



2021

Endowment update

Thank you for your investment in a brighter future

We are pleased to share your latest Endowment Summary Report, covering the past year. Thank you for your generosity in establishing an endowment that continues to support the university — through good times and challenging times.

Endowments like yours provide stable, dependable support for UBC programs and students, helping them achieve their goals no matter the obstacles. Thank you for your vision and for supporting people, ideas and actions for a better world.

UBC INVESTMENTS DURING A CLIMATE EMERGENCY

Since UBC’s declaration of a climate emergency in December 2019, the Board of Governors has made substantial progress laying the groundwork to align UBC’s investment strategies with the goal of reducing CO2 emissions and meet the commitments of the declaration. In September 2020, the Board of Governors approved UBC IMANT’s Responsible Investing Strategy. The strategy’s goal is to reduce carbon emissions connected to the UBC Endowment Fund by 45% and divest of fossil fuel companies by 2030. Connected with this goal, in February 2021, UBC announced that \$34 million of endowment funds were transitioned to fossil-fuel-free investments.

UBC also became a signatory to the United Nations-supported Principles for Responsible Investment (PRI) in 2020, which

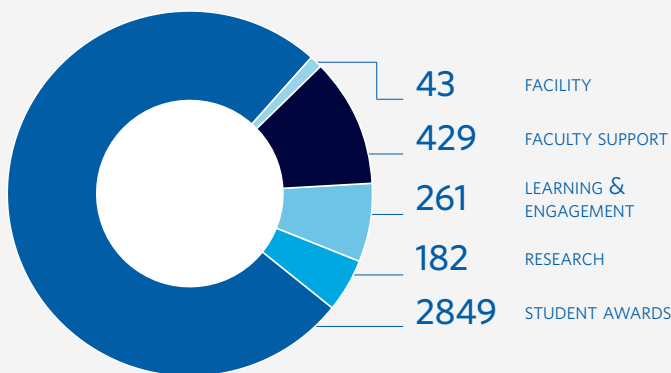
means UBC agrees to put into practice six key Principles of Responsible Investment and adhere to rigorous reporting requirements to evidence progress.

UBC INVESTMENTS DURING COVID-19

While the COVID-19 pandemic continues to have a significant impact on our daily lives and the global economy, investment markets have rebounded strongly since early 2020 as investors look toward brighter days ahead. Economic indicators have been steadily improving over the past year, boosted by the reopening of global economies and extraordinary fiscal spending in developed countries to support those negatively impacted by the pandemic.

The UBC IMANT team remains vigilant in monitoring these developments and continues to work closely with our investment managers to proactively position the Endowment portfolio for success, identifying investments that will benefit from the lasting changes caused by COVID-19. We take a long-term view on investments and invest in both public and private markets to construct a well-diversified portfolio that generates the returns required to support the spending needs of UBC and minimizes the impact of market fluctuations.

NUMBER OF ENDOWED FUNDS BY DESIGNATION



SINCE THE FIRST ENDOWMENT WAS ESTABLISHED IN 1920s

ENDOWMENT INCOME HAS PROVIDED

158,013 awards



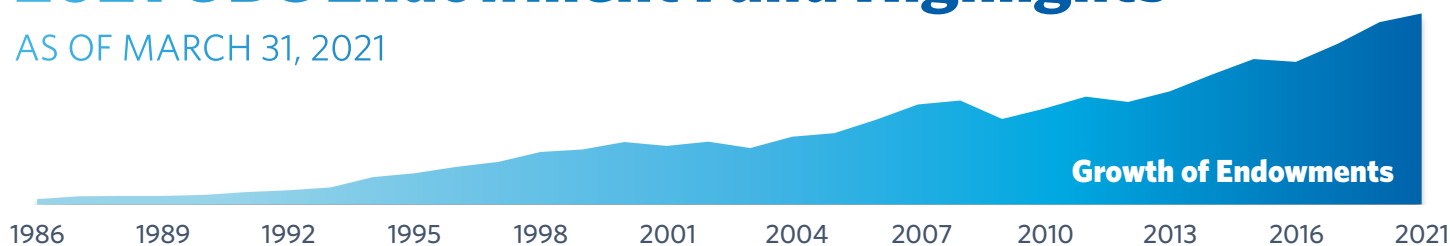
TOTALLING

\$266,913,043 TO STUDENTS



2021 UBC Endowment Fund Highlights

AS OF MARCH 31, 2021



UBC IMANT has been managing the UBC Endowments' assets since 2003 with the goal of maximizing net real returns in accordance with Fund's objectives, spending requirements and risk parameters. Donor funds are prudently invested by UBC IMANT staff in a variety of asset classes, managed by top-tier external investment managers.

Over the fiscal year ended March 31, 2021, the UBC Endowment Main Pool grew 16.8% net of all external management fees, lagging its policy benchmark return of 18.6%.

The market value of the Endowment assets managed by UBC IMANT reached \$1.93 billion on March 31, 2021. Combined with an additional \$170 million invested at related foundations and funds held by the Student and Faculty Housing Assistance Endowments, the total value of UBC's Endowments now exceeds \$2.59 billion.

ASSET ALLOCATION

	CURRENT MIX*	LONG-TERM TARGET
Private Debt & Mortgages	5.6%	5.0%
UBC Debenture	5.1%	5.2%
Bonds	7.8%	9.8%
Total Fixed Income	18.5%	20.0%
Canadian Equities	10.8%	10.0%
Global Equities	20.0%	15.0%
Global Small Cap	4.9%	5.0%
Emerging Equities	10.2%	10.0%
Total Equities	45.9%	40.0%
Private Equity	6.7%	10.0%
Real Estate	10.3%	10.0%
Infrastructure Equity	11.7%	12.5%
Hedge Funds	6.4%	7.5%
Total Alternatives	35.1%	40.0%
Multi-Asset	0.5%	-
	100%	100%

ENDOWMENT ANNUALIZED RETURNS ON INVESTMENT

	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS	TEN YEARS
Actual Return**	16.8%	7.4%	6.9%	8.0%	8.3%

ENDOWMENT YEAR BY YEAR RETURN

