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Report of UTFA's Representative on the Employee Sponsor Committee (ESC) of the University Pension Plan (UPP) and Chair of UTFA's Pension Committee,2025-2026

April 20, 2026

Over the past year, I have had the opportunity to continue my work as Chair of UTFA's Pension Committee and as the UTFA-appointed representative on the UPP ESC. As Chair of the Pension Committee, I have coordinated with members of the Committee to advise on pension-related issues, kept UTFA Council apprised of relevant UPP business, and consulted with the VP, SBPW as needed on pension-related issues. This work is closely related to my work on the ESC, where I serve with five additional representatives of faculty associations and labour unions that have members in the UPP. The ESC, together with the Employer Sponsor Committee (ERSC), constitutes the Joint Sponsor Committee, which is responsible for the determination of the Plan design and the terms and conditions of the UPP.

Members' Motion on Divestment

Pursuant to the motion adopted at the May 8, 2025, UTFA General Membership Meeting, as the UTFA-appointed ESC representative, I collaborated with UTFA's Executive Committee regarding engagement with UPP leadership on the topic of divestment. This resulted in two substantive meetings: a December 2025 discussion between me, UTFA Executive Committee members, and UPP's Responsible Investing team, and a February 2026 discussion between me, UTFA Executive Committee members, and UPP's CEO and UPP's Chair of the Board of Trustees.

These conversations provided valuable opportunities for UTFA Executive Committee members and me to convey and advocate for members' concerns and priorities, especially regarding responsible investing, plan governance, and transparency. UTFA previously provided a summary of these meetings, which included a surprising statement from a UPP representative that they wondered why UTFA members thought the motion would have an impact, for which they later apologized. In direct response to the UTFA members' motion and the subsequent meetings, UPP has recently taken the following initial steps:

● Added a new page to their website: "Understanding investment exclusions at UPP"

● Improved the searchability of their proxy voting record database

● Shifted more investments from pooled funds to segregated funds, which allows UPP more voting rights and the ability to impose exclusions (related to this point, they also created a new document that explains the differences between pooled and segregated funds in terms of voting rights and exclusions)

● Promised to improve its communications with UTFA.

UTFA will provide further updates as this work, including engagement with other plan participants, continues.

Work of the Pension Committee

The Pension Committee met regularly throughout the year, offering deliberation and advice on matters before the ESC, such as UPP's funding policy, plan design, new plan entrants, and risk appetite, and discussing developments in UPP governance and responsible investing. The Committee's contributions remain essential to UTFA's ability to advance members' interests. A new member, Nora Pankratz, joined the Pension Committee effective January 1, 2026. She brings expertise in Climate Finance. Jan Mahrt-Smith's term ended on December 31, 2025, concluding his service on the committee.

Effective January 1, 2026, the UTFA-appointed Trustee to the UPP Board of Trustees, Hugh Mackenzie, was renewed for a third and final term, ensuring continuity of UTFA's representation and strengthening the Board's capacity in matters of investment oversight and governance.

Updates from the ESC

A recent undertaking of the Joint Sponsors was to revise the funding policy, effective January 1, 2026, to better suit a maturing pension plan. This was a multi-year project. In the coming year, the Joint Sponsors will continue work to define the plan's long-term risk appetite, which anticipates trade-offs between contributions and benefits as investment returns fluctuate over time. Preparations related to the next actuarial valuation cycle will also begin, a process that informs long-term contribution stability and benefit security for members.

A milestone in UPP's growth is the addition of faculty, staff, and librarians at Wilfrid Laurier University as members of the plan, effective January 1, 2026. UPP is engaged in discussions with the administration and employee groups at the University of St. Michael's College, the University of Waterloo, and several other potential new joiners, reflecting strong interest across the sector in securing sustainable defined benefit pensions.

I am grateful to the Pension Committee members, each of whom serves diligently. I am thankful for the support of UTFA staff members Nellie De Lorenzi, Emily McBain-Ashfield, Tal Isaacson, Gautam Jadhav, Sophie McGibbon, Jessica Martin, Sarah Millman, Marisa Mikroulis, and Claire Reyes. I also thank UTFA's Executive Committee and Council for their dedication.

Lisa Kramer
UTFA's Representative on the ESC, Chair of the Pension Committee

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