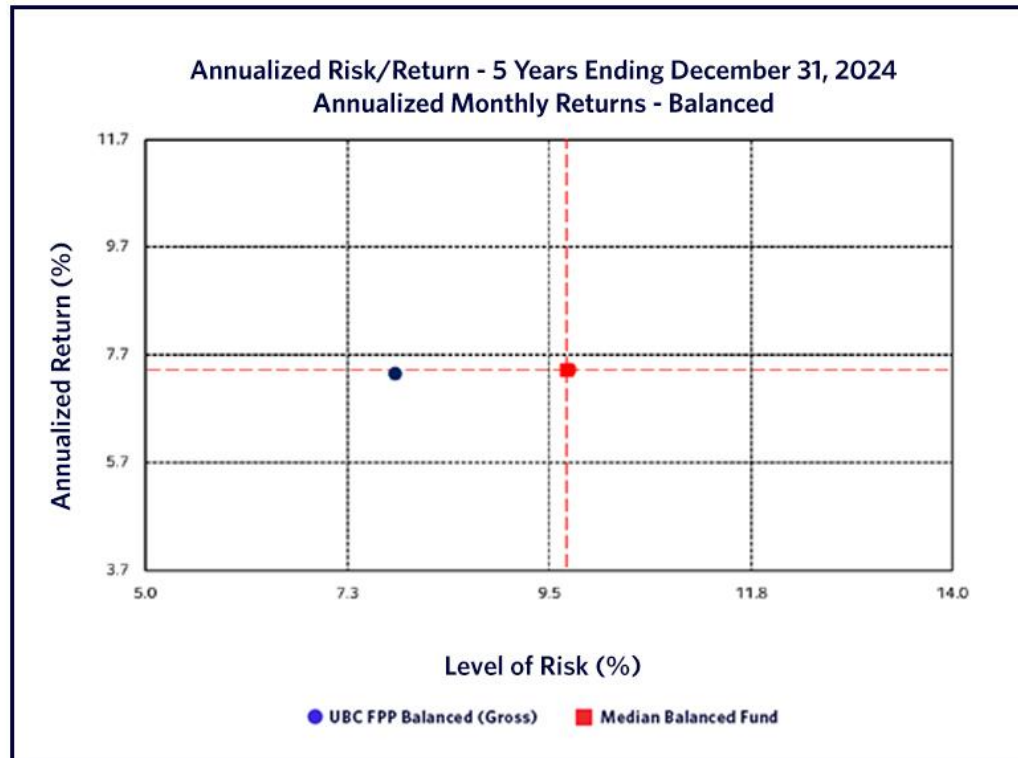
Fund Rates of Return to December 31, 2024



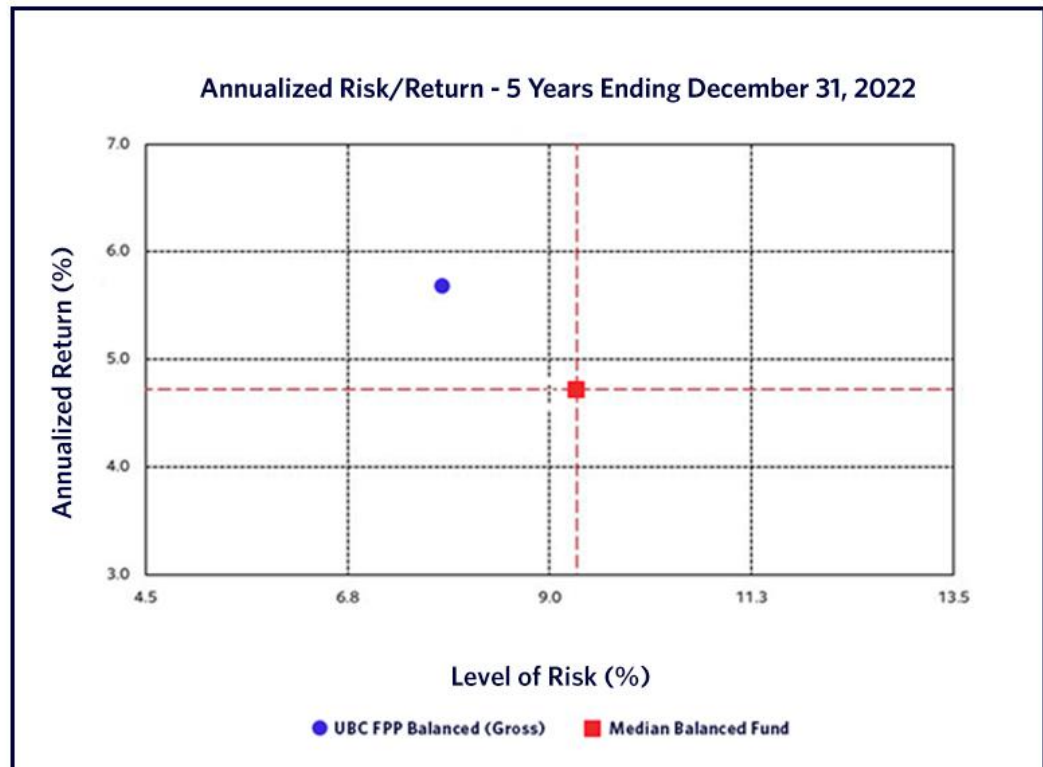
Fund	Q4 2024	1 Year	5 Year	10 Year
UBC FPP Balanced Fund	3.22%	14.02%	7.36%	7.19%
Benchmark	2.16%	13.57%	6.97%	6.74%
UBC FPP Bond Fund	0.03%	5.75%	1.57%	2.49%
Benchmark	-0.40%	4.02%	0.63%	1.89%
UBC FPP Canadian Equity Fund	2.07%	19.92%	11.71%	9.12%
Benchmark	3.76%	21.65%	11.08%	8.65%
UBC FPP Foreign Equity Fund	5.29%	25.62%	12.19%	11.92%
Benchmark	5.18%	27.39%	11.91%	11.58%
UBC FPP Fossil Fuel Free Equity and Bond Fund	2.69%	15.46%	N/A	N/A
Benchmark	3.07%	16.55%	N/A	N/A
UBC FPP Short Term Investment Fund	1.02%	4.81%	2.47%	1.81%
Benchmark	1.08%	4.92%	2.48%	1.71%

Performance - Balanced Fund

GRAPH 1



GRAPH 2



Fund Rates of Return to March 31, 2025



Fund	Q1 2025	1 Year	5 Year	10 Year
UBC FPP Balanced Fund	1.28%	10.84%	9.70%	6.69%
Benchmark	1.23%	10.49%	8.93%	6.24%
UBC FPP Bond Fund	2.46%	8.56%	2.13%	2.26%
Benchmark	2.05%	7.21%	0.72%	1.62%
UBC FPP Canadian Equity Fund	0.77%	13.56%	17.57%	8.92%
Benchmark	1.51%	15.81%	16.76%	8.54%
UBC FPP Foreign Equity Fund	1.43%	14.45%	16.18%	10.82%
Benchmark	0.00%	14.83%	15.13%	10.33%
UBC FPP Fossil Fuel Free Equity and Bond Fund	-0.36%	9.65%	8.89%	N/A
Benchmark	0.43%	11.37%	9.36%	N/A
UBC FPP Short Term Investment Fund	0.81%	4.34%	2.55%	1.86%
Benchmark	0.83%	4.49%	2.51%	1.77%

Staying the course

- Our philosophy did not change
- We believe that broad diversification and a steady hand continue to be the best strategy
- Our goal is to provide the best member outcomes, which means we are constantly monitoring and making improvements to the Plan investment program as needed



Subscribe to the FPP Investment Bulletin

- Email digest with links to investment news and market-related information, including:
 - quarterly fund performance and composition info sheet
 - market commentary from our investment managers
 - updates to our investment articles
 - updates to our education offerings

Subscribe at **faculty.pensions.ubc.ca** > **Investments** > **FPP Investment Bulletin**



Questions



To ask questions:

- Click on the **Q&A** icon at the bottom of your screen in Zoom
- Type in your questions
- If we cannot get to your question during the live webcast, we will do our best to reply personally to you by email