



COMBINATION PENSION PLAN

2020 ANNUAL REPORT

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LOOKING FOR MORE?

Please visit www.uvic.ca/pensions or contact Pension Services to access the following information:

- Early and deferred retirement benefits
- Your options at retirement
- Options available to you when leaving UVic
- Survivor Benefits
- History of the Plan and official Plan documents

Audited financial statements and detailed portfolio holdings are available on the Pension Services website.

www.uvic.ca/pensions

LETTER FROM THE CHAIR

TO say that 2020 was an unprecedented year has already become a cliché — to the extent that I am tempted to quote the Plan's composite return, 12.37%, and say no more.

Tracking the TSX composite index as one example, 2019 to early March 2020 saw a steady trend from about 16,500 points to almost 18,000 followed by a precipitous drop in March 2020 to below 12,000 points. April saw a recovery of about 2,000 points and then a fairly steady rise to almost 19,000, as I write this in mid-March 2021. Fortunately, these equity fluctuations were in part compensated by some very astute bond management by Phillips, Hager & North (PH&N) — yielding, for example, about 8% in the second quarter.

In my view, our plan return was quite remarkable and places us very high relative to the universe of pension plans maintained by our consultant. The median plan earned 9.9% over one year and 8.1% over 10 years, compared to our 12.4% and 9.1%, and our plan would be approximately 10th percentile over both periods. As I noted last year, and probably many times before that, these events are striking examples of the importance of a long-term view of pension, or indeed any, investing.

As I write this the COVID vaccine situation is promising, the US is announcing huge stimulus, analysts are cautiously optimistic and markets are responding strongly. On the other side of the coin there is all that government debt to be dealt with — once again: remember the long-term!

Our asset manager structure remained unchanged during 2020, with PH&N managing our fixed income portfolio, plus some Canadian equity in the Defined Retirement Benefit Fund (which provides the guarantee for the Combination Plan). Our main Canadian equity investments are split roughly equally between Fiera and BCI, with the latter also responsible for our foreign equity and real estate. Some further detail on the performance of these managers is on page 12 of this report, but in general the Board and our investment consultant, PBI, are well-satisfied with the performance.

PH&N fixed income management has been a stand-out, fully justifying the Board's decision (reported in this letter last year) to shift our fixed investment assets from the very traditional PH&N Enhanced Total Return Bond Fund to their Core Plus Bond Fund which accesses off-benchmark investments and global fixed income markets to seek yield-enhancing and diversifying opportunities beyond domestic Universe bonds. Real estate managed by BCI has been a weak spot from the performance point of view in 2020, which is hardly surprising in view of the pandemic and the shift away from central office locations. As I reported last year, BCI took a decision to move from a purely domestic real estate portfolio to a more global portfolio, with an ultimate aim of about 30% global. It is too early to assess the effectiveness of this change, but the Board is maintaining a watching brief.

One important change, which became effective January 1, 2020, is the replacement of our custodian (formerly RBC) by Northern Trust. The agreement with Northern Trust was not negotiated by the Trustees, but rather by the University, to include not only the Combination and Money Purchase Plans but also other University holdings such as the Staff Pension Plan and the Foundation. This larger ranging contract should be beneficial in the longer term, providing lower fees and more services. The Custodian provides a range of essential services including custody of our assets, reconciliation and documentation of accounts, performance reporting and, of course, payments to pensioners and provision of documentation for tax purposes. Perhaps not surprisingly for such a large undertaking, there have been a few start-up problems and we apologize to some members who received incorrect preliminary income figures for the year. The Board remains hopeful that the switch in providers will offer an improved and wider range service, whilst being more cost efficient.

You may recall that a large increase in Plan contribution rates was required after the recession of 2008 and the contribution rate had been set at 5.05% of salary since 2011. This strategy was successful, and effective January 1, 2020, the University contribution rate to the DRBA was reduced to 4.0% with a consequent modest reduction of 0.35% of salary to the employees' contribution rate. This change has no effect on the pension benefits you are

LETTER FROM THE CHAIR, CONTINUED

earning under the Plan. The Board will continue to monitor market conditions, investment performance, and other factors which can affect the contribution rate. The outcome of these changes will be an important part of our next triennial valuation, which is scheduled to begin based on plan assets and liabilities as of December 31, 2021.

Continuing review of our Statement of Investment Policies and Procedures (SIPP) is an annual requirement, but this year's revisions were more extensive than usual — especially with respect to more detailed discussions with our managers regarding their consideration and reporting of environmental, social and governance (ESG) issues, including climate change. It is noteworthy that the annual report from our investment consultant, PBI, ranks BCI as one of the very best Canadian managers in this respect. Fiera is also strong in this area. PH&N is slightly weaker, but still on par with most Canadian managers.

You will recall that your Board of Trustees is composed of four trustees elected by the membership and four appointed by the Board of Governors. The trustees who served in 2020 are listed on page 5 of this report. Terms are normally three years. Michael Miller's covering letter reports on the changes resulting from the November trustee elections. For my own part, I thank Ori Granot for his service on the Board and welcome Matthew Murphy as a new trustee.

In 2020 we had three sub-committees composed as follows, with the first-named serving as Chair in each case: Investment (Lisa Hill, Ori Granot, Michael Miller, and Susan Service); Policy & Procedures (Michael Miller, David Boudinot and John Gilfoyle); Governance (Keith Dixon, Lisa Hill, and Michael Miller). Thanks are due to all these hard-working people for agreeing to stand as Trustees. Special plaudits are due to Lisa and Michael for undertaking the extra work of chairing sub-committees. Investment, Policy and Procedures are all complex and at times demanding of special skills and knowledge so we are fortunate indeed to have these very hard working and competent people. Michael also continued in his role as Vice-Chair and provided very welcome counsel and support throughout the year. Thank you Michael!

As you will have seen from Michael Miller's covering letter, this will be my 20th letter to you as Chair. So perhaps I am permitted some final personal remarks. When Fred Fischer approached me in 1997 asking if I would stand for election to the Pension Board of Trustees, I accepted with some reticence, since I had been diagnosed with a severe allergy to certain chemicals used in my research, and I was likely to have to remove myself entirely from that working environment. Certainly, I had no idea what an interesting, educational, and personally rewarding experience the Board position would ultimately yield.

I sincerely thank all of you members for making my tenure possible and all of my friends and colleagues who have served as trustees over the years or offered support in other ways. There are also many talented and dedicated people who deserve especial praise as the creators of the shape and benefits of the excellent plan we enjoy today. Names are obviously too numerous to list but Bob McQueen, Trevor Matthews and Fred Fischer certainly deserve special praise. I can't claim to have been responsible for the growth of the Plan from about \$300 million in 1997 to \$1.5 billion today, but do hope I have not hindered that growth.

We have a very able new Chair in Michael Miller, and I will continue to support him for a year or two before age and health catch up with me.

I would have loved to meet many of you again at our Annual General Meeting on April 27, but sadly we will be restricted to a virtual meeting. Perhaps next year!

Best wishes to all for the coming year and beyond,



Keith R. Dixon
Chair, Board of Pension Trustees 2020

PLAN GOVERNANCE

The Combination Pension Plan (the “Plan”) is governed by the Pension Board. The Pension Board is legally responsible for the investment of funds and financial management of the Plan, and to ensure the Plan is administered in accordance with the Trust Agreement, the *Income Tax Act*, and British Columbia’s *Pension Benefits Standards Act*.

There are eight Trustees on the Pension Board, serving terms of up to three years. Four Trustees are elected by Plan members, and four are appointed by the University’s Board of Governors.

The Trustees have a fiduciary duty to act in the best financial interest of Plan beneficiaries and as a result, they have an obligation to ensure every decision made as Trustees is motivated by the aim of furthering the interest of the Plan’s beneficiaries.

The Trust Agreement between the University of Victoria and the Pension Board sets out the rights and responsibilities of the Pension Board, as well as the rules and procedures related to the appointment and election of Trustees.

Additional information, including the Trust Agreement, is available at www.uvic.ca/pensions, or by request from Pension Services.

2020 PENSION BOARD TRUSTEES	
APPOINTED	TERM ENDING
Keith Dixon (2020 Chair) <i>Professor Emeritus, Department of Chemistry</i>	December 31, 2022
John Gilfoyle <i>Investment & Strategy Consultant</i>	June 30, 2021
Lisa Hill <i>Senior Vice-President, Portfolio Manager, Raymond James Ltd.</i>	August 31, 2023
Kristi Simpson <i>Associate Vice-President, Financial Planning & Operations</i>	Appointed <i>ex-officio</i>
ELECTED	TERM ENDING
David Boudinot <i>Acquisitions Librarian, UVic libraries</i>	December 31, 2023
Ori Granot <i>Facility Manager, Department of Chemistry</i>	December 31, 2020
Michael Miller (2020 Vice-Chair) <i>Professor Emeritus, Department of Computer Science</i>	December 31, 2022
Susan Service <i>Professional Accountant</i>	December 31, 2022

FINANCIAL HIGHLIGHTS

INVESTMENTS

MARKET VALUE OF INVESTMENTS Expressed in \$000's	2018 \$	2019 \$	2020 \$
Balanced Fund	973,670	1,112,405	1,226,597
Defined Retirement Benefit Fund	199,136	243,933	283,749
Total	1,172,806	1,356,338	1,510,346

INVESTMENT RETURNS Expressed in \$000's		2018		2019		2020	
		\$	%	\$	%	\$	%
Balanced Fund	Gross returns	260	0.03	159,808	16.50	139,725	12.75
	Expenses	-4,077	-0.45	-4,148	-0.42	-4,172	-0.38
	Net returns	-3,817	-0.42	155,660	16.08	135,553	12.37
Defined Retirement Benefit Fund	Gross returns	-2,438	-1.15	37,829	18.77	33,527	13.43
	Expenses	-877	-0.41	-894	-0.44	-945	-0.38
	Net returns	-3,315	-1.56	36,935	18.33	32,582	13.05

EXPENSES

The following details the expenses incurred to invest and administer the Plan. Expenses are deducted from gross returns to determine net returns, which are distributed to members' accounts.

BALANCED FUND EXPENSES	Expressed in \$000's	2018		2019		2020	
		\$	%	\$	%	\$	%
Investment management ¹	3,432	0.38	3,467	0.35	3,560	0.33	
Custodial and consulting	108	0.01	86	0.01	56	0.00	
Office and administration ²	494	0.05	540	0.06	513	0.05	
Audit and legal	43	0.01	55	0.00	43	0.00	
Total expenses	4,077	0.45	4,148	0.42	4,172	0.38	

¹ The 2018 figure includes BCI's allocation of an accrued liability related to an ongoing GST/HST court case contesting the Government of Canada's challenge to the Pooled Investment Portfolios' immunity from taxation, for the period ended March 31, 2018.

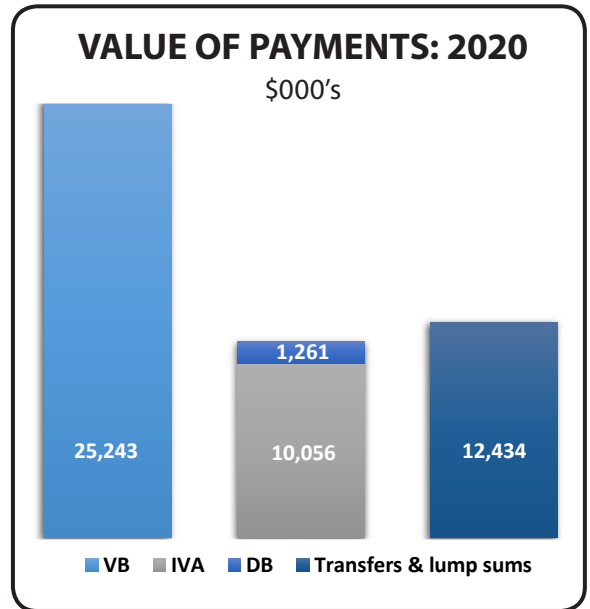
² 0.1% of 2020 office and administration expenses were for individual Trustee expenses.

FINANCIAL HIGHLIGHTS

BENEFIT PAYMENTS

VALUE OF BENEFIT PAYMENTS			
	2018	2019	2020
Expressed in \$000's	\$	\$	\$
Variable Benefits (VB)	24,447	25,271	25,243
Internal Variable Annuities (IVA)	7,321	8,388	10,056
Defined Benefit Pensions & Supplements (DB)	810	1,100	1,261
Transfers & lump sums	7,074	7,581	12,434
Total	39,652	42,340	48,994

BENEFIT PAYMENTS: NUMBER OF MEMBERS			
	2018	2019	2020
Variable Benefits (VB)	508	527	541
Internal Variable Annuities (IVA), no DB	127	131	157
Internal Variable Annuities, with DB	190	241	250
Transfers & lump sums	66	74	74
Total	891	973	1,022



CONTRIBUTIONS

CONTRIBUTIONS				
Balanced Fund & Defined Retirement Benefit Fund				
		2018	2019	2020
Expressed in \$000's		\$	\$	\$
Members	Required	9,591	10,049	9,908
	Voluntary	263	271	266
	Transfers in	3,378	1,642	3,104
University (Required)		20,559	21,515	21,369
Total		33,791	33,477	34,647

Members and the University share the cost of the Plan. Required contributions are based on a percentage of members' salary. Members also have the option of making additional voluntary contributions by payroll deduction, or by transferring other vehicles into the Plan.

Additional information on contributions can be found on Pension Services' website: www.uvic.ca/pensions.

MEMBERSHIP HIGHLIGHTS

The following charts describe the status and growth in Plan membership since 2000, as well as the distribution of assets among different member groups in 2020.

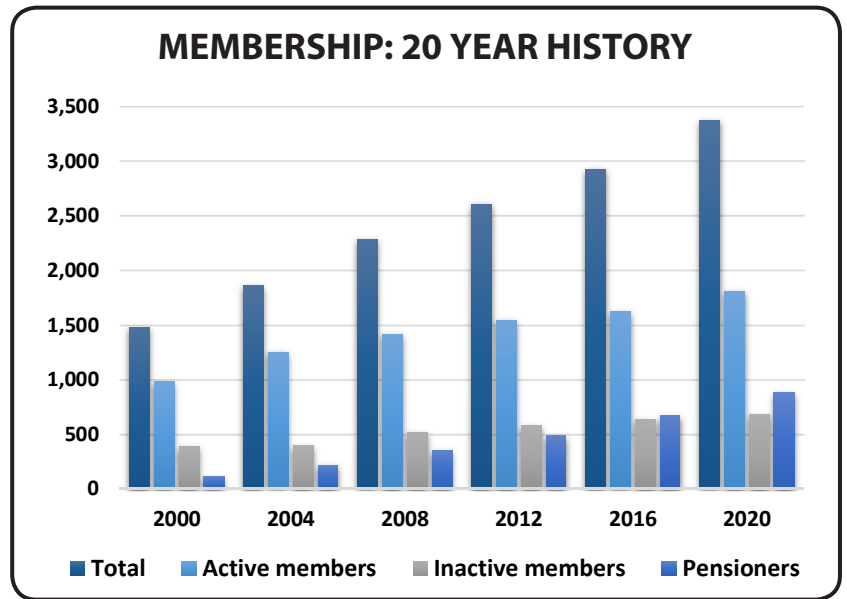
MEMBERSHIP HISTORY

ACTIVE MEMBERS are employed by the University and contributing to the Plan. Active members currently represent approximately 54% of total membership. Membership in this group has almost doubled in 20 years.

INACTIVE MEMBERS have transferred to another UVic plan or terminated employment but have not yet selected a benefit. Their assets remain invested in the Fund until they make a selection. The category also includes accounts held by surviving spouses of members who died before retirement. While membership in this group has grown, its relative size in the Plan has decreased over time, representing just over 20% in 2020, versus 26% in 2000.

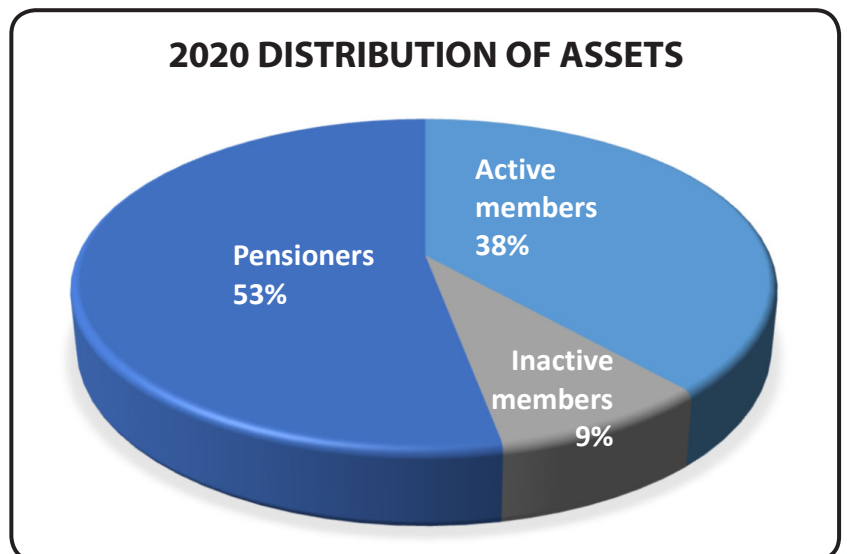
PENSIONERS are members and/or beneficiaries who are drawing a pension from the Plan. In 2020, this group represented approximately 26% of membership. This fast-growing group more than doubled in the last 10 years. Pensioners numbered at 837 in 2019, rising to 881 in 2020.

MEMBERSHIP	2000	2010	2020
Active members	980	1,519	1,808
Inactive members	388	530	681
Pensioners	112	414	881
TOTAL	1,480	2,463	3,370



DISTRIBUTION OF ASSETS

Pensioners accounted for 53% of total Balanced Fund assets in 2020, while active and inactive members shared the remaining 47%. This is consistent with the distribution of assets in 2019.



INVESTMENTS: POLICIES & OBJECTIVES

THE FUNDS

Plan assets are distributed over two Funds: the Balanced Fund and the Defined Retirement Benefit Fund (DRBF).

Individual member accounts (Combined Contribution Accounts, Variable Benefit Accounts and Voluntary Contribution Accounts) are held in the Balanced Fund, together with the assets of the Money Purchase Pension Plan. The DRBF holds the assets of the Defined Retirement Benefit Account from which defined benefit pensions and supplements are paid.

INVESTMENT POLICY AND ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS

As required, the Pension Board has established a Statement of Investment Policies and Procedures (SIPP) to formulate those investment principles, guidelines and monitoring procedures that are appropriate to established objectives. The Policy is reviewed at least annually, and sets out the categories of permitted investments, diversification, asset mix and rate of return expectations.

Under the SIPP, investment managers are encouraged to consider environmental, social and governance (ESG) related risks. In addition, managers are required to report at least annually on how ESG factors are incorporated into their investment decision making, and the Pension Board considers this information in its evaluation of prospective investment managers.

Currently, all investment managers involved with the Balanced Fund and the DRBF are signatories to the United Nations-supported Principles for Responsible Investment.

RISK TOLERANCE

In recognition of the Plan's current characteristics, an average degree of risk in terms of short-term variability of returns may be tolerated in the Balanced Fund's investments in pursuit of longer term returns. A higher degree of risk may be tolerated in the DRBF's investments.

PERFORMANCE EXPECTATIONS

Over rolling four-year periods, the minimum return expectations are:

- Domestic managers are expected to meet the benchmark plus 0.5% per annum, plus investment management and pooled fund custodial fees.
- The global equity manager is expected to meet the benchmark plus 1.0% per annum, plus investment management and pooled fund custodial fees.
- Effective November 2020, the real estate manager is expected to meet the MSCI Global Property Fund Index; with a secondary benchmark of the Canadian Consumer Price Index plus 4%.

In 2020, the benchmarks were as follows:

- Short term: FTSE Canada 91-day T-Bill Index
- Fixed income: FTSE Canada Universe Bond Index
- Canadian equities: Benchmark: S&P/TSX Capped Composite Index
- Global equities: MSCI World Ex-Canada Net \$Cdn Index

The total fund benchmark for the Balanced Fund is a composite of the benchmarks for the individual asset classes.

PERFORMANCE MONITORING

The primary objective is to achieve a rate of return, net of investment fees and based on a four-year moving average, which is above a benchmark rate of return associated with asset mix policy.

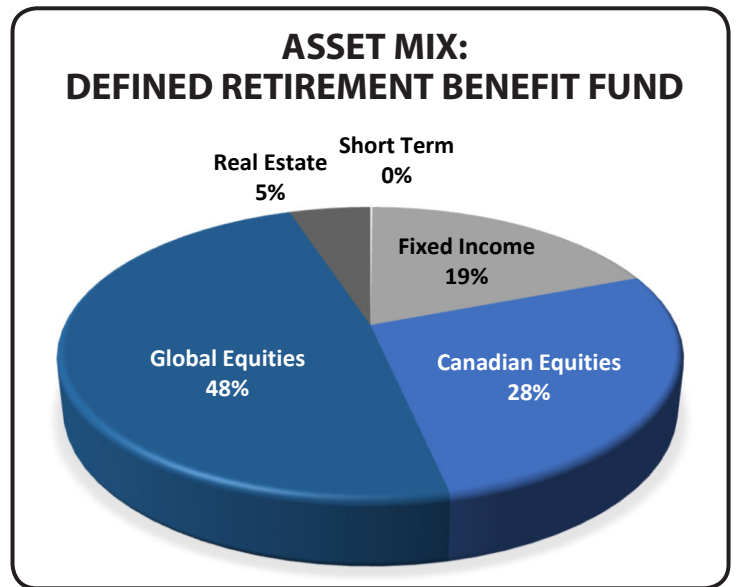
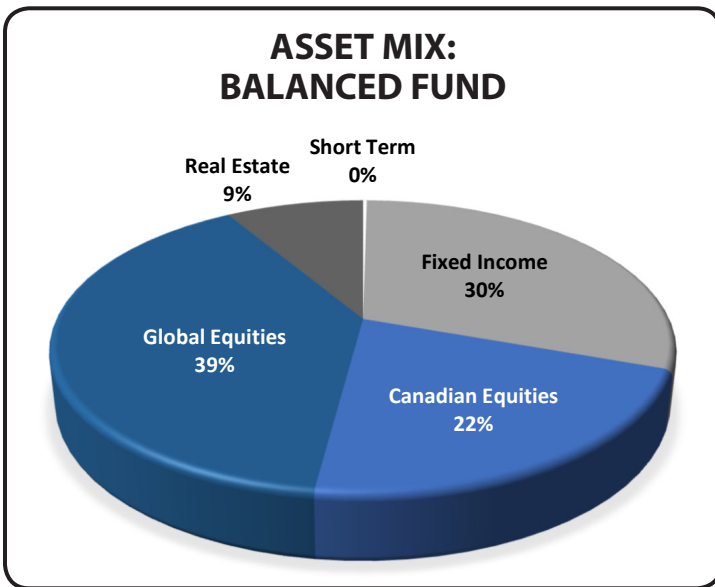
The Pension Board's Investment Sub-Committee monitors and reviews performance and reports to the Pension Board. While short-term results are of interest, it is important to recognize that an investment strategy ought to provide good results over the longer term. As a consequence, the Pension Board focuses on evaluating investment performance over rolling four-year periods.

INVESTMENTS

ASSET MIX

The following charts illustrate the Funds' asset mix, as at December 31, 2020. Assets are invested with three investment managers, as listed in the Service Providers section of this report. The Portfolio Holdings section also provides a summary of the Funds' holdings.

2020 ASSET MIX		\$	%
Balanced Fund	Short Term	2,990	0.23
	Fixed Income	397,728	30.23
	Canadian Equities	284,493	21.62
	Global Equities	517,613	39.34
	Real Estate	112,846	8.58
	TOTAL MARKET VALUE	1,315,670	100.00
Defined Retirement Benefit Fund	Short Term	320	0.11
	Fixed Income	54,095	19.06
	Canadian Equities	77,770	27.41
	Global Equities	137,173	48.34
	Real Estate	14,391	5.07
	TOTAL MARKET VALUE	283,749	100.00



INVESTMENTS

TOTAL PLAN PERFORMANCE: BALANCED FUND

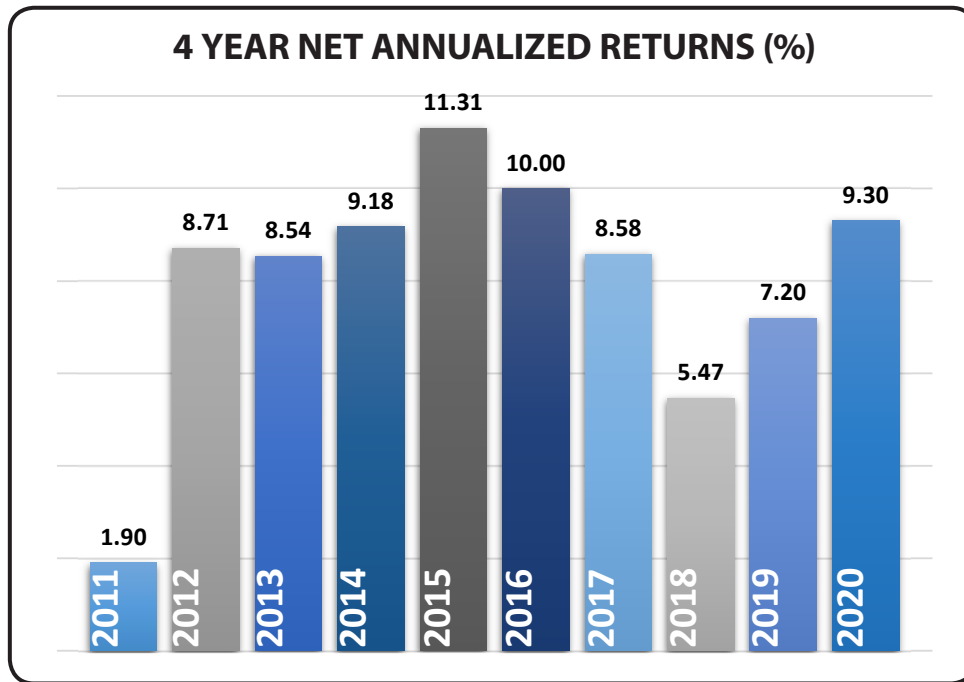
BALANCED FUND ANNUALIZED RETURNS (%)				
Period ended December 31	1 YEAR		4 YEAR	10 YEAR
	Gross	Net	Net	Net
2020	12.75	12.37	9.30	9.69
2019	16.50	16.08	7.20	8.35
2018	0.03	-0.42	5.47	8.32
2017	9.52	9.17	8.58	6.58
2016	4.98	4.64	10.00	5.93
2015	9.10	8.75	11.31	6.71
2014	12.21	11.88	9.18	7.08
2013	15.31	15.01	8.54	7.06
2012	9.98	9.71	8.71	7.03
2011	0.92	0.65	1.90	5.59

This table shows the annualized rates of return for the Balanced Fund portfolio over the last ten years. The four year net returns are also illustrated.

Gross returns are calculated before expenses. Net returns are calculated after all investment and operating expenses.

The net rate of return is credited to members' individual Combined Contribution Accounts (CCA), Variable Benefit Accounts (VBA) and Additional Voluntary Contribution Accounts (AVCA).

Past performance is not a reliable indicator of future performance.



INVESTMENTS

MANAGERS: ALLOCATION & PERFORMANCE

The charts below provide a snapshot of the asset mix, allocation among the funds' investment managers, and associated performance returns for each asset class, compared to a set benchmark.

BALANCED FUND

INVESTMENT MANAGER	Allocation (%)			Return (%)			
	Actual	Benchmark		1 YEAR	1 YEAR	4 YEAR	4 YEAR
	WEIGHT	WEIGHT	ALLOWABLE RANGE	GROSS	BENCHMARK	GROSS	BENCHMARK
FIXED INCOME							
PH&N	30.2	36.0	20-46	13.4	8.7	6.0	4.8
CANADIAN EQUITIES							
BCI	11.1		9-13	8.1		7.5	
Fiera	10.8			5.0		6.9	
Total	21.9	22.0	14-27	6.6	5.6	7.1	6.6
GLOBAL EQUITIES							
BCI	39.3	32.0	20-40	18.4	14.3	14.6	12.2
REAL ESTATE							
BCI	8.6	10.0	5-15	1.4	4.8	4.5	5.8
TOTAL FUND				12.8	9.9	9.5	7.9

DEFINED RETIREMENT BENEFIT FUND

INVESTMENT MANAGER	Allocation (%)			Return (%)			
	Actual	Benchmark		1 YEAR	1 YEAR	4 YEAR	4 YEAR
	WEIGHT	WEIGHT	ALLOWABLE RANGE	GROSS	BENCHMARK	GROSS	BENCHMARK
FIXED INCOME							
PH&N	19.1	20.0	15-35	13.4	8.7	6.1	4.8
CANADIAN EQUITIES							
PH&N	27.4	25.0	15-25	6.0	5.6	6.0	6.6
GLOBAL EQUITIES							
BCI	48.3	45.0	40-50	18.1	14.2	14.5	12.2
REAL ESTATE							
BCI	5.2	10.0	5-15	2.4	4.8	5.0	5.8
TOTAL FUND				13.3	10.5	9.8	8.9

Short term investment results represent under 3% of the fund and are grouped with respective managers.

Inconsistencies may exist due to rounding.

PORTFOLIO HOLDINGS

BALANCED FUND, AS AT DECEMBER 31, 2020

ASSET		MARKET VALUE \$
		Expressed in \$000's
SHORT-TERM INVESTMENTS (0.23%)	CANADA TREASURY BILLS	2,485
	POOLED FUNDS	505
	CURRENCY HEDGES	0
CANADIAN BONDS (30.23%)	POOLED BOND FUNDS	397,728
CANADIAN EQUITIES (21.62%)	CONSUMER DISCRETIONARY	5,235
	CONSUMER STAPLES	7,779
	ENERGY	10,797
	FINANCIALS	44,015
	HEALTH CARE	0
	INDUSTRIALS	22,453
	MATERIALS	12,868
	INFORMATION TECHNOLOGY	13,163
	TELECOMMUNICATION SERVICES	6,510
	UTILITIES	4,146
	POOLED FUNDS	157,527
GLOBAL EQUITIES (39.34%)	POOLED FUNDS	517,613
REAL ESTATE (8.58%)	POOLED FUNDS	80,770
	SEGREGATED FUNDS	32,223
	HEDGES	-147
TOTAL BALANCED FUND PORTFOLIO		1,315,670
COMBINATION PENSION PLAN		1,226,597
MONEY PURCHASE PENSION PLAN		89,073

DEFINED RETIREMENT BENEFIT FUND, AS AT DECEMBER 31, 2020

ASSET		MARKET VALUE \$
		Expressed in \$000s
SHORT-TERM INVESTMENTS (0.11%)	POOLED FUNDS	320
CANADIAN BONDS (19.06%)	POOLED BOND FUNDS	54,095
CANADIAN EQUITIES (27.41%)	POOLED FUNDS	77,770
GLOBAL EQUITIES (48.34%)	POOLED FUNDS	137,173
REAL ESTATE (5.07%)	POOLED FUNDS	10,214
	SEGREGATED FUNDS	4,069
	HEDGES	108
TOTAL DEFINED RETIREMENT BENEFIT FUND PORTFOLIO		283,749

Some inconsistencies may exist due to rounding.

PORTFOLIO HOLDINGS

BALANCED FUND: GLOBAL EQUITIES

TOP 10 EXPOSURES	Weight*
MICROSOFT CORP	1.71%
VISA INC-CLASS A SHARES	1.34%
KEYENCE CORP	1.23%
NOVO NORDISK A/S-B	1.19%
AIA GROUP LTD	1.11%
ALPHABET INC CLASS C	1.06%
SONY CORP	0.96%
AMAZON.COM INC	0.91%
HOME DEPOT INC	0.86%
TAIWAN SEMICONDUCTOR - SP ADR	0.85%
Total Weight: Top 10 Holdings	11.22%

* As a percentage of total Global Equity Holdings

BALANCED FUND: CANADIAN EQUITIES

TOP 10 EXPOSURES	Weight*
ROYAL BANK OF CANADA	8.59%
TORONTO-DOMINION BANK	6.90%
BROOKFIELD ASSET MANAGEMENT CLA	5.69%
CANADIAN PACIFIC RAILWAY LTD	4.84%
CONSTELLATION SOFTWARE INC	3.50%
CANADIAN NATIONAL RAILWAY CO	3.39%
SHOPIFY INC CLASS A	2.82%
ALIMENTATION COUCHE CLASS B	2.69%
FRANCO-NEVADA CORP	2.68%
INTACT FINANCIAL CORP	2.44%
Total Weight: Top 10 Holdings	43.55%

* As a percentage of total Canadian Equity Holdings

A detailed listing of portfolio holdings can be obtained at www.uvic.ca/pensions or by contacting Pension Services.

PENSION PLAN FUNDING

Under the British Columbia Pension Benefits Standards Regulation (PBSR), a pension plan containing a defined benefit component must undertake a plan valuation to assess the financial health of the plan at intervals not exceeding 3 years. Assets for the defined benefit component of the Combination Plan are held in the Defined Retirement Benefit Fund, as described in this report.

A valuation provides a snapshot of a plan's estimated financial condition at a particular point in time. One type of valuation required is the "solvency valuation", which measures whether the Plan would have the ability to meet its obligations (liabilities) to its members if the Plan were to be terminated and wound up at the valuation date. The last valuation date for the Combination Pension Plan was in 2019, for the period ending December 31, 2018. At that time, the solvency ratio (the percentage of solvency assets compared to solvency liabilities) was 190.9%.

The Plan provides for a reduction or elimination of contributions when the Plan has a surplus. The December 31, 2018 valuation revealed an accrued going concern surplus of \$80,066,000. It is estimated that \$1,500,000 of this surplus will be used to reduce contributions in 2020. This means that the contribution rate for the DRBA has been reduced to 4.0% effective January 1, 2020, resulting in a reduction of 0.35% to the employee contribution rate. The total contribution into member accounts remains unchanged. The plan will continue to meet its solvency requirements after the taking of the contribution holiday.

The next actuarial valuation of the Plan will take place in 2022.

SERVICE PROVIDERS

INVESTMENT MANAGERS

BC Investment Management Corporation (BCI)

Manages one-half the Canadian equity portion, and all the global equity and real estate portions of the Balanced Fund; and, the foreign equity and real estate portion of the DRBF.

Fiera Capital Corporation

Manages one-half the Canadian equity portion of the Balanced Fund.

Phillips, Hager & North Investment Management Limited (PH&N)

Manages the fixed income portion of the Balanced Fund and the domestic portion of the DRBF.

CUSTODIAN

The Northern Trust Company, Canada

Custodian of Plan assets (excluding BCI funds) and benefit payment service.

INVESTMENT CONSULTANT

PBI Actuaries & Consultants

PERFORMANCE MEASUREMENT

PBI Actuaries & Consultants

ACTUARY

Mercer (Canada) Limited

AUDITOR

Grant Thornton LLP

Please review your statement and contact Pension Services with any required updates to your information. Current UVic employees: please also ensure your information is up-to-date on MyPage.

Retiring members should contact Pension Services 3-6 months before their retirement date. Individual meetings are available by appointment.

The precise terms of the Plan are provided in the Plan Document, which can be obtained at www.uvic.ca/pensions, or by request from Pension Services. We make every effort to ensure that all information in this report is accurate and complete. In the event of a discrepancy, the Plan Documents, statutes, or regulations shall apply.

Additional information about the University of Victoria Combination Pension Plan can be obtained on Pension Services' website: www.uvic.ca/pensions.

HOW TO REACH PENSION SERVICES:

EMAIL:	pensions@uvic.ca
TELEPHONE:	(250) 721-7030
PHYSICAL ADDRESS & COURIER ADDRESS:	Pension Services University of Victoria Michael Williams Building Room B278 3800 Finnerty Road Victoria, BC V8P 5C2
MAILING ADDRESS:	Pension Services University of Victoria PO Box 1700, STN CSC Victoria BC V8W 2Y2

