

NEW BRUNSWICK

Teachers'

PENSION PLAN



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STATUS OF THE NBTPP

Your Pension Plan is in excellent financial health.

Recently, the Board of Trustees of the NBTPP requested that the Plan's actuary, TELUS Health, prepare an Actuarial Valuation Report for the Plan. This is a detailed report that looks closely at the finances and membership of the Plan to give a clear picture of how the Plan is doing. You'll find some of the results below. The full Actuarial Valuation Report will be available in early June on the Plan's website, nbtp.ca.

117.2%
Funded

The Plan's actuary determines the funded status of the NBTPP by comparing its assets against its financial obligations, also known as its "liabilities". As at August 31, 2024,* the NBTPP had \$7.268 billion in assets and \$6.203 billion in liabilities, resulting in a surplus of over a billion dollars.

Risk
Management
Goal
99.9%
(passed)

The Actuarial Valuation Report also tests the NBTPP's ability to pay benefits into the future. The goal of the Plan is to achieve a 97.5% probability that past base benefits earned will not be reduced over the next 20 years.

* Actuarial Valuations or Cost Certificates for the NBTPP are usually prepared as at August 31 each year. The difference in assets you see here and in the Investment Report on page 4 is because the Investment Report shows the Plan's assets at December 31, 2024.

By December 31, 2024 the NBTPP fund had increased even further to \$7.479 billion in assets, with \$690.1 million in annual growth.

DISCLAIMER: This newsletter is a publication on behalf of the Board of Trustees of the New Brunswick Teachers' Pension Plan. This publication is intended to provide information about the New Brunswick Teachers' Pension Plan. If there is a discrepancy between the information contained herein and the pension plan text or other appropriate governing documents, the latter will prevail.

WHAT MAKES UP THE PENSION FUND?

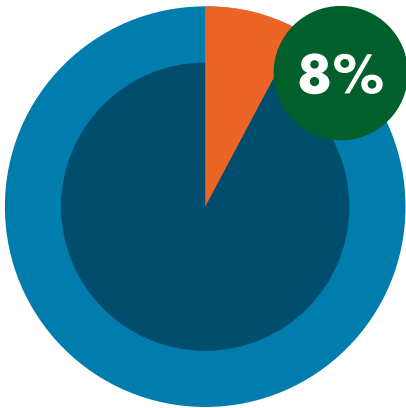
The Pension Fund is made up of the following elements:



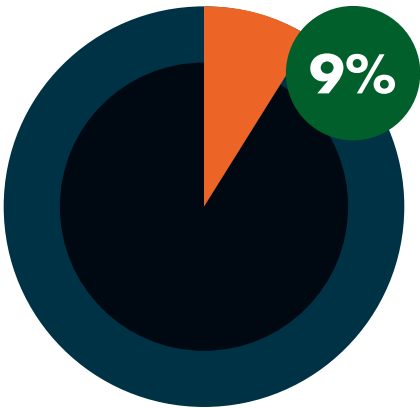
Here's how contributions and investment income build the pension fund.

IN 2024, THE NBTPP FUND GREW BY **\$690.1 MILLION**.

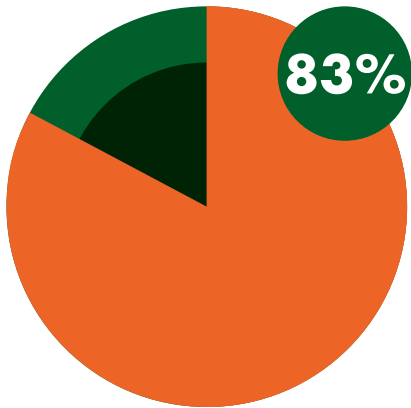
THAT GROWTH WAS MADE UP OF...



EMPLOYEE CONTRIBUTIONS



EMPLOYER CONTRIBUTIONS



INVESTMENT INCOME

2024 PLAN EXPENSES



The purpose of the NBTPP is to provide members with a secure, lifetime source of retirement income.

The vast majority of Plan expenses are paid directly to members as monthly NBTPP pensions.

A SNAPSHOT OF WHERE YOUR PENSION FUND STANDS AS AT DECEMBER 31, 2024

GROSS INVESTMENT
RETURN
12.65%

NET INCREASE OF
**\$690.1
MILLION**

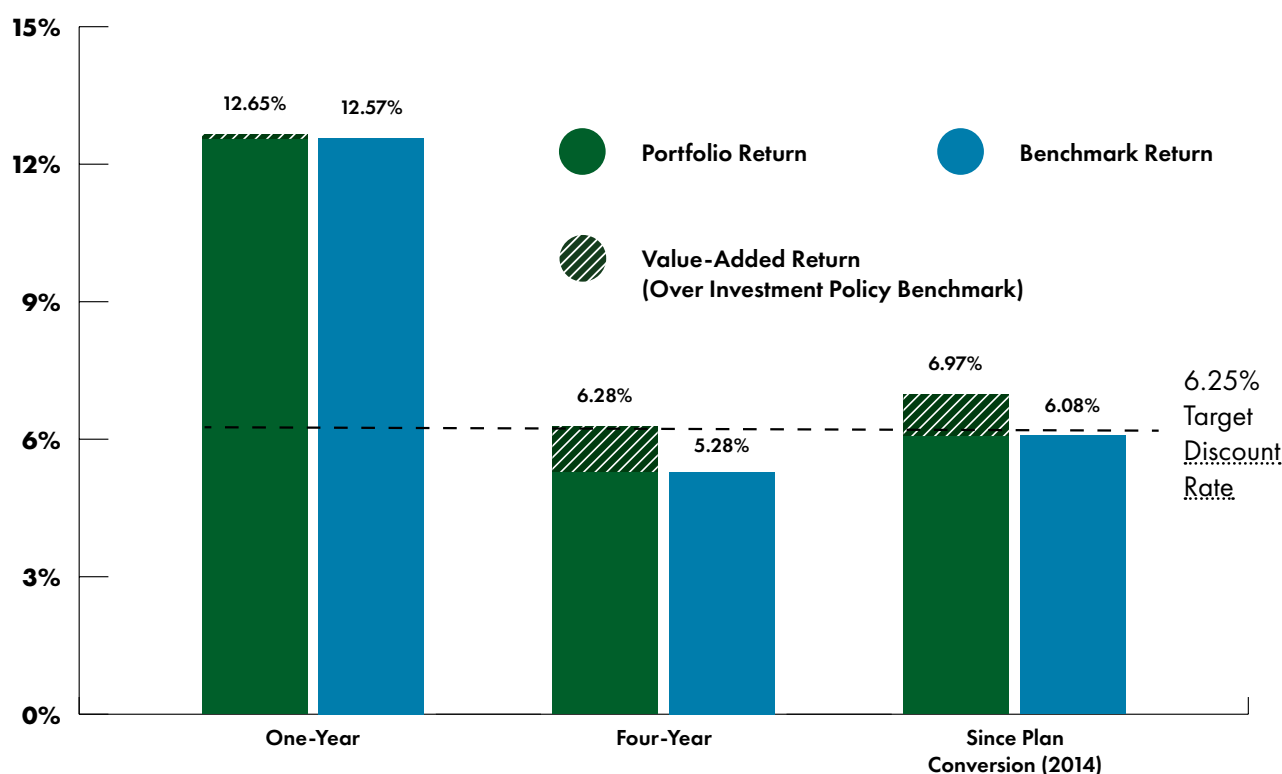
INVESTMENT ASSETS
**\$7.479
BILLION**

FOUR-YEAR GROSS
INVESTMENT RETURN
6.28%

Look for terms with a dotted underline in this Investment Report. You can find definitions of these terms and others relevant to the NBTPP 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 Plan's investments earned a record return of 12.65% for 2024. This is the highest return for a calendar year since the NBTPP was created on July 1, 2014. The investment portfolio also managed to keep pace with its benchmark despite the lower risk positioning of the portfolio and the difference in timing of the valuation of private equity investments and public equity investments.

Over the longer term, both the four-year annualized return of 6.28% and the annualized return since conversion of the NBTPP of 6.97% are in excess of the 6.25% target discount rate set by the independent actuary and continue to exceed the respective benchmark returns of 5.28% and 6.08%. This performance is particularly noteworthy since the Plan's assets continue to take on less investment risk than most other comparable Canadian pension plans. An independent survey of Canadian pension plans found that the NBTPP earned significantly more return compared to the median plan over the last four years after adjusting for the level of risk taken.

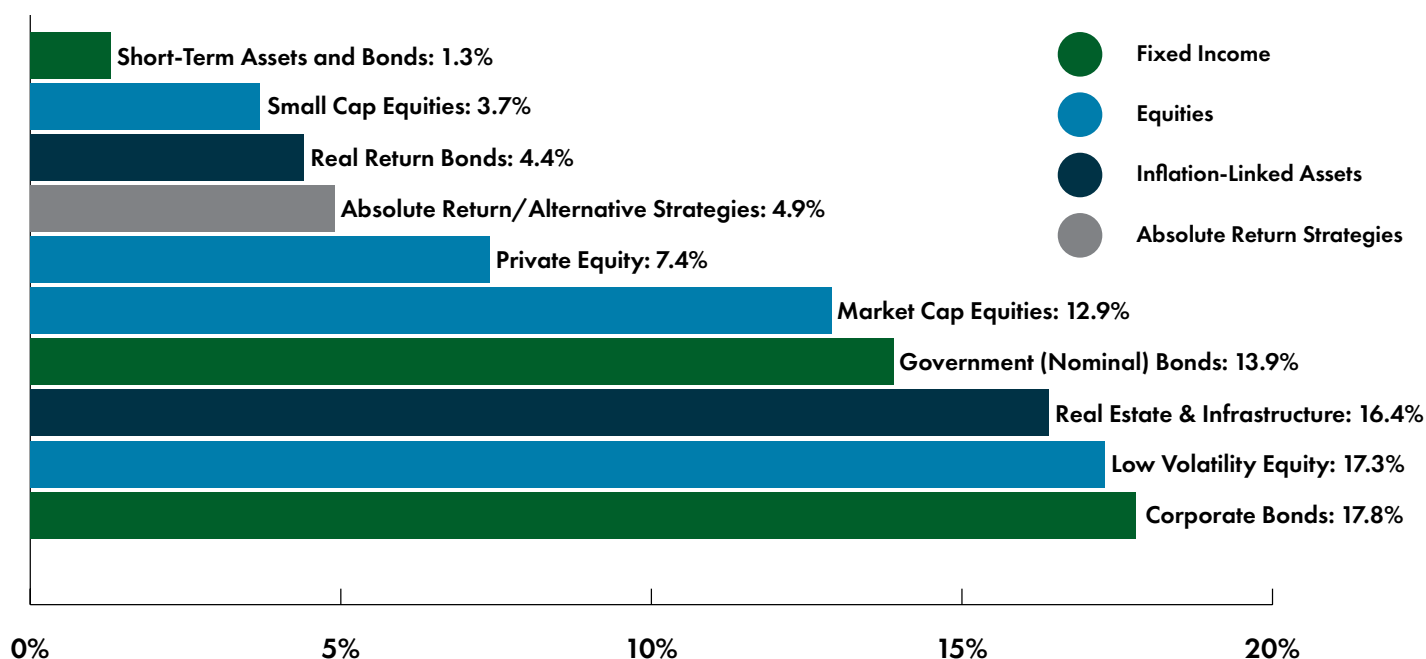
INVESTMENT REPORT (CONTINUED)

INVESTMENT ASSETS

The fair value of the NBTPP investment assets on December 31, 2024 was \$7.479 billion, an increase of \$690.1 million from the fair value on December 31, 2023.

ASSET MIX

The chart below outlines the portfolio asset mix on December 31, 2024 and highlights the diversification within the Plan's investment assets.



The NBTPP's Investment Policy is reviewed by the Board on an annual basis and the Plan's investments are currently being transitioned to a new asset mix. More information on the Board's policies can be found in the NBTPP [Statement of Investment Policies](#) available at nbtp.ca, under "About the NBTPP" then "Governing Documents."

MARKET SNAPSHOT

Overall, most diversified investors earned strongly positive returns over the past year, with those positioned in relatively higher risk investments performing best of all. However, the divergence in economic prospects between Canada and the U.S. has put increasing pressure on the Canadian dollar over the past year. The outcome of the U.S. election has also had 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 would 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 artificial intelligence (A.I.) stock outperformance, the general strength of the technology sector, significant geopolitical events 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. Although market volatility is inevitable, your Plan's diversified investment portfolio is crafted to withstand these fluctuations, ensuring the long-term security of member benefits.

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.

RESPONSIBLE INVESTMENT REPORT

We regularly hear from you, the members of the NBTPP, asking how the funds of the Plan are being invested. In particular, you want to know the environmental impacts of the Plan's investment portfolio.



We are happy to announce that the NBTPP's first Responsible Investment Report is now available at nbtp.ca/responsible!

The Board of Trustees is pleased to share the Plan's first Responsible Investment Report. This report accounts for how environmental, social, and governance (ESG) related issues are considered when making investment decisions for the NBTPP. The report also includes climate-related greenhouse gas emission disclosures for a majority of the Plan's investment portfolio.

Responsible investing is important to the NBTPP. A long-term investment approach integrated with responsible investing considerations is aligned with the goal of the Plan.

Moving forward, we will publish a Responsible Investment Report annually, allowing you to follow the progress on our responsible investment practices. We look forward to showing you the work we've done to ensure stable, sustainable, long-term investment returns are generated for your pension fund.

The NBTPP Portfolio finances 47.4 tonnes of CO₂ per million \$ invested.*

That equals (per million \$)



The annual energy use of

11.1 homes

Or



14.5 passenger vehicles

* This figure represents 78.4% of the assets of the NBTPP's total portfolio.

Source: Natural Resources Canada Greenhouse Gas Equivalencies Calculator

<https://oee.nrcan.gc.ca/corporate/statistics/neud/dpa/calculator/ghg-calculator.cfm>

THIS YEAR'S ANNUAL INFORMATION MEETING

LEARN ABOUT YOUR PLAN FROM THE PEOPLE WHO KNOW IT BEST!

WHEN?

October 8, 2025, 7:00 p.m. ADT

WHERE?

Online webcast (phone-in option also available)

WHO?

All members of the Plan, whether you are actively contributing, are a retiree, have deferred your pension, or are a surviving spouse.

WHY SHOULD YOU ATTEND?

Join the Board of Trustees and the Plan's key service providers to receive:

- Key updates and insights on the performance and management of the Plan.
- Important facts and information to help you better understand your pension benefits – whether you're contributing to the Plan or receiving a pension.
- Answers to your questions from the source. Engage in conversation with the Board and service providers, who will answer your questions live.

Sign up for reminders at nbttp.ca/2025aim.

An official invitation will follow as the meeting approaches.

Missed last year's meeting?
Scan the code below with your mobile device to watch a recording, or visit nbttp.ca/2024aim.



BOARD OF TRUSTEES

1. Larry Jamieson

Chair

Retired Teacher and retired Executive Director, New Brunswick Teachers' Association

2. Marcel Larocque

Vice-Chair | Governance Committee Member

Retired Teacher and retired Acting Executive Director, Association des enseignantes et des enseignants francophones du Nouveau-Brunswick

3. Robert Fitzpatrick

Trustee | Governance Committee Member

Retired Teacher and retired Executive Director, New Brunswick Teachers' Association

4. Jane Garbutt, ICD.D

Trustee

Senior Vice-President of Corporate Operations and Administration, Ocean Capital Investments Limited

5. Rémi Gauthier

Trustee | Audit Committee Member

Teacher and Director of Member services of the Association des enseignantes et des enseignants francophones du Nouveau-Brunswick

6. Leonard Lee-White, CFA

Trustee | Chair of the Governance Committee

Retired Assistant Deputy Minister, Department of Finance and Treasury Board, Province of New Brunswick

7. Jennifer Morrison, CPA, CA

Trustee | Chair of the Audit Committee

Treasurer, University of New Brunswick

8. Robert Penney, CPA, CA

Trustee | Audit Committee Member

Assistant Deputy Minister, Corporate Services, Department of Education and Early Childhood Development, Province of New Brunswick

9. Natalie Kenny, PPAC

Observer

Senior Pension Advisor, Department of Finance and Treasury Board, Province of New Brunswick

10. Michael Ketchum

Observer

Retired Teacher and retired from the New Brunswick Teachers' Association's Teacher Welfare Services

11. Kerry Leopkey

Observer

Licensed Teacher and Executive Director and Chief Spokesperson, New Brunswick Teachers' Federation

Find full biographies of your Trustees at nbttp.ca.

SURVIVOR PENSIONS

One of the benefits of the NBTPP is the survivor pension that's potentially available to spouses or other eligible dependents after the passing of a member. But we know that dealing with a pension plan can feel very intimidating, especially during a stressful time. Did you know that our pension administrator, Vestcor, has a team that specializes in helping members' families or next of kin through the process?

The Estate Team at Vestcor will walk your family members or next of kin through the steps they need to take if there is a surviving spouse or other eligible dependent entitled to a survivors' pension. They'll tell them what to expect and what paperwork to fill out.

The Estate Team can be reached by contacting Vestcor via email at info@vestcor.org, or by phone toll-free in Canada at 1 800 561 4012.



AMENDMENTS TO GOVERNING DOCUMENTS

The New Brunswick *Pension Benefits Act* requires that Plan members be provided with an update on any Plan amendments. As such, the Board of Trustees would like to inform you of the following amendment which was filed with the Superintendent of Pensions:

- The Plan Text was amended to reflect the Indexing Adjustment Benefit of 3.11% effective January 1, 2025. The amendment was filed with the Superintendent of Pensions on January 23, 2025.

The governing documents of the NBTPP are available at nbtp.ca, and include:

- The Funding Policy: the tool used by the Board of Trustees to manage the inherent risks of the Plan. It is a document that provides guidance and rules regarding decisions that must, or may, as applicable, be made by the Board of Trustees around funding levels, contributions, and benefits. The Funding Policy is accessible at nbtp.ca/fp. A quick summary of some of the main provisions of the Funding Policy of the NBTPP is available at nbtp.ca/sfp.

PREFER TO GET THIS NEWSLETTER IN PAPER FORMAT?

Contact us at info@nbtp.ca or by calling 1 800 561 4012.

