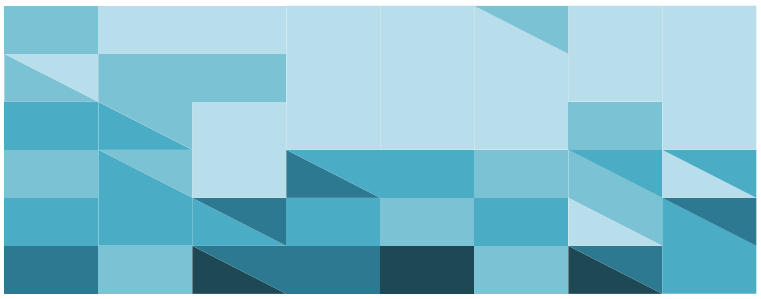
UNIVERSITIES ACADEMIC PENSION PLAN

COMMUNIQUE Fall 2026

A QUARTER OF STRENGTH AND PROGRESS

This quarter marked continued financial strength for Universities Academic Pension Plan (UAPP) and an important step forward in member service with the transition to in-house pension administration and the new member Plan Member Portal.



INSIDE THIS ISSUE

This Communique provides members with an update on UAPP's financial position, investment performance, member demographics, key organizational initiatives, and cybersecurity tips. Figures presented are unaudited as of June 30, 2026.

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MESSAGE FROM THE CEO

Strength & Progress

This quarter reflects UAPP's continued commitment to providing secure and sustainable pensions while strengthening the services we deliver to members.

As of June 30, 2026, the Plan remained in a strong financial position, with a funded ratio of 106%. Relatedly, investment performance remained strong, with a one-year return of 16.4%. Effective July 1, 2026, the combined member and employer contribution rate decreased from 26.88% to 25.59%.

We also reached an important milestone with the successful launch of our new pension administration model and Plan Member Portal.

Pension administration is now managed by UAPP staff, giving us greater ownership of the services and experience we provide to members.

Our focus now is on strengthening day-to-day operations, improving member data and calculations, and enhancing the services available through our new platform. These efforts support our commitment to delivering accurate, reliable and responsive service to members throughout their pension journey.

Thank you for your continued confidence in UAPP.

Chris Schafer
Chief Executive Officer

Q2 AT A GLANCE

Funded Ratio
106%
as of Jun 30, 2026

Strong financial position - As of June 30, 2026, the investment portfolio had a market value of $8.58 billion. With an extrapolated pension obligation of $7.53 billion at the same date, the Plan has a healthy Funded Ratio of 106%.

1Y Rolling Return
16.4%
Jun 2025 - 2026

Long-term investment performance - The portfolio returned 9.3% year-to-date and 16.4% over the one-year rolling period. Despite ongoing market uncertainty, equity markets contributed significantly to this strong performance, which exceeded the 5.9% discount rate used to value the Plan's pension obligations. UAPP remains focused on long-term performance, delivering annualized returns of 11.5% over the past four years and 8.5% over the past ten years.

Contribution Rate
25.59%
Since Jul 1, 2026

Stable contribution rates - Effective July 1, 2026, the combined contribution rate for members and participating employers decreases to 25.59% from 26.88%. The investment portfolio is reviewed regularly to maintain provision to help keep contribution rates stable.

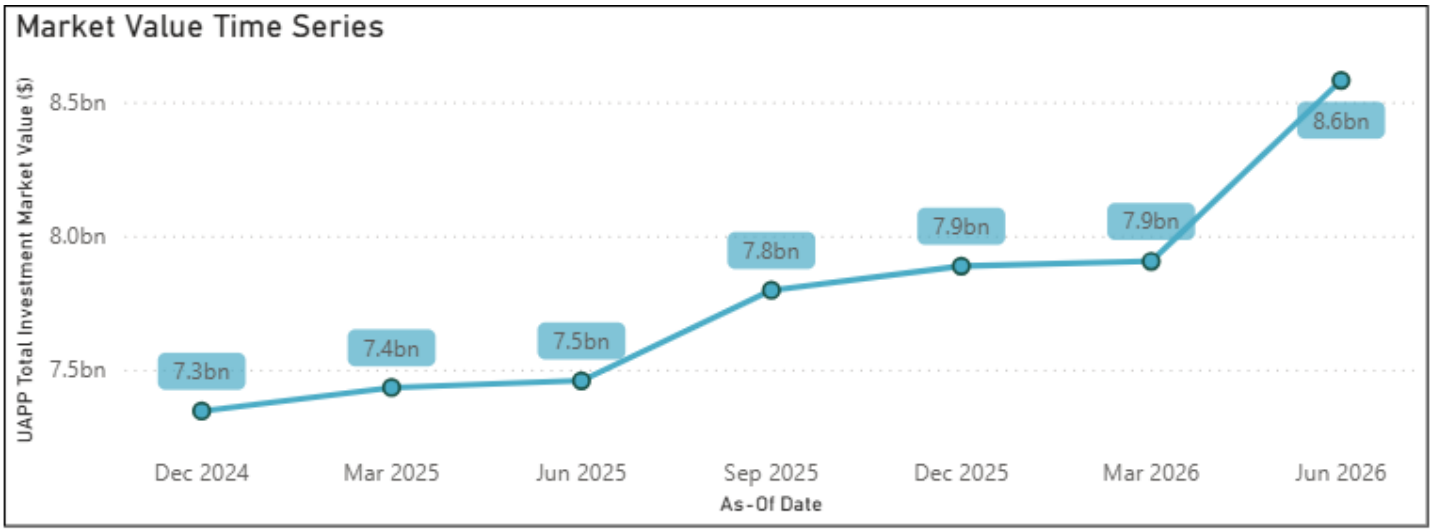
Strategic Asset Allocation	June 30, 2026		March 31, 2026	
Asset Class	Market Value ($Millions)	Allocation (%)	Market Value ($Millions)	Allocation (%)
Fixed Income Total	**2,797**	**32.6**	**2,736**	**34.6**
Cash & Short-term	49	0.6	68	0.9
Universe Bonds	870	10.1	851	10.8
Long Duration Bonds	1,094	12.8	1,057	13.4
Real Return Bonds	401	4.7	387	4.9
Mortgages	381	4.4	373	4.7
Equity Total	**4,681**	**54.5**	**4,132**	**52.3**
Canadian Equities	382	4.5	347	4.4
Global Equities	2,930	34.2	2,506	31.7
Emerging Market Equities	722	8.4	587	7.4
Strategic Opportunities	6	0.1	7	0.1
Private Equity	640	7.5	684	8.7
Alternative Classes Total	**1,104**	**12.9**	**1,036**	**13.1**
Real Estate	548	6.4	544	6.9
Infrastructure	509	5.9	450	5.7
Timberland	46	0.5	43	0.5
UAPP Total Portfolio	**8,581**	**100.0**	**7,905**	**100.0**

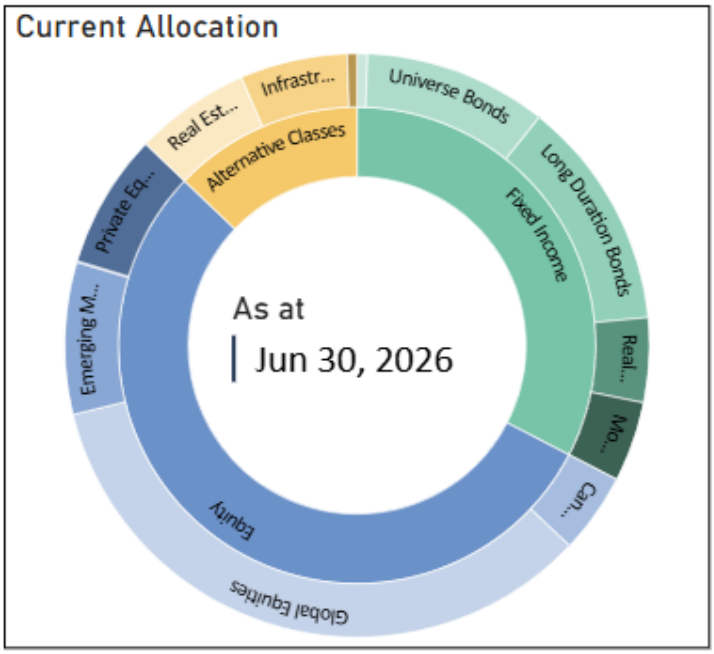
MARKET OVERVIEW

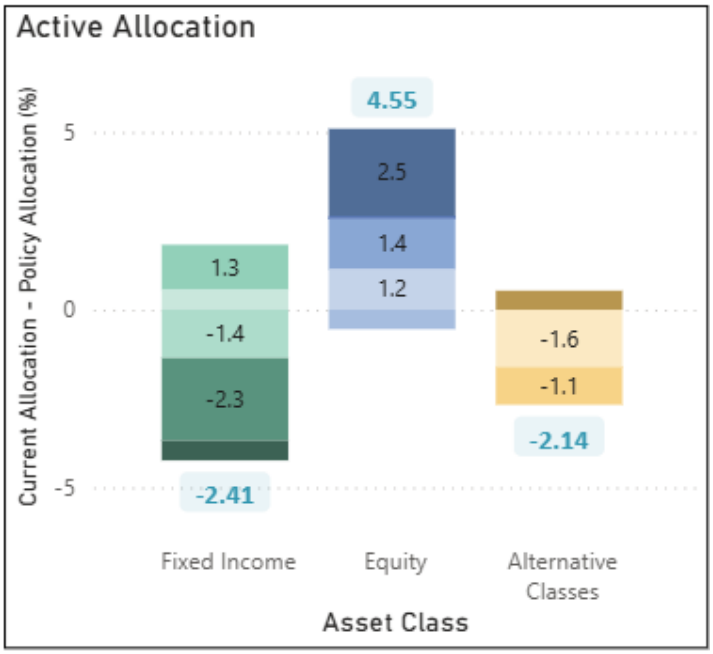
Global equity markets advanced strongly during the second quarter despite continued geopolitical uncertainty and changing expectations for inflation and interest rates. Technology and semiconductor companies benefited from ongoing investment in artificial intelligence, while financial and industrial companies also contributed to market gains. These gains were the primary driver of the significant increase in UAPP's rolling returns.

Canadian equities delivered positive returns, supported by strong performance from banks and industrial companies. Bond markets also generated positive returns as interest rates moved within a relatively narrow range. Corporate and provincial bonds generally benefited from stable credit conditions, while longer-term yields remained above their first-quarter levels.

Inflation remained an important consideration for the Plan. Canada's Consumer Price Index increased by 2.8% over the year ending June 2026, while Alberta inflation reached 3.4%. UAPP carefully manages its investment allocations to help provide inflation protection and support the Cost-of-Living Adjustment (COLA) for members. This includes allocations to real return bonds, infrastructure, and other inflation-sensitive investments, which help manage inflation risk over the long term.







INVESTMENT PERFORMANCE

Unaudited Investment Performance	Jun 2025 to 2026	Jun 2022 to 2026
Asset Class and Benchmark	1Y Rolling Performance (%)	4Y Rolling Performance (%)
Total Investment Return	**16.4%**	**11.5%**
Policy Benchmark Return	*16.8%*	*12.3%*
Cash & Short-Term	**4.9%**	**5.0%**
FTSE Canada 91 Day T-Bill Index	*1.1%*	*3.8%*
Universe Bonds	**4.1%**	**4.7%**
FTSE Canada Universe Bond Index	*3.5%*	*4.1%*
Mortgages	**4.8%**	**4.4%**
FTSE 60% Short/40% Mid-Term Bond Index + 75 bps	*4.3%*	*5.1%*
Real Return Bonds	**4.7%**	**4.1%**
FTSE Canada Real Return Bond Index	*4.7%*	*3.8%*
Long Bonds	**3.6%**	**3.8%**
FTSE Canada Overall Long-Term Bond Index	*3.2%*	*3.4%*
Canadian Equities	**24.8%**	**16.5%**
S&P/TSX Capped Composite Index	*32.9%*	*20.1%*
Global Equities	**27.1%**	**21.1%**
MSCI World Total Return Net Index	*26.2%*	*21.9%*
Emerging Market Equities	**64.5%**	**24.5%**
MSCI Emerging Markets Net Index	*49.2%*	*20.1%*
Strategic Opportunities	**-11.1%**	**-2.3%**
MSCI World Total Return Net Index	*26.2%*	*21.9%*
Private Equity*	**1.3%**	**5.0%**
MSCI World + 200 bps	*28.2%*	*13.5%*
Real Estate	**0.2%**	**-0.8%**
MSCI/REALpac Canadian Property Index	*2.3%*	*0.9%*
Infrastructure	**13.0%**	**9.0%**
CPI + 600 bps	*9.3%*	*8.8%*
Timberland	**2.3%**	**7.8%**
CPI + 400 bps	*7.3%*	*6.8%*

*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	**30-Jun-2026**	**31-Dec-2025**	**30-Jun-2025**	**31-Dec-2024**
Number of Members at Quarter End				
Active Members	8,930	8,552	8,469	8,392
Deferred Members	3,528	2,974	2,898	2,959
Pensioners	7,341	7,320	7,238	7,144
Total	**19,799**	**18,846**	**18,605**	**17,495**
Average Age of Members at Quarter End				
Active Members	49.1	49.1	49.2	49.0
Deferred Members	52.4	52.9	50.8	51.8
Pensioners	75.7	75.5	75.3	75.3
Number of Events during Quarter				
Retirements	95	98	100	144
Lump Sum Payouts	57	75	88	50
Deaths	33	24	39	32
Member Portal Accesses	6,622	2,882	3,184	2,926

UAPP membership continued to grow, reaching 19,799 members, an increase of 953 members (5.1%) from December 31, 2025 and 2,304 members (13.2%) from December 31, 2024. Growth was driven by increases in both active and deferred members, while the pensioner population remained stable.

The Plan had 8,930 active members, 3,528 deferred members, and 7,341 pensioners. The average age of members remained consistent, reflecting a stable demographic profile across all member groups.

During the reporting period, the Plan processed 95 retirements, 57 lump-sum payouts, and 33 deaths. Member engagement remained strong, with 6,622 accesses to the member portal, more than double the previous reporting period, indicating increased interest in the new Plan Member Portal which replaced the Retirement Planner effective May 1, 2026.

CYBER TIPS: Protect Yourself in an AI-Powered World

Cyber Security Awareness Month (Cyber Month) is an annual campaign held each October to help Canadians stay safe online. The theme for #CyberMonth2026 is **Your best defence is you**.

In a world powered by artificial intelligence (AI), cyber threats can look more real than ever. Phishing emails and AI-generated scams can make it harder to know what is real and what is not. The good news is that staying safe online doesn't have to be complicated. This Cyber Month, take a few simple steps to strengthen your cyber security:

Learn

- Brush up on your cyber knowledge with the Discover Cyber Security course.
- Learn how to recognize AI-generated content and emerging online threats.

Protect

- Always be on the lookout for phishing messages and report them as phishing if your email provider allows.
- Create unique passwords for all accounts and use a password manager like Keeper Security to securely store your passwords.

Report

- Help stop scammers. Forward suspicious text messages to 7726 (SPAM) to help wireless providers identify and block unwanted messages. Watch this short video to learn how: Video – reporting text messages to 7726.
- Report Cybercrime and Fraud to the Royal Canadian Mounted Police (RCMP) and the Canadian Anti-Fraud Centre (CAFC).
- Report a cyber incident to the Canadian Centre for Cyber Security.

Small actions can make a big difference. This Cyber Month, take steps to protect yourself, support others, and help build a safer digital Canada.

Your best defence is you!

DID YOU KNOW?

The Plan Member Portal is the fastest and most secure way to communicate with UAPP. Through the portal, you can conveniently submit and receive documents using its secure self-service functionality.

If you have not registered yet to the portal, please click here for the instructions.

OPERATIONS AND DELIVERY

Building a Stronger Pension Administration Experience

UAPP has reached an important milestone in the transformation of its pension administration services. Following the successful launch of our new pension administration model on May 1, 2026, pension administration is now fully managed by UAPP staff through our new administration platform.

This transition represents a significant step forward in how we serve members. By bringing pension administration in-house, UAPP has greater ownership of the member experience and the day-to-day processes that support pension administration.

Since the launch, our focus has shifted from implementation to **stabilizing and strengthening operations**. This includes improving data quality, refining processes, providing additional training to staff, resolving system and production issues, and supporting complex pension calculations.

Progress Since Launch

Since transitioning to the new model, UAPP has:

- Successfully moved pension administration services to an in-house operating model.
- Completed extensive knowledge transfer and staff onboarding.
- Assumed full responsibility for day-to-day pension administration.
- Established operational processes and controls to support sustainable service delivery.
- Continued to review and improve the quality of historical member data.
- Advanced enhancements to our pension administration system and processes.

While the major transformation work is complete, we recognize that building a strong administration model requires continuous improvement. Some legacy data issues and system enhancements remain, and UAPP is actively working to address them.

Looking Ahead

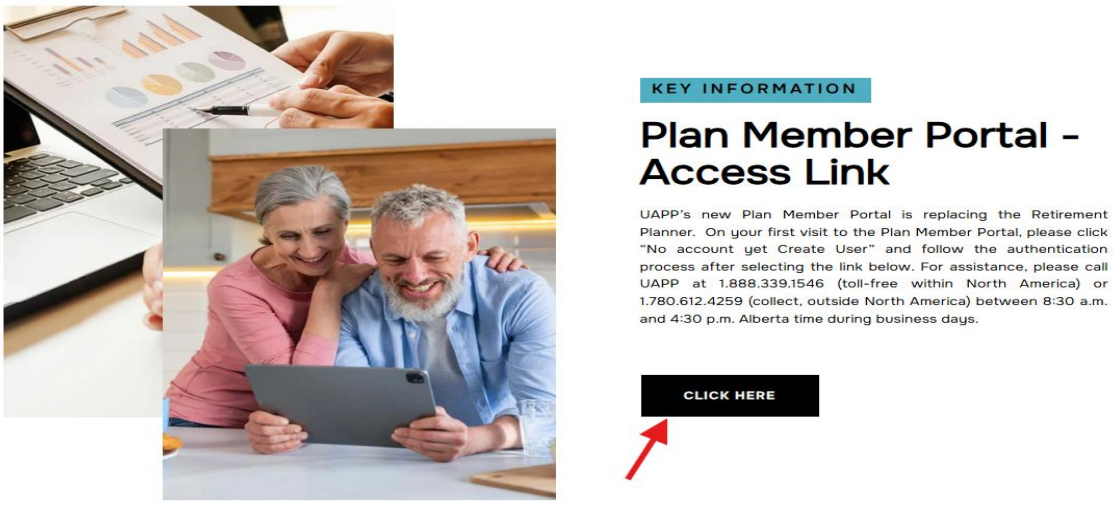
The transition to in-house pension administration was an important milestone, but it was not the finish line. Our focus now is on continually strengthening how we serve members.

As we move forward, UAPP will continue to improve our systems, processes, and data while building a sustainable pension administration model focused on **accuracy, reliability, and quality member service.**

> *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

Effective May 4, 2026, 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.



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 continues to be 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. To enhance member experience, our priorities for the next quarter are to:

- strengthen pension calculations to support accurate and reliable pension administration;
- improve member data by reviewing and correcting historical data issues to improve completeness and accuracy of member records;
- enhance our services to better support our members throughout their pension journey.

02

Strengthen Finance Functions

UAPP has identified the vision for its finance function which involves progressing towards managing its own accounting and financial reporting activities rather than relying on a third-party provider. The goal is to ensure UAPP can continue to meet the plan's growing needs as its investments become more complex, while improving access to timely financial information, strengthening oversight and reducing reliance on a single external service provider. For members, this change is intended to support the long-term sustainability and governance of the plan by enhancing financial controls, reporting capabilities, and organizational resilience, while maintaining a measured, low-risk implementation approach with ongoing oversight by UAPP's governance bodies.

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 this quarter include adopting a Leadership Development and Succession Planning Strategy and a team engagement series to further foster a collaborative and inclusive culture. 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 —	Q4 2026
NOV 28	Q4 Board of Trustees' Meeting
DEC 31	Actuarial Valuation

CONTACT INFORMATION

Universities Academic Pension Plan

Board of Trustees' Office

#1850, 10303 Jasper Avenue

Edmonton, Alberta T5J 3N6

Phone (Toll-free North America): 1.888.339.1546
Phone (Collect outside North America): 1.780.612.4259

Email: uapp@uapp.ca
eFax: 1.780.415.8871

For additional information, visit uapp.ca.

Pensioner Payroll Services Provider

CIBC Mellon

PO Box 5858, Station B

London, Ontario N6A 6H2

Phone (Toll-free North America): 1.800.565.0479

Phone (Collect outside North America): 1.519.873.2218