

INVESTMENTS

The UAPP Fund experienced a loss of 0.6% in the third quarter of 2022, resulting in a year-to-date return of -12.6%.

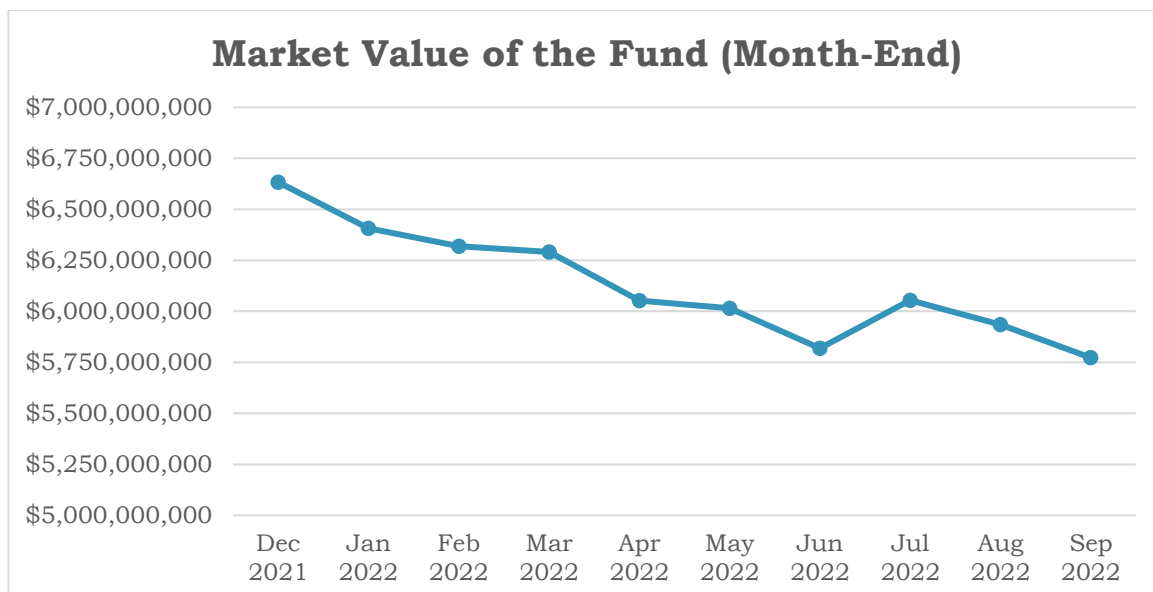
Market Value and Asset Mix of the Fund	30-Sep-2022		31-Dec-2021	
Asset Class	(\$million)	Actual Mix (%)	(\$million)	Actual Mix (%)
Cash & Short-term	15.6	0.3	73.8	1.1
Universe Bonds	729.6	12.6	615.5	9.3
Mortgages	236.3	4.1	229.8	3.5
Real Return Bonds	345.5	6.0	414.4	6.2
Long Bonds	623.2	10.8	636.8	9.6
Total Cash & Fixed Income	1,950.2	33.8	1,970.3	29.7
Canadian Equities	280.7	4.9	852.7	12.9
Global Equities	1,729.1	30.0	1,844.8	27.8
Emerging Market Equities	324.8	5.6	409.6	6.2
Private Equity	621.9	10.8	695.3	10.5
Total Equities	2,956.6	51.2	3,802.4	57.3
Real Estate	507.7	8.8	477.7	7.2
Infrastructure	314.9	5.5	344.1	5.2
Timberland	43.2	0.7	38.2	0.6
Total Alternative Classes	865.8	15.0	860.0	13.0
Total Investments	5,772.6	100.0	6,632.7	100.0

Totals may not add up due to rounding





Rates of Return of the Fund (%)	Quarter ending 30-Sep-2022	One Year ending 30-Sep-2022	Four Year ending 30-Sep-2022
Total Investment Return	-0.6	-7.1	4.6
Policy Benchmark Return	-0.1	-8.4	3.6
Cash & Short-Term	0.9	1.3	1.2
<i>FTSE Canada 91 Day T-Bill Index</i>	<i>0.5</i>	<i>0.9</i>	<i>1.0</i>
Universe Bonds	0.8	-10.7	0.8
<i>FTSE Canada Universe Bond Index</i>	<i>0.5</i>	<i>-10.5</i>	<i>0.4</i>
Mortgages	-1.8	-5.1	3.4
<i>FTSE Short/Mid-Term Bond Index + 75 bps</i>	<i>0.4</i>	<i>-6.5</i>	<i>1.7</i>
Real Return Bonds	1.1	-11.3	0.8
<i>FTSE Canada Real Return Bond Index</i>	<i>0.9</i>	<i>-11.3</i>	<i>0.6</i>
Long Bonds	1.6	-17.3	-0.5
<i>FTSE Canada Overall Long-Term Bond Index</i>	<i>1.5</i>	<i>-17.2</i>	<i>-0.8</i>
Canadian Equities	-1.3	-5.2	4.4
<i>S&P/TSX Capped Composite Index</i>	<i>-1.4</i>	<i>-5.4</i>	<i>6.7</i>
Global Equities	0.0	-12.6	3.4
<i>MSCI World Total Return Net Index</i>	<i>-0.1</i>	<i>-12.8</i>	<i>5.5</i>
Emerging Market Equities	-5.9	-21.9	-2.6
<i>MSCI Emerging Markets Net Index</i>	<i>-5.8</i>	<i>-22.0</i>	<i>-0.6</i>
Private Equity	-5.1	5.6	30.0
<i>CPI + 650 bps</i>	<i>1.5</i>	<i>13.8</i>	<i>10.1</i>
Real Estate	-0.4	12.7	4.1
<i>MSCI/REALpac Canadian Property Index</i>	<i>-0.4</i>	<i>7.9</i>	<i>3.8</i>
Infrastructure	2.8	19.3	13.6
<i>CPI + 600 bps</i>	<i>1.3</i>	<i>13.2</i>	<i>9.6</i>
Timberland	17.9	30.6	13.2
<i>CPI + 400 bps</i>	<i>0.9</i>	<i>11.1</i>	<i>7.5</i>





PLAN DEMOGRAPHICS

Metrics				
Member Type	30-Sep-2022	31-Dec-2021	30-Sep-2021	31-Dec-2020
<i>Number of Members at Quarter End</i>				
Active Members	7,731	7,814	7,848	7,837
Deferred Members	2,655	2,551	2,543	2,465
Pensioners	6,629	6,424	6,315	6,158
Total	17,015	16,789	16,706	16,460
<i>Average Age of Members at Quarter End</i>				
Active Members	49.6	49.4	49.6	49.4
Deferred Members	51.3	51.2	51.1	50.9
Pensioners	74.6	74.5	74.5	74.3
<i>Number of Events during Quarter</i>				
Retirements	102	109	66	92
Lump Sum Payouts	84	73	42	86
Deaths	38	35	40	37
Retirement Planner Accesses	2,290	2,323	2,086	2,061

2023 COLA for UAPP Pensioners is 3.72%

The 2023 cost-of-living adjustment (COLA) for pensioners who retired prior to January 1, 2022 is 3.72%. For persons who retired in 2022, the COLA increase is prorated based on the number of complete months the person was on pension in the year. The increase is applied to the base pension, including any bridge benefit that is being paid. COLA is not applied to any coordination amounts. The COLA increase will be included with the January 2023 payment.

The COLA is set at 60% of the increase in the Consumer Price Index (CPI) (Alberta) as reported by Statistics Canada. The CPI increase for the relevant period was 6.2%. The percentage increase in CPI is derived by comparing the average CPI for the 12 months ending in October 2022 with the corresponding figure for the previous year.

Tax withholdings starting in January will reflect the 2023 rates applicable to the province or country of the recipient's residence. CIBC Mellon will be issuing 2022 T4A slips in mid-February 2023.

CIBC Mellon can be contacted in North America at 1.800.565.0479 and those outside North America can call collect at 1.519.873.2218. CIBC Mellon can be contacted in writing at CIBC Mellon Pension Benefits Department, PO Box 5858, Station B, London, ON N6A 6H2.



The CIBC Mellon website www.CIBCMellon.com is also available to assist pensioners with current information, frequently asked questions, as well as the "Retiree Assistance" page to submit address changes, banking changes, specific questions, etc.

The average COLA increase over the past twenty years, including the current year increase, is 1.43%. This year's increase is the highest increase in that time period and the lowest increase was 0.06% that was applied January 1, 2010. This year's increase is the largest annual COLA increase since January 1, 1983 when the increase was 5.00%.

Federal Programs - 2023 Facts

Canada Pension Plan

Contributions

Employer/Employee Contribution Rate (each)	5.95%
Year's Maximum Pensionable Earnings (YMPE)	\$66,600
Year's Basic Exemption (YBE)	\$3,500
Maximum Annual Employer/Employee Contribution (each)	\$3,754.45

Maximum Monthly Benefits

Retirement Pension (Age 65)	\$1,306.57
Survivor's Pension - Under age 65	\$707.95
Survivor's Pension - Age 65 and over	\$783.94
Disability Pension	\$1,538.67
Children of disabled or deceased contributors benefit	\$281.72

Old Age Security

For First Quarter Commencing January 1, 2023

Benefits are indexed quarterly to reflect CPI changes

Maximum Old Age Security Pension - Under age 75	\$687.56
Maximum Old Age Security Pension - Age 75 and over	\$756.32

Note:

- Pensioners with individual net incomes above \$86,912 must repay all or part of the maximum OAS pension amount.
- The repayment amounts are normally deducted from their monthly payments before they are issued.
- The full OAS pension is eliminated when a pensioner's net income is \$141,917 or above for recipients under age 75 and \$147,418 or above for recipients age 75 and over.

Tax-Free Savings Accounts

Maximum Annual Contribution	\$6,500.00
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Year's Maximum Pensionable Earnings under CPP for 2023 increases to \$66,600 from \$64,900 in 2022

The Canada Revenue Agency has announced that the Year's Maximum Pensionable Earnings under the Canada Pension Plan (CPP) for 2023 will be \$66,600 – up 2.6% from \$64,900 in 2022. The new ceiling was calculated according to a CPP-legislated formula that takes into account the growth in average weekly wages and salaries in Canada.

The employee and employer contribution rates for 2023 will be 5.95%, up from 5.7% each in 2022. The increase is due to the CPP enhancement that started taking effect January 1, 2019.

The maximum employer and employee contribution to the CPP for 2023 will be \$3,754.45 each, up from \$3,499.80 in 2022. The basic exemption amount will remain at \$3,500.00.

Maximum Pensionable Salary under the UAPP for 2023 increases to \$195,313.33

The increase in the YMPE to \$66,600 combined with the announced maximum pension benefit of \$3,506.67 in 2023 for each year of service under defined benefit pension plans means that the maximum pensionable salary (sometimes called the pensionable salary cap) under the UAPP will rise to \$195,313.33 in 2023, up from \$190,470.00 in 2022.

In 2023, the maximum pensionable salary under the UAPP is going up by 2.5%.

Non-Residents of Canada

If you are an active or deferred member of UAPP who terminates employment prior to age 55 and becomes a [non-resident of Canada](#) prior to withdrawing your UAPP pension funds, you may be eligible to unlock your pension benefit. Unlocking means you can receive the lump sum value of your pension in cash, subject to withholding tax. However, you must first apply to the Canada Revenue Agency (CRA) to qualify for non-residency status. To do this, you must complete CRA's [NR73 form](#) *Determination of Residency Status (leaving Canada)*, available through their website and through the UAPP Administration Centre.

If you are currently in receipt of a UAPP monthly pension and live in a country with which Canada has a tax treaty, you may be eligible to receive a reduced rate of withholding tax. To ensure that the correct rate of tax is withheld, CRA [Form NR301](#) *Declaration of Eligibility for Benefits (Reduced Tax) Under a Tax Treaty for a Non-Resident Person*, must be completed and filed with UAPP's pension payroll provider, CIBC Mellon.

If you have any questions about your residency status and the implications on your UAPP pension, please contact CIBC Mellon either toll-free within North America at 1.800.565.0479, or by calling collect outside North America at 1.519.873.2218.

UAPP MORE INFORMATION

Retirement Planner

Active members of UAPP have automatic access to the Retirement Planner, only needing to register. The link is on [UAPP's home page](#), scrolling down to Key Information:



Frequently Asked Questions

The Frequently Asked Questions and Answers section provides a list of often-asked member questions with respect to the Universities Academic Pension Plan (UAPP). Included here are questions on membership, life changes, Retirement Planner access, and financial situations.

> [CLICK HERE](#)



Member Seminar

The Board of Trustees' Office for the UAPP has prepared a resource to provide an outline of the plan. Included in the presentation is a brief high level overview of the governance structure of the UAPP, detailed information on the plan provisions that most impact members, and a summary of the uapp.ca website and Retirement Planner.

> [CLICK HERE](#)



Retirement Planner

On your first visit to the Retirement Planner, please click Register Now after selecting the link below. You can prepare retirement estimates that use your actual data and you can access your annual member statement. For assistance, please call the UAPP Administration Centre at 1.866.709.2092 between 6 a.m. and 6 p.m. Alberta time during business days.

> [CLICK HERE](#)

Within the Retirement Planner, you can perform retirement calculations by running an unlimited number of pension estimates, adjusting for important details like retirement dates and future salary adjustments. You can also access your Annual Member Statement. If you have questions about your pension or the Retirement Planner, please call the UAPP Administration Centre toll-free at 1.866.709.2092.

Publications

The UAPP website includes a host of publications intended to assist members in understanding their pension plan. In addition to this [Communique](#), these publications include the [Member Handbook](#), [Annual Report](#), and several [Information Sheets](#), covering a range of topics such as New Member Basics, Pension Options, Death or Leaving the Plan Before Retirement, Preparing For Retirement, and the Retired Member Guide.

Contact Us

If you terminate employment and leave your funds in UAPP, ensure we have your current address and beneficiary information. [Email us](#) to update your address. Beneficiaries can be updated by using the [UAPP Designation of Spouse and Non-Spouse Beneficiary form](#). Make sure your family and executor know you are entitled to a benefit from the UAPP.

Universities Academic Pension Plan – Board of Trustees Office

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UAPP Administration Centre

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