

**Board of Governors  
PENSION & BENEFITS COMMITTEE  
Friday 18 October 2019  
9:30 a.m. to 12:00 noon  
NH 3318**

<b>OPEN SESSION</b>		<b>ACTION</b>
9:30	1. Approval of the 20 September 2019 Minutes (Open Session)* and Business Arising	Decision
	2. Execution Against the Work Plan* [Grivicic]	Information
	3. Update on Government Pension Plan Initiatives [Shapira]	Information
9:35	4. Update on Becoming a Signatory to the UN Principles for Responsible Investment* [Huber/Hadley]	Information
9:45	5. Investment Fund Performance Reports from Aon – Q2 2019* [Huber]	Information
9:55	6. Draft Presentation for Pension Information Sessions [Shapira/Byron]	Discussion and Feedback
	7. Update re: Holistic Benefits Working Group	Information
	8. Other Business	
	a. Update re: Pension Investment Committee*	Information
<b>CONFIDENTIAL SESSION</b>		
	9. Approval of the 20 September 2019 Minutes (Confidential)+ and Business Arising	Decision
Next Meeting: Friday 15 November 2019, 9:30 a.m. – 12:00 noon in NH 3318		

\*attached  
\*\* to be distributed  
+ distributed separately

11 October 2019

Mike Grivicic  
Associate University Secretary

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**Please convey regrets to Melissa Holst at 519-888-4567 x36125 or [mjholst@uwaterloo.ca](mailto:mjholst@uwaterloo.ca)**

Future Agenda Items

- a. Pension Contribution for Members of LTD
- b. Level of LTD coverage vs. practical requirements
- c. Discussion of \$3,400 cap appropriateness, and potential RPP/PPP combination

**University of Waterloo**  
**Board of Governors**  
**PENSION & BENEFITS COMMITTEE**  
**Minutes of the 20 September 2019 Meeting**  
**[in agenda order]**

**Present:** Peter Barr (chair), Terrence Birmingham, Ted Bleaney, Mike Grivicic (secretary), Michael Herz, Dennis Huber, Ranjini Jha, David Kibble, Jim Rush, David Saunders, Mary Thompson, Marilyn Thompson, Ken Vetzal

**Absent:** Kathy Bardswick\*, Michael Steinmann  
\*regrets

**Consultant:** Allan Shapira

**Resources:** Sarah Hadley, Lee Hornberger

**Organization of Meeting:** Peter Barr took the chair and Mike Grivicic acted as secretary. The secretary advised that a quorum was present.

**1. APPROVAL OF THE 14 JUNE 2019 MINUTES (OPEN SESSION) AND BUSINESS ARISING**

A motion was heard to approve the minutes. Mary Thompson and Huber. Carried. There was no business arising.

**2. EXECUTION AGAINST THE WORK PLAN**

This item was received for information.

**3. UPDATE ON GOVERNMENT PENSION PLAN INITIATIVES**

Shapira noted the new University Pension Plan (UPP) is forming their board and advertising for board chair; he also indicated that Aon has provided feedback on the “double dipping” provisions proposed by the province, highlighting potential complications that might arise from the mandatory start date at age 71. Members observed that the province’s proposal would specifically disadvantage those at Ontario universities, as qualified retired persons from outside Ontario could accept jobs disallowed to retirees from within the Ontario system.

**4. RECOMMENDATION RE: DEPLOYMENT OF CASH IN REGISTERED PENSION PLAN**

The secretary observed that the document title should indicate the report is directed to this committee, and a minor correction will be made following the meeting. Huber provided a short overview: plan investments are currently underweight Canadian equities vs. the SIPP benchmark portfolio; this recommendation comes from the Finance & Investment Committee; currently-approved Canadian equity managers. Members discussed: the timing of this recommendation aligns with the previously-expressed preference for in-person discussions where feasible; could embark on a process to approve passive instrument for investment; the Pension Investment Committee is expected to be populated and active in the near term. A motion was heard to approve the recommendation as presented. Kibble and Bleaney. Carried.

**5. PENSION PLAN AMENDMENT NO. 5**

Shapira described the amendment as technical in nature and arising from the previous year’s filing. A motion was heard to recommend the amendment to the Board of Governors for approval. Huber and Kibble. Carried.

**6. PENSION RISK MANAGEMENT DASHBOARD AS OF 30 JUNE 2019**

Shapira spoke to the material included with the agenda: funded ratio is 97.5% on a going concern basis; risk-free benchmarking shows that \$970 million of the plan’s funding is to be generated from risk assets; ongoing concern at persistently low nominal interest rates. Members discussed the emergence of negative interest rates for some European government bonds, and how the plan’s assets might be adjusted should this become more prevalent in the wider market.

**7. CONTINUATION OF DISCUSSION – REPORT FROM THE WORKING GROUP ON PENSION FUNDING/DESIGN**

Members continued the discussion from the previous meeting: in reaching out informally to employee constituency groups, there appears to be no groundswell of opposition to the changes under consideration; some concern at

prospect of increases to pension contributions in light of potential capping of wage increases by the province, and this is somewhat mitigated by the phase-in period that is recommended; overview of how previous similar campus consultations were carried out in 2012; open public meetings would be desirable, along with potentially also running focus groups in parallel; question of whether to include discussions of payroll plan caps in all consultations, or to provide specific sessions for those impacted; likely to also have questions with regard to the joint UPP at these consultations; messaging should accentuate that changes do not reduce the university's contribution, and that the increased funds from employees go directly to promoting the ongoing health of the plan; target recommendation to February 2020 Board meeting, with potential implementation for 1 May 2020 if approved. The secretary will forward the 2012 consultation material to Aon to assist in formulating material relevant for this process. The consultant will provide a draft presentation to the committee at the October meeting.

**8. UPDATE RE: HOLISTIC BENEFITS WORKING GROUP**

Hornberger provided a short history of the group's activity for the benefit of new members. Currently the working group is preparing to issue a survey to campus employees and also retirees, which will be available both electronically and in paper form for those without electronic access.

**9. OTHER BUSINESS**

**a. Delisting of OHIP out-of-country coverage effective January 1, 2020.** Hornberger noted that as of 1 January 2020 Ontario residents will no longer be eligible for up to \$400 per day of out-of-country hospital care. This is expected to add about \$20,000 to the university's expenses once it comes into effect. Communications to inform the community will be developed in the near term.

With no further business in open session, the committee proceeded into confidential session.

**NEXT MEETING**

The next meeting is scheduled for Friday 18 October 2019 from 9:30 a.m. – 12:00 noon in NH 3318.

10 October 2019

Mike Grivicic  
Associate University Secretary

## Execution against Work Plan

### Pension & Benefits Committee, Board of Governors, University of Waterloo

The below represents the annual responsibilities of the P&B Committee and has been prepared as an aid to planning only. The committee's activities are much broader, however, and include: legislative changes, plan changes and improvements; selection of managers and service providers; and requests from the UW community regarding pension and benefits plans.

Task	Frequency (Target month)	19 Oct 2018	9 Nov 2018	14 Dec 2018	18 Jan 2019	22 Feb 2019	8 Mar 2019	16 May 2019	14 June 2019	20 Sept 2019	18 Oct 2019
Approval of Actuarial Valuation Assumptions	Annual (Jan)				✓						
Investment Status of PPP	Annual (Jan)				✓						
Cost-of-living Increase for Pensioners	Annual (Feb)					✓					
Pensions for Deferred Members	Annual (Feb)					✓					
Salaries for Pension Purposes for Individuals on Long-term Disability	Annual (Feb)					✓					
Actuarial Valuations (RPP and PPP), with posting to website once approved	Annual (Mar)						✓				
Review of Contribution and Protocol Caps (RPP and PPP)	Annual (Mar)						✓				
Benefits Plan Premium Renewals	Annual (Mar)						✓				
Indexing of Long-term Disability Plan Benefits and Maxima	Annual (Mar)						✓				
Annual Committee Self-Assessment	Annual (Mar)						✓				
Budget Overview	Annual (May)							✓			
Previous Years' Fees and Expenses	Annual (May)							✓			
Annual Audit of the Pension Plan Fund Financial Statements	Annual (May)							✓			

D = deferred

Task	Frequency	19 Oct 2018	9 Nov 2018	14 Dec 2018	18 Jan 2019	22 Feb 2019	8 Mar 2019	16 May 2019	14 June 2019	20 Sept 2019	18 Oct 2019
Benefits Utilization Report	Annual (June)								✓		
Annual review re: benefits added/removed from insured plans in the market	Annual (June)								✓		
Indexing of Plan Maxima – Health, Dental, Retiree Life Insurance	Annual (Nov)		✓								
Employee and Family Assistance Program – report on utilization	Annual (Nov)		✓								
Cost-of-living adjustment to payroll pension plan limit	Annual (Dec)			✓							
Total Fund Overview	Quarterly			✓		✓		✓			✓
Investment Manager Review	Semi-annually										
Approval of the Statement of Investment Policies and Procedures (SIPP)	Annual	✓									
Annual Report to the Community	Annual				✓	✓					
Actuarial Filing  Minimum every three years - most recent filings in 2017 and 2018											

## **Report to the Finance & Investment Committee and the Pension & Benefits Committee Update on Becoming a Signatory to the UN Principles for Responsible Investment (UNPRI)**

September 26, 2019

### Executive Summary:

The University plans to become a UNPRI signatory in the first calendar quarter of 2020 for both the University and the Pension funds.

Management will provide an annual report on the University's work on Responsible Investment to relevant Board Committees. In addition, a formal review of the University's continuing status as a UNPRI signatory will be conducted every three years.

### Background:

At its June 2018 meeting, the Board endorsed the recommendations of the Responsible Investment Working Group. These recommendations included that staff develop a plan for the University to become a signatory in good standing to the UNPRI.

### About UNPRI:

Responsible Investment is an approach to managing assets that encourages investors to include ESG factors in their decisions about what to invest in and the role they play as owners and creditors. The UNPRI is a leading proponent of Responsible Investment. The UNPRI organization works to understand the investment implications of ESG factors and to support its signatories in incorporating these factors into their investment and ownership decisions.

The six principles included in the UNPRI are:

- We will incorporate ESG issues into investment analysis and decision-making processes.
- We will be active owners and incorporate ESG issues into our ownership policies and practices.
- We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- We will promote acceptance and implementation of the Principles within the investment industry.
- We will work together to enhance our effectiveness in implementing the Principles.
- We will each report on our activities and progress towards implementing the Principles.

UNPRI signatories submit a comprehensive annual report by March 31 each year to the UNPRI organization in line with the UNPRI reporting framework. This reporting includes information on the reporting entity's investments and on its Responsible Investment activities and actions. After assessing the annual report, UN PRI publishes a public transparency report on its website for each UNPRI signatory.

### Action Plan:

During the course of the University's analysis and development of an action plan, feedback was collected from a stakeholder group including representation from the Board, the Responsible Investment Working Group and University administration.

The UNPRI reporting framework currently includes 12 modules and over 650 questions. The UNPRI and its reporting framework are expected to evolve over time. Based on the investment assets that the University and the Pension currently hold, each fund will have between 200 – 300 questions to report on. Based on a UNPRI signing in early 2020, the University's and the Pension's first UNPRI reports will be due by March 31, 2021 and will include reporting for fiscal year/calendar year 2020. A signatory's first UNPRI reports are voluntary. The University has reviewed the UNPRI, the UNPRI reporting framework and questions and collected feedback from several Canadian signatories to the UNPRI. The University has determined that we will be in a position to submit complete and detailed UNPRI reports for this voluntary reporting period.

The University will be among a leading group in Canada in committing to UNPRI. There are currently 45 Canadian asset owners who have signed the UNPRI. These Canadian signatories include several universities; some of these universities have signed with respect to one of the university's investment mandates (i.e. the endowment). University of Waterloo, consistent with the Board approved recommendations of the Responsible Investment Working Group, will commit to the UN PRI with respect to all of its investment activities.

The University has determined initial actions in the areas of each governance, operational processes and reporting to continue with its Responsible Investment journey.

#### Governance actions include:

- Reviewing and documenting the reasoning for the asset mix decisions for each investment mandate
- Establishing policies for evaluating the Responsible Investment practices of investment managers
- Refining responsibilities for managing Responsible Investment (committee versus staff)
- Monitoring and updating, when applicable, Responsible Investment policies and SIPPs/investment guidelines for investment mandates
- Integrating Responsible Investment work with other governance topics and discussions (i.e. endowment asset allocation study, philosophical discussions on passive versus active investment management, etc.)

#### Operational actions include:

- Ongoing dialogue with investment managers on Responsible Investment topics
- Developing and implementing tools for evaluating Responsible Investment in investment manager selection and evaluation
- Reviewing PRI reporting framework updates, coordinating Responsible Investment activities and reporting across University investment mandates, developing and implementing reporting on Responsible Investment activity

- Seeking continuous improvement and ensuring substantive Responsible Investment activities in operational investment processes
- Utilizing UNPRI resources, annual UNPRI assessment report and other resources to build and share knowledge on Responsible Investment and to use it in continuous improvement activities
- Determining and implementing the needed resources to support these ongoing activities

The University estimates committing 1,000 hours of professional staff time each year to net new operational activities in support of Responsible Investment and its UNPRI reporting. In addition, the annual membership in UNPRI is estimated to initially cost approximately \$8K per year for the two funds (the University and the Pension, with increases annually and as investment values increase).

Dennis Huber  
Sarah Hadley





*University of Waterloo Pension Plan | Quarterly Period Ending 30 June 2019*

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## Detailed Investment Review

*Visit the Aon Retirement and Investment Blog (<http://retirementandinvestmentblog.aon.com>); sharing our best thinking.*



# Executive Summary



## Performance Summary

As of 30 June 2019

	Allocation		Performance (%)						
	Market Value (\$000)	%	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
<b>Total Fund</b>	<b>1,845,502</b>	<b>100.0</b>	<b>1.15</b>	<b>6.58</b>	<b>6.27</b>	<b>7.50</b>	<b>6.61</b>	<b>7.43</b>	<b>8.16</b>
CPI+3.6%			1.56	5.69	5.92	5.49	5.41	5.26	5.37
Value Added			-0.41	0.89	0.35	2.01	1.20	2.17	2.79
<b>Sionna</b>	<b>67,434</b>	<b>3.7</b>	<b>2.57 (50)</b>	<b>2.29 (57)</b>	<b>6.15 (56)</b>	<b>9.38 (17)</b>	<b>7.12 (33)</b>	<b>4.97 (54)</b>	<b>8.52 (65)</b>
S&P/TSX Composite			2.59 (50)	3.87 (43)	7.09 (36)	8.39 (46)	6.18 (59)	4.67 (61)	7.79 (80)
Value Added			-0.02	-1.58	-0.94	0.99	0.94	0.30	0.73
<b>Global Equities</b>	<b>460,390</b>	<b>24.9</b>	<b>0.13 (74)</b>	<b>7.86 (23)</b>	<b>10.71 (27)</b>	<b>14.34 (22)</b>	<b>10.42 (29)</b>	<b>12.14 (35)</b>	<b>12.29 (55)</b>
MSCI World Index (Net) (CAD)			1.78 (47)	5.74 (41)	9.08 (41)	11.92 (47)	9.21 (47)	11.08 (51)	12.04 (63)
Value Added			-1.65	2.12	1.63	2.42	1.21	1.06	0.25
<b>Oldfield</b>	<b>153,180</b>	<b>8.3</b>	<b>-2.50 (98)</b>	<b>-0.20 (83)</b>	<b>5.16 (80)</b>	<b>11.93 (47)</b>	<b>7.09 (79)</b>	<b>8.62 (83)</b>	<b>11.22 (77)</b>
MSCI World Index (Net) (CAD)			1.78 (47)	5.74 (41)	9.08 (41)	11.92 (47)	9.21 (47)	11.08 (51)	12.04 (63)
Value Added			-4.28	-5.94	-3.92	0.01	-2.12	-2.46	-0.82
<b>Walter Scott</b>	<b>306,985</b>	<b>16.6</b>	<b>1.67 (49)</b>	<b>12.80 (6)</b>	<b>15.07 (9)</b>	<b>15.41 (16)</b>	<b>13.33 (9)</b>	<b>14.76 (14)</b>	<b>13.50 (27)</b>
MSCI World Index (Net) (CAD)			1.78 (47)	5.74 (41)	9.08 (41)	11.92 (47)	9.21 (47)	11.08 (51)	12.04 (63)
Value Added			-0.11	7.06	5.99	3.49	4.12	3.68	1.46
<b>TD Emerald U.S. Pooled Fund*</b>	<b>145,920</b>	<b>7.9</b>	<b>2.02 (54)</b>	<b>9.66 (42)</b>	<b>12.68 (50)</b>	<b>14.36 (53)</b>	<b>12.78 (42)</b>	<b>-</b>	<b>-</b>
S&P 500			2.07 (53)	9.80 (41)	12.78 (50)	14.35 (53)	12.86 (40)	15.36 (47)	16.07 (51)
Value Added			-0.05	-0.14	-0.10	0.01	-0.08	-	-
<b>TD Emerald International Equity Index*</b>	<b>93,843</b>	<b>5.1</b>	<b>1.48 (41)</b>	<b>0.53 (38)</b>	<b>4.35 (47)</b>	<b>9.40 (51)</b>	<b>5.20 (60)</b>	<b>6.61 (69)</b>	<b>8.27 (82)</b>
MSCI EAFE (Net)			1.46 (41)	0.52 (38)	4.30 (48)	9.26 (52)	5.16 (60)	6.54 (71)	8.18 (85)
Value Added			0.02	0.01	0.05	0.14	0.04	0.07	0.09

Parentheses contain percentile rankings. (1st percentile is the best performing). All returns are reported gross of fees.

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. Prior to that, CPI+3.5% benchmark was implemented since 1 January 2017, CPI + 3.7% was implemented since 1 January 2016. CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. ^The Currency Overlay was discontinued on 20 November 2017.

## Performance Summary

As of 30 June 2019

	Allocation		Performance (%)								
	Market Value (\$000)	%	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years		
TDAM Universe Bond Index	337,152	18.3	2.49 (60)	7.29 (65)	3.95 (82)	2.58 (92)	3.22 (87)	3.82 (80)	4.45 (93)		
FTSE Canada Universe Bond			2.51 (58)	7.36 (54)	4.01 (75)	2.66 (85)	3.29 (87)	3.88 (67)	4.53 (91)		
Value Added			-0.02	-0.07	-0.06	-0.08	-0.07	-0.06	-0.08		
TDAM Active Short Term Corporate	339,711	18.4	1.38	4.93	2.80	2.36	2.30	-	-		
FTSE Canada Short Term Corporate Bond			1.36	4.90	2.83	2.38	2.28	2.57	3.47		
Value Added			0.02	0.03	-0.03	-0.02	0.02	-	-		
XRE ETF (Real Estate)	60,691	3.3	-1.73	13.39	12.62	8.46	9.44	7.96	-		
BIP.UN (Infrastructure)	94,627	5.1	1.79	17.63	8.10	18.44	16.88	19.26	-		
Operating Account	245,722	13.3									
Currency Overlay Effect (Historical)^											
Value Added			0.00	0.00	-0.14	-0.18	-0.28	-0.48	-0.11		

Parenteses contain percentile rankings. (1st percentile is the best performing). All returns are reported gross of fees.

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. Prior to that, CPI+3.5% benchmark was implemented since 1 January 2017, CPI + 3.7% was implemented since 1 January 2016. CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. ^The Currency Overlay was discontinued on 20 November 2017.

Executive Summary

Rolling Year Performance

As of 30 June 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total Fund</b>	<b>6.58</b>	<b>5.96</b>	<b>10.02</b>	<b>3.99</b>	<b>10.77</b>	<b>12.65</b>	<b>6.06</b>	<b>8.91</b>	<b>10.84</b>	<b>6.18</b>
CPI+3.6%	5.69	6.14	4.64	5.15	4.67	6.04	4.79	5.16	6.81	4.59
Value Added	0.89	-0.18	5.38	-1.16	6.10	6.61	1.27	3.75	4.03	1.59
<b>Canadian Equities</b>	<b>2.29 (57)</b>	<b>10.15 (51)</b>	<b>16.15 (9)</b>	<b>0.62 (60)</b>	<b>-3.21 (76)</b>	<b>26.36 (80)</b>	<b>11.89 (56)</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P/TSX Composite	3.87 (43)	10.41 (47)	11.05 (64)	-0.20 (63)	-1.16 (63)	28.66 (65)	7.90 (93)	-10.25 (64)	20.87 (55)	11.95 (55)
Value Added	-1.58	-0.26	5.10	0.82	-2.05	-2.30	3.99	-	-	-
<b>Sionna</b>	<b>2.29 (57)</b>	<b>10.15 (51)</b>	<b>16.15 (9)</b>	<b>0.62 (60)</b>	<b>-3.21 (76)</b>	<b>26.36 (80)</b>	<b>11.89 (56)</b>	<b>-6.17 (33)</b>	<b>17.95 (85)</b>	<b>13.55 (40)</b>
S&P/TSX Composite	3.87 (43)	10.41 (47)	11.05 (64)	-0.20 (63)	-1.16 (63)	28.66 (65)	7.90 (93)	-10.25 (64)	20.87 (55)	11.95 (55)
Value Added	-1.58	-0.26	5.10	0.82	-2.05	-2.30	3.99	4.08	-2.92	1.60
<b>Global Equities</b>	<b>7.86 (23)</b>	<b>13.63 (36)</b>	<b>21.97 (31)</b>	<b>-0.57 (55)</b>	<b>19.29 (55)</b>	<b>22.03 (79)</b>	<b>21.27 (70)</b>	<b>2.22 (38)</b>	<b>17.63 (68)</b>	<b>1.00 (74)</b>
MSCI World Index (Net) (CAD)	5.74 (41)	12.52 (47)	17.84 (62)	1.45 (40)	18.88 (59)	25.25 (53)	22.67 (57)	0.40 (52)	18.68 (57)	0.66 (78)
Value Added	2.12	1.11	4.13	-2.02	0.41	-3.22	-1.40	1.82	-1.05	0.34
<b>Oldfield</b>	<b>-0.20 (83)</b>	<b>10.79 (62)</b>	<b>26.81 (13)</b>	<b>-6.19 (88)</b>	<b>14.96 (80)</b>	<b>24.73 (57)</b>	<b>18.63 (85)</b>	<b>-1.56 (64)</b>	<b>24.21 (14)</b>	<b>5.88 (29)</b>
MSCI World Index (Net) (CAD)	5.74 (41)	12.52 (47)	17.84 (62)	1.45 (40)	18.88 (59)	25.25 (53)	22.67 (57)	0.40 (52)	18.68 (57)	0.66 (78)
Value Added	-5.94	-1.73	8.97	-7.64	-3.92	-0.52	-4.04	-1.96	5.53	5.22
<b>Walter Scott</b>	<b>12.80 (6)</b>	<b>17.39 (14)</b>	<b>16.08 (73)</b>	<b>7.32 (16)</b>	<b>20.67 (46)</b>	<b>20.12 (89)</b>	<b>20.67 (75)</b>	<b>6.36 (16)</b>	<b>14.25 (90)</b>	<b>1.19 (73)</b>
MSCI World Index (Net) (CAD)	5.74 (41)	12.52 (47)	17.84 (62)	1.45 (40)	18.88 (59)	25.25 (53)	22.67 (57)	0.40 (52)	18.68 (57)	0.66 (78)
Value Added	7.06	4.87	-1.76	5.87	1.79	-5.13	-2.00	5.96	-4.43	0.53
<b>TD Emerald U.S. Pooled Fund*</b>	<b>9.66 (42)</b>	<b>15.79 (52)</b>	<b>17.80 (62)</b>	<b>8.14 (18)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P 500	9.80 (41)	15.85 (52)	17.54 (65)	8.52 (16)	25.90 (57)	25.81 (64)	24.76 (53)	11.43 (26)	18.84 (60)	4.52 (53)
Value Added	-0.14	-0.06	0.26	-0.38	-	-	-	-	-	-
<b>TD Emerald International Equity Index*</b>	<b>0.53 (38)</b>	<b>8.32 (57)</b>	<b>20.25 (54)</b>	<b>-6.47 (62)</b>	<b>12.46 (75)</b>	<b>24.85 (58)</b>	<b>22.93 (54)</b>	<b>-8.81 (68)</b>	<b>18.48 (69)</b>	<b>-3.05 (80)</b>
MSCI EAFE (Net)	0.52 (38)	8.22 (58)	19.91 (57)	-6.26 (59)	12.25 (77)	24.77 (58)	22.72 (56)	-8.95 (69)	18.54 (68)	-3.25 (81)
Value Added	0.01	0.10	0.34	-0.21	0.21	0.08	0.21	0.14	-0.06	0.20

Parentheses contain percentile rankings. (1st percentile is the best performing). All returns are reported gross of fees.

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI + 3.6% benchmark has been implemented since 1 November 2018. CPI+3.5% benchmark has been implemented retrospectively since 1 January 2017. Prior to that, CPI+3.7% benchmark was implemented since 1 January 2016, CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. The Currency Overlay was discontinued on 20 November 2017.

## Executive Summary

### Rolling Year Performance

As of 30 June 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
TDAM Universe Bond Index	7.29 (65)	0.70 (85)	-0.10 (100)	5.16 (57)	6.27 (26)	5.18 (83)	-0.31 (95)	9.40 (44)	4.75 (84)	6.64 (98)
FTSE TMX Canada Bond Universe	7.36 (54)	0.76 (77)	0.02 (100)	5.22 (53)	6.25 (27)	5.34 (76)	-0.17 (90)	9.50 (36)	4.67 (88)	6.88 (91)
Value Added	-0.07	-0.06	-0.12	-0.06	0.02	-0.16	-0.14	-0.10	0.08	-0.24
TDAM Active Short Term Corporate	4.93	0.72	1.48	2.11	-	-	-	-	-	-
FTSE Canada Short Term Corporate Bond	4.90	0.80	1.49	1.98	3.71	4.04	2.69	4.36	4.13	6.71
Value Added	0.03	-0.08	-0.01	0.13	-	-	-	-	-	-
XRE ETF (Real Estate)	13.39	11.85	0.62	12.40	2.25	8.46	-	-	-	-
BIP.UN (Infrastructure)	17.63	-0.66	42.17	12.33	29.29	21.71	17.37	-	-	-

Parenteses contain percentile rankings. (1st percentile is the best performing). All returns are reported gross of fees.

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI + 3.6% benchmark has been implemented since 1 November 2018. CPI+3.5% benchmark has been implemented retrospectively since 1 January 2017. Prior to that, CPI+3.7% benchmark was implemented since 1 January 2016, CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. The Currency Overlay was discontinued on 20 November 2017.

Executive Summary

Performance Summary (Net of Fees)

As of 30 June 2019

	Performance (%)						
	1 Quarter	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
<b>Total Fund</b>	<b>1.10</b>	<b>6.29</b>	<b>5.97</b>	<b>7.19</b>	<b>6.31</b>	<b>7.13</b>	<b>7.87</b>
CPI+3.6%	1.56	5.69	5.92	5.49	5.41	5.26	5.37
Value Added	-0.46	0.60	0.05	1.70	0.90	1.87	2.50
<b>Sionna</b>	<b>2.48</b>	<b>1.91</b>	<b>5.76</b>	<b>8.99</b>	<b>6.73</b>	<b>4.59</b>	<b>8.08</b>
S&P/TSX Composite	2.59	3.87	7.09	8.39	6.18	4.67	7.79
Value Added	-0.11	-1.96	-1.33	0.60	0.55	-0.08	0.29
<b>Global Equities</b>	<b>-0.04</b>	<b>7.12</b>	<b>10.02</b>	<b>13.62</b>	<b>9.75</b>	<b>11.46</b>	<b>11.57</b>
MSCI World Index (Net) (CAD)	1.78	5.74	9.08	11.92	9.21	11.08	12.04
Value Added	-1.82	1.38	0.94	1.70	0.54	0.38	-0.47
<b>Oldfield</b>	<b>-2.69</b>	<b>-0.94</b>	<b>4.37</b>	<b>11.10</b>	<b>6.33</b>	<b>7.84</b>	<b>10.41</b>
MSCI World Index (Net) (CAD)	1.78	5.74	9.08	11.92	9.21	11.08	12.04
Value Added	-4.47	-6.68	-4.71	-0.82	-2.88	-3.24	-1.63
<b>Walter Scott</b>	<b>1.50</b>	<b>12.06</b>	<b>14.30</b>	<b>14.62</b>	<b>12.54</b>	<b>13.95</b>	<b>12.67</b>
MSCI World Index (Net) (CAD)	1.78	5.74	9.08	11.92	9.21	11.08	12.04
Value Added	-0.28	6.32	5.22	2.70	3.33	2.87	0.63
<b>TD Emerald Pooled U.S. Fund*</b>	<b>2.01</b>	<b>9.63</b>	<b>12.65</b>	<b>14.33</b>	<b>12.74</b>	<b>-</b>	<b>-</b>
S&P 500	2.07	9.80	12.78	14.35	12.86	15.36	16.07
Value Added	-0.06	-0.17	-0.13	-0.02	-0.12	-	-
<b>TD Emerald International Equity Index*</b>	<b>1.48</b>	<b>0.51</b>	<b>4.32</b>	<b>9.37</b>	<b>5.17</b>	<b>6.58</b>	<b>8.24</b>
MSCI EAFE (Net)	1.46	0.52	4.30	9.26	5.16	6.54	8.18
Value Added	0.02	-0.01	0.02	0.11	0.01	0.04	0.06
<b>TDAM Universe Bond Index</b>	<b>2.47</b>	<b>7.27</b>	<b>3.89</b>	<b>2.53</b>	<b>3.17</b>	<b>3.78</b>	<b>4.41</b>
FTSE Canada Universe Bond	2.51	7.36	4.01	2.66	3.29	3.88	4.53
Value Added	-0.04	-0.09	-0.12	-0.13	-0.12	-0.10	-0.12
<b>TDAM Active Short Term Corporate</b>	<b>1.37</b>	<b>4.84</b>	<b>2.71</b>	<b>2.26</b>	<b>2.20</b>	<b>-</b>	<b>-</b>
FTSE Canada Short Term Corporate Bond	1.36	4.90	2.83	2.38	2.28	2.57	3.47
Value Added	0.01	-0.06	-0.12	-0.12	-0.08	-	-

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI+3.6 benchmark has been implemented since 1 November 2018. CPI+3.5% benchmark has been implemented retrospectively since 1 January 2017. Prior to that, CPI+3.7% benchmark was implemented since 1 January 2016, CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. The Currency Overlay was discontinued on 20 November 2017.

## Rolling Year Performance (Net of Fees)

As of 30 June 2019

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total Fund</b>	<b>6.29</b>	<b>5.65</b>	<b>9.68</b>	<b>3.72</b>	<b>10.48</b>	<b>12.34</b>	<b>5.76</b>	<b>8.65</b>	<b>10.58</b>	<b>5.92</b>
CPI+3.6%	5.69	6.14	4.64	5.15	4.67	6.04	4.79	5.16	6.81	4.59
Value Added	0.60	-0.49	5.04	-1.43	5.81	6.30	0.97	3.49	3.77	1.33
<b>Canadian Equities</b>	<b>2.01</b>	<b>9.76</b>	<b>15.73</b>	<b>0.24</b>	<b>-3.57</b>	<b>25.89</b>	<b>11.48</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P/TSX Composite	3.87	10.41	11.05	-0.20	-1.16	28.66	7.90	-10.25	20.87	11.95
Value Added	-1.86	-0.65	4.68	0.44	-2.41	-2.77	3.58	-	-	-
<b>Sionna</b>	<b>1.91</b>	<b>9.76</b>	<b>15.73</b>	<b>0.24</b>	<b>-3.57</b>	<b>25.89</b>	<b>11.48</b>	<b>-6.62</b>	<b>17.37</b>	<b>12.99</b>
S&P/TSX Composite	3.87	10.41	11.05	-0.20	-1.16	28.66	7.90	-10.25	20.87	11.95
Value Added	-1.96	-0.65	4.68	0.44	-2.41	-2.77	3.58	3.63	-3.50	1.04
<b>Global Equities</b>	<b>7.12</b>	<b>13.00</b>	<b>21.17</b>	<b>-1.09</b>	<b>18.57</b>	<b>21.21</b>	<b>20.46</b>	<b>1.52</b>	<b>16.84</b>	<b>0.32</b>
MSCI World Index (Net) (CAD)	5.74	12.52	17.84	1.45	18.88	25.25	22.67	0.40	18.68	0.66
Value Added	1.38	0.48	3.33	-2.54	-0.31	-4.04	-2.21	1.12	-1.84	-0.34
<b>Oldfield</b>	<b>-0.94</b>	<b>9.97</b>	<b>25.88</b>	<b>-6.77</b>	<b>14.11</b>	<b>23.82</b>	<b>17.75</b>	<b>-2.30</b>	<b>23.29</b>	<b>5.09</b>
MSCI World Index (Net) (CAD)	5.74	12.52	17.84	1.45	18.88	25.25	22.67	0.40	18.68	0.66
Value Added	-6.68	-2.55	8.04	-8.22	-4.77	-1.43	-4.92	-2.70	4.61	4.43
<b>Walter Scott</b>	<b>12.06</b>	<b>16.58</b>	<b>15.26</b>	<b>6.54</b>	<b>19.78</b>	<b>19.22</b>	<b>19.77</b>	<b>5.55</b>	<b>13.39</b>	<b>0.42</b>
MSCI World Index (Net) (CAD)	5.74	12.52	17.84	1.45	18.88	25.25	22.67	0.40	18.68	0.66
Value Added	6.32	4.06	-2.58	5.09	0.90	-6.03	-2.90	5.15	-5.29	-0.24
<b>TD Emerald Pooled U.S. Fund*</b>	<b>9.63</b>	<b>15.75</b>	<b>17.76</b>	<b>8.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
S&P 500	9.80	15.85	17.54	8.52	25.90	25.81	24.76	11.43	18.84	4.52
Value Added	-0.17	-0.10	0.22	-0.42	-	-	-	-	-	-
<b>TD Emerald International Equity Index*</b>	<b>0.51</b>	<b>8.28</b>	<b>20.21</b>	<b>-6.50</b>	<b>12.42</b>	<b>24.81</b>	<b>22.89</b>	<b>-8.84</b>	<b>18.44</b>	<b>-3.08</b>
MSCI EAFE (Net)	0.52	8.22	19.91	-6.26	12.25	24.77	22.72	-8.95	18.54	-3.25
Value Added	-0.01	0.06	0.30	-0.24	0.17	0.04	0.17	0.11	-0.10	0.17
<b>TDAM Universe Bond Index</b>	<b>7.27</b>	<b>0.62</b>	<b>-0.15</b>	<b>5.13</b>	<b>6.24</b>	<b>5.14</b>	<b>-0.35</b>	<b>9.37</b>	<b>4.71</b>	<b>6.61</b>
FTSE Canada Universe Bond Index - C\$	7.36	0.76	0.02	5.21	6.25	5.34	-0.17	9.50	4.67	6.88
Value Added	-0.09	-0.14	-0.17	-0.08	-0.01	-0.20	-0.18	-0.13	0.04	-0.27
<b>TDAM Active Short Term Corporate</b>	<b>4.84</b>	<b>0.62</b>	<b>1.38</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
FTSE Canada Short Term Corporate Bond	4.90	0.80	1.49	1.98	3.71	4.04	2.69	4.36	4.13	6.71
Value Added	-0.06	-0.18	-0.11	0.02	-	-	-	-	-	-

There was no exposure to Canadian Equities from January 2012 to April 2012. \*In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only. CPI+3.6% has been implemented retrospectively since 1 November 2018. CPI+3.5% benchmark has been implemented retrospectively since 1 January 2017. Prior to that, CPI+3.7% benchmark was implemented since 1 January 2016, CPI+3.75% benchmark was implemented since 1 January 2014 and CPI+3.85% prior to that. Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns. The global equities return prior to August 2018 includes Trilogy. The Currency Overlay was discontinued on 20 November 2017.



**To:** Pension & Benefits Committee  
**From:** Rebecca M. Wickens, Associate University Secretary  
**Date:** 18 October 2019  
**Subject:** Pension Investment Committee – Update

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This is an update on progress to date with respect to populating the Pension Investment Committee.

<b>Constituency</b>	<b>Voting /Non-voting</b>	<b>Status</b>
Board of Governors Members (3)	Voting	Potential candidates have been identified; once the skill-sets of other members are known, appropriate members will be approached keeping in mind the requirement re: balancing pension risk/investment expertise.
External Community Members (2)	Voting	Pool of candidates has been approved by Governance Committee and approaches are being made.
Employees/Retirees (4)	Voting (2), Non-voting (2)	Employee/retiree groups have been approached for names; one name received to date.
Administrative Resources (2)	Non-voting	Resources have been identified and have agreed to serve.

Depending on timing for responses, I expect to be able to schedule meetings for the beginning of next year.