



Money Purchase Pension Plan **ANNUAL GENERAL MEETING**

May 18, 2023

Acknowledgement

We acknowledge and respect the ləkʷəŋən peoples on whose traditional territory the university stands and the Songhees, Esquimalt and WSÁNEĆ peoples whose historical relationships with the land continue to this day.

Meeting Process: Questions

- Questions will be addressed throughout the presentation.
- **Zoom:** Enter your question using the Q&A function, which is available on the bottom of your screen. The moderator will relay your questions to the Board.

2022 Pension Board of Trustees

University of Victoria Money Purchase Pension Plan

David Boudinot	Term ending December 31, 2023
Barry Gros	Term ending December 31, 2024
John Gilfoyle (Vice-Chair)	Term ending June 30, 2023
Catherine Heath	Term ending December 31, 2024
Michael Miller (Chair)	Term ending December 31, 2025
Matt Murphy	Term ending December 31, 2023
Susan Service	Term ended December 31, 2022
Andrew Coward	Appointed <i>ex-officio</i>
<i>Effective January 2023</i>	
Ori Granot	Term ending December 31, 2025

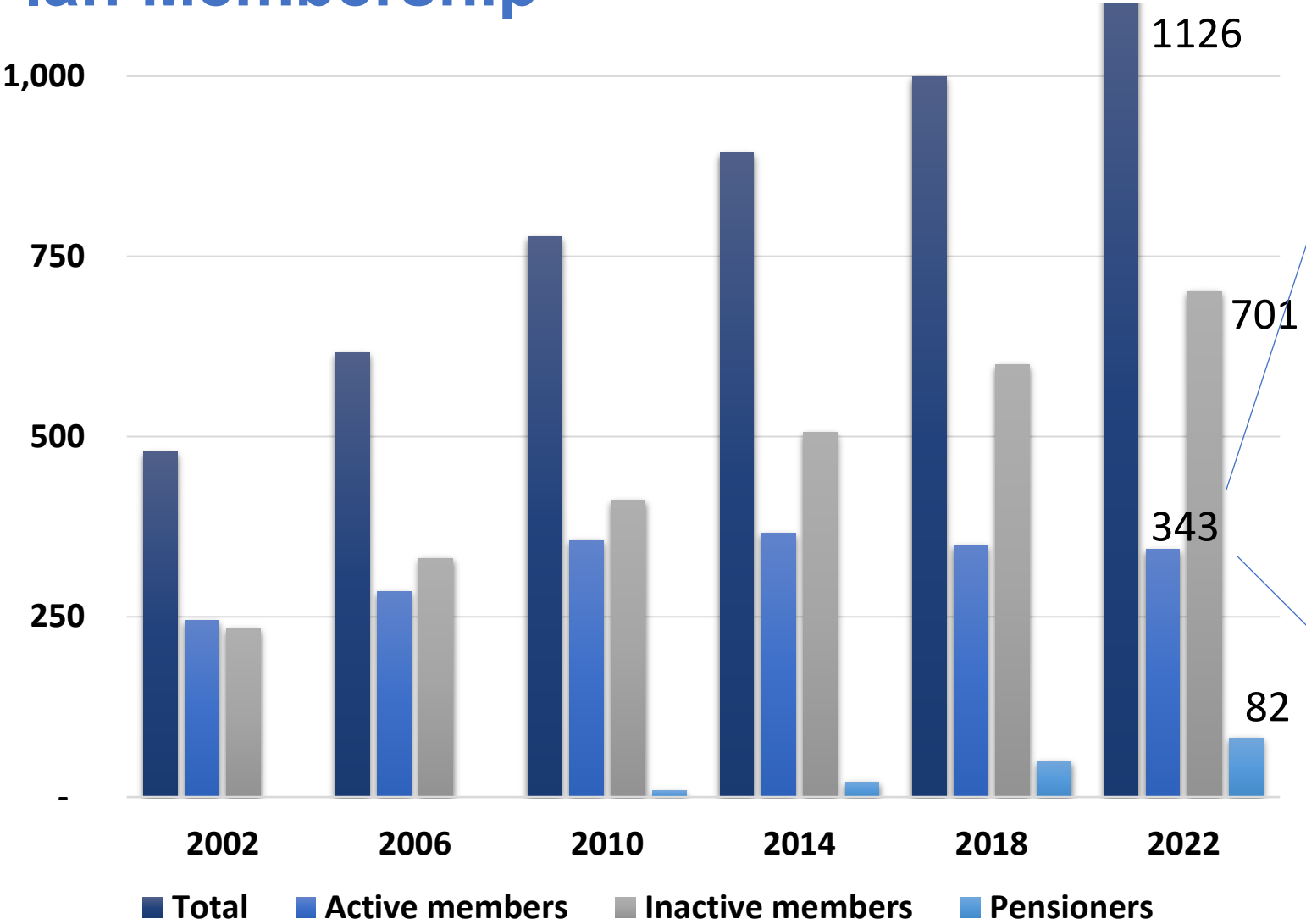
Pension Services

Director, Pension Services	Oliver Cowern – Acting Christa Taylor (resigned Dec. 31, 2022)
Associate Director, Pension Services	Sarah Thomas – Acting
Administrative Assistant	Meaghan Vardy
Paralegal & Governance Coordinator	Chrissy Drew
Pension Entitlements Clerks	Donna LeBere, Gail Ronayne
Pension Entitlements Officers	Sheryl Jackson, Ian Jones
Pension Entitlements & Projects Officer	Christine Mojica
Senior Administrative Clerk	Sutti Tungsiriratana
Pensions Accountant	Nicole Pan
Pensions Accounting & Entitlements Clerk	Shirley Omelchuk
Pensions Communications Officer	Marshal McLernon

Plan Membership

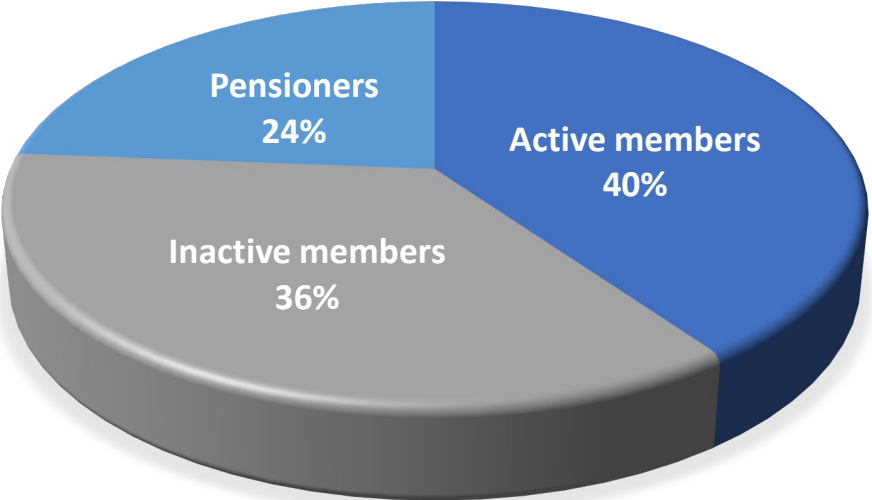
MEMBERSHIP: 20 YEAR HISTORY						
	2002	2006	2010	2014	2018	2022
Active members	245	285	356	366	349	343
Inactive members	234	331	412	506	600	701
Pensioners			9	21	50	82
Total	479	616	777	893	999	1,126

Plan Membership



ACTIVE MEMBERS: 2022	
Teaching Faculty	123
Other Faculty + Sessionals	60
PEA	84
ME	8
Other	68
Total	343

Distribution of Assets



Investments

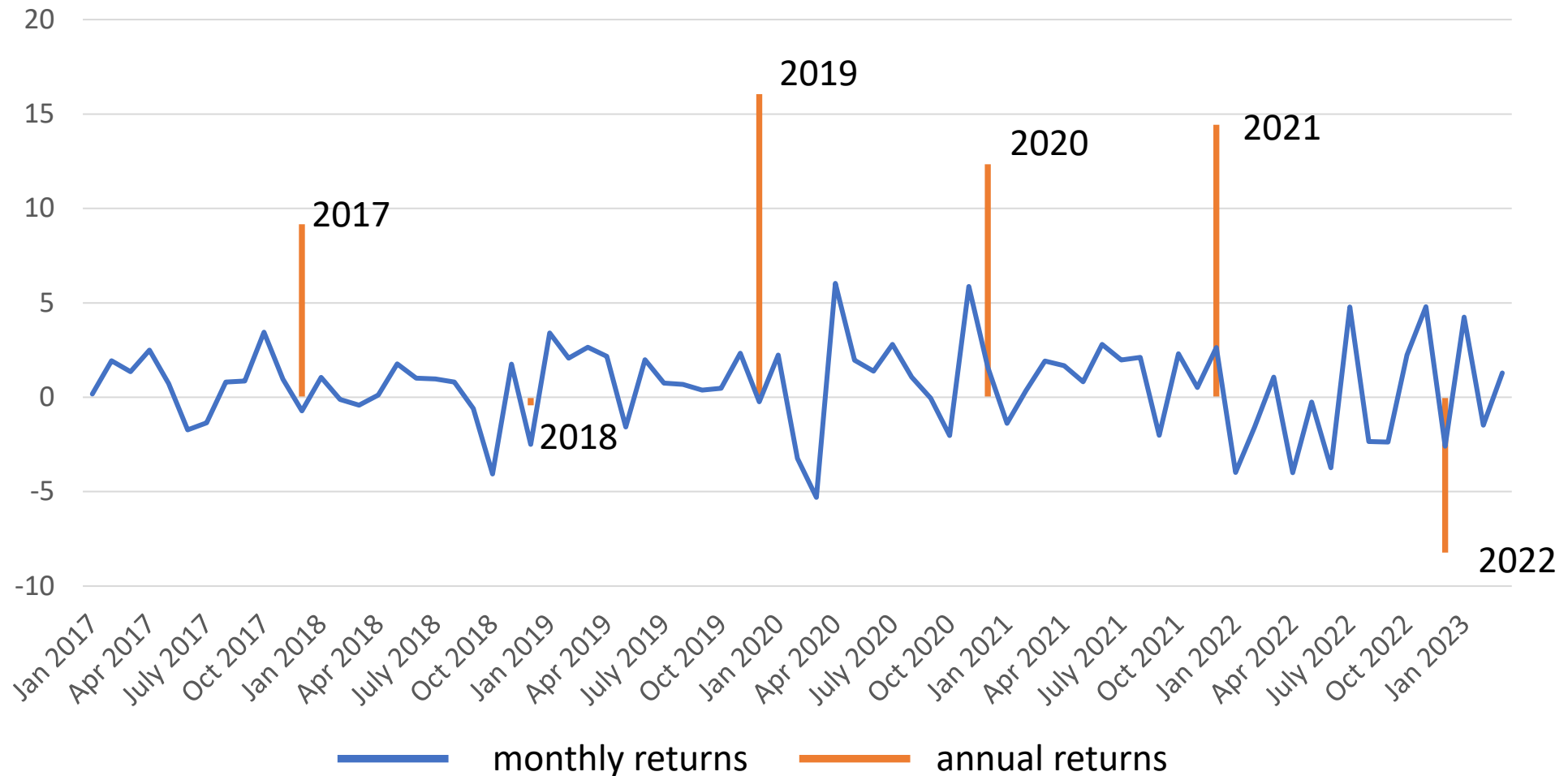
MARKET VALUE OF INVESTMENTS	2020	2021	2022
<i>Expressed in \$000's</i>	\$	\$	\$
Balanced Fund	89,073	103,335	95,046

INVESTMENT RETURNS		2020		2021		2022	
<i>Expressed in \$000's</i>		\$	%	\$	%	\$	%
Balanced Fund	Gross Returns	10,075	12.75	13,335	14.84	-8,458	-7.88
	Expenses	-323	-0.41	-366	-0.40	-385	-0.36
	Net Returns	9,752	12.34	12,969	14.44	-8,843	-8.24

Expenses

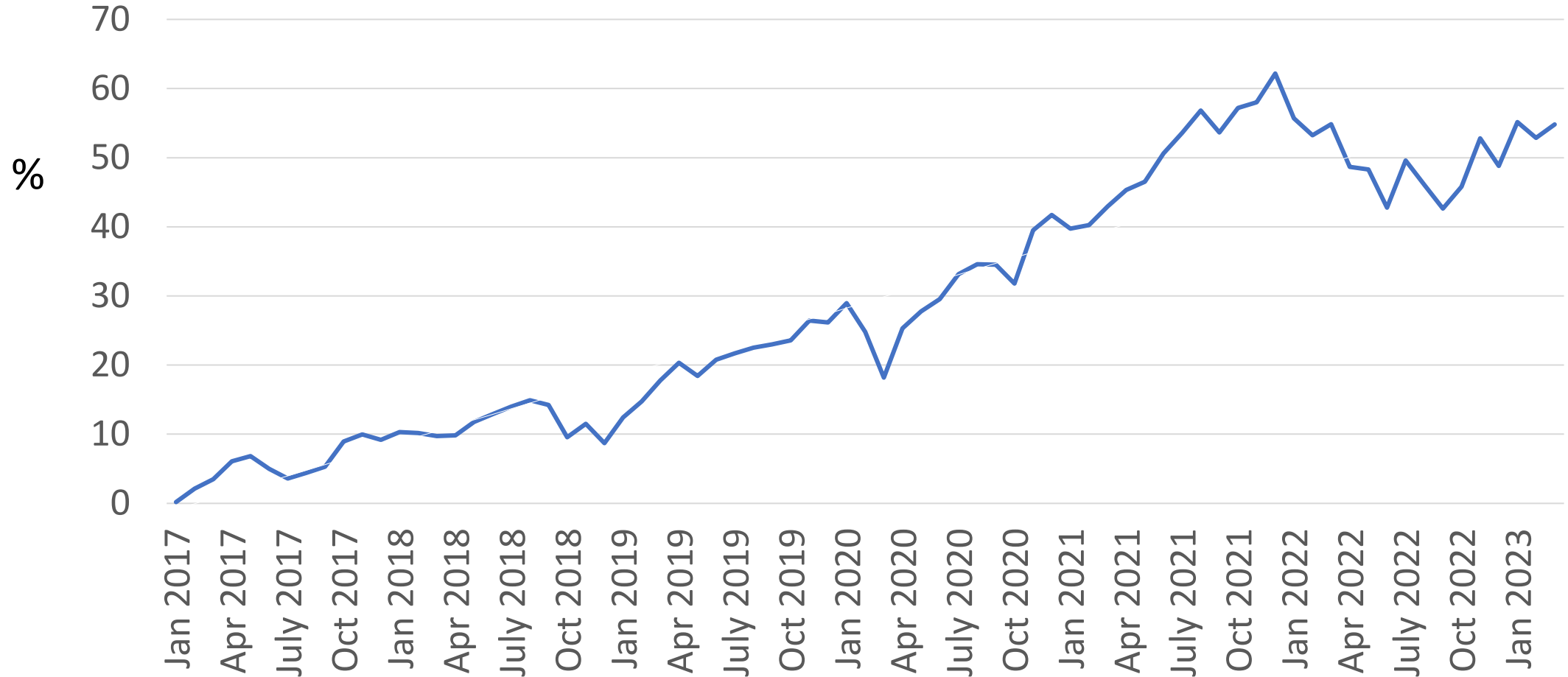
Balanced Fund Expenses						
<i>Expressed in \$000's</i>	2020		2021		2022	
	\$	%	\$	%	\$	%
Investment Management	257	0.33	298	0.33	316	0.29
Custodial & Consulting	4	0.01	4	0.01	7	0.01
Office & Administration	37	0.04	41	0.04	42	0.04
Audit & Legal	25	0.03	23	0.02	20	0.02
Total Expenses	323	0.41	366	0.41	385	0.36

Balanced Fund Performance: Monthly & Annual % Returns

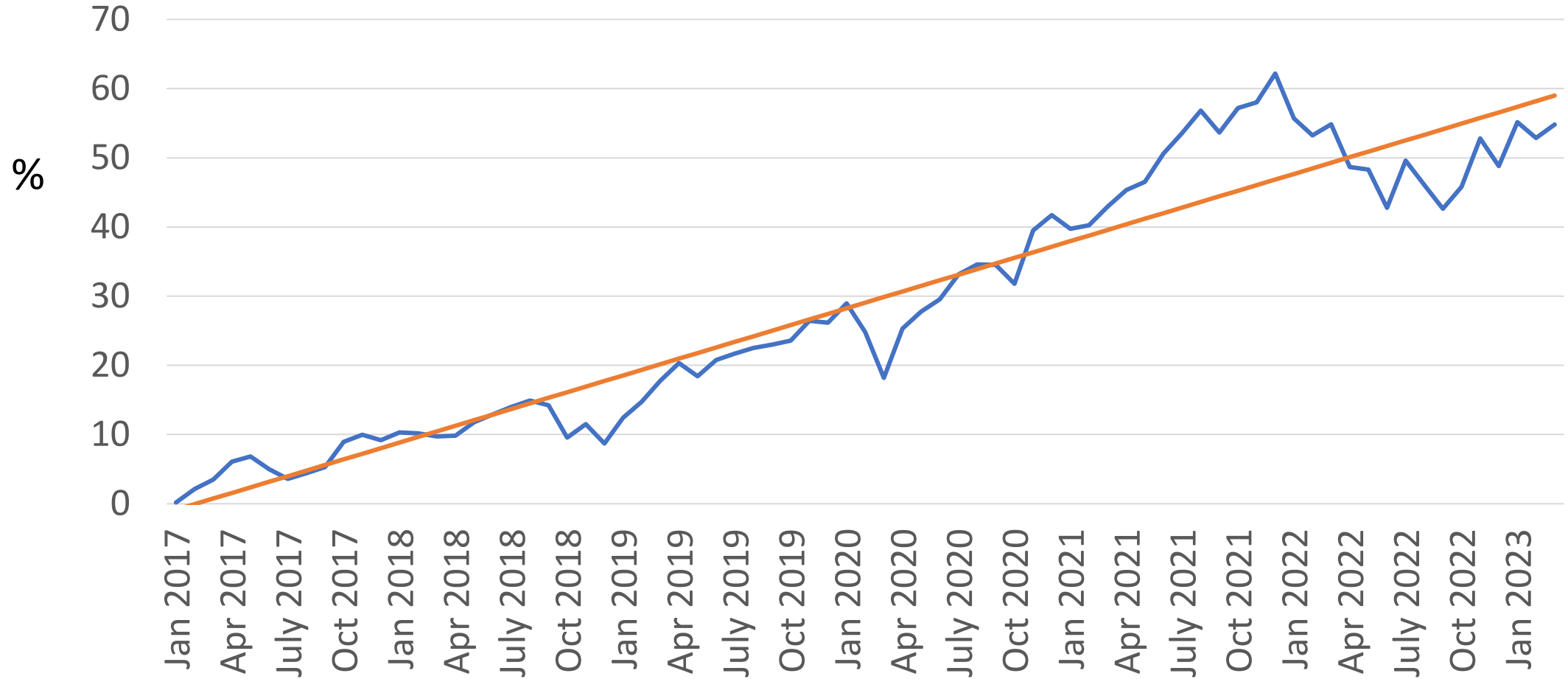


Balanced Fund Growth

Balanced Fund % Growth



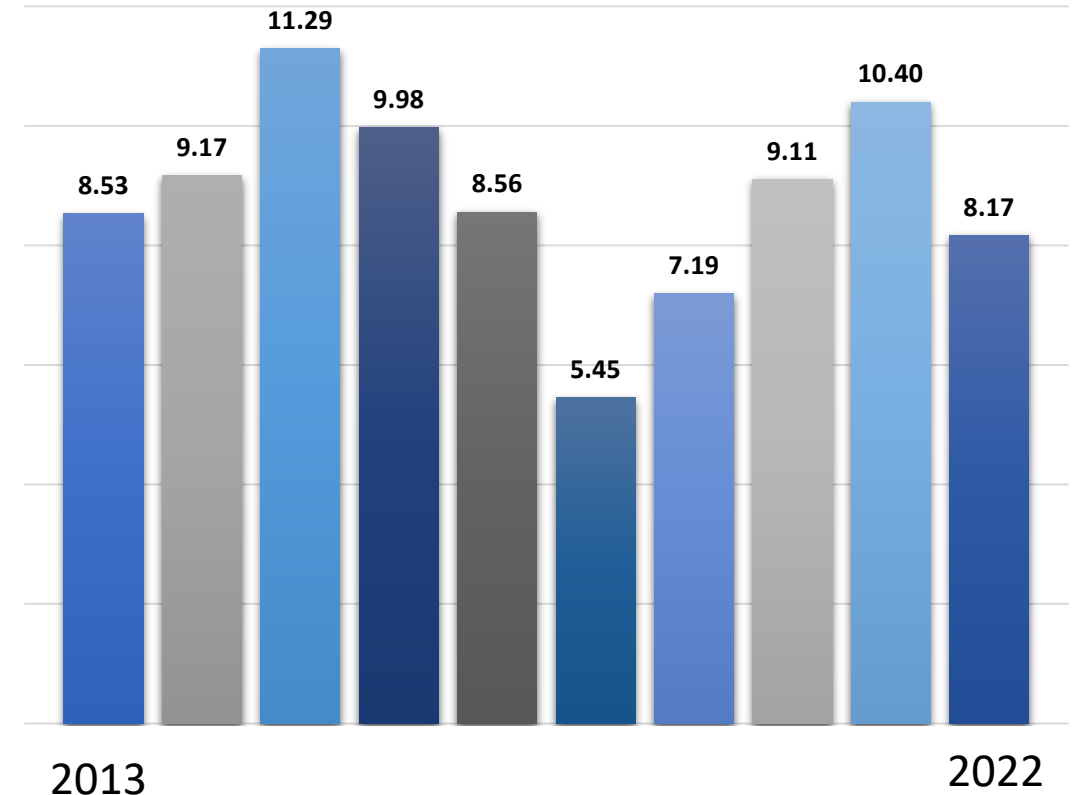
Balanced Fund % Growth



Balanced Fund Growth

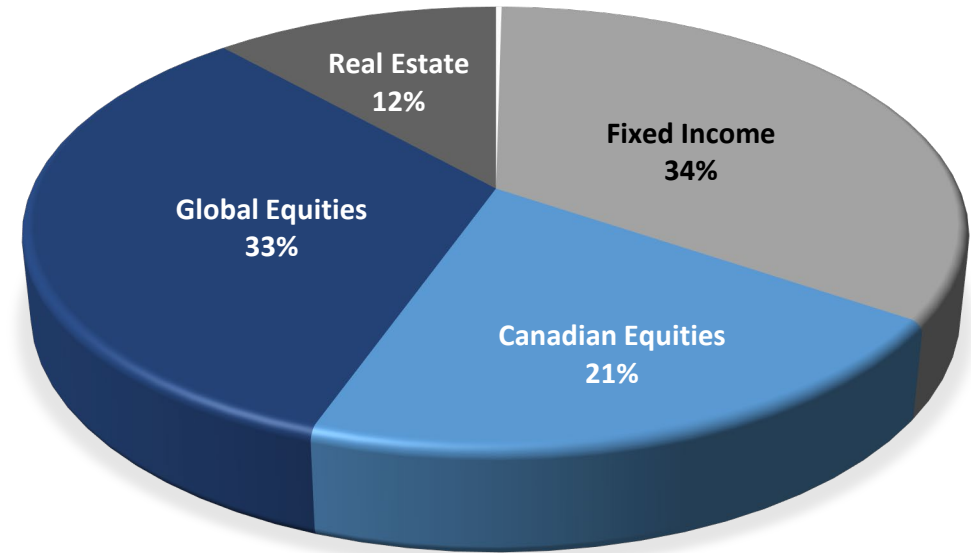
Balanced Fund Annualized Returns (%)				
<i>Period ended December 31, 2022</i>				
	1 year		4 year	10 year
	Gross	Net		
2022	-7.88	-8.24	8.17	8.09
2021	14.84	14.44	10.40	10.04
2020	12.75	12.34	9.11	8.64
2019	16.5	16.05	7.19	8.34
2018	0.03	-0.42	5.45	8.30
2017	9.52	9.17	8.56	6.57
2016	4.98	4.63	9.98	5.92
2015	9.10	8.71	11.29	6.70
2014	12.21	11.87	9.17	7.07
2013	15.31	15.00	8.53	7.04

4 Year Net Annualized Return (%)



Asset Mix: Balanced Fund

ASSET CLASS	\$000s	%
Short Term	3,039	0.23%
Fixed Income	454,493	34.29%
Canadian Equities	276,992	20.90%
Foreign Equities	437,027	32.97%
Real Estate	153,949	11.61%
Total Value	1,325,500	100.00%



MPP portion of Balanced Fund is 7.17%

Manager Allocation & Performance: Balanced Fund

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	34.2	36	20-46	-11.2	-11.7	1.4	0.0
CANADIAN EQUITIES							
BCI	10.8			-5.9		12.4	
Fiera	10.2			0.2		13.5	
Total	21.0	22	14-27	-2.9	-5.8	13.0	11.2
GLOBAL EQUITIES							
BCI	32.8	32	20-40	-14.0	-12.4	11.2	10.0
REAL ESTATE							
BCI	11.7	10	5-15	7.1	10.6	7.7	7.6

Global Equities: Allocation to Walter Scott

- In 2021, the Board was informed that BC Investment Management Corporation (BCI) had terminated its relationship with Walter Scott and that Global Equity funds previously invested through Walter Scott would instead be managed directly by BCI.
- After due consideration of this development, the Board decided that 40% of the overall BCI Global Equity fund should be liquidated and transferred to Walter Scott – effectively restoring the investment balance that existed prior to BCI terminating Walter Scott.
- The transfer to Walter Scott was completed on March 1, 2023.

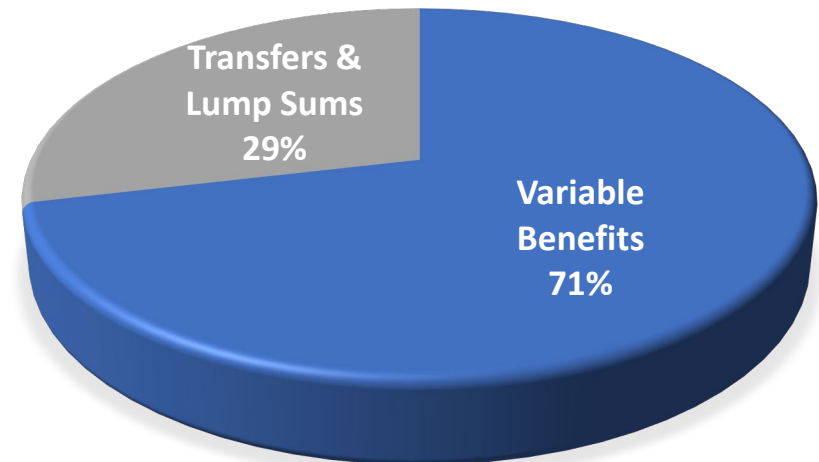
Contributions

TOTAL CONTRIBUTIONS				
<i>Expressed in \$000's</i>		2020	2021	2022
Members	Required	1,008	1,116	1,090
	Voluntary	62	58	50
	Transfers in	397	686	275
University (Required)		2,366	2,551	2,541
Total		3,833	4,411	3,956

Benefit Payments

VALUE OF BENEFIT PAYMENTS			
<i>Expressed in \$000's</i>	2020	2021	2022
Variable Benefits	1,131	1,279	1,488
Transfers & Lump Sums	1,761	1,762	1,897
Total	2,892	3,041	3,385

Number of Benefit Payments



ESG Reporting

The Plan's investment consultant (PBI) provides quarterly ESG reporting on investment managers including:

- Investment, voting right and shareholder engagement policies
- Manager ESG ratings: governance, integration, voting and engagement
- Carbon score relative to benchmark

Managers	Fiera	PH&N	BCI
PRI Signatory	2009	2015	Since inception of PRI
Responsible investment policy	Yes	Yes	Yes
Voting Rights Policy	Yes (ISS)	Yes (ISS)	Yes
Shareholder Engagement Policy	No	Yes (internal)	Yes
External ESG Resources	MSCI, CCGG, CBIA, Bloomberg, Sustainalytics, ISS, CDP Climate Score, SASB	MSCI, Sustainalytics, ISS, Glass Lewis, Bloomberg, TruValue	BCI has not provided information on the external ESG resources used. A number of providers are footnoted/credit in BCI's ESG reporting.
ESG issue notification/action	Yes	Yes	Yes
PRI Rating:			
• Governance	A+	A+	BCI is classified as an asset owner rather a fund manager by the PRI. They score A+ for strategy and governance.
• Filtering	A	A+	
• Intergration	A	A+	
• Engagement	A	A+	
• Voting Rights	B	A	
Consideration of UN Sustainable Development Goals	Yes	No	Yes
Carbon Score	Yes (MSCI)	Yes (Bloomberg)	Yes
ESG Score	Yes (MSCI)	Yes (MSCI, Sustainalytics)	BCI provides an annual report with a comprehensive assessment, including numerical scoring on ESG metrics.

Managers	Walter Scott	C-WorldWide
PRI Signatory	2017	2012
Responsible investment policy	Yes	Yes
Voting Rights Policy	Yes (ISS)	Yes (ISS)
Shareholder Engagement Policy	Yes	Yes (GES Investment Services/Sustainalytics)
External ESG Resources	MSCI and ISS	GES Investment Services/Sustainalytics, ISS, Dansif, Nordsif, Swesif, Finsif
ESG issue notification/action	Yes	Yes
PRI Rating:		
• Governance	A+	A+
• Strategy	A+	A+
• Integration	A	A+
• Engagement	A	A
• Voting Rights	A	A
Consideration of UN Sustainable Development Goals	Yes	Yes
Carbon Score	Yes (MSCI)	Yes
ESG Score	Yes (MSCI)	Yes

Governance Review

- A review of Plan Governance was conducted in Fall 2022 and recommendations are currently being considered by the Board.
- The University will be appointing an Executive Director of Pensions and the Board is considering ways to devote more time to strategic planning
- There are a number of issue to consider regarding the Money Purchase Plan.
- In order to properly consider those issues it is important to know the composition of the Plan membership.
- The issue of Plan membership for Teaching Faculty was raised at the AGM last year. It was noted at the time that Plan membership is a University issue as pensions are an employment matter. We have been advised that the University has not received a proposal.

BC Financial Services Authority Review

Required Actions

- Revisions to reporting to members – **Completed**
- Improve documentation on material risks and internal controls – **In progress**

Recommended Actions

- Develop separate MPP SIPP – **Board has approved a SIPP for the MPP**
- Focus on regulatory compliance in next plan assessment
- Improve documentation of cybersecurity processes
- Develop service agreement with University
- Develop projection tools for members

Pension Services: Initiatives

Pension Services is undertaking a number of initiatives to enhance the service provided to Plan members:

- Systems & tools
- Communications transformation
- Employer pension-related process review

Pension Services: Systems & Tools

- Existing systems have been in place for 15+ years
- Calculations are currently performed manually using Excel-based calculators, and an Oracle database
- Systems have served well over the years, however to enhance service to members while meeting increasing volumes, need systems/tools that have been specifically designed for pension administration
- A key deliverable is to provide members with access to online services to support decision-making, and the ability to more easily model various retirement dates and income in retirement

Communications Transformation

- Aims to improve and enhance communications for UVic's three pension plans
- Provide plan members with confidence in the viability, administration, management and oversight of their pension plans
- Ensure plan members fully understand their pension plans and benefits; and, are equipped to make sound financial decisions for their retirement
- Comply with regulatory requirements for pension plan communications

Pension Services: Pension-Related Process Review

- Pension Services collaborates with other university departments such as Benefits and Payroll on a variety of processes
- The most recent end-to-end process review was 10+ years ago; much has changed since
- This process review will document and streamline a number of processes relating to pensions

Pension Services: Member Survey

- The pensions member survey is open to **May 31**.
- If you have already responded, thank you!
- You can access the survey using the link sent to you by email.
- If you did not receive an email, please contact the Pension Services Office for details. **250-721-7030** pensions@uvic.ca



pensboard@uvic.ca 250-721-7030 www.uvic.ca/pensions