UNIVERSITIES ACADEMIC PENSION PLAN

COMMUNIQUE Summer 2026

A QUARTER OF STRENGTH AND TRANSFORMATION

The first quarter of 2026 demonstrated the continued strength of the Universities Academic Pension Plan (UAPP). The Plan maintained a healthy funded ratio of 106%, delivered solid investment returns, welcomed a new Chief Investment Officer and two new members of our pension administration team, and successfully launched a transformed pension administration platform and member portal.

INSIDE THIS ISSUE

This Communique provides members with an update on UAPP's financial position, investment performance, member demographics, and key organizational initiatives. Figures presented are unaudited as of March 31, 2026.

In this issue

MESSAGE FROM THE CEO

Strength & Transformation

The Universities Academic Pension Plan continues to focus on providing secure and sustainable pensions to our members by delivering high quality services to stakeholders, prudent investments, cost consciousness, and effective risk management.

Several important milestones were achieved during the quarter. The Plan remained in a strong surplus position with a funded ratio of 106%, investment returns exceeded the discount rate used to value pension obligations, and contribution rates remained on schedule to be reduced effective July 1, 2026.

Importantly, the UAPP team has been working extraordinarily hard, culminating in the successful launch of the Pension Administration Transformation Project, bringing pension administration services in-house and introducing a new Plan Member Portal to enhance the member experience. As we continue to strengthen our operations, investment, finance, and risk management programs, we remain committed to providing sustainable retirement security for current and future retirees.

Chris Schafer
Chief Executive Officer

Q1 AT A GLANCE

Funded Ratio
106%
as of Mar 31, 2026

Strong financial position - As of March 31, 2026, the investment portfolio had a market value of $7.91 billion. With an extrapolated pension obligation of $7.46 billion at the same date, the Plan has a healthy Funded Ratio of 106%.

1Y Rolling Return
7.7%
Mar 2025 - 2026

Long-term investment performance - The portfolio returned 7.7% over the one-year period ending March 31, 2026, exceeding the 5.9% discount rate used to value the Plan's pension obligations. As a long-term investor, UAPP places greater emphasis on sustained performance over market cycles. The portfolio delivered annualized returns of 7.2% over the past four years and 7.9% over the past ten years, demonstrating the value of a disciplined long-term investment approach.

Contribution Rate
25.59%
effective Jul 1, 2026

Lower contribution rates - The continued financial strength of the Plan has supported a reduction in contribution rates. Effective July 1, 2026, the combined contribution rate for members and participating employers decreases to 25.59% from 26.88%, helping maintain a sustainable and affordable pension plan.

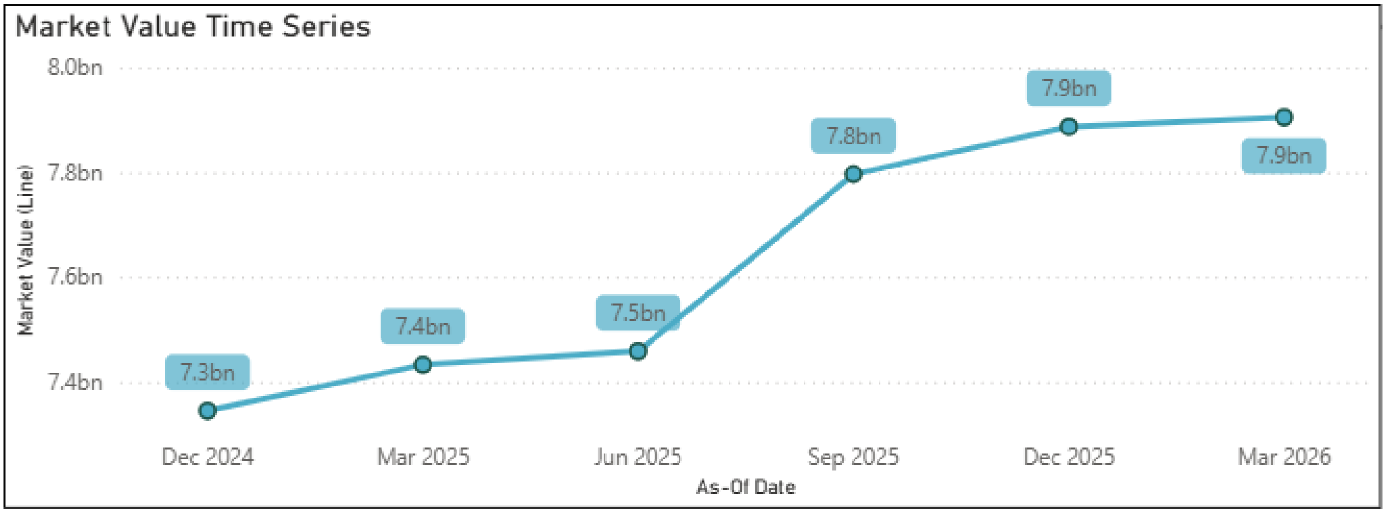
Strategic Asset Allocation	March 31, 2026		December 31, 2025	
Asset Class	Market Value ($Millions)	Allocation (%)	Market Value ($Millions)	Allocation (%)
Fixed Income Total	**2,736**	**34.6**	**2,482**	**31.5**
Cash & Short-term	68	0.9	72	0.9
Universe Bonds	851	10.8	849	10.8
Long Duration Bonds	1,057	13.4	802	10.2
Real Return Bonds	387	4.9	382	4.8
Mortgages	373	4.7	377	4.8
Equity Total	**4,132**	**52.3**	**4,339**	**55.0**
Canadian Equities	347	4.4	339	4.3
Global Equities	2,506	31.7	2,683	34.0
Emerging Market Equities	587	7.4	602	7.6
Strategic Opportunities	7	0.1	9	0.1
Private Equity	684	8.7	706	8.9
Alternative Classes Total	**1,036**	**13.1**	**1,066**	**13.5**
Real Estate	544	6.9	542	6.9
Infrastructure	450	5.7	481	6.1
Timberland	43	0.5	43	0.5
UAPP Total Portfolio	**7,905**	**100.0**	**7,887**	**100.0**

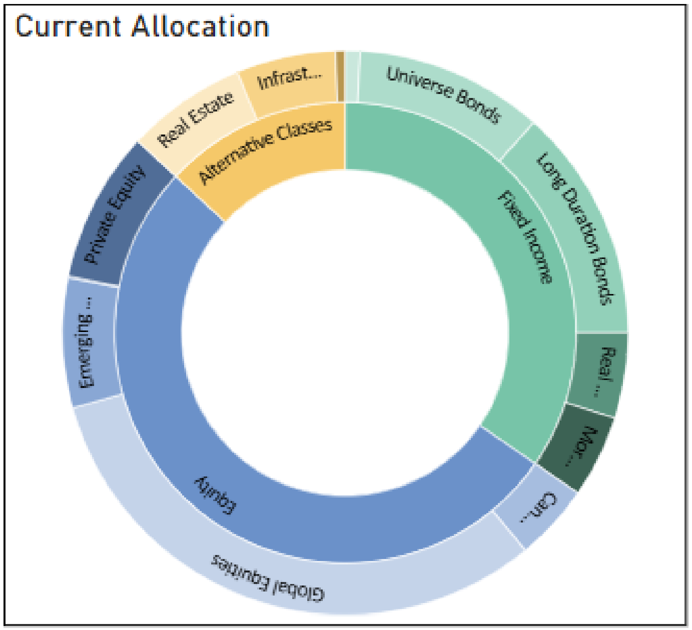
MARKET OVERVIEW

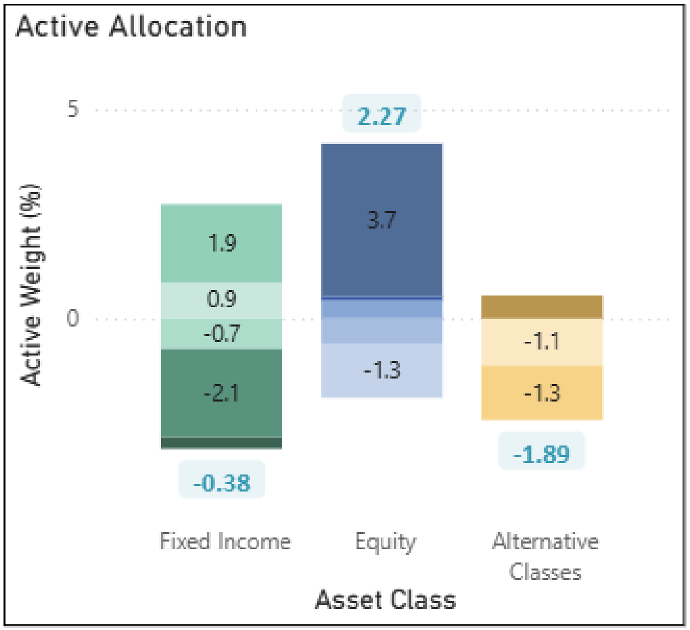
Global markets have continued to navigate a period of heightened geopolitical uncertainty and persistent inflation. While these conditions have contributed to periods of increased market volatility, equity markets continued to generate positive returns, benefiting the UAPP investment portfolio.

UAPP maintains a diversified investment portfolio across a broad range of asset classes and investment strategies. This diversification helps manage risk while positioning the Fund to achieve its long-term investment objectives. The portfolio also includes inflation-sensitive assets that provide an important source of protection against rising prices and support the long-term sustainability of the Plan's Cost of Living Adjustment (COLA).

Rather than reacting to short-term market movements, UAPP continues to focus on prudent long-term investing, ensuring the Fund remains well positioned to meet the pension promises made to current and future retirees.







INVESTMENT PERFORMANCE

Unaudited Investment Performance	Mar 2025 to 2026	Mar 2022 to 2026
Asset Class and Benchmark	1Y Rolling Performance (%)	4Y Rolling Performance (%)
Total Investment Return	**7.7%**	**7.2%**
Policy Benchmark Return	*9.7%*	*7.6%*
Cash & Short-Term	**4.7%**	**4.9%**
FTSE Canada 91 Day T-Bill Index	*2.5%*	*3.7%*
Universe Bonds	**1.5%**	**2.5%**
FTSE Canada Universe Bond Index	*0.8%*	*2.1%*
Mortgages	**3.9%**	**3.7%**
FTSE 60% Short/40% Mid-Term Bond Index + 75 bps	*2.9%*	*4.0%*
Real Return Bonds	**-1.1%**	**0.7%**
FTSE Canada Real Return Bond Index	*-1.2%*	*0.5%*
Long Bonds	**-2.1%**	**-0.3%**
FTSE Canada Overall Long-Term Bond Index	*-2.5%*	*-0.6%*
Canadian Equities	**23.1%**	**9.8%**
S&P/TSX Capped Composite Index	*34.8%*	*14.0%*
Global Equities	**12.8%**	**12.6%**
MSCI World Total Return Net Index	*15.3%*	*13.4%*
Emerging Market Equities	**33.2%**	**14.5%**
MSCI Emerging Markets Net Index	*25.6%*	*10.9%*
Strategic Opportunities	**-1.0%**	**0.0%**
MSCI World Total Return Net Index	*15.3%*	*13.4%*
Private Equity*	**2.2%**	**7.0%**
MSCI World + 200 bps	*17.3%*	*10.5%*
Real Estate	**-0.9%**	**-0.3%**
MSCI/REALpac Canadian Property Index	*0.8%*	*0.9%*
Infrastructure	**2.9%**	**9.4%**
CPI + 600 bps	*7.9%*	*9.3%*
Timberland	**-5.2%**	**7.2%**
CPI + 400 bps	*5.8%*	*7.2%*

*Note: Prior to January 2025 the Private Equity Benchmark was CPI + 6.5%, and is MSCI World + 200 bps thereafter

PLAN DEMOGRAPHICS

Metrics				
Member Type	**31-Mar-2026**	**31-Dec-2025**	**31-Mar-2025**	**31-Dec-2024**
Number of Members at Quarter End				
Active Members	8,645	8,552	8,450	8,392
Deferred Members	2,962	2,974	2,943	2,959
Pensioners	7,357	7,320	7,173	7,144
Total	**18,964**	**18,846**	**18,566**	**17,495**
Average Age of Members at Quarter End				
Active Members	49.1	49.1	49.2	49.0
Deferred Members	52.3	52.9	51.9	51.8
Pensioners	75.6	75.5	75.3	75.3
Number of Events during Quarter				
Retirements	88	98	58	144
Lump Sum Payouts	53	75	83	50
Deaths	37	24	44	32
Retirement Planner Accesses	4,895	2,882	3,529	2,926

UAPP membership continued to grow during the first quarter of 2026, reaching 18,964 total members, up from 18,846 at year-end 2025 and 18,566 one year earlier. Growth was driven primarily by an increase in active members, which rose to 8,645, while the number of pensioners increased to 7,357. The deferred member population remained relatively stable at 2,962.

Member age profiles remained consistent, with active members averaging 49.1 years, deferred members 52.3 years, and pensioners 75.6 years.

During the quarter, UAPP processed 88 retirements, 53 lump-sum payouts, and 37 member deaths. Member engagement with retirement planning tools remained strong, with 4,895 accesses to the Retirement Planner, significantly higher than the previous quarter.

UAPP WELCOMES NEW CHIEF INVESTMENT OFFICER

The Universities Academic Pension Plan (UAPP) is pleased to welcome Edward Ng as Chief Investment Officer, effective March 23, 2026 to help lead UAPP's investment program and management of the Plan's $7.91 Billion investment portfolio, which supports the retirement security of nearly 19,000 members and pensioners.

As CIO, Edward will lead UAPP's investment program, providing strategic oversight of the Plan's investment portfolio and supporting the long-term financial security of its members. He will work closely with the Chief Executive Officer, the Board of Trustees, and key stakeholders to help ensure UAPP's investment strategy continues to deliver strong, sustainable results in an evolving market environment.

Known for his extensive investment leadership and expertise, Edward brings valuable insight and experience to the organization. His appointment further strengthens UAPP's commitment to sound governance, responsible investing, and disciplined decision-making.

Edward's appointment represents an exciting step forward for UAPP as the organization continues to strengthen its capabilities and position itself for the future. The Board of Trustees and management look forward to working with Edward as UAPP advances its commitment to delivering secure, sustainable pension benefits for members today and for generations to come.

DID YOU KNOW?

2025 Annual Statements are posted in the new Plan Member Portal. 2025 Annual Statements for Suspended Members and Deferred Members were mailed out on June 30, 2026.

OPERATIONS AND DELIVERY

Pension Administration Transformation Goes Live

On May 4, 2026, the Pension Administration Transformation Project officially went live, marking a major milestone for UAPP.

This transformation not only introduces a modern pension administration platform but also represents UAPP's successful transition from an outsourced administration model to an in-house operating model. Bringing pension administration services in-house gives UAPP greater control over service delivery, enhances operational efficiency, and strengthens our ability to meet the evolving needs of members and participating employers.

Partnering with WTW, the new platform provides a strong foundation for streamlined processes, improved data management, enhanced reporting capabilities, and a more responsive member experience. By combining modern technology with an in-house team, UAPP is well-positioned to deliver high-quality service and support long-term organizational growth.

This achievement was made possible through the dedication and collaboration of employees, trustees, employer representatives, project team members, and WTW. Their commitment and expertise were instrumental in successfully delivering this complex initiative.

As we celebrate this milestone, we look forward to the opportunities this transformation creates for UAPP and the members we serve. Thank you to everyone who contributed to making this vision a reality.

> *The Retirement Planner was replaced by a new Plan Member Portal powered by WTW as part of the Pension Administration Transformation. All active and inactive UAPP members have been granted automatic access and simply need to register to begin using the portal. The portal can be accessed through the UAPP Plan Member Portal icon at the top right of the UAPP homepage or by selecting the Click Here button located in the Key Information section.*

New Plan Member Portal

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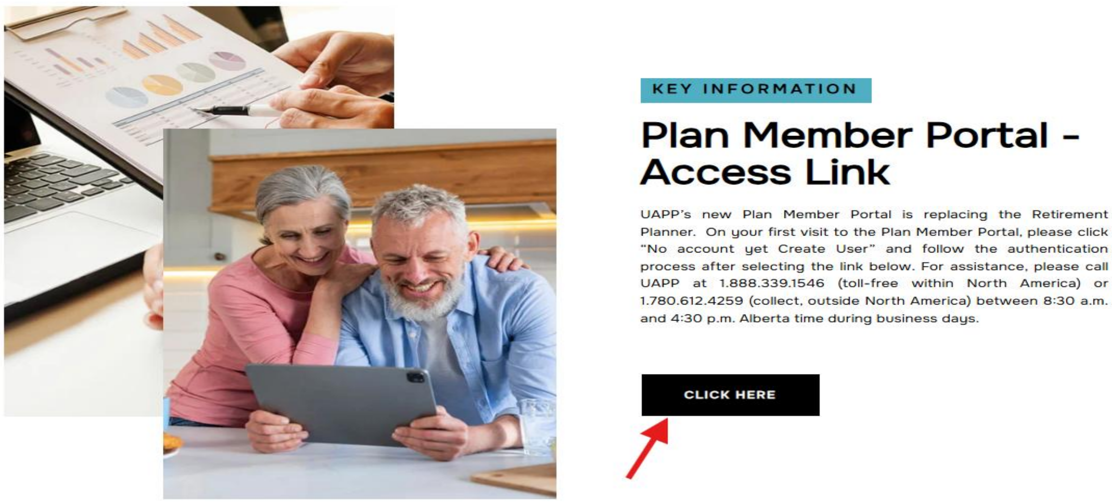

With the new portal, you'll have access to a range of enhanced self-service features, allowing you to:

- Update your beneficiary information online through a simple and secure digital form.
- View and download your annual pension statements whenever it's convenient for you.
- Generate unlimited pension estimates to support informed retirement planning decisions.
- Use the enhanced retirement calculator to compare up to three retirement scenarios at once, based on different retirement dates or ages.
- Project your total retirement income by including other sources such as personal RRSPs, pensions from other employers, CPP, and OAS, where applicable (available to active employees only).
- Access all your pension information in one centralized and easy-to-navigate portal.
- Securely review your pension details anytime, anywhere, from your computer, tablet, or smartphone.
- Submit questions, forms, and requests through a secure messaging system, reducing the need for paper forms and mail correspondence.

Publications and Resources

Members can access additional information through the UAPP website, including:

- Member Handbook
- Annual Reports
- Information Sheets
- Links to Participating Employers websites and retirement-related information
- Previous Editions of the Communique

These publications are designed to help members better understand their pension benefits and retirement options.

THE ROAD AHEAD

Three priorities, one focus: delivering value for members. UAPP is committed to advancing the following priorities over the coming months:

01

Enhance Member Experience

Enhancing the member experience remains a key priority for UAPP. Building on the successful implementation of the new pension administration platform and Plan Member Portal, UAPP will continue to focus on improving service delivery, increasing operational efficiency, and providing members with convenient access to pension information and services. A major milestone for Q3 2026 will be the implementation of the Retirement Online workflow, which will allow eligible members to begin and manage their retirement process through a streamlined digital experience. This enhancement is expected to simplify retirement planning, reduce processing timelines, and provide members with greater transparency and self-service capabilities throughout their retirement journey.

02

Strengthen Risk Management

UAPP is committed to maintaining a strong governance and risk management framework that supports the long-term sustainability of the Plan. As the organization continues to evolve, efforts will focus on further strengthening risk assessment practices across investment, operational, and strategic activities. By enhancing risk monitoring, improving analytical capabilities, and integrating risk considerations into decision-making processes, UAPP will be better positioned to identify emerging risks, respond to changing conditions, and safeguard the interests of members and participating employers. This proactive approach supports sound governance and informed decision-making across the organization.

03

Invest in People

UAPP recognizes that its people are central to delivering exceptional service and achieving organizational goals. UAPP will continue to invest in employee development, leadership capabilities, and workforce engagement to ensure employees have the skills and support needed to succeed. Key priorities include strengthening internal expertise, fostering a collaborative and inclusive culture, and providing opportunities for professional growth. By investing in its people, UAPP is building a strong foundation to support future growth, innovation, and service excellence for members and stakeholders.

KEY DATES —	Q3 2026
SEP 28	Q3 Board of Trustees’ Meeting
OCT 1	Retirement Online (ROL) roll-out date

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