

Shared Risk Plan for Academic Employees of UNB (AESRP) Investment Manager’s Mid-Year Report

A snapshot of where your pension fund stands at December 31, 2024

AESRP RETURN (GROSS)

6.60%

6 MONTHS AT DECEMBER 31, 2024
(FISCAL YEAR-TO-DATE)

NET INCREASE OF

\$29.7 million

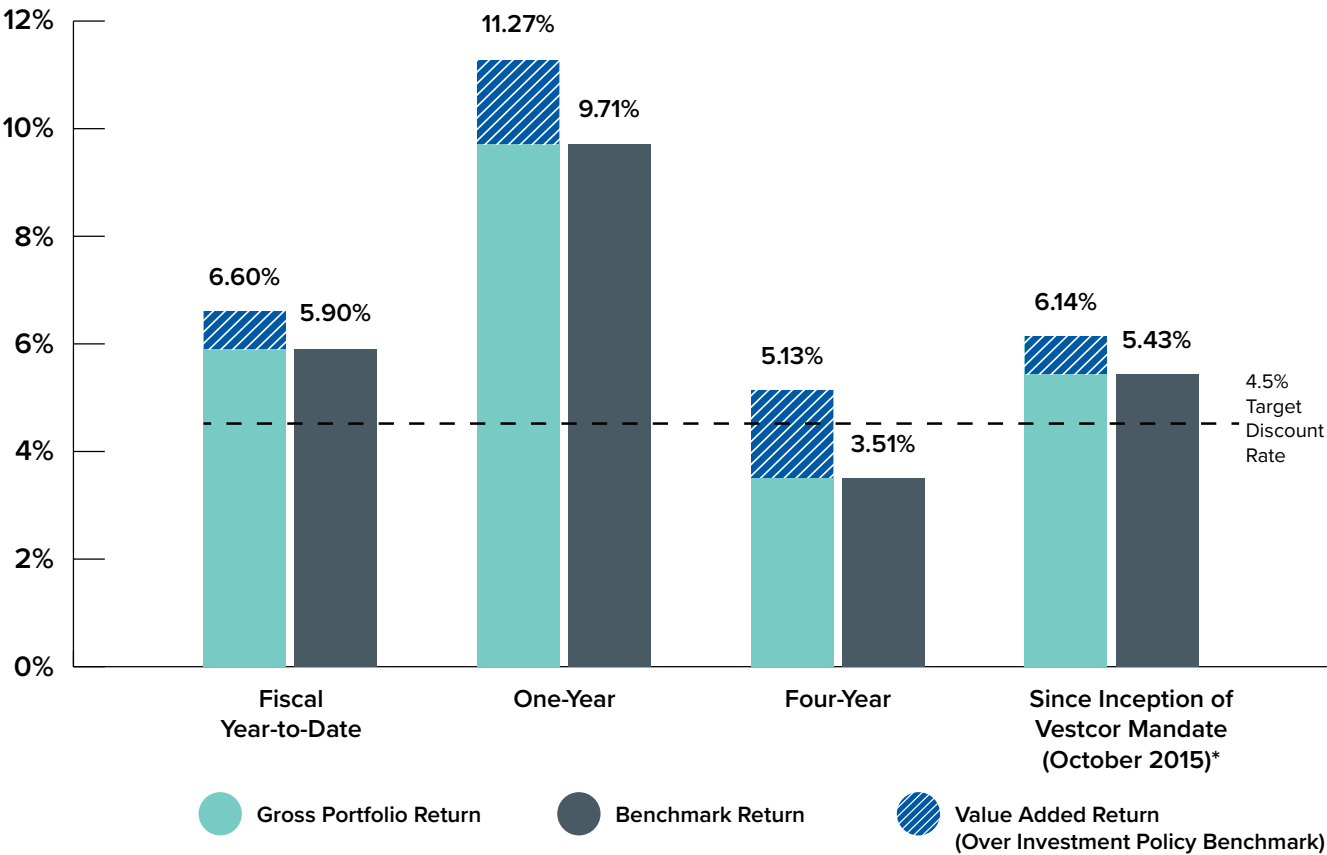
SINCE JUNE 30, 2024

INVESTMENT ASSETS ARE

\$493.0 million

Look for terms with a dotted underline in this Investment Report. You can find definitions of these terms and others relevant to the AESRP by scanning the code to the right with your mobile device, or by visiting vestcor.org/glossary.

INVESTMENT RETURNS (AS AT DECEMBER 31, 2024)



We are pleased to report that the overall investment program earned a positive return of 6.60% for the first half of the 2025 fiscal year. This resulted in approximately \$30.5 million in investment gains, which along with active member contributions, resulted in the fair value of invested assets increasing by \$29.7 million after Plan expenses and retiree benefits.

Importantly, both the four-year return of 5.13% and return since Vestcor’s investment management began on October 1, 2015 of 6.14% have continued to exceed the benchmark returns and remain in excess of the 4.50% target discount rate set by the independent actuary.

*Including assets that had yet to be transitioned to Vestcor’s management.

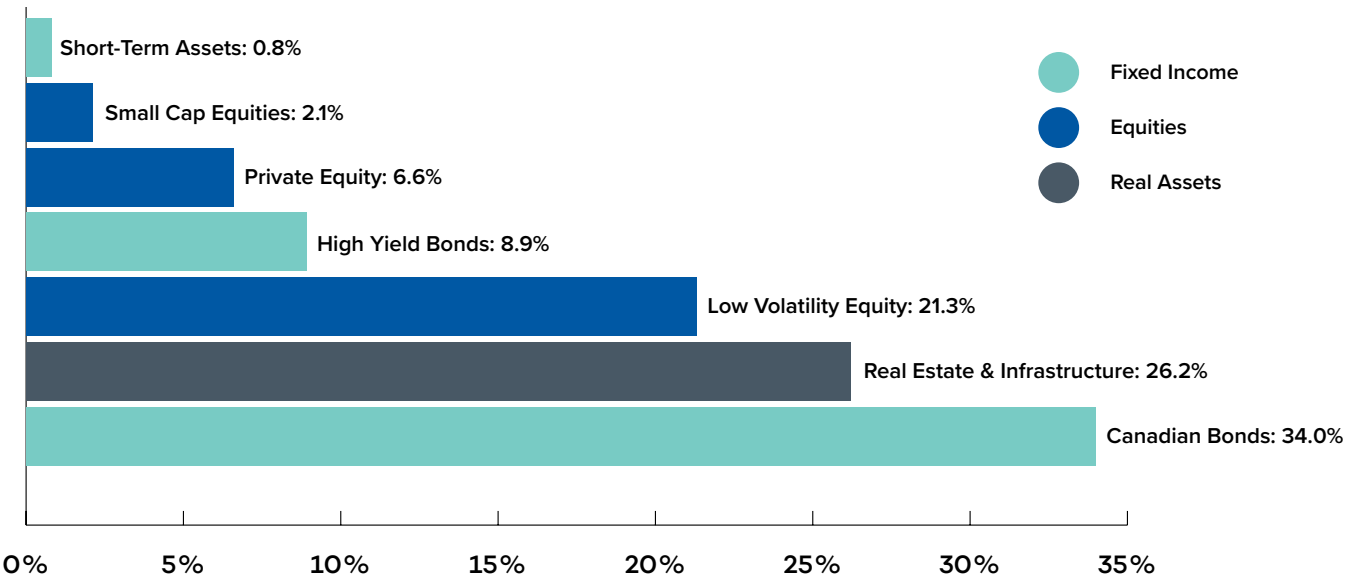
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Investment Manager’s Mid-Year Report

ASSET MIX

The chart below outlines the portfolio asset mix on December 31, 2024 and illustrates how well-diversified the Plan’s investment assets are.

Asset Mix Breakdown as at December 31, 2024**



More information on the Board’s policies can be found in the [Investment Policy](#) available at www.unb.ca/hr/pension, under “Understand your plan’s governance”.

MARKET SNAPSHOT

The outcome of the U.S. election will have impacts on trading partners like Canada. Imposition of far-reaching tariffs would significantly impact Canadian producers, and retaliatory action on the part of Canadian policymakers have an additional negative impact on domestic consumers, who would be forced to pay more for imported goods if politicians engage in “like-for-like” tariff policy.

Further, broad themes that have been in place in recent years – such as A.I. stock outperformance and the general strength of the technology sector and relative turmoil among a variety of consumer-focused businesses – will either continue to place pressures on active managers struggling to keep up, or potentially experience a reversal, with significant volatility and risk implications for investors.

Overall, investors will need to be both tactical and strategic with investment portfolios going forward. While challenging from a timing perspective, significant dislocations in certain markets (foreign exchange, equities) could present both risks and opportunities for short to medium term value creation.

For more information, including a summary of the market outlook for this period, visit the Quarterly Market Updates provided by Vestcor at vestcor.org/marketupdates.

**Totals may not add up due to rounding.