

Board of Governors
PENSION & BENEFITS COMMITTEE
Friday 12 June 2020
9:30 a.m. to 12:00 noon

This meeting will be held via Microsoft Teams
Non-members may arrange to join the electronic meeting
by contacting Melissa Holst, mjholst@uwaterloo.ca

CONFIDENTIAL SESSION		ACTION
9:30	1. Recommendations from Finance & Investment Committee re: Registered Pension Plan (RPP) Investments+ [Guest: Sheryl Kennedy]	Decision
	2. Approval of the 15 May 2020 Minutes (Confidential)+ and Business Arising a. Recording of Videoconference Meetings	Decision
	3. Holistic Benefits Working Group – Progress Update and Options Under Consideration+ [Byron]	Information
OPEN SESSION		
10:00	4. Approval of the 15 May 2020 Minutes (Open Session)* and Business Arising a. Board Approval - Filing of Actuarial Valuation dated 1 January 2020	Decision Information
	5. Execution Against the Work Plan* [Grivicic]	Information
	6. Update on Government Pension Plan Initiatives [Shapira]	Information
10:10	7. Amendment to Article 12 of Registered Pension Plan, “Transfer of Monies To and From Pension Fund” with covering note [Shapira, Byron]	Recommendation to BOG
10:25	8. Benefits Utilization Report [Hornberger]	Information
	9. Healthcare Benefit Provisions - Canada Life’s Standard versus University of Waterloo* [Hornberger]	Information
10:45	10. Investment Fund Performance Reports from Aon – Q1 2020* [Huber]	Information
	11. Update re: Holistic Benefits Working Group [Byron]	Information
	12. Annual Review of Committee Terms of Reference – P&B and PIC* [Grivicic]	Information
	13. Other Business	
Next Meeting: Friday 18 September 2020, 9:30 a.m. – 12:00 noon		

*attached
** to be distributed
+ distributed separately

8 June 2020
revised 9 June 2020

Mike Grivicic
Associate University Secretary

Please convey regrets to Melissa Holst at 519-888-4567 x36125 or mjholst@uwaterloo.ca

Future Agenda Items

- a. Pension Contribution for Members of LTD
- b. Level of LTD coverage vs. practical requirements

University of Waterloo
Board of Governors
PENSION & BENEFITS COMMITTEE
Minutes of the 15 May 2020 Meeting
[in agenda order]

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

Consultant: Linda Byron, Allan Shapira

Guests: Landon Brett (4), Blaine Hertzberger (4), Tyler Wendland

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. The meeting was held via videoconference.

1. APPROVAL OF THE 20 MARCH 2020 MINUTES (OPEN SESSION) AND BUSINESS ARISING

A motion was heard to approve the minutes as distributed. Jha and Marilyn Thompson. 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 observed that there is a desire from some private sector employers to seek pension funding relief, though there has not yet been any move from the province.

4. ANNUAL AUDIT OF THE PENSION PLAN FUND FINANCIAL STATEMENTS

Huber provided an overview of the process of preparation of statements and audit by EY, observing that the content of the notes are highly prescribed, and are prepared to meet FISRA requirements. Hertzberger indicated that the audit approach was consistent with the previous year, the financial statements report on pension assets, the pension plan is cashflow positive, an unqualified opinion is provided on the statements, and that no evidence of fraud or illegal acts arose in the course of the audit. A motion was heard to accept the financial statements as presented. Birmingham and Kibble. Carried.

5. PREVIOUS YEARS' FEES AND EXPENSES

Hadley provided an overview, and the item was received for information.

6. DRAFT ACTUARIAL VALUATION AS AT 1 JANUARY 2020

Byron spoke to the draft filing: results of valuation calculations on a going concern, solvency, and wind-up basis; change to PfAD from previous valuation; it would be pragmatic to file this valuation with the regulator at this time and with the current market conditions. A motion was heard to recommend that the Board of Governors approve the filing of the actuarial valuation report as at 1 January 2020 with the Financial Services Regulatory Authority of Ontario (FSRA) and the Canada Revenue Agency (CRA). Jha and Bleaney. Carried.

7. QUARTERLY RISK MANAGEMENT DASHBOARD – Q1 2020

Byron provided the update, noting the current going concern deficit, changes to interest rates and the impact on the discount rate, and that the plan would have to file with the regulator to approve reinstatement of the transfer of commuted value under certain conditions. A member noted that certain bonds among the pension plans fixed income assets moved to below investment grade, though upon further review exposure to Ford credit comes with a split grade with some ratings agencies having within investment grade and other below.

8. UPDATE RE: HOLISTIC BENEFITS WORKING GROUP

A presentation is being drafted on options under consideration by the group, and this is being done in parallel with examination of policy and legal requirements to ensure any recommended changes are on-side. It is anticipated that a summary will be brought to the next meeting.

9. BOARD-APPROVED 2019-20 PROVISIONAL OPERATING BUDGET OVERVIEW

Rush provided an overview, noting the provisional nature of the approved budget and the considerable uncertainty that exists around enrollment assumptions due to COVID. Special payments on the plan's deficit will continue, and a 15% budget holdback has been put into place and may be adjusted in year as conditions allow.

10. OTHER BUSINESS

The chair noted that the first meeting of the Pension Investment Committee will take place in June, and Huber observed that the Finance & Investment Committee has been examining potential actions to recommend for the plan's investments.

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

NEXT MEETING

The next meeting is scheduled for Friday 12 June 2020, 9:30 a.m. – 12:00 noon.

8 June 2020

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)	14 June 2019	20 Sept 2019	18 Oct 2019	15 Nov 2019	13 Dec 2019	17 Jan 2020	21 Feb 2020	20 Mar 2020	15 May 2020	12 June 2020
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	14 June 2019	20 Sept 2019	18 Oct 2019	15 Nov 2019	13 Dec 2019	17 Jan 2020	21 Feb 2020	20 Mar 2020	15 May 2020	12 June 2020
Benefits Utilization Report	Annual (June)	✓									✓
Annual review re: benefits added/removed from insured plans in the market	Annual (June)	✓									✓
Review of Committee Terms of Reference	Annual (June)										✓
Indexing of Plan Maxima – Health, Dental, Retiree Life Insurance	Annual (Nov)				✓						
Employee and Family Assistance Program – report on utilization	Annual (Nov)				✓						
Maximum pension limits and caps adjustments, based on average industrial wage increase (AIW)	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: 2017, 2018, 2020											

Registered Pension Plan
Amendment to Article 12, “Transfer of Monies To and From Pension Fund”
5 June 2020

Background:

At its 21 February 2020 meeting, the P&B approved a motion to reaffirm the existing practices pertaining to transfer-in provisions and requested Aon to prepare clarifying language to Article 12. Clarifying language was prepared for the subsequent meeting on 20 March 2020, however due to time limitations and in light of constraints arising from the emerging COVID pandemic, this item was deferred to a future meeting of the committee.

Aon is bringing forward recommended revisions to Article 12, with three specific wording changes:

1. "employee" has been changed to "member" to ensure that only individuals who have joined the UW Plan can transfer credited service; this will avoid individuals from transferring funds into the Plan when they are not members of the plan (for example, when an individual younger than 35 years of age transfers funds but has not yet joined the Plan)
2. The word "active" has been inserted before "member" in the first sentence to clarify that the individual must have been actively participating in the previous plan just prior to the proposed transfer into the UW Plan (for example, the individual cannot transfer funds arising from an employer, 2 or more employers ago)
3. The word "Canadian" was inserted before the registered pension plan to clarify that only transfers from Canadian domiciled plans are permitted by regulation

While pension legislation may be more permissive, the revised wording provided here is consistent with the intent of the plan and existing UW practices, as well as with the practices of other university defined benefits plans.

UNIVERSITY OF WATERLOO PENSION PLAN SUGGESTED WORDING CHANGE TO ARTICLE 12 – TRANSFERS OF MONIES TO AND FROM PENSION FUND

The Article 12 wording is shown below with the suggested changes shown in bold/strikeout:

12.01 Transfers To Pension Fund

A **Member Employee** who was an **active member** participant in a **Canadian** registered pension plan of a previous employer within six (6) months prior to the **Member Employee** entering the service of the University, may transfer to the Pension Fund monies payable from such registered pension plan provided the following conditions are met:

- (a) the Pension Committee consents to the transfer;
- (b) the **Member Employee** submits an application for such transfer to the Pension Committee within the later of:
 - (i) six (6) months of entering the service of the University; and
 - (ii) six (6) months of being first permitted to transfer the monies pursuant to the terms of the previous employer's registered pension plan and any applicable legislation;
- (c) the **Member Employee** has provided:
 - (i) certification from the previous employer that after the transfer to the Pension Fund, no benefits will remain payable to the **Member Employee** from the previous employer's registered pension plan; and
 - (ii) a summary from the previous employer of the **Member's Employee's** pensionable service and pension adjustment history under that employer's registered pension plan;
- (d) if, in the six (6) months prior to entering the service of the University, the **Member Employee** was a participant in more than one **Canadian** registered pension plan, the **Member Employee** may only apply to transfer to the Pension Fund monies payable from the **Canadian** registered pension plan in which the **Member Employee** most recently participated prior to entering the service of the University; and
- (e) the transfer is not from an Affiliated Organization as such a transfer must be made pursuant to Sections 20.03 and 20.04 of the Plan.

12.02 Credited Past Service and Calculation of Pension Benefits

As a result of the transfer to the Plan under Section 12.01 and subject to the certification of any past service pension adjustment (as defined under the Income Tax Act), the Member shall be granted the amount of Credited Service which can be purchased by the transferred amount, based on the recommendation of the Actuary, calculated using the financial and demographic assumptions used for the purpose of performing the last actuarial valuation of the Plan, using the service history of the Member with the previous employer, using Earnings of the Member, and using the assumption that the maximum pension described in paragraph 6.07(a)(i) will be indexed to increases in the Average Industrial Wage to the Member's Normal Retirement Date, as permitted by the Income Tax Act. For purposes of this Section 12.02, and Section 12.04, if applicable, such Credited Service shall be classified as Credited Past Service.

Notwithstanding any other provisions of the Plan:

- a) Credited Past Service under the Plan shall not be granted in excess of the pensionable service granted to the Member under the registered pension plan of the previous employer; and

- b) Upon the Member's subsequent Retirement, termination of employment or death, the Member shall be entitled to receive a benefit equal to:
 - i) the benefit payable in accordance with Articles 6, 10, or 11, as applicable, for Credited Service to the date the termination of the Member's employment, exclusive of the Member's Credited Past Service granted under this Section 12.02, and under Section 12.04, if any; plus
 - ii) the benefit payable under Articles 6, 10, 11, as applicable, for the Member's Credited Past Service granted under this Section 12.02, and Section 12.04, if any.

In no event shall the commuted value of the benefit with respect to the Credited Past Service be less than the amount transferred into the Plan pursuant to Section 12.01, plus the amount contributed to the Plan pursuant to Section 12.04 if any, credited each Plan Year with interest calculated at a rate equal to the rate of return as can reasonably be attributable to the Pension Fund, excluding the portion of the Pension Fund invested in real return bonds, net of expenses.

The benefit payable to a Member under this Section 12.02(b) shall be payable in the form and manner provided under Articles 6, 10 or 11, as applicable, except as provided in Section 12.03.

Any monies transferred pursuant to Section 12.01 and any contributions made by a Member pursuant to Section 12.04, and any Credited Past Service granted in respect thereof, shall be excluded in determining the Member's Excess Contributions for purposes of Section 6.06 and Section 11.05.

Benefits Utilization Report

An annual update to the Pension & Benefits Committee

June 12, 2020



Content

- **Overview**
 - External arrangements
 - Cost Summary
 - Participation Levels
- **Life Insurance**
- **Long Term Disability**
- **Healthcare Benefits**

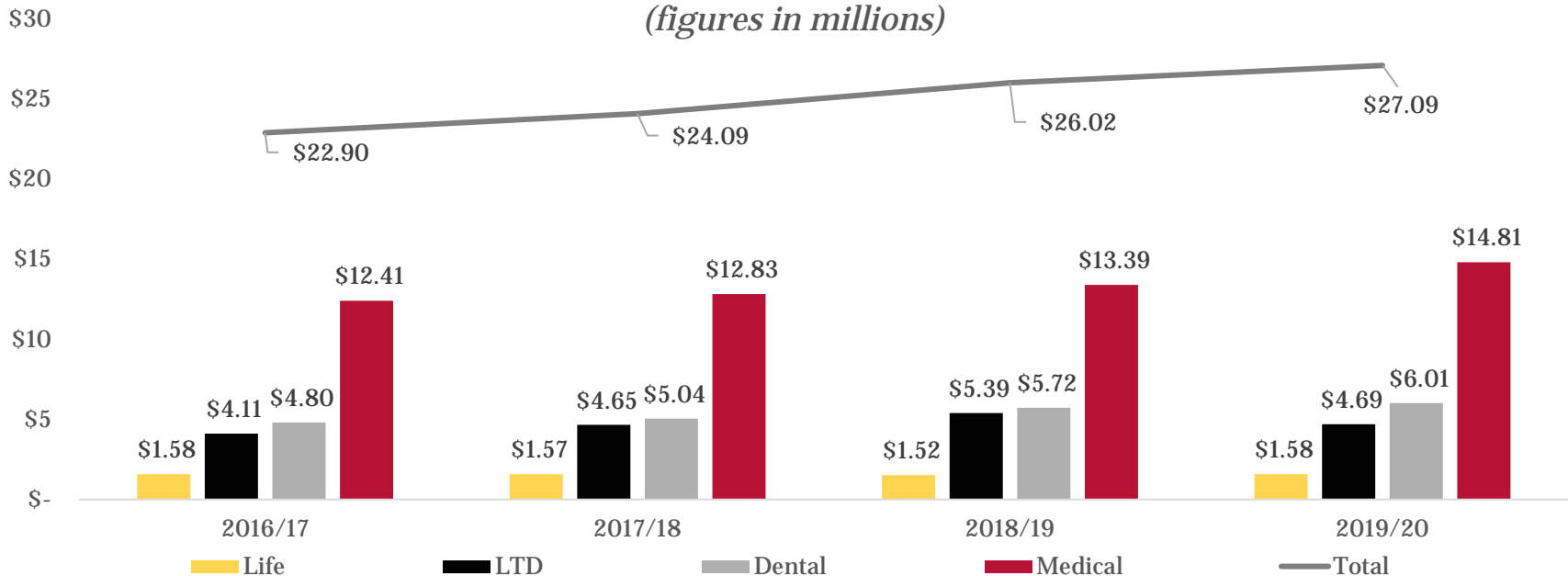
External Arrangements

Benefit	Vendor	Underwriting Arrangement
Life Insurance	Sun Life Financial	Experience-rated, Retention
Long Term Disability (LTD)	Canada Life <i>(formerly Great-West Life)</i>	Experience-rated, Non-refund
Healthcare Benefits (medical and dental)	Canada Life <i>(formerly Great-West Life)</i>	Administrative Services Only (ASO) with large claims pooling (\$50,000 per individual per year)

Cost Summary

The cost of the program was \$27.09 million in the 2019/20 Fiscal Year which represents an increase of 4% over the 2018/19 Fiscal Year ...

Benefits Program - Cost Breakdown
(figures in millions)

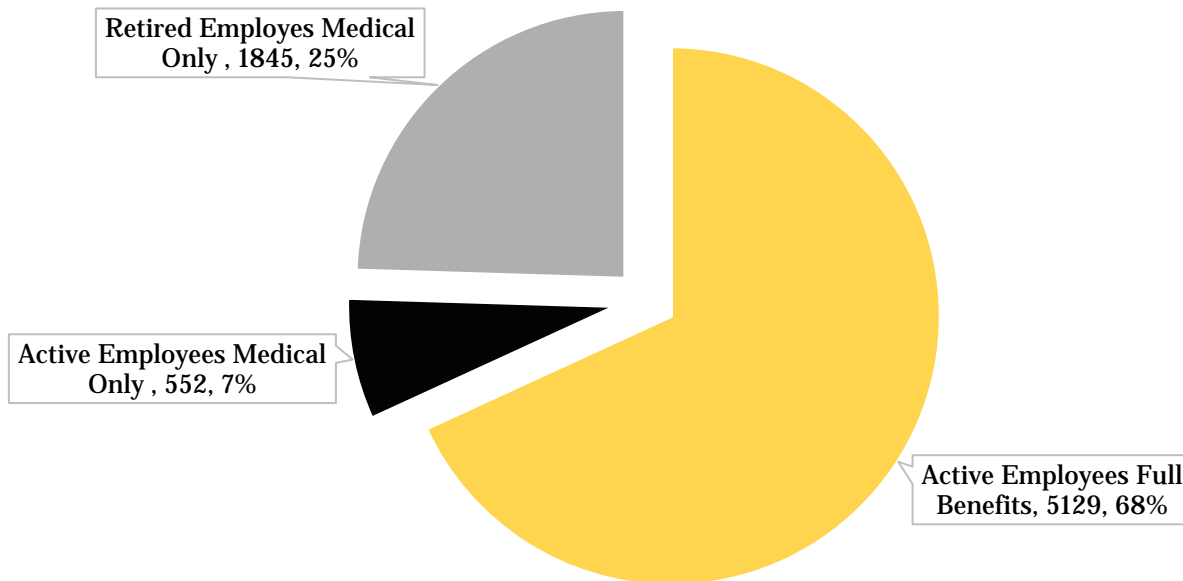


- For the 2019/20 fiscal year, 55% of the program's cost pertains to medical benefits, followed by dental at 22%, long term disability (LTD) at 17%, and life insurance at 6%

Participation – Overall

Of the 7,526 active and retired employees participating in the benefits provided by Canada Life, 32% have access to the medical benefit only ...

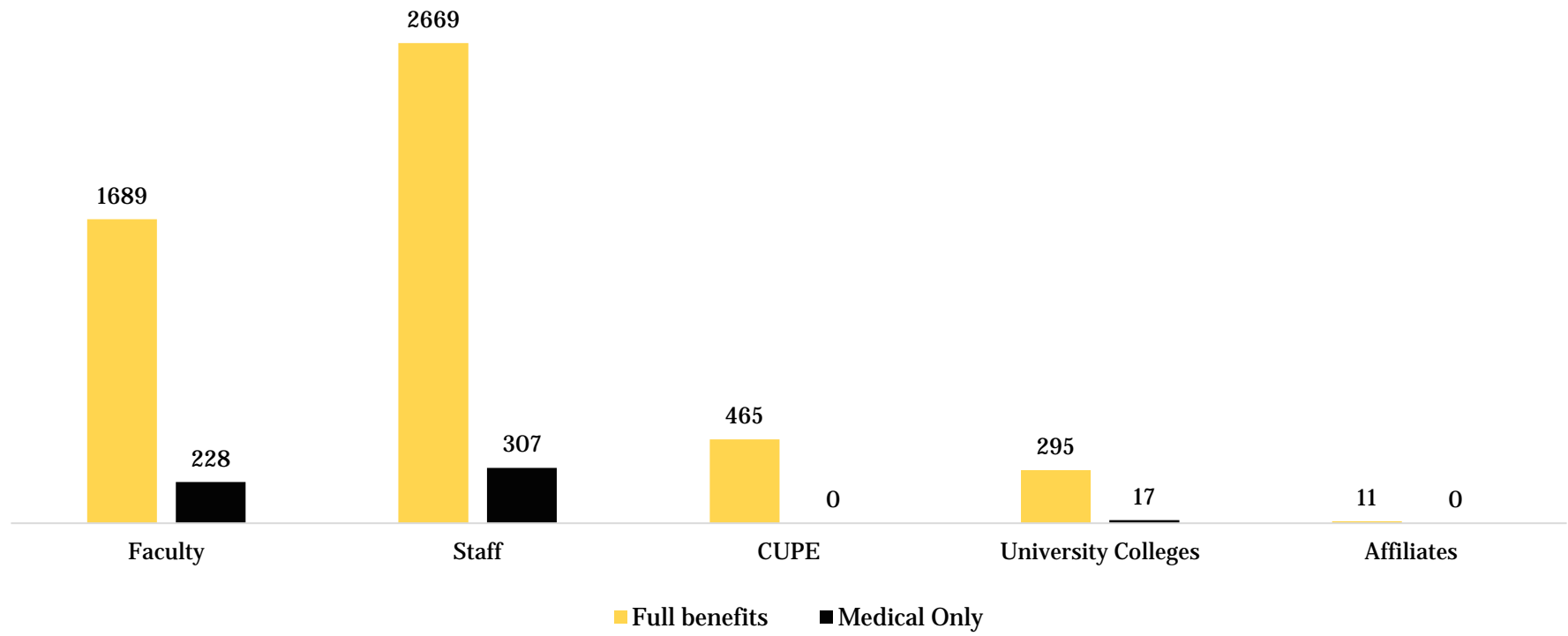
Active and Retired Employees
Participation in Canada Life Benefits as of December 31, 2019



Participation – Active Employees

Of the 5,681 active employees participating in the benefits provided by Canada Life, 10% have access to medical only ...

Active Employees
Participation in Canada Life Benefits as of December 31, 2019

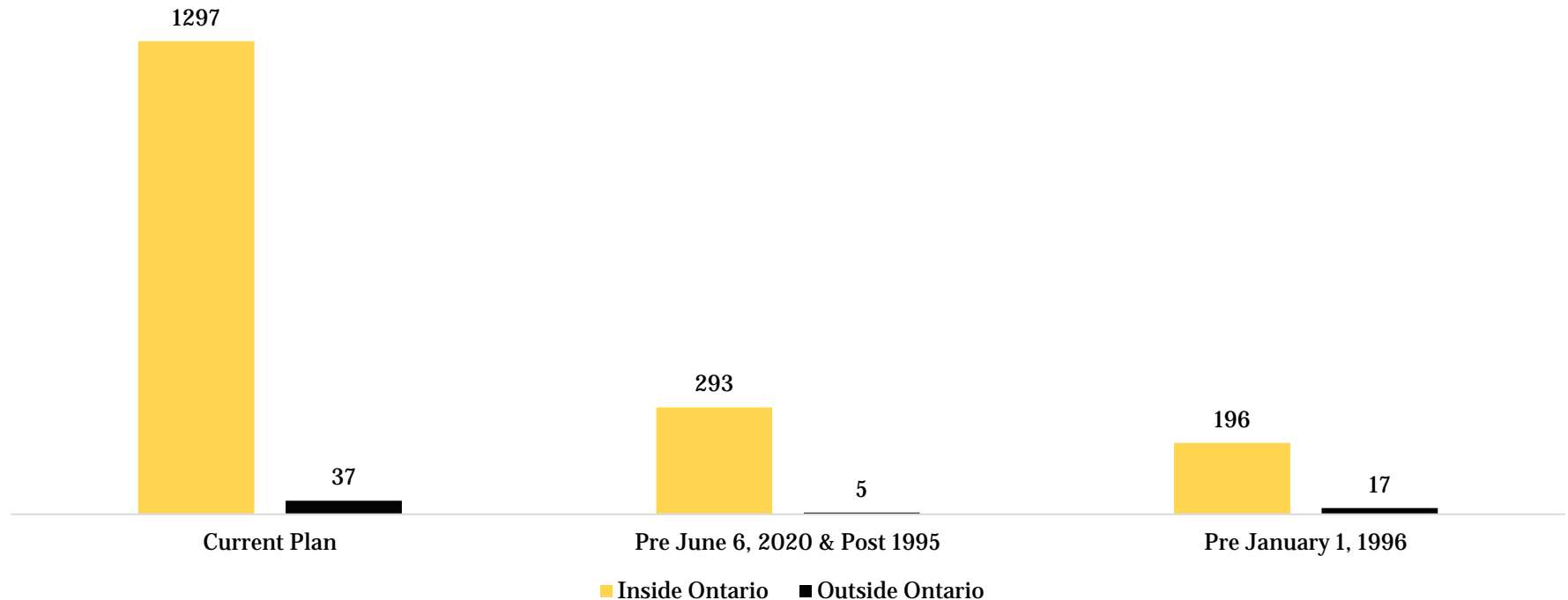


Participation – Retired Employees

Of the 1,845 retired employees participating in the medical benefit, 72% are enrolled in the current plan and 28% are enrolled in closed plans ...

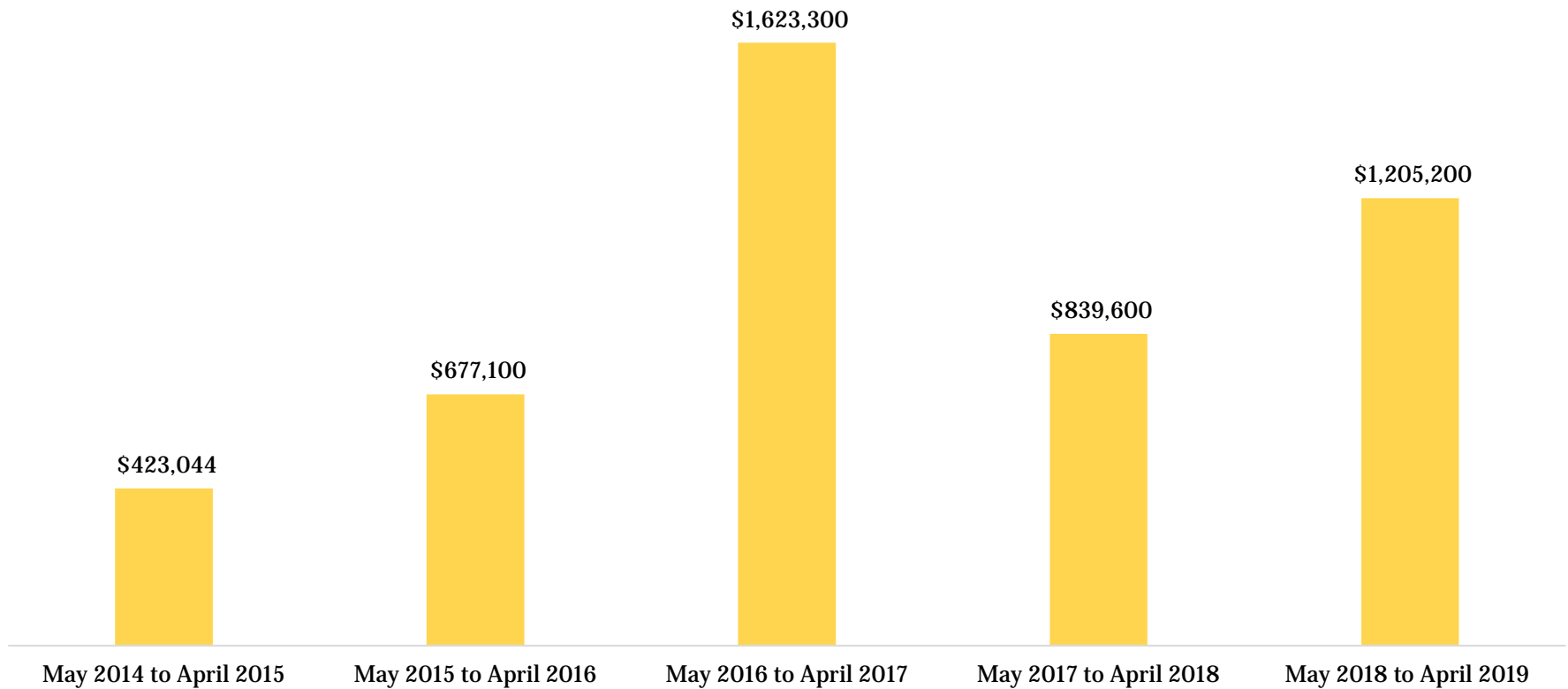
Retired Employees

Participation in Canada Life Benefits as of December 31, 2019



Life Insurance

Paid Life Claims *5-Year Summary*

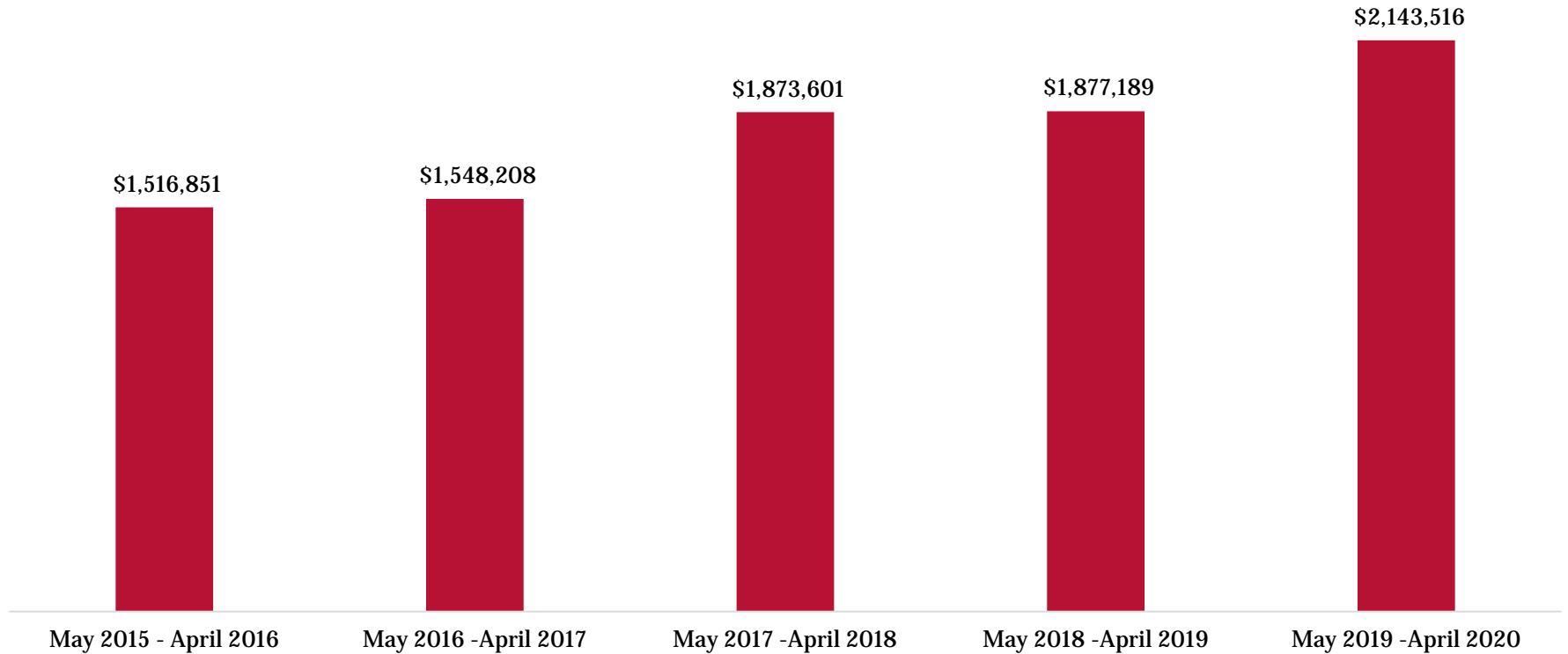


Note: University Colleges and Affiliates included in above data

Source (May 2018 to April 2019 data): ULIP, November 26, 2019

Long Term Disability

Paid LTD Claims *5-Year Summary*

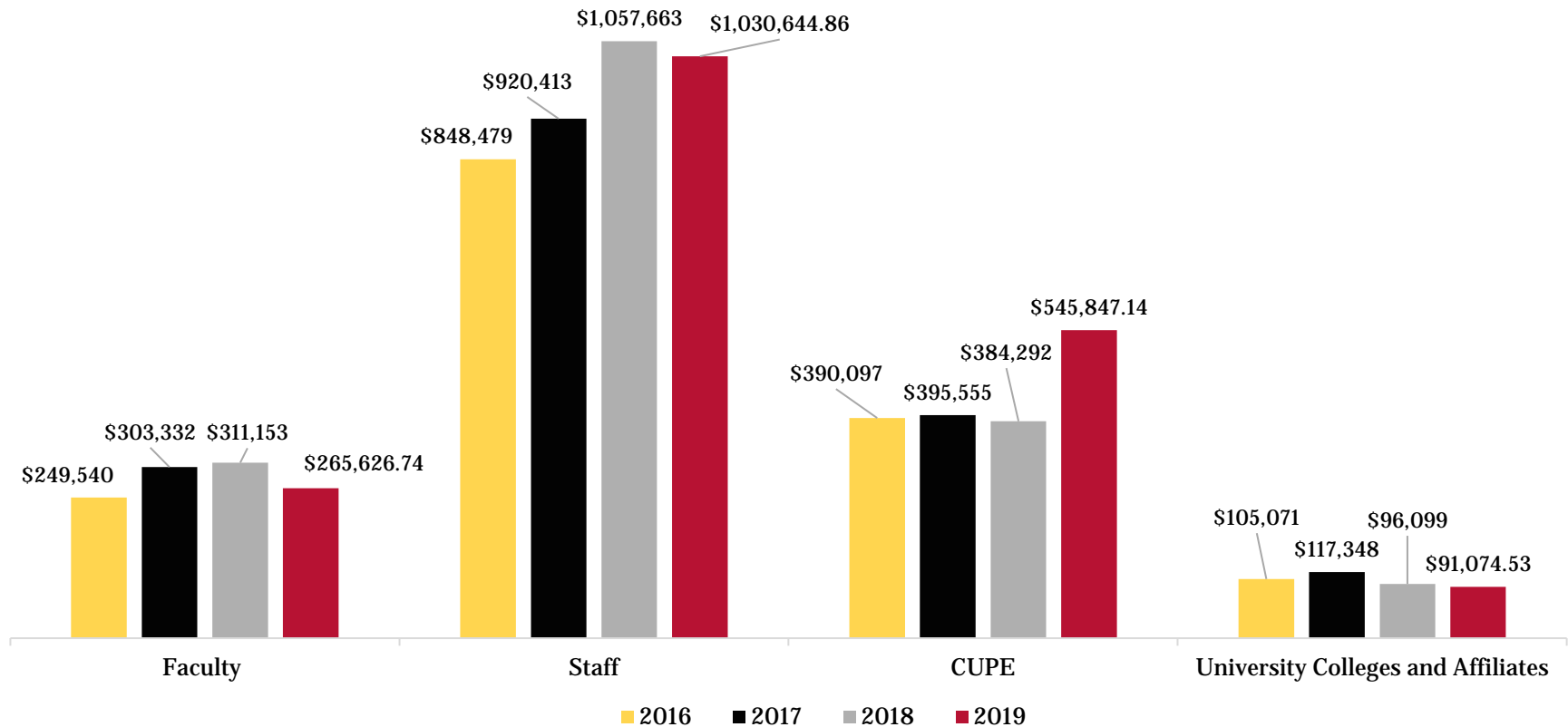


Note: University Colleges and Affiliates included in above data

Source (May 2019 to April 2020 data): Canada Life, May 26, 2020

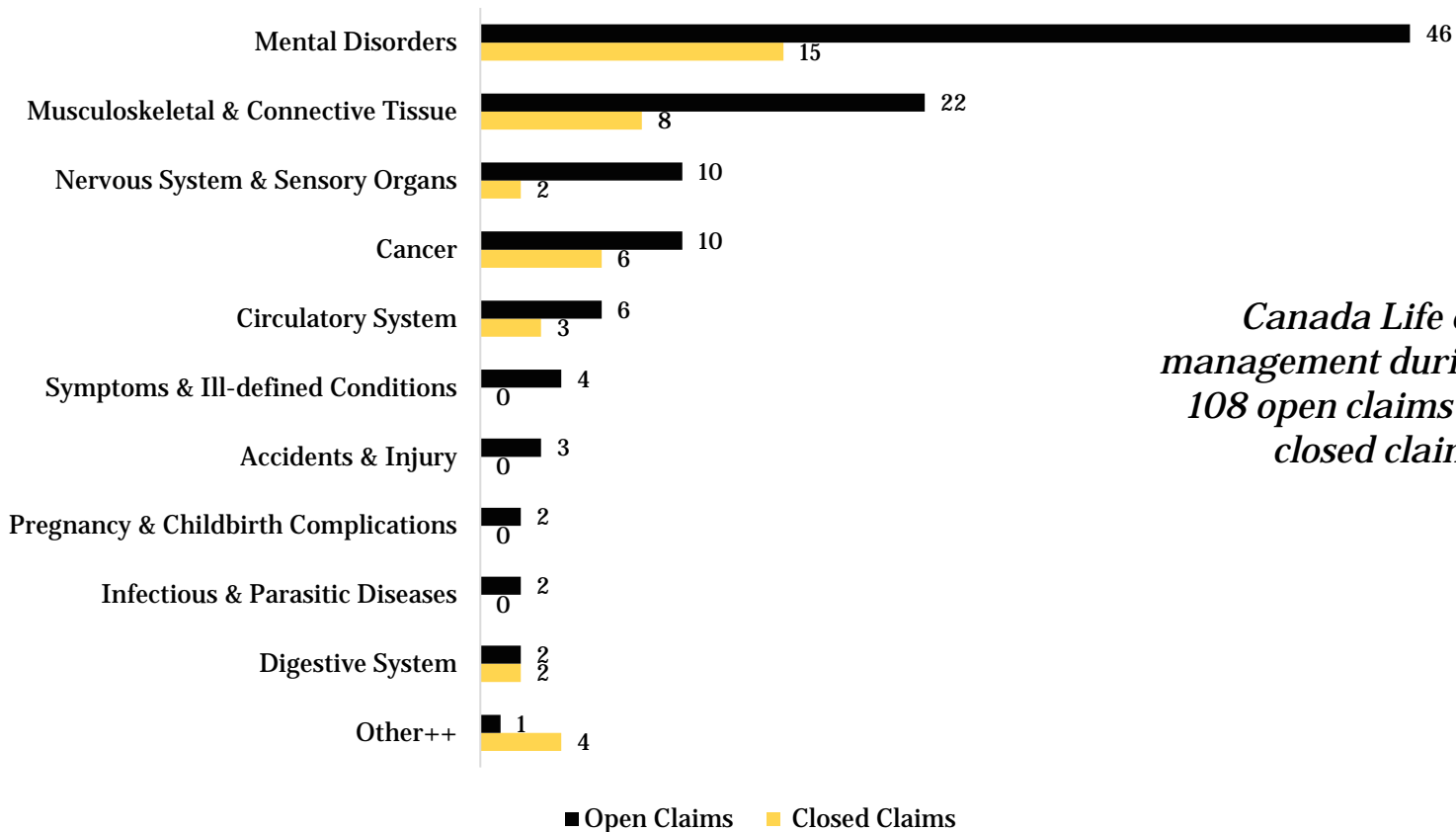
Long Term Disability (cont.)

Paid LTD Claims by Employee Group (Canada Life claims only)



Long Term Disability (cont.)

LTD Claims Incidence by Diagnosis For the January 1 to December 31, 2019 Period



*Canada Life case management during 2019:
108 open claims and 40 closed claims*

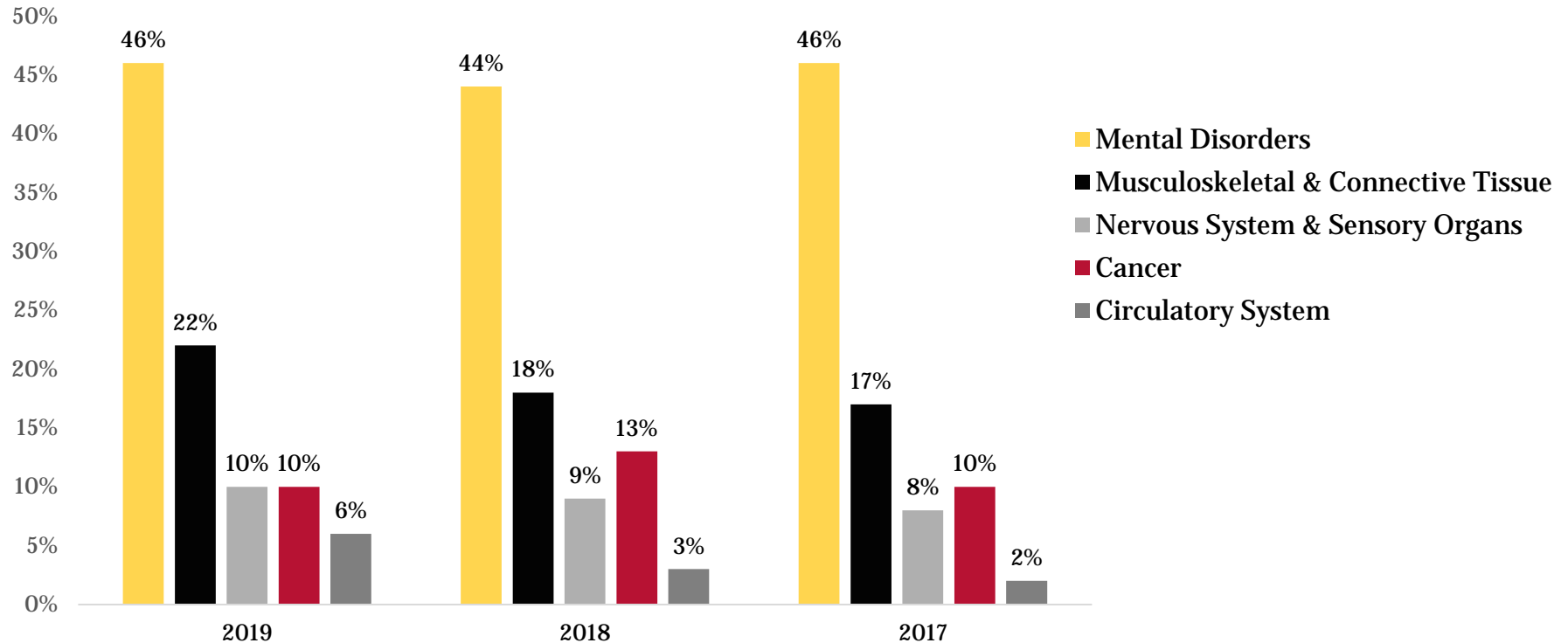
Note: Other ++ Some diagnosis categories may have been combined to ensure employee rights to confidentiality

Source: Canada Life, May 27, 2020

Long Term Disability (cont.)

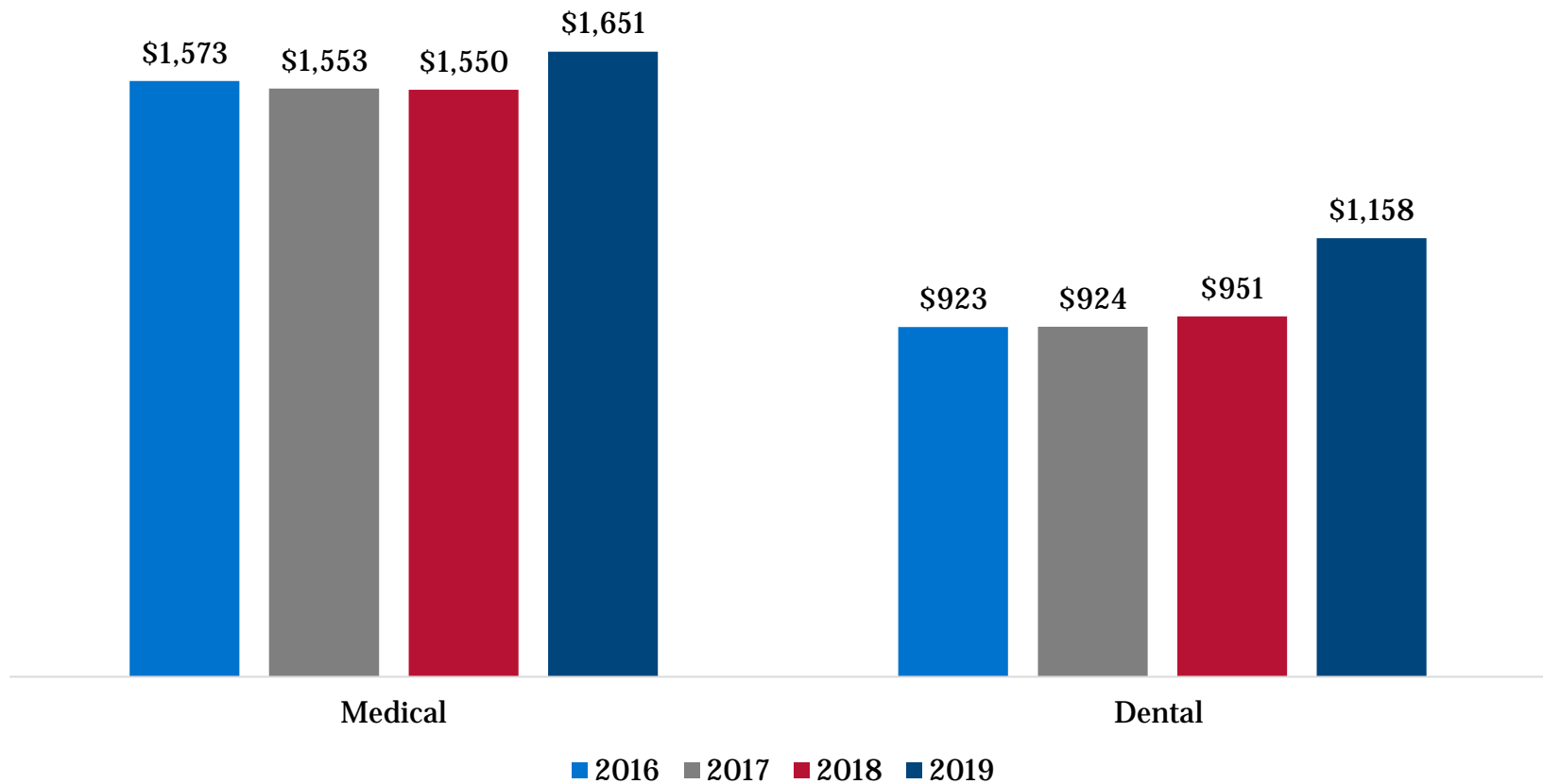
Claims due to mental disorders are most prominent and higher than Canada Life's benchmark (31.5% entire block of business, 35.8% higher education sector) ...

Open LTD Claims - Top 5 Diagnoses



Healthcare Benefits

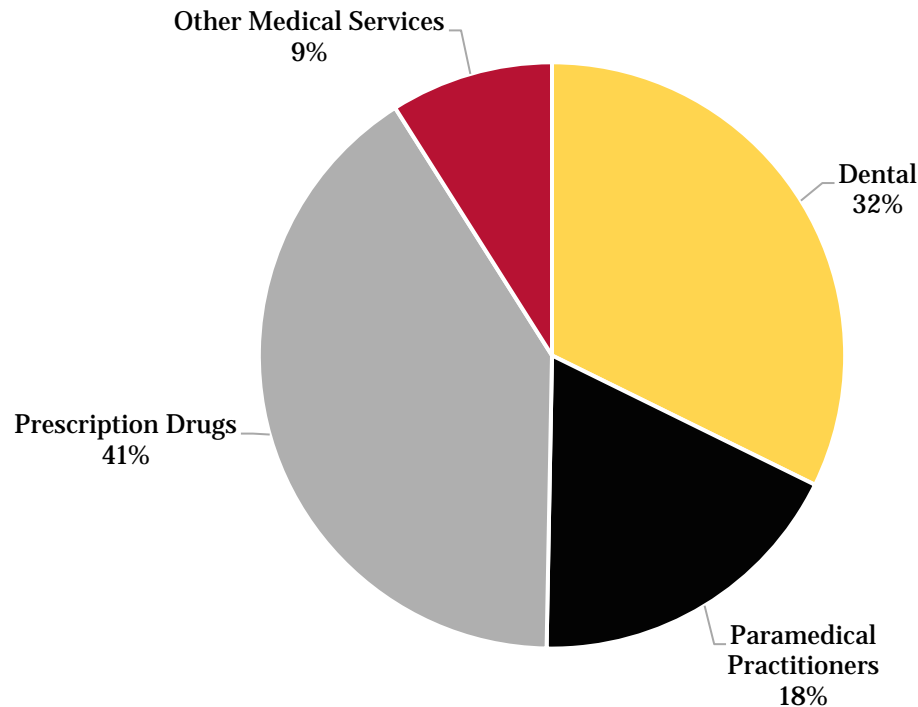
Claims per Capita



Healthcare Benefits (cont.)

In 2019, healthcare claims amounted to \$17.9M with 316,427 occurrences which equates to an average reimbursement of \$57 per occurrence ...

Paid Healthcare Claims *For the January 1 to December 31, 2019 Period*

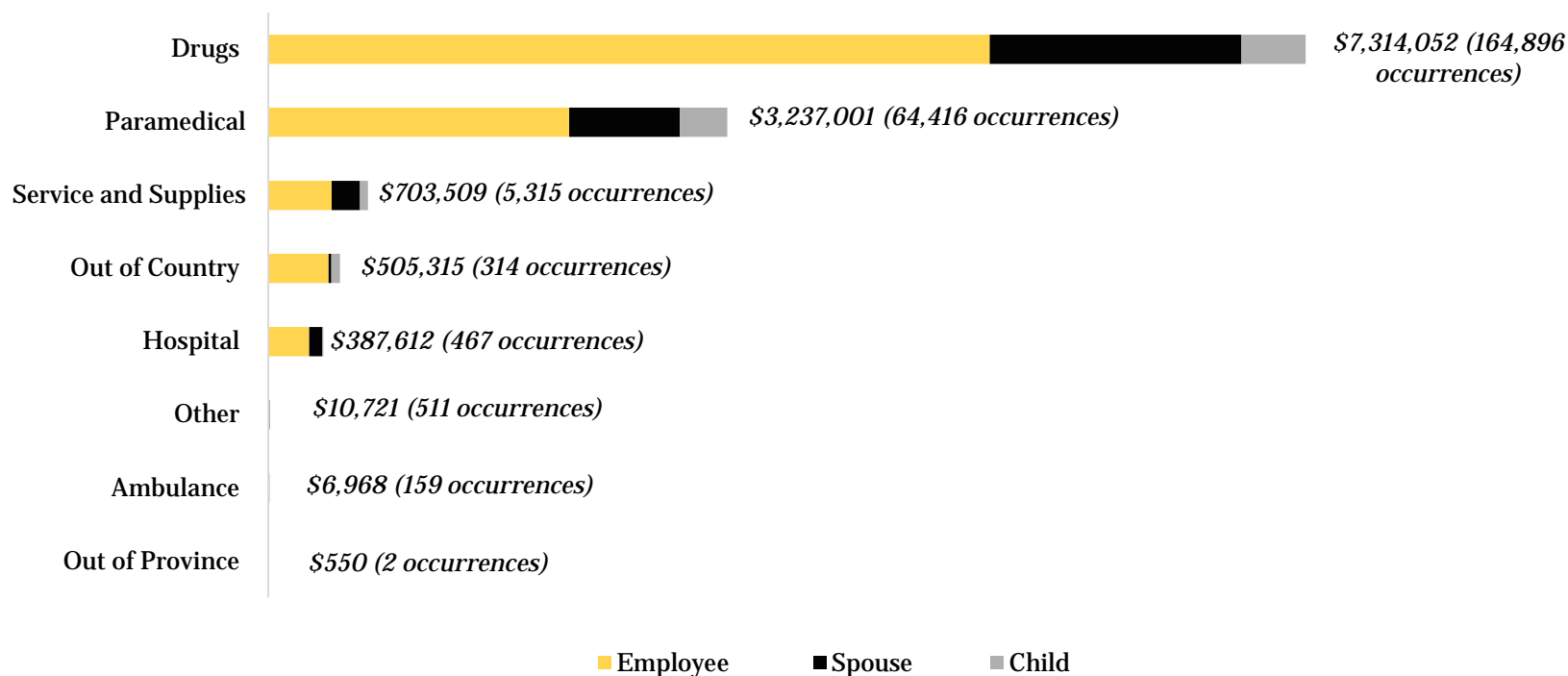


Medical

In 2019, medical claims amounted to \$12.1M with 236,080 occurrences which equates to an average reimbursement of \$51 per occurrence ...

Breakdown of Paid Medical Claims

For the January 1 to December 31, 2019 Period

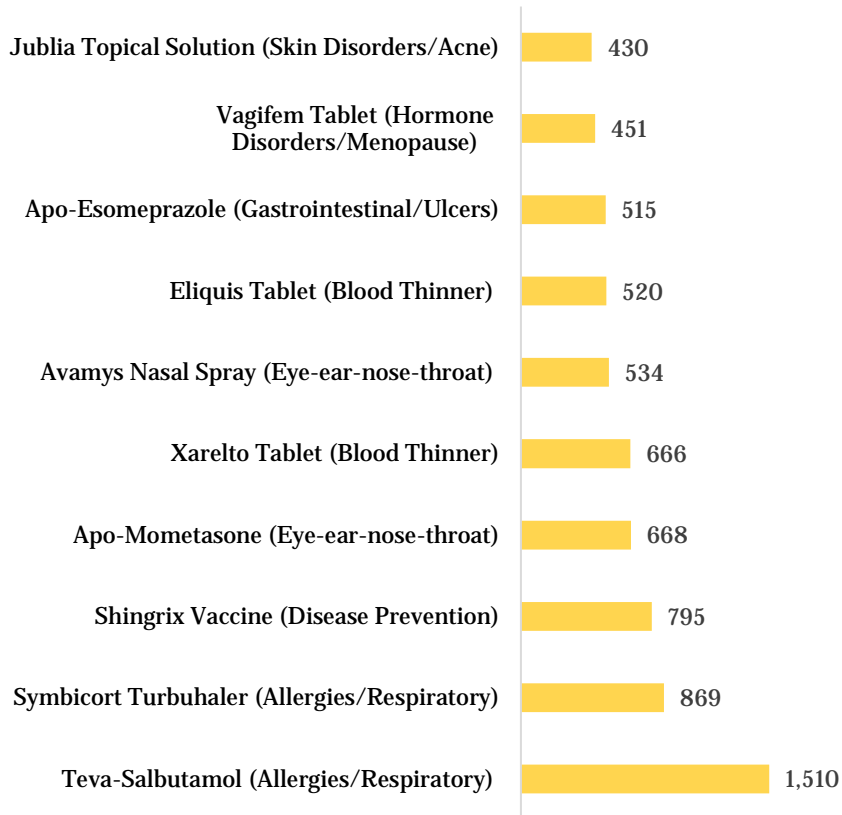


Prescription Drugs

Top 10 Prescription Drugs

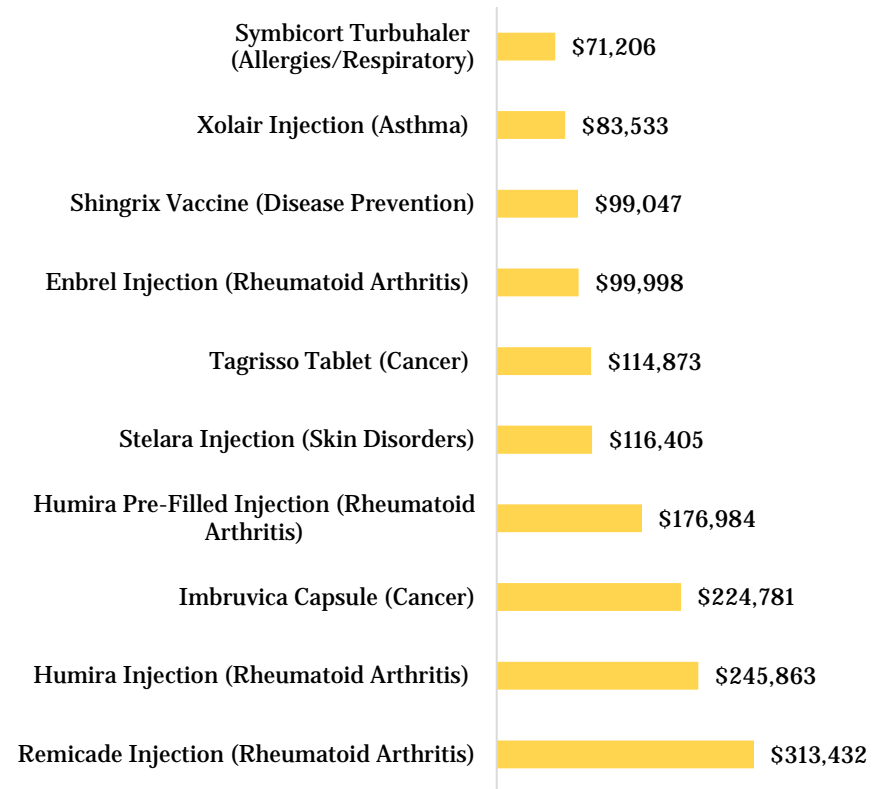
By DIN

For the May 1, 2019 to April 30, 2020 Period



By Amount Paid

For the May 1, 2019 to April 30, 2020 Period

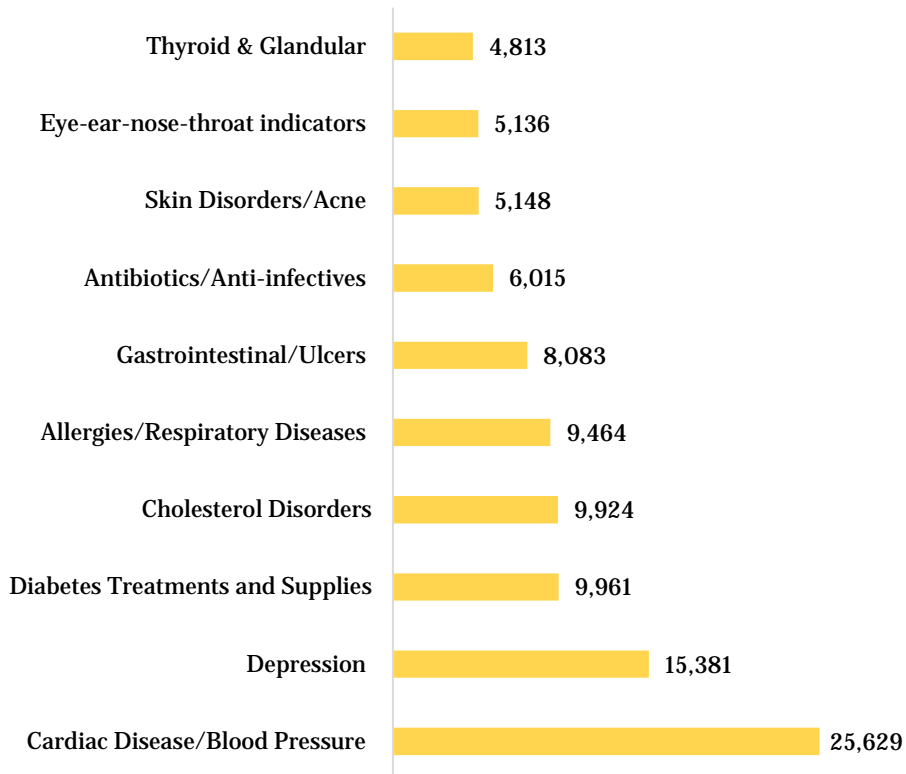


Prescription Drugs [cont.]

Top 10 Therapeutic Classifications

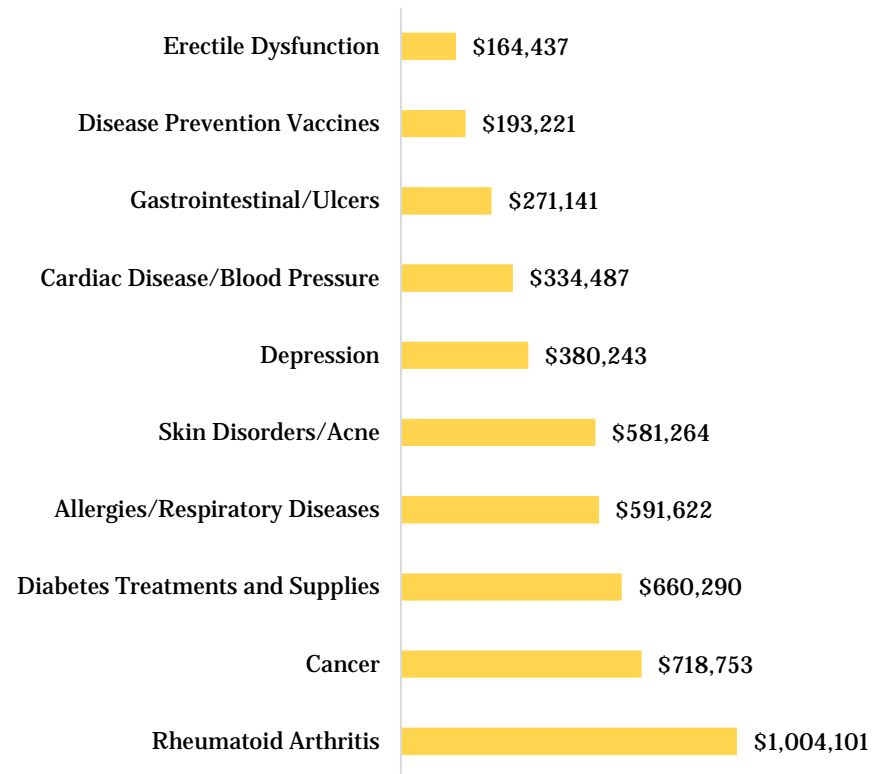
By DIN

For the May 1, 2019 to April 30, 2020 Period



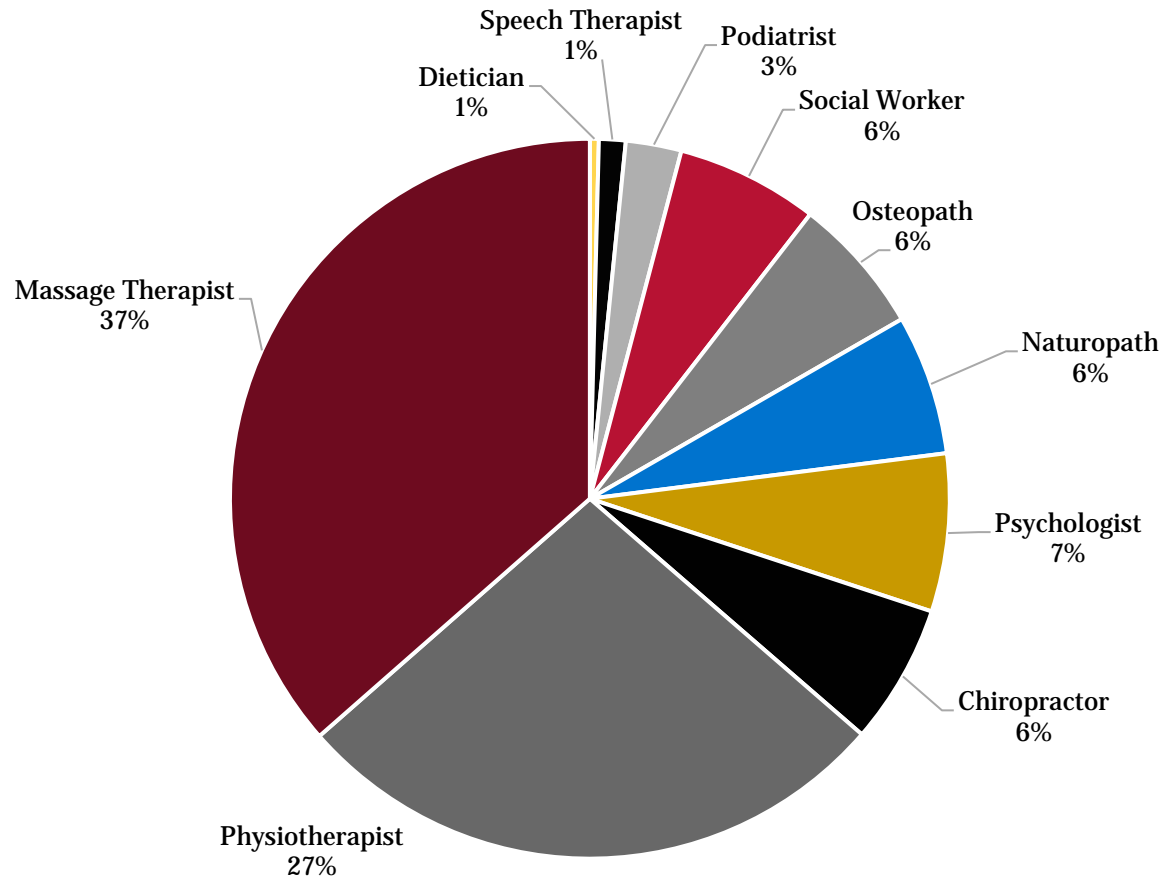
By Amount Paid

For the May 1, 2019 to April 30, 2020 Period



Paramedical Practitioners

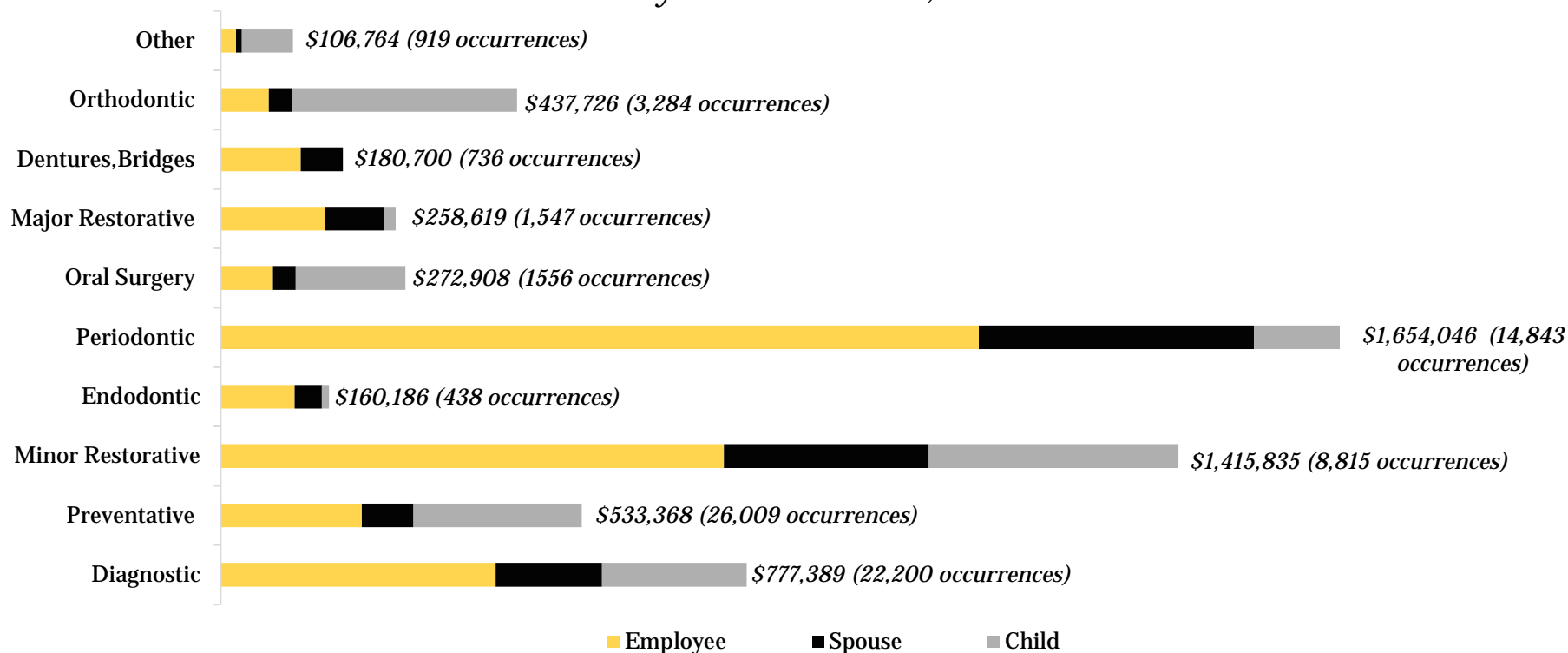
Distribution of Paid Paramedical Practitioners Claims For the January 1 to December 31, 2019 Period



Dental

In 2019, dental claims amounted to \$5.8M with 80,347 occurrences which equates to an average reimbursement of \$72 per occurrence ...

Breakdown of Paid Dental Claims *For the January 1 to December 31, 2019 Period*



UNIVERSITY OF WATERLOO



Healthcare Benefit Provisions

Canada Life's Standard versus University of Waterloo

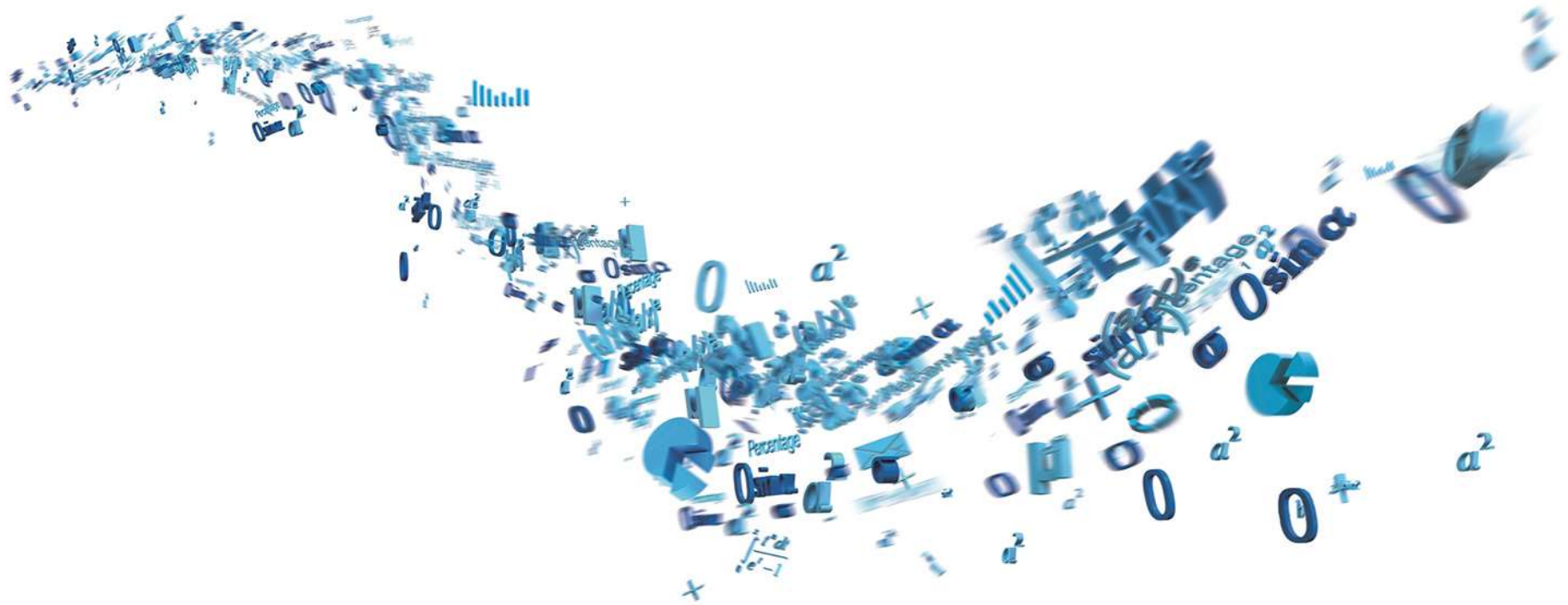
A regular practice of benefits providers including Canada Life (formerly Great-West Life), is to review the standard contract provisions and apply changes through time as deemed appropriate. Standard contract provisions include items that are eligible but also processes that are applied to those expenses to determine eligibility.

Since the University of Waterloo's contract is an Administrative Services Only (ASO) arrangement, the standard provisions for Canada Life's insured contracts are not automatically applied but coverage is available through an amendment to the ASO contract.

The differences between the University of Waterloo's ASO contract and Canada Life's standard contract provisions have not changed since the last report in June 2019. Differences continue to be as follows:

- Prescription drug claims management practices:
 - Health case management (on renewal, beginning June 1, 2012)
 - Enhanced generic substitution (on renewal, beginning June 1, 2012)
 - SMART* drug contract wording (on renewal, beginning September 1, 2017)
- Wheelchair Ramps – once per lifetime with a maximum of \$2,000 (has always been a GWL standard)
- Convalescent Care – immediately following 3 or more days of confinement for acute care (has always been a GWL standard)
- FreeStyle Libre flash glucose monitors and sensors (standard as of April 1, 2018)
- Continuous glucose monitors, transmitters, and sensors - \$4,000 per year per member (standard as of August 1, 2018)

**SMART stands for Sustainable, Managed, and Reasonable Treatment. As new drugs come to the market that do not necessarily provide an improvement compared to an existing medication, Canada Life's SMART contract wording excludes them from coverage; however, the University's ASO contract does not include SMART contract wording and as such, these drugs are covered.*



University of Waterloo Pension Plan | Quarterly Period Ending 31 March 2020

Detailed Investment Review

Visit the Aon Hewitt Retirement and Investment Website (<https://retirement-investment-insights.aon.com/canada>); sharing our best thinking.



Performance Summary¹

As of 31 March 2020

	Allocation		Performance (%)							
	Market Value (\$000)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Total Fund	1,785,830	100.0	-7.73	-7.73	-2.23	2.16	3.30	5.31	4.18	6.92
CPI+3.6% ²			1.04	1.04	4.52	5.03	5.35	5.32	5.24	5.34
Value Added			-8.77	-8.77	-6.75	-2.87	-2.05	-0.01	-1.06	1.58
Canadian Equities³										
Sionna ⁴	87,205	4.9	-23.49 (80)	-23.49 (80)	-18.52 (84)	-7.69 (79)	-4.10 (78)	1.68 (70)	0.33 (70)	4.48 (69)
S&P/TSX Composite			-20.90 (50)	-20.90 (50)	-14.21 (53)	-3.69 (43)	-1.92 (49)	2.85 (42)	0.89 (60)	4.10 (75)
Value Added			-2.59	-2.59	-4.31	-4.00	-2.18	-1.17	-0.56	0.38
Global Equities⁵										
MSCI World Index (Net) (CAD)	433,806	24.3	-12.76 (44)	-12.76 (44)	-5.65 (52)	2.34 (35)	5.41 (34)	9.28 (27)	6.91 (32)	10.68 (47)
Value Added			0.96	0.96	-0.68	1.12	1.40	1.85	1.32	0.52
Oldfield ⁴	129,771	7.3	-21.69 (89)	-21.69 (89)	-17.48 (92)	-7.56 (87)	-2.69 (91)	5.29 (67)	2.12 (84)	7.93 (87)
MSCI World Index (Net) (CAD)			-13.72 (51)	-13.72 (51)	-4.97 (48)	1.22 (41)	4.01 (46)	7.43 (39)	5.59 (47)	10.16 (58)
Value Added			-7.97	-7.97	-12.51	-8.78	-6.70	-2.14	-3.47	-2.23
Walter Scott ⁴	303,853	17.0	-8.42 (16)	-8.42 (16)	0.63 (19)	8.32 (8)	10.39 (12)	11.82 (13)	10.25 (10)	12.47 (18)
MSCI World Index (Net) (CAD)			-13.72 (51)	-13.72 (51)	-4.97 (48)	1.22 (41)	4.01 (46)	7.43 (39)	5.59 (47)	10.16 (58)
Value Added			5.30	5.30	5.60	7.10	6.38	4.39	4.66	2.31
U.S. Equities										
TD Emerald U.S. Pooled Fund ⁶	141,770	7.9	-11.71 (42)	-11.71 (42)	-0.88 (39)	6.03 (39)	7.39 (40)	10.57 (40)	9.21 (36)	-
S&P 500 (CAD)			-11.75 (42)	-11.75 (42)	-0.89 (39)	6.04 (39)	7.41 (40)	10.61 (39)	9.25 (36)	14.33 (42)
Value Added			0.04	0.04	0.01	-0.01	-0.02	-0.04	-0.04	-
International Equities										
TD Emerald International Equity Index ⁶	84,500	4.7	-15.20 (46)	-15.20 (46)	-8.62 (47)	-4.38 (43)	0.46 (50)	3.96 (47)	1.83 (56)	6.38 (77)
MSCI EAFE (Net)			-15.29 (47)	-15.29 (47)	-8.78 (48)	-4.60 (46)	0.34 (52)	3.85 (48)	1.73 (57)	6.25 (80)
Value Added			0.09	0.09	0.16	0.22	0.12	0.11	0.10	0.13

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

² CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.

³There was no exposure to Canadian Equities from January 2012 to April 2012.

⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns.

⁵The global equities return prior to August 2018 includes Trilogy.

⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

⁷The Currency Overlay was discontinued on 20 November 2017.

Performance Summary¹

As of 31 March 2020

	Allocation		Performance (%)									
	Market Value (\$000)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years		
Fixed Income												
TDAM Universe Bond Index	344,209	19.3	1.80 (11)	1.80 (11)	4.63 (24)	4.92 (32)	3.71 (42)	3.11 (70)	2.63 (76)	4.29 (82)		
FTSE Canada Universe Bond			1.56 (22)	1.56 (22)	4.46 (28)	4.86 (34)	3.68 (44)	3.13 (67)	2.66 (74)	4.34 (80)		
Value Added			0.24	0.24	0.17	0.06	0.03	-0.02	-0.03	-0.05		
TDAM Active Short Term Corporate	343,390	19.2	-0.80	-0.80	1.45	2.64	1.81	2.04	1.91	-		
FTSE Canada Short Term Corporate Bond			-0.61	-0.61	1.63	2.73	1.88	2.10	1.94	2.98		
Value Added			-0.19	-0.19	-0.18	-0.09	-0.07	-0.06	-0.03	-		
Alternatives												
XRE ETF (Real Estate)	48,077	2.7	-26.46	-26.46	-22.41	-3.25	0.11	2.47	1.44	-		
BIP.UN (Infrastructure)	95,380	5.3	-11.75	-11.75	5.96	8.07	8.22	16.98	13.37	-		
Operating Account	207,482	11.6										
Currency Overlay Effect (Historical)⁷												
Value Added			0.00	0.00	0.00	0.00	0.00	-0.20	-0.19	-0.18		

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

² CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.

³There was no exposure to Canadian Equities from January 2012 to April 2012.

⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns.

⁵The global equities return prior to August 2018 includes Trilogy.

⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

⁷The Currency Overlay was discontinued on 20 November 2017.

Executive Summary

Rolling Year Performance¹

As of 31 March

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Fund	-2.23	6.74	5.60	11.59	-0.22	15.07	9.70	8.53	7.52	8.04
CPI+3.6% ²	4.52	5.55	5.99	5.22	4.91	4.85	5.20	4.62	5.60	7.01
Value Added	-6.75	1.19	-0.39	6.37	-5.13	10.22	4.50	3.91	1.92	1.03
Canadian Equities³										
Sionna ⁴	-18.52 (84)	4.59 (71)	3.50 (31)	21.20 (16)	-4.89 (64)	6.08 (67)	15.71 (91)	10.23 (44)	-6.59 (34)	20.56 (33)
S&P/TSX Composite	-14.21 (53)	8.11 (29)	1.71 (65)	18.62 (37)	-6.57 (83)	6.93 (60)	15.97 (91)	6.11 (80)	-9.76 (60)	20.41 (36)
Value Added	-4.31	-3.52	1.79	2.58	1.68	-0.85	-0.26	4.12	3.17	0.15
Global Equities⁵										
MSCI World Index (Net) (CAD)	-4.97 (48)	7.80 (35)	9.83 (63)	18.38 (44)	-1.43 (53)	21.66 (54)	29.18 (56)	13.85 (62)	3.33 (55)	8.40 (74)
Value Added	-0.68	3.19	2.02	3.39	-0.63	-2.11	-2.14	-2.94	4.36	0.43
Oldfield ⁴	-17.48 (92)	3.56 (15)	7.84 (78)	33.39 (1)	-9.67 (97)	14.68 (86)	30.47 (45)	6.40 (96)	6.77 (31)	13.69 (21)
MSCI World Index (Net) (CAD)	-4.97 (48)	7.80 (4)	9.83 (63)	18.38 (44)	-1.43 (53)	21.66 (54)	29.18 (56)	13.85 (62)	3.33 (55)	8.40 (74)
Value Added	-12.51	-4.24	-1.99	15.01	-8.24	-6.98	1.29	-7.45	3.44	5.29
Walter Scott ⁴	0.63 (19)	16.60 (3)	14.66 (28)	16.23 (66)	4.17 (15)	22.14 (50)	22.65 (90)	14.21 (59)	10.26 (14)	5.43 (95)
MSCI World Index (Net) (CAD)	-4.97 (48)	7.80 (35)	9.83 (63)	18.38 (44)	-1.43 (53)	21.66 (54)	29.18 (56)	13.85 (62)	3.33 (55)	8.40 (74)
Value Added	5.60	8.80	4.83	-2.15	5.60	0.48	-6.53	0.36	6.93	-2.97
U.S. Equities										
TD Emerald U.S. Pooled Fund ⁶	-0.88 (39)	13.41 (39)	10.16 (52)	20.69 (47)	3.93 (22)	-	-	-	-	-
S&P 500 (CAD)	-0.89 (39)	13.46 (38)	10.20 (51)	20.81 (45)	3.95 (22)	29.35 (49)	32.39 (70)	15.84 (50)	11.52 (43)	10.88 (59)
Value Added	0.01	-0.05	-0.04	-0.12	-0.02	-	-	-	-	-
International Equities										
TD Emerald International Equity Index ⁶	-8.62 (47)	0.06 (38)	10.87 (72)	15.22 (50)	-6.28 (76)	13.86 (63)	27.86 (63)	13.36 (56)	-3.09 (66)	6.02 (83)
MSCI EAFE (Net)	-8.78 (48)	-0.23 (41)	10.98 (70)	15.15 (51)	-6.32 (77)	13.69 (66)	27.72 (64)	13.09 (58)	-3.18 (68)	5.87 (84)
Value Added	0.16	0.29	-0.11	0.07	0.04	0.17	0.14	0.27	0.09	0.15

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

² CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.

³There was no exposure to Canadian Equities from January 2012 to April 2012.

⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns.

⁵The global equities return prior to August 2018 includes Trilogy.

⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

⁷The Currency Overlay was discontinued on 20 November 2017.

Executive Summary

Rolling Year Performance¹

As of 31 March

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Fixed Income										
TDAM Universe Bond Index	4.63 (24)	5.21 (73)	1.33 (74)	1.34 (94)	0.72 (71)	10.30 (27)	0.71 (83)	4.38 (93)	9.69 (37)	5.14 (78)
FTSE TMX Canada Bond Universe	4.46 (28)	5.27 (63)	1.36 (74)	1.51 (88)	0.78 (68)	10.26 (32)	0.84 (74)	4.54 (90)	9.74 (34)	5.13 (79)
Value Added	0.17	-0.06	-0.03	-0.17	-0.06	0.04	-0.13	-0.16	-0.05	0.01
TDAM Active Short Term Corporate										
TDAM Active Short Term Corporate	1.45	3.84	0.18	2.75	1.35	-	-	-	-	-
FTSE Canada Short Term Corporate Bond	1.63	3.84	0.19	2.79	1.28	4.24	2.50	4.38	5.10	3.94
Value Added	-0.18	0.00	-0.01	-0.04	0.07	-	-	-	-	-
Alternatives										
XRE ETF (Real Estate)	-22.41	20.64	7.17	9.92	-2.58	11.61	-3.68	-	-	-
BIP.UN (Infrastructure)	5.96	10.22	8.52	47.76	0.01	38.87	17.70	28.70	-	-

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

²CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.

³There was no exposure to Canadian Equities from January 2012 to April 2012.

⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns.

⁵The global equities return prior to August 2018 includes Trilogy.

⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

⁷The Currency Overlay was discontinued on 20 November 2017.

Performance Summary (Net of Fees)¹

As of 31 March 2020

	Performance (%)							
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Total Fund	-7.77	-7.77	-2.43	1.91	3.01	5.02	3.90	6.64
CPI+3.6% ²	1.04	1.04	4.52	5.03	5.35	5.32	5.24	5.34
Value Added	-8.81	-8.81	-6.95	-3.12	-2.34	-0.30	-1.34	1.30
Canadian Equities³								
Sionna ⁴	-23.56	-23.56	-18.81	-8.02	-4.44	1.31	-0.03	4.07
S&P/TSX Composite	-20.90	-20.90	-14.21	-3.69	-1.92	2.85	0.89	4.10
Value Added	-2.66	-2.66	-4.60	-4.33	-2.52	-1.54	-0.92	-0.03
Global Equities⁵								
MSCI World Index (Net) (CAD)	-13.72	-13.72	-4.97	1.22	4.01	7.43	5.59	10.16
Value Added	0.81	0.81	-1.32	0.42	0.73	1.15	0.66	-0.19
Oldfield⁴								
MSCI World Index (Net) (CAD)	-13.72	-13.72	-4.97	1.22	4.01	7.43	5.59	10.16
Value Added	-8.13	-8.13	-13.17	-9.49	-7.44	-2.93	-4.22	-3.02
Walter Scott⁴								
MSCI World Index (Net) (CAD)	-13.72	-13.72	-4.97	1.22	4.01	7.43	5.59	10.16
Value Added	5.15	5.15	4.95	6.39	5.65	3.63	3.90	1.50
U.S. Equities								
TD Emerald Pooled U.S. Fund ⁶	-11.72	-11.72	-0.91	5.99	7.35	10.53	9.17	-
S&P 500 (CAD)	-11.75	-11.75	-0.89	6.04	7.41	10.61	9.25	14.33
Value Added	0.03	0.03	-0.02	-0.05	-0.06	-0.08	-0.08	-
International Equities								
TD Emerald International Equity Index ⁶	-15.21	-15.21	-8.64	-4.40	0.43	3.93	1.79	6.35
MSCI EAFE (Net)	-15.29	-15.29	-8.78	-4.60	0.34	3.85	1.73	6.25
Value Added	0.08	0.08	0.14	0.20	0.09	0.08	0.06	0.10

¹Parentheses contain percentile rankings. (1st percentile is the best performing). Reported net returns are based on estimated fees.²CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.³There was no exposure to Canadian Equities from January 2012 to April 2012.⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogly before April 2008 and Walter Scott before July 2009 are based on composite returns.⁵The global equities return prior to August 2018 includes Trilogly.⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

Performance Summary (Net of Fees)¹

As of 31 March 2020

	Performance (%)							
	1 Quarter	Year To Date	1 Year	2 Years	3 Years	4 Years	5 Years	10 Years
Fixed Income								
TDAM Universe Bond Index	1.79	1.79	4.61	4.89	3.65	3.06	2.58	4.25
FTSE Canada Universe Bond	1.56	1.56	4.46	4.86	3.68	3.13	2.66	4.34
Value Added	0.23	0.23	0.15	0.03	-0.03	-0.07	-0.08	-0.09
TDAM Active Short Term Corporate	-0.82	-0.82	1.37	2.54	1.71	1.95	1.80	-
FTSE Canada Short Term Corporate Bond	-0.61	-0.61	1.63	2.73	1.88	2.10	1.94	2.98
Value Added	-0.21	-0.21	-0.26	-0.19	-0.17	-0.15	-0.14	-

¹Parentheses contain percentile rankings. (1st percentile is the best performing). Reported net returns are based on estimated fees.

² CPI+3.6% benchmark has been implemented retrospectively since 1 November 2018. From 1 January 2017 to 31 October 2018, CPI+3.5% benchmark was used. From 1 January 2016 to 31 December 2016, CPI + 3.7% benchmark was used. From 1 January 2014 to 31 December 2016, CPI+3.75% benchmark was used. Prior to 1 January 2014, CPI+3.85% benchmark was used.

³There was no exposure to Canadian Equities from January 2012 to April 2012.

⁴Returns for Sionna before May 2012, Oldfield before July 2011, Trilogy before April 2008 and Walter Scott before July 2009 are based on composite returns.

⁵The global equities return prior to August 2018 includes Trilogy.

⁶In November 2016, TD Emerald U.S. pooled and International Index funds were added. Returns prior to these dates are representative only.

Performance Relative to Investment Policy Objectives

4-Year Performance vs. Market Index Benchmark

As at 31 March 2020

Manager	4-Year Manager Return	Market Index	4-Year Index Return	4-Year Tracking / Value Added	Target Objective	Performance Objective	Achieved Objective	IMF ³
Passive Mandates:								
TDAM - Universe Bond Index	3.11%	FTSE Canada Bond Universe	3.13%	-0.02%	+/-0.06%	3.07% to 3.19%	Yes	0.029%
TD Emerald U.S. Pooled Fund ¹	10.57%	S&P 500	10.61%	-0.04%	+/-0.08%	10.53% to 10.69%	Yes	0.029%
TD Emerald International Equity Index ¹	3.96%	MSCI EAFE (Net)	3.85%	0.11%	+/-0.20%	3.65% to 4.05%	Yes	0.029%
Active Mandates:								
Sionna - Canadian Equities	1.68%	S&P/TSX Composite	2.85%	-1.17%	+1.0%	3.85%	No	0.354%
Oldfield - Global Equities	5.29%	MSCI World (Net)	7.43%	-2.14%	+2.0%	9.43%	No	0.750%
Walter Scott - Global Equities	11.82%	MSCI World (Net)	7.43%	4.39%	+2.0%	9.43%	Yes	0.645%
TDAM Short Term Corporate Bonds	2.04%	FTSE Canada Short Term Corporate	2.10%	-0.06%	+0.5%	2.60%	No	0.099%
Total Fund ex. Currency Overlay	5.31%	CPI + 3.6% ²	5.32%	-0.01%			No	0.210%

¹ Invested on 18 November 2016

² 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% benchmark was implemented since 1 January 2016, CPI + 3.75% benchmark was implemented since 1 January 2014 and CPI + 3.85% prior to that.

³ IMF: Investment management fees

Pension & Benefits Committee – Resolution

1. MEMBERSHIP

The membership of this Committee shall be appointed by the Board of Governors and shall consist of the following voting members:

- The Vice-President, Academic & Provost
- The Vice-President, Administration & Finance
- Two members of the Board of Governors from among the seventeen (17) Board members appointed by the Lieutenant Governor-in-Council or elected by the Board from the community-at-large.
- Two members appointed on the recommendation of the President of the University of Waterloo.
- Three members of the regular faculty appointed on the recommendation of the President of the UW Faculty Association.
- Two members of the regular University Support Staff appointed on the recommendation of the President of the UW Staff Association.
- One member of the unionized staff appointed on the recommendation of the President of CUPE Local 793.
- One retiree who is receiving a University of Waterloo pension, appointed on the recommendation of the President of the UW Retirees Association.

In addition, a non-voting member representing the Colleges shall be appointed by the Board of Governors on the recommendation of the College Heads.

The normal term of office shall be three years, renewable once.

The Chair of the Committee shall be appointed from among the committee membership by the Board of Governors on the recommendation of the Governance Committee.

2. MEETINGS

The Committee normally meets monthly from September through June; additional meetings are called as required.

3. TERMS OF REFERENCE

The Committee shall have full power to administer employee pension and benefits plans approved by the Board, such power to include, but not limited to, the following:

- to make and enforce such rules and regulations as it shall deem necessary for the effective and efficient administration of the pension plan and to decide all questions concerning the pension plan, including who is eligible to participate
- to prepare accounts and records showing the detailed operation of the pension plan and to make an annual report to the Board of Governors
- to review the annual audit of the Pension Plan Fund Financial Statements
- to appoint a consulting actuary and to commission research on pension or benefits
- to recommend changes in pension and benefits plans to keep them current with respect to other universities and major employers, being mindful of the financial context in which the University operates
- to make policy decisions relevant to administration of benefits plans and to periodically adjust plans as required to comply with legislation, changes in medical fee schedules, changes in insurance premiums due to changing experience ratings or other causes, creation of new categories of employees and other such changes required to keep benefit plans current
- to recommend to the Board the appointment of custodians / trustees and fund managers
- to recommend to the Board for approval investment policy as described in the Statement of Investment Policies and Procedures

Note:

[1] The Finance & Investment Committee will assist, advise and review on matters related to the appointment of the custodians / trustees and fund managers and investment policy. When the Pension & Benefits Committee is selecting a fund manager, the Chairs of the Finance & Investment Committee and of the Pension & Benefits Committee consult and reach agreement on the selection process of the fund manager as well as the extent to which the Finance & Investment Committee will act as a resource to the Pension & Benefits Committee.

[2] The Human Resources Department has day-to-day responsibility for administering the benefits plans.

[3] The Board of Governors on 30 October 2018 approved the delegation of specific powers and responsibilities of the Pension & Benefits Committee to the Pension Investment Committee for the latter to be established as the operational locus of control for matters pertaining to the management of investment assets of the pension plan, as follows: (1) to review annually the Statement of Investments Policies and Procedures, and to recommend any amendments to the Board of Governors through the Pension & Benefits Committee; (2) to review and recommend the selection/termination of investment managers to the Pension & Benefits Committee for further recommendation to the Board of Governors; (3) to review and report on investment manager performance at least annually to the Finance Investment Committee and the Pension & Benefits Committee; (4) to approve asset mix changes and investment decisions within the list of approved investment managers where the cumulative transactions(s) represent less than 15% of the pension plans total assets at the beginning of the calendar year, and to make recommendations to the Pension and Benefits Committee on asset mix changes where the cumulative transaction(s) represent more than 15% of the pension plans' total assets at the beginning of the calendar year, for further recommendation to the Board of Governors;(5) to review reports from the Pension & Benefits Committee including but not limited to the annual valuation of the pension plan, investment-related risk/return assessments, and asset-liability studies.

4. GENERAL PROVISIONS

Members of the Committee may participate in the benefits under the pension plan provided they are otherwise eligible to do so. Except as otherwise provided by the Board of Governors of the University, no member of the Committee shall receive any compensation for services. No bond or other security shall be required of any member of the Committee in such capacity in any jurisdiction, except as expressly required by law.

In administering the pension plan neither the Committee, or any member thereof, nor the Board of Governors of the University, or any member thereof, nor the University, or any officer or employee thereof, shall be liable for any acts of omission or commission, except for his or its own individual, willful and intentional malfeasance or misfeasance. The University and its officers and directors, and each member of the Committee shall be entitled to rely conclusively on all tables, valuations, certificates, opinions and reports which shall be furnished by any actuary, accountant, trustee, counsel or other expert who shall be employed or engaged by the University or the Committee.

Whenever, in the administration of the pension plan, any action by the Committee or the University is required, such action shall be uniform in nature as applied to all persons similarly situated.

Approved by the Board of Governors, June 6, 2006.

Amended by the Board of Governors, April 1, 2008.

Amended by the Board of Governors, October 30, 2018.

Pension Investment Committee - Terms of Reference

The Pension Investment Committee (the "committee") is a subcommittee of the Finance & Investment Committee and Pension & Benefits Committee that oversees the investment of the assets of the University of Waterloo Pension Plan ("the Plan").

Mandate

The committee is mandated to oversee the investments of the Plan recognizing that (a) the Plan is funded through employee and employer contributions and (b) investment decisions are based on a full understanding of the underlying liabilities, within acceptable risk tolerances, while remaining mindful of liability matching requirements and optimization of fees.

The details of the mandate are as follows:

1. To review, at least annually, the Statement of Investment Policy and Procedures (SIPP) with input from the Finance & Investment Committee, and to recommend any amendments of the SIPP through the Pension & Benefits Committee to the Board of Governors
2. To review reports provided by the Pension & Benefits Committee including the annual valuation, investment-related risk/return assessments, and asset-liability studies and to advise the Pension & Benefits Committee on those reports
3. To meet annually with the investment managers that the Plan has retained
4. To make recommendations to the Board of Governors from time to time, through the Pension & Benefits Committee, on the selection and termination of investment managers or specific investments of the Plan
5. To review at each meeting the investment returns of the Plan assets, the performance of the investment managers, the profile of the Plan assets with respect to acceptable risk tolerances and asset allocation, and the profile of the Plan assets with respect to applicable liability matching requirements
6. To provide written reports quarterly to the Pension & Benefits Committee and to the Finance & Investment Committee outlining the Pension Investment Committee's activities, decisions, recommendations, future agenda items, and any other applicable information. The Chair will meet at least annually with the Pension & Benefits Committee and the Finance & Investment Committee. A summary report will be provided quarterly to the Board of Governors through the Pension & Benefits Committee and the Finance & Investment Committee
7. To approve asset mix changes and investment decisions in compliance with the SIPP amongst the approved investment vehicles where the cumulative annual transaction(s) represents less than 15% of the Plan's total assets at the beginning of the calendar year. This activity includes allocations to newly-approved managers, or existing approved managers. The committee may at its discretion place investment managers on watch based on criteria developed by the committee. Written reports of all such investment decisions shall be provided to the Pension & Benefits Committee, the Finance & Investment Committee and the Board of Governors
8. To consult with the Finance & Investment Committee prior to recommending investment decisions and/or asset mix changes to the Board of Governors through the Pension & Benefits Committee, where the cumulative transactions in that calendar year would result in exceeding 15% of the Plan(s) total assets
9. To convene a meeting with the Pension & Benefits Committee in the event of a significant market event or shift, to discuss issues such as: specifics of significant changes in the investment environment; desirable changes to asset mix; overall risk appetite; the quality of specific investments and/or performance of investment managers during the event or shift; and market opportunities that may be presented due to the event or shift
10. To advise and/or make recommendations to the Board of Governors and/or the Pension & Benefits Committee on any matter pertaining to the management of the assets of the Plan

Meetings

The committee normally will meet four times per year, approximately quarterly, from September to June. Additional meetings will be called as required. In person attendance at meetings is encouraged, however, members may attend meetings electronically when the university and members have appropriate alternate means at their disposal. Between meetings, at the direction of the chair, the secretary may facilitate voting on a motion or motions through email or another suitable platform, provided none of the members object on the grounds that further information or discussion is reasonably required in order to make a proper decision. Meetings are restricted to committee members and guests invited by the committee.

Membership

The three voting constituencies among members are as follows:

1. Three (3) voting members appointed from and by the Board of Governors, with pension risk management and/or investment expertise
2. Two voting members having pension risk management and/or investment expertise, drawn from the complement of regular faculty, staff, and retirees and appointed via consensus agreement by the presidents of Faculty Association of the University of Waterloo (FAUW), the University of Waterloo Staff Association (UWSA), Canadian Union of Public Employees Local 793 (CUPE), and the University of Waterloo Retirees Association (UWRA)
3. Two voting members to be drawn from the external community with expertise in pension risk and/or investment, appointed by the Governance Committee of the Board of Governors. The prospective members in this category will be recommended by the Pension & Benefits Committee to the Governance Committee, and the Pension & Benefits Committee would be responsible to prepare a master list of potential members for the Governance Committee and update it annually to ensure that the Governance Committee has a list of members with relevant expertise for the PIC.

The committee will include four non-voting members: two from university administration appointed by the university president, and two from the employee groups appointed via consensus of the presidents of CUPE, FAUW, UWSA, and UWRA. It is intended that all of CUPE, FAUW, UWSA and UWRA would be represented through the two voting plus two non-voting members.

At least three voting members shall have investment expertise and at least three voting members shall have experience in managing pension risk. The committee may engage experts from industry or academia if specific advice is required.

Appointments are for one (1) three-year term with the option to reappoint for one (1) additional three-year term. Members may be reappointed for two (2) additional three-year terms thereafter following a two-year break from the end of their most recent term.

Quorum

At least four voting members, with: at least two members appointed from the Board, one member from the employee/retiree constituency, and one member from the external community.

Chair

The chair of the Committee is appointed from among the committee membership by the Board of Governors, on the recommendation of the Governance Committee.

Voting

Where a question is to be decided with a formal vote, the result of the vote must have the support of at least one member from each of the three voting constituencies to validly carry the motion.

approved on 30 October 2018