“Thanks to the generosity of donors, more than $9 million in new funding was added to the University of Victoria endowments this year. This investment shows confidence in the future and direction of the university. All of us who are part of the University of Victoria Foundation are proud of the role the foundation plays, on behalf of our donors, in contributing to innovative research, dynamic learning and continued excellence at the University of Victoria.”

Tom Zsolnay
President, University of Victoria Foundation

Figure 1: Foundation Growth
$ Millions, Market Value, 2003-2019 (as at March 31)
MESSAGE FROM THE CHAIR

As the newly appointed Chair of the Foundation Board, I am very pleased to present the 2018-19 edition of the University of Victoria Foundation’s Annual Report. The purpose of this Annual Report is to provide an investment overview and summary of the Foundation’s activities for its many stakeholders.

This year marks the tenth consecutive year of positive returns of the Foundation’s investments since the financial crisis of 2008-09. The net annual return for the fiscal year of 8.4% exceeded the Foundation’s absolute and relative benchmarks over timeframes in the last 10 years. The Foundation’s long-term investment goal is to achieve a minimum annualized rate of return (net of management fees) of inflation + 4.5%. As outlined in this report, the Foundation Board is pleased to have achieved this goal over the last 10 years, thus helping to ensure the intergenerational equity of each endowment.

The Board continues to meet at least six times a year. In addition to in-depth discussions with the Foundation’s investment consultant and asset managers, the Board regularly reviews the Foundation’s Statement of Investment Objectives and Guidelines, Endowment Management Policy, Statement of Investment Beliefs and other areas of priority. This year’s highlights include:

- as noted above, the approval of the 2019/20 Annual Spending Budget of $15.9 million;
- committing to loan 10% of the fund to the University Of Victoria’s new student housing project; and,
- committing to complete an asset allocation study to ensure our spending policy remains resilient.

2019-20 marks the largest budgeted distribution in the Foundation’s history with more than $15.9 million in planned disbursements from more than 1300 funds. The vast majority of these funds go to support scholarships, bursaries and research centres at the university. A detailed breakdown is provided further in this report.

The University Of Victoria Foundation is proud to help finance and support the two new student housing and dining buildings that will provide 620 beds for students currently living off campus, and help address the acute regional need for rental housing. It truly is a win-win as the loan helps the project get off the ground and the interest from the loan will help the Foundation achieve its long term rate of return. In addition, the buildings will be designed and constructed to meet both LEED and Passive House standards, a first for the campus and investment that supports reducing energy consumption by up to 80% by using techniques like: triple-glazed windows, solar sharing, a reduced window to wall ratio, and more insulation to reduce heat loss.
In the coming year the Board has committed to complete an asset allocation study with the goal to ensure the expected 10-year annualized real return (reward) and annual pessimistic (i.e. downside) real return (risk) are appropriate. That mix will be stress tested based on our spending policy to ensure the probability of achieving the spending rate over the long term remains high.

On a personal note, I am excited and humbled to take on the role of Board Chair and work with my fellow colleagues to ensure we are well prepared for all market conditions. It has been and is a pleasure to work with such a great group of volunteers who are passionate about supporting the university. We are fortunate and continue to attract very knowledgeable and skilled people. I am confident that the Foundation will maintain its responsible oversight of the over $470 million for the benefit of the University and its stakeholders.

To all those that support the University of Victoria Foundation, I thank you and welcome your feedback.

Mary Garden (Chair)
ABOUT THE FOUNDATION

The University of Victoria Foundation was established in 1954 by the University of Victoria Foundation Act. The Foundation is responsible for managing more than $470 million in assets and administering over 1,300 endowment funds that disburse more than $15.9 million annually for scholarships, bursaries, and other university purposes. These endowment funds are supported by generous donations from individuals, corporations, and foundations that play a vital role in promoting a continuing interest in the University and in higher education more broadly. The Foundation is a registered charitable organization under the Income Tax Act and is exempt from income taxes.

INVESTMENT OBJECTIVES

The University of Victoria Foundation is invested in accordance with the Foundation’s Statement of Investment Objectives and Guidelines (SIO&G). The SIO&G sets out the categories of permitted investments, diversification, asset mix and rate of return expectations.

A fundamental underlying concept is that endowments are intended to exist in perpetuity. As a result the Foundation has a long-term investment horizon and focuses on long term returns. The investment objectives of the Foundation reflect this and are focused on:

- Preserving capital in real terms;
- Generation of cash flow to meet expenditures objectives; and
- Growth of cash flow to meet rising expenditures in the long term.

The SIO&G is reviewed annually.

INVESTMENT BELIEFS SUMMARY

The Board has taken steps to codify its investment practices into belief statements. Our beliefs are summarized in the Summary of Investment Beliefs available online.
“As members of the Board, we all recognize the far reaching impact that the endowment funds will have for the university. And with this recognition comes a great sense of responsibility to be careful stewards of our donors’ generous investments.”

Tom Zsolnay
President, University of Victoria Foundation

MEMBERS OF THE BOARD

Elected by the Members
Ms. Lisa Dempsey (Vice-Chair)
Ms. Ann Glazier Rothwell
Mr. Andrew Turner
Mr. Jagdeep Shergill

Appointed by the Board of Governors of the University
Ms. Mary Garden (Chair)
Mr. Paul Siluch
Mr. Doug Stadelman
Mr. Bryan Thomson
Mr. Duncan Webster

University Members (ex officio)
Prof. Jamie Cassels
Ms. Gayle Gorrill

Officers (non-voting)
Mr. Tom Zsolnay (President)
Mr. Andrew Coward (Treasurer)
Ms. Carrie Andersen (Secretary)
Ms. Kathy MacDonald (Assistant Secretary)

GOVERNANCE

The University of Victoria Foundation Act provides the Foundation Board with the investment powers of a “prudent investor” as per sections 15.1 to 15.6 of the Trustee Act.

The Foundation is governed by a Board of Directors distinct from the University Board of Governors and includes volunteers qualified in investments and trust issues.

Figure 2:
Links to Audited Financial Statements & Portfolio Holdings

A full set of audited financial statements is available on the University of Victoria website at http://www.uvic.ca/vpfo/accounting/resources/financial-statements.php.

A list of the portfolio holdings is posted on the Foundation website: https://www.uvic.ca/universitysecretary/otherbodies/foundations/reports/index.php
INVESTMENT PERFORMANCE

Fund Return Relative to Investment Goal

The long-term investment goal of the Fund is to achieve a minimum annualized rate of return of 4.5% in excess of the Canadian Consumer Price Index. To achieve this goal, the Fund has adopted an asset mix that has a bias to equity investments and in the last five years has been funding allocations to real estate and infrastructure. Strong returns and subdued inflation has allowed the Foundation to outperform that goal over all periods.

Figure 3: Fund Return Relative to Investment Goal
Total Gross Fund Return vs Investment Goal of CPI + 4.5%, as at March 31st, 2019

Fund Return Relative to Investment Benchmark

The Fund employs an active management style. Active management provides the opportunity to outperform specific investment benchmarks. On a relative basis the total Fund has met its investment benchmarks in each period measured below.

Figure 4: Fund Return Relative to Investment Benchmark
Total Gross Fund Return vs Investment Benchmark, as at March 31st, 2019
Returns by Asset Class Relative to Benchmarks

2018-19 was a year in which Global equities outperformed Canadian equities; Fixed Income met the benchmark; Real Estate returns were inline with expectations and Infrastructure exceeded expectations. Our Global equities exceeded our benchmark by 5.5% while the Canadian equities underperformed our benchmark by 10.0%.

Real estate returned 8.7% and outperformed its benchmark by 1.1%. Infrastructure returned 21.0% and outperformed its benchmark by 14.0%. The infrastructure benchmark is the best of many not ideal alternatives (Consumer Price Index + 5%).

Figure 5: One-Year Returns by Asset Class Relative to Benchmarks
Total Gross Fund Return vs Investment Benchmark, as at March 31st, 2019
As a long-term investor, the Foundation monitors year over year performance but it places more emphasis on 4-year performance. Over the past four years, Global equities and fixed have outperformed their benchmarks over each period. Canadian equities returns have lagged and underperformed its benchmark over the last four years.

Real Estate has modestly underperformed its benchmark over the last 4 years while infrastructure has outperformed its benchmark. It is worth noting that the real estate and infrastructure benchmarks are the least comparable of all the benchmarks, however, the Board felt it was better to have a relative measure for reference, even if it is not directly comparable.

**Figure 6: Annualized Performance by Asset Class**
Total Gross Returns & Benchmarks by Asset Class, as at March 31st, 2019

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>1 Year</th>
<th>2 Year</th>
<th>3 Year</th>
<th>4 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canadian Equity (Gross)</td>
<td>-1.9%</td>
<td>1.6%</td>
<td>7.9%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Benchmark: S&amp;P/TSX Composite Total Return Index</td>
<td>8.1%</td>
<td>4.9%</td>
<td>9.3%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Value Added</td>
<td>-10.0%</td>
<td>-3.3%</td>
<td>-1.4%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Global Equity (Gross)</td>
<td>11.8%</td>
<td>10.8%</td>
<td>12.6%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Benchmark: MSCI ACWI (Net) (CAD)</td>
<td>6.3%</td>
<td>8.6%</td>
<td>11.9%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Value Added</td>
<td>5.5%</td>
<td>2.2%</td>
<td>0.7%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Canadian Fixed Income (Gross)</td>
<td>5.3%</td>
<td>3.5%</td>
<td>3.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Benchmark: PH&amp;N Fixed Income Benchmark</td>
<td>5.3%</td>
<td>3.3%</td>
<td>2.7%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Value Added</td>
<td>0.0%</td>
<td>0.2%</td>
<td>0.5%</td>
<td>0.5%</td>
</tr>
<tr>
<td>Real Estate (Gross)</td>
<td>8.7%</td>
<td>7.8%</td>
<td>7.3%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Benchmark: REALpac/IPD Canada Property Index</td>
<td>7.6%</td>
<td>8.0%</td>
<td>7.6%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Value Added</td>
<td>1.1%</td>
<td>-0.2%</td>
<td>-0.3%</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Infrastructure (Net)</td>
<td>21.0%</td>
<td>19.3%</td>
<td>13.8%</td>
<td>16.2%</td>
</tr>
<tr>
<td>Benchmark: Consumer Price Index + 5%</td>
<td>7.0%</td>
<td>7.2%</td>
<td>7.0%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Value Added</td>
<td>14.0%</td>
<td>12.1%</td>
<td>6.8%</td>
<td>9.4%</td>
</tr>
</tbody>
</table>
**Asset Allocation**

**Figure 7: Asset Allocations Relative to Policy**
As at March 31, 2019

<table>
<thead>
<tr>
<th>Asset Class Benchmark Policy</th>
<th>Investment Policy (%)</th>
<th>Actual Allocation (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Income-FTSE TMX Canadian Universe Bond Index</td>
<td>25.0</td>
<td>26.0</td>
</tr>
<tr>
<td>Total Fixed Income</td>
<td>25.0</td>
<td>26.0</td>
</tr>
<tr>
<td><strong>Equity:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canadian Equity - S&amp;P TSX Composite Index</td>
<td>20.0</td>
<td>14.5</td>
</tr>
<tr>
<td>Global Equity - MSCI ACWI (Net) (CDN) Index</td>
<td>35.0</td>
<td>39.7</td>
</tr>
<tr>
<td>Total Equity</td>
<td>55.0</td>
<td>54.2</td>
</tr>
<tr>
<td><strong>Alternatives:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate - REALpac / IPD Canada Property Index</td>
<td>10.0</td>
<td>9.7</td>
</tr>
<tr>
<td>Infrastructure - Consumer Price Index + 5%</td>
<td>10.0</td>
<td>10.1</td>
</tr>
<tr>
<td>Total Alternatives</td>
<td>20.0</td>
<td>19.8</td>
</tr>
<tr>
<td><strong>Total Fund</strong></td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The Foundation’s actual allocation to each asset class remains within the approved investment policy ranges.

The infrastructure asset class allocation is meeting the target allocation. The Foundation has committed to North American and European Infrastructure Funds to achieve geographical diversity.
The Board maintains an Endowment Management Policy that sets out the following objectives:

- Protect the value of the Fund against inflation over time so that the donor is assured that the donation will continue to work for the benefit of the University for generations to come; and
- Provide stability in the earnings distribution to allow both the recipients and the University to plan ahead knowing what funds will be made available each year.

In order to achieve the goals the Foundation updated the spending policy in 2010 to allow for a 4.0% spend rate of the principal adjusted for inflation annually. In order to achieve a 4% distribution as well as fund approximately 2% annually for inflation and up to 1% for investment costs, the endowment must earn a mean expected return of roughly 7%. If investment returns exceed 7%, then the endowment can establish a cushion that enables stability in fund disbursements and the maintenance of a long term asset allocation strategy throughout the ebbs and flows of various market cycles. Funds with two years of spend cushion (i.e. funds with a market value of greater than 108% of principal, adjusted for inflation) are permitted an additional annual 0.5% spend. In 2018-19 more than 60% the funds are eligible for the additional 0.5% spend. Conversely, if the market value of a fund falls below 80% of the original donation, the distribution of that fund will be re-evaluated and may result in no distribution for a given year. In 2018-19 no funds market value fell below the 80% threshold. It is through adherence to the Endowment Management Policy that the Board was able to approve a budget of $15.9 in 2019-20. The breakdown of how the budget is allocated is illustrated below.

**Figure 8: 2019-20 Budget Allocations**

- **Graduate Scholarships**, 6%
- **Bursaries**, 8%
- **Undergraduate Scholarships**, 17%
- **Chairs & Professorships**, 10%
- **Pacific Institute for Climate Solutions**, 30%
- **Library**, 1%
- **General University**, 2%
- **Building & Equipment**, 0%
- **Program Funds**, 14%
- **Research Centres**, 6%
- **Other Awards**, 6%
Management Fees

The majority of investment expenses are investment management fees. The spending policy limits other expenses to a maximum of 0.35% per annum of the inflation adjusted principal at cost as at December 31st of the prior year.

These expenses may include audit, consulting and performance measurement fees as well as advancement and administration services provided by the University of Victoria.

For 2018-19 the Foundation budget for these expenses is 0.35% of the inflation adjusted principal at cost as of December 31, 2018.

Budget Categories:

Awards – Achievement based

Bursaries – Bursaries are non-repayable awards based on financial need and reasonable academic standing.

Specific Purpose - Research Chairs, Centres, etc.

Scholarships – Scholarships are non-repayable and are awarded to students on the basis of academic merit or excellence

SERVICE PROVIDERS

<table>
<thead>
<tr>
<th>INVESTMENT MANAGERS</th>
<th>Walter Scott &amp; Hexavest - Global equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phillips, Hager &amp; North (PH&amp;N) - Fixed Income</td>
</tr>
<tr>
<td></td>
<td>Foyston, Gordon and Payne (FGP) - Canadian equity</td>
</tr>
<tr>
<td></td>
<td>Macquarie Infrastructure (MIRA) - Infrastructure</td>
</tr>
<tr>
<td></td>
<td>BentallGreenOak (BGO) - Real Estate</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CUSTODIAN</th>
<th>RBC Investor Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>INVESTMENT CONSULTANT</td>
<td>Aon Hewitt</td>
</tr>
<tr>
<td>PERFORMANCE MANAGEMENT</td>
<td>Aon Hewitt</td>
</tr>
<tr>
<td>AUDITOR</td>
<td>KPMG LLP</td>
</tr>
</tbody>
</table>

As at March 31 2019
RESPONSIBLE INVESTING REPORT

In 2012, the Foundation extended its list of investment beliefs to include a belief on responsible investing. Two years later, it was updated to include a requirement that investment managers submit annual disclosures regarding the processes by which Environmental Social and Governance (ESG) factors are incorporated into the investment decision-making process. The Board continues to focus its efforts on responsible investing instead of divestment. In order to advance responsible investing, the Board continues to:

1. complete the United Nations-supported Principles for Responsible Investing (PRI) reporting;
2. review the landscape of asset owner best practices in implementing responsible investing; and
3. review the responsible investment practices of its investment managers and their commitments to ESG.

PRINCIPLES FOR RESPONSIBLE INVESTING

The United Nations-supported PRI Initiative has quickly become a leading global network for investors to publicly demonstrate their commitment to responsible investment, to collaborate and learn with their peers about the financial and investment implications of ESG issues, and to incorporate these factors into their investment decision-making and ownership practices.

Responsible investment is a process to be tailored to suit each organization’s investment strategy, approach and resources. The Foundation views the principles as framework for responsible investing and, where consistent with our fiduciary responsibilities, we commit to the following:

- Incorporate ESG issues into our decision-making processes.
- Encourage managers to be active owners and incorporate ESG issues into ownership policies and practices.
- Encourage managers to seek appropriate disclosure on ESG issues by the entities in which we invest.
- Promote acceptance and implementation of the Principles within the investment industry.
- Work together to enhance our effectiveness in implementing the Principles.
- Report on our activities and progress towards implementing the Principles.

All six of the Foundation’s external investment managers are PRI signatories.
As long term investors, the Foundation Board believes responsible investing, taking environmental, social and governance (ESG) factors into consideration, can have a positive effect on long-term financial performance and investment returns. The Foundation Board will apply the following measures:

- In evaluating prospective investment managers, the Board considers how ESG issues are incorporated into the investment decision-making process;
- In evaluating prospective investment managers, the Board considers how investment managers engage with management to improve ESG practices;
- Existing equity investment managers are requested to provide proxy voting reports and to highlight exceptions to their proxy voting policy; and
- Requests annual disclosure by investment managers regarding the processes by which ESG

PROXY VOTING

Proxy voting is another essential tool in our commitment to responsible investing. The Board has delegated voting rights to be exercised by the investment managers. Equity investment managers are expected to vote all proxies in the best interests of the Foundation. The proxy voting activity of our investment managers demonstrates that they continue to remain active participants within their equity portfolios. Our managers are requested to report regularly on their proxy voting activity.

The most common types of proxy votes are:

- Board Opposition,
- Say on Pay Opposition, and;
- Shareholder Proposal Support.

INVESTMENT MANAGER ESG INTEGRATION

As long term investors, the Foundation Board believes responsible investing, taking environmental, social and governance (ESG) factors into consideration, can have a positive effect on long-term financial performance and investment returns. The Foundation Board will apply the following measures:

- In evaluating prospective investment managers, the Board considers how ESG issues are incorporated into the investment decision-making process;
- In evaluating prospective investment managers, the Board considers how investment managers engage with management to improve ESG practices;
- Existing equity investment managers are requested to provide proxy voting reports and to highlight exceptions to their proxy voting policy; and
- Requests annual disclosure by investment managers regarding the processes by which ESG
Macquarie – Global Infrastructure Manager

ESG Philosophy:

We define sustainability as the management of ESG risks and opportunities by our portfolio companies in order to contribute to the sustainable long-term development of those businesses.

ESG considerations are embedded within our investment decision-making approach and the asset management frameworks through which we encourage portfolio companies to assess and improve performance. Our approach to responsible investment is supported by our ESG and risk experts, centralized policies and processes and the expertise of our in-house asset management teams.

Integration:

To ensure the consistency and adequacy of these assessments we have comprehensive due diligence scope checklists and external expert advisers are engaged as needed on specific ESG issues.

Results from ESG due diligence assessments include:

- permit and license requirements and issues arising from investigations;
- key ESG risks and potential liabilities;
- recent regulatory actions taken, reviews and/or third-party actions or claims against the company;
- ongoing obligations/regulatory standards to be met post-acquisition;
- assessment of the ESG risk management framework in place against accepted good practice; and
- recommendations for any remediation actions.

Prior to investing in a portfolio company, the results of due diligence – including key ESG issues, risks and mitigation measures – are presented to the fund board or investment committee. As part of a detailed investment risk assessment, we would factor in any significant deficiencies in the proposed investment’s risk management framework, including those relating to ESG. Resulting actions taken are contingent on the level of control or influence MIRA may have over the proposed investment.

In investment decision making, MIRA will assess both ESG issues raised in due diligence and our ability – through governance rights either at the director or shareholder level – to influence the management of those issues. If we feel that we are unlikely to be in a position to bring about any necessary improvement, the fund board/investment committee will not proceed with the investment.

MIRA has decided not to proceed with a number of transactions as a result of ESG related concerns. MIRA has also restructured transactions e.g. carving out certain assets or parties in order to make a transaction acceptable to MIRA from an ESG standpoint.
If an acquisition proceeds, any deficiencies in the risk management system at the portfolio company identified during due diligence are documented as part of the transition plan, which contains actions to be implemented typically during the first 100 days post acquisition, together with responsibilities and timetables for each action.

Following acquisition, more detailed information is sought from each portfolio company in respect of its risk management framework and analyzed by MIRA risk personnel as part of the Asset Risk Management Framework Assessment.

Renvico Case Study:

Renvico believes in passing on a culture of sustainability to the younger generation by raising awareness about renewable sources and energy-saving. The company is committed to supplying broad and transparent information about renewable energy, its importance and the possibilities offered by developing it. For several years, Renvico has been financing the ENERGETICAMENTE project at the Fossato di Vico wind farm, which has involved creating and maintaining the Fossato di Vico Wind Power Study Centre. The aim of this centre is to teach schools about sustainability and generating power from renewable sources.

PH&N – Canadian Fixed Income Manager

ESG Philosophy:

At PH&N, we believe the degree to which environmental, social and governance (ESG) factors are relevant and material to an investment depends on the company, the industry in which it operates, and the nature of the investment portfolio for which it is purchased.

Our approach to responsible investment is anchored by the knowledge that our clients have entrusted us to help them secure a better financial future for themselves or for the beneficiaries of the funds they manage. Our principal duty is to maximize investment returns for our clients without undue risk of loss, within the investment limits described in the relevant investment mandate.
Integration:

Each of our 22 investment teams incorporate ESG analysis into their investment processes. It is our view that it is optimal for each of our investment teams to develop their own unique methods to integrate ESG factors into their respective investment processes. This bottom-up approach ensures that the integration of ESG factors adds value and complements the teams’ well-established investment processes, since each team is able to focus on the methodologies that work best for it, as well as the ESG issues it deems most material to its investments. As a result, the determination of materiality of ESG factors differs by the individual investment team and investment. Our Corporate Governance & Responsible Investment (CGRI) group assists the investment teams in the development of their ESG integration methodologies, including facilitating access to tools and research that contribute to their evolving views on the materiality of specific ESG factors to individual investments, sectors and asset classes.

We believe that the proper disclosure and consideration of ESG risks and opportunities by the companies or countries in which we are invested will enhance the long-term, sustainable performance of those investments. As a general rule, we will not exclude any particular investment or industry based on ESG factors alone. We believe it is important to consider those factors within our overall investment process rather than unduly narrowing the universe of potential investments.

GRS Case Study:

Grand Renewable Solar (Internal Rating: BBB-)

The Grand Renewable Solar (GRS) project is the second largest operating solar facility in Canada with 100 megawatts of capacity. It is located on 1,000 acres of long-term leased land in Haldimand County, Ontario. The project reached commercial operations in March 2015. GRS issued over $600 million in senior secured bonds that mature in 2035. The issuer has proven solar technology with useful lives that extend beyond the maturity of the bonds.

The power generated by GRS is 100% contracted under a Power Purchase Agreement with Ontario’s Independent Electricity System Operator (IESO). IESO is a not-for-profit entity created by the Electricity Act, 1998 (Ontario) to oversee the Ontario electricity market. It is rated A(high) and Aa2 by DBRS and Moody’s, respectively.

Decision:

We like the project’s robust fundamentals, resilient debt service coverage metrics, and strong support from the Ontario government. We also view the positive ESG feature of GRS as a renewable energy supplier as a credit enhancement. High creditworthiness of IESO as the payment counterparty is an important risk mitigant.

This combination of factors led us to invest in the GRS bond issue.
CONTACT

General enquiries or requests for statements can be directed to the University Secretary’s Office

Email: usec2@uvic.ca
Phone: (250) 721-8102