



# UBC SUPPLEMENTAL ARRANGEMENT 2019 ANNUAL REPORT

This report provides a summary of highlights and figures as at December 31, 2019 for the University of British Columbia Supplemental Arrangement.

## General Information on the Supplemental Arrangement

As at December 31, 2019, the UBC Supplemental Arrangement (SA) had 1,143 members and \$109 million in total assets. The plan is administered by Sun Life Assurance Company of Canada (Sun Life).

The timing and amount of contributions to each member's account are unique and a member's investment returns are dependent on the contribution amounts and the timing of those contributions to the investment fund.

For 2019, the registered pension contribution limit was \$27,230. Members who earned more than \$194,470 reached the maximum pension contribution limit and excess employer contributions were redirected to their SA accounts.

For 2020, the registered pension contribution limit is \$27,830. Members who earn more than \$198,782 will reach the maximum pension contribution limit and excess employer contributions will be redirected to their SA accounts.

## Administration

Members with general inquiries regarding the SA, such as beneficiary designations and retirement options, may contact Lorraine Heseltine at (604) 822-3485 or [lorraine.heseltine@ubc.ca](mailto:lorraine.heseltine@ubc.ca) at the UBC Pension Administration Office.

Sun Life has been retained to administer the SA accounts, apply investment earnings (losses), deduct investment fees and administration expenses, produce quarterly statements and pay benefits to the members or beneficiary(ies) according to the provisions of the arrangement.

UBC has given investment responsibility to the UBC Investment Management Trust (IMANT).

## Asset Allocation as at December 31, 2019

At December 31, 2019, SA funds were invested in the BlackRock Balanced Moderate Index Fund. The Fund consists of a combination of Canadian and global equity, bond and real estate income trust (REIT) index funds.

Asset Class	SA Fund Market Value (\$)	% of Total Assets	Major Market Indices	1 Year Return (in CAD)
Canadian Equity	21,981,091	20.2	S&P/TSX Composite	22.9%
Global Equity	38,078,847	35.1	MSCI All Country World ex-Canada	19.9%
Canadian Fixed Income & Cash	43,126,357	39.7	FTSE TMX Universe Bond	6.9%
Real Estate	5,384,010	5.0	FTSE TMX Real Return Bond	8.0%
			S&P/TSX Capped REIT	22.8%
Total Portfolio	108,570,305	100.0	Dow Jones US Real Estate	22.8%

## Investment Returns to December 31, 2019

Investment results are gross of investment management fees. The SA returned 15.27% during the year, slightly ahead of the policy benchmark.

	1 Year	2 Year	3 Year	4 Year
Supplemental Arrangement	15.27%	6.60%	7.19%	6.98%
Benchmark	15.26%	6.57%	7.16%	6.92%
Difference	0.01%	0.03%	0.03%	0.06%

## Summary of Operating Results

For the year January 1 to December 31, 2019, the operating results of the SA Fund are as follows:

### Investment returns

1-year return (gross of fees) 15.27%

### Expenses

Administrative fees (internal and external) 0.10%

Investment management fees 0.11%

Total Expenses 0.21%

Administrative fees primarily include custody and recordkeeping charges.