

2020 Annual Report

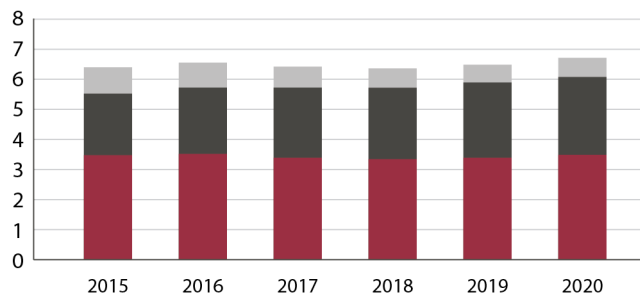
Pension Plan

Pension Plan Highlights December 31, 2020

Membership (DB)

(# of persons in thousands)

Active Members Retirees and Beneficiaries Deferred Members



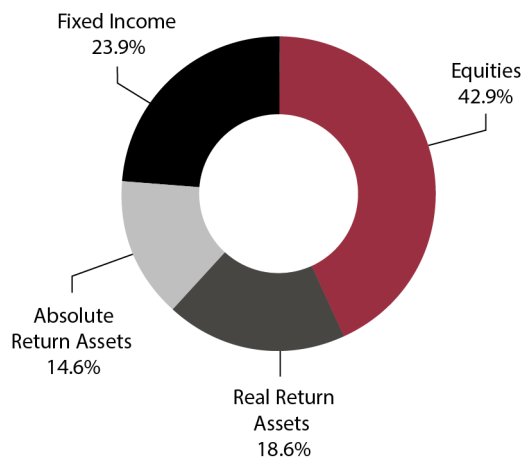
116%

Going Concern Ratio, Jan. 1, 2020
(vs. 113%, Jan. 1, 2019)

96%

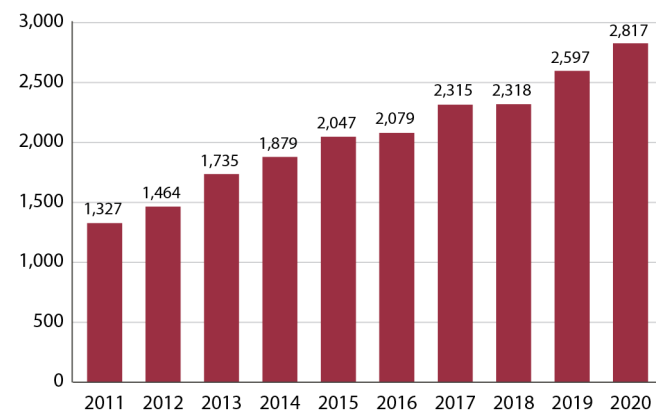
Solvency Ratio*, Jan. 1, 2020
(vs. 94%, Jan. 1, 2019)

Asset Mix

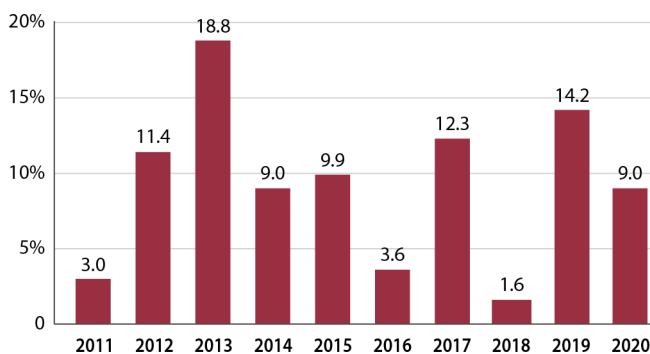


Historical Net Assets Available for Benefits

(millions of CAD dollars)



Historical Rates of Return (gross)



9.0%

1-year Rate of
Return (gross)

9.2%

4-year Annualized
Rate of Return (gross)

9.2%

10-year Annualized
Rate of Return (gross)

*Smoothed without indexation

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Overview

The University of Ottawa (the “University”) is pleased to present the 2020 Pension Plan Annual Report to provide members of the University of Ottawa Retirement Plan (1965) with information about the governance, management, and administration of the pension plan and its related assets. This report includes benefit information as well as highlights of membership and financial statistics, current information on the pension plan’s funded status, and its investment results.

For additional financial details, pension plan members can refer to the audited financial statements as at December 31, 2020 and accompanying notes at www.uottawa.ca/financial-resources/pension-plans

Pension Plan Governance

The University, through its Board of Governors (the “Board”), is the plan administrator. It has the responsibility and authority to administer the plan and administer and invest the pension fund in accordance with pension legislation and the plan text. In addition to acting as administrator, the University is also the sponsoring entity of the plan. To provide oversight and management of the plan, the Board has established a Pension Governance Structure that delegates certain powers with respect to the administration of the plan to committees of the Board and authorized officers.

The Pension Fund Investment Committee (the “PFIC”)

The PFIC is an expert committee that oversees pension plan investments on behalf of the Board. Key oversight responsibilities include monitoring compliance with the asset mix policy and investment manager guidelines and overseeing the achievement of performance objectives. The PFIC establishes strategic investment priorities, assesses investment and risk-management initiatives, approves investment manager appointments and terminations, and makes recommendations to the Board on the Statement of Investment Policies and Procedures.

PFIC membership is comprised of external representatives (investment industry experts), members of the Board and senior management, as well as plan member and academic staff representatives. Details on the PFIC mandate and committee membership are provided in the appendices.

The Pension Plan Committee (the “PPC”)

This committee was established to oversee all aspects of pension plan administration on behalf of the Board. Key aspects of this role include monitoring compliance with investment and administrative policies, reviewing proposed plan modifications and making related recommendations, monitoring fees and expenses charged to the plan, and recommending an annual budget for fees and expenses. The PPC also monitors pension plan funding and recommends on the filing of the actuarial valuation.

The PPC is chaired by a member of the Board and membership is comprised of senior management representatives, academic and administrative staff representatives from the various employee groups, and retirees. Details on the PPC mandate and current committee membership are provided in the appendices.

The Administrative Committee (the “CA”)

The CA is comprised of the University’s senior management team and, with respect to the Pension Governance Structure, the CA recommends on the actuarial strategy as well as the funding strategy and contributions. The CA also recommends on the filing of actuarial valuation reports.

Pension Plan Investment Management

The University employs professional investment staff who report to the Chief Investment Officer, Pension Fund and Investment Management (the “CIO”). The CIO is the principal staff resource for the Board and committees and provides advice and recommendations to the PFIC on all investment matters. The CIO is accountable for ensuring that pension plan assets are invested and managed in a manner that is consistent with policies and strategies, and that they meet the University’s obligations to pension plan members.

The investment staff is responsible for oversight of external investment managers, the plan’s custodian, and other external service providers. Manager oversight includes assessing qualitative and quantitative factors to evaluate the team of external professionals, strategy execution, adherence to philosophy and style, performance against objectives, compliance, and firm specific issues. The internal team implements investment strategies, is responsible for all aspects of operational management, liaises with industry contacts and service providers, and acts as a principle resource for the PFIC and the PPC.

An asset/liability study was completed in 2018 to review and assess the asset mix policy and long-term strategic targets, taking into consideration the funding regulations announced by the Government of Ontario for defined benefit plans in that year. The resulting asset mix has a similar future return profile but a lower volatility, aimed to create a more stable contribution profile for stakeholders over time.

KEY ACCOMPLISHMENTS AND ACTIVITIES IN 2020 INCLUDED:

- Continued expansion of Private Debt as a new asset class;
- Expanded investment commitments in Real Estate and Infrastructure;
- Reviewed the Global Equities investment strategy and implementation of its results;
- Ongoing investment in due diligence and monitoring, despite the COVID-19 pandemic limitations, and continued implementation of operational efficiencies and responsible investing.

Pension Benefit Administration

The Associate Vice-President, Human Resources (the “Associate Vice-President”) is responsible for pension administration. This includes ensuring compliance with the pension plan bylaws and regulatory filing requirements, management of pension and membership data, record maintenance, plan member communications, contribution remittances, and pension benefit payments.

Pension benefit administration functions are carried out by the staff in the Human Resources, Pension Plans and Benefits Sector. Key responsibilities of the sector include liaising with the pension plan actuary, external benefit service providers, and representatives of the various employee groups; processing plan member entitlements; managing administrative requirements; and submitting annual regulatory filings. The Pension Plans and Benefits Sector is also the central communication point for pension plan members, providing information sessions and advising employees regarding retirement.

KEY ACCOMPLISHMENTS AND ACTIVITIES IN 2020 INCLUDED:

- Contribution to the filing of the January 1, 2020 valuation;
- Implementation of new Canadian Institute of Actuaries (CIA) commuted value standards;
- The pension sector continued to operate and respond to employee requests and questions remotely during the COVID-19 pandemic;
- Implementation of various process/system optimization initiatives to better serve members;
- Distribution of annual statements to all active, deferred, and retired members and enabling online access to their annual statements in the retirement planner;
- Information webinars for recently hired employees.

Benefit Security

The University of Ottawa Retirement Pension Plan (1965) is a contributory defined benefit plan. A defined benefit plan means that retired, deferred, and active plan members are guaranteed retirement benefits by the employer. Ontario pension plans are supervised by the Financial Services Regulatory Authority of Ontario (“FSRA”) and retired plan members’ benefits are fully protected under existing legislation.

The employer is responsible for funding the pension plan and ensuring that employee and employer contributions comply with pension legislation and actuarial standards. Furthermore, pension plan assets must be held in a trust fund that is separate from the assets of the employer. Therefore, the assets of the pension plan cannot be seized by an employer’s creditors.

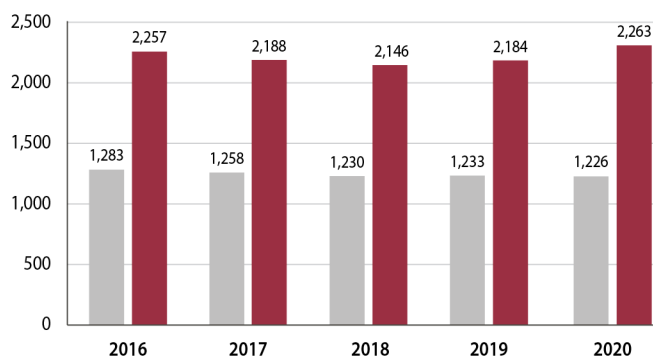
Pension Plan Information

For the University's pension plan, normal retirement age is 65 but with options for both early retirement and postponed retirement. Retirement benefits, adjusted to reflect indexation, are based on years of pensionable service and the best 60 months of salaries at retirement.

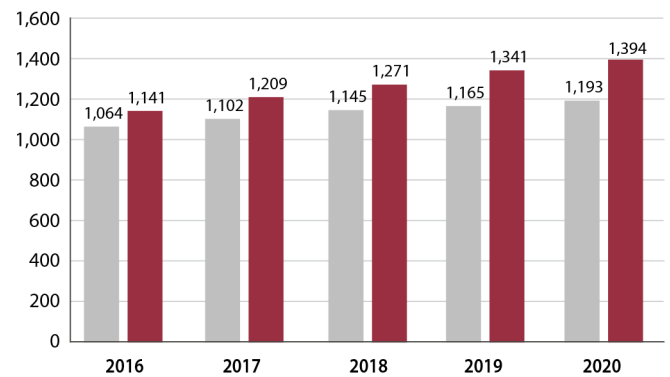
If an active plan member leaves the University before age 55, the plan member may elect to transfer the commuted value of the pension benefits already earned or, subject to plan restrictions, leave his or her earned benefits in the plan. Earned benefits left in the plan are called deferred pensions.

■ Academic Staff ■ Administrative Staff

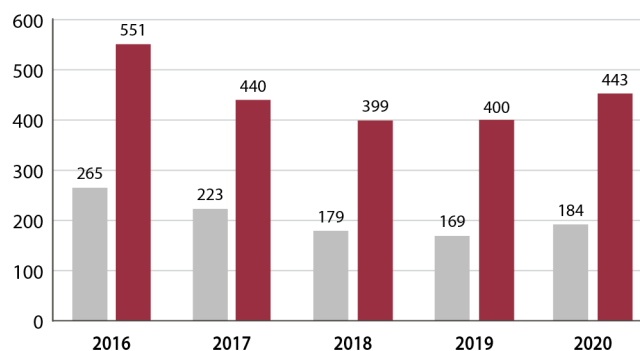
Active Members



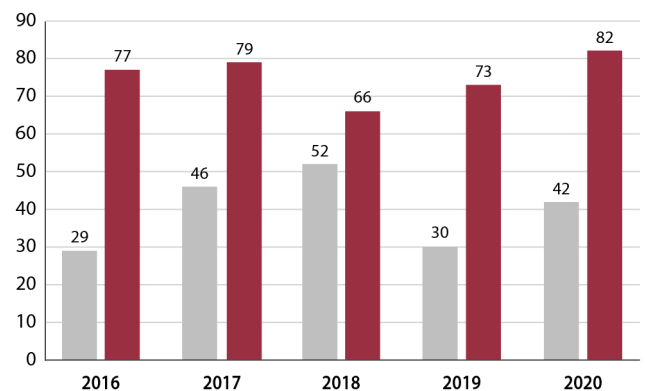
Retirees and Beneficiaries



Deferred Members



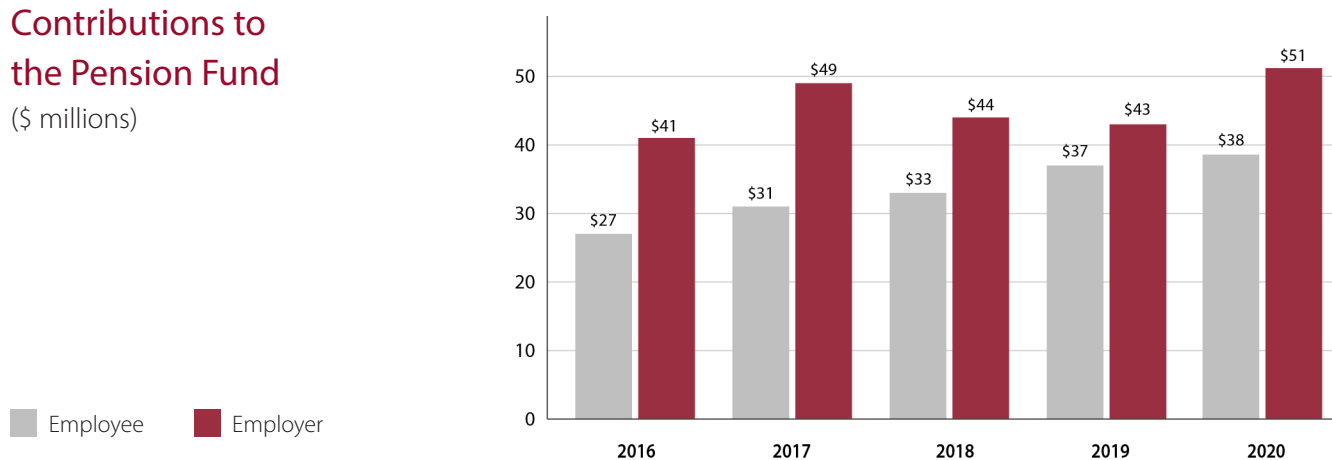
Number of Retirements by Year



Active **employees** contributed at the rate of 7.15% for salaries up to the integration level of \$40,028 (customized form of federal yearly maximum pensionable earnings) as defined in the pension plan text. Above that amount, employees contributed 10.95% of salary up to a maximum of \$241,690. The **employer's** contribution rate for 2020 was 10.05% for salaries up to the integration level and 15.45% of salaries above this amount, including the provision for adverse deviations (the "PfAD"). These rates were determined by the most recent actuarial valuation filed with regulatory authorities, which is the valuation effective January 1, 2020. The employer's rate is the difference between the total current cost (including the PfAD) and the employees' contributions.

Contributions to the Pension Fund

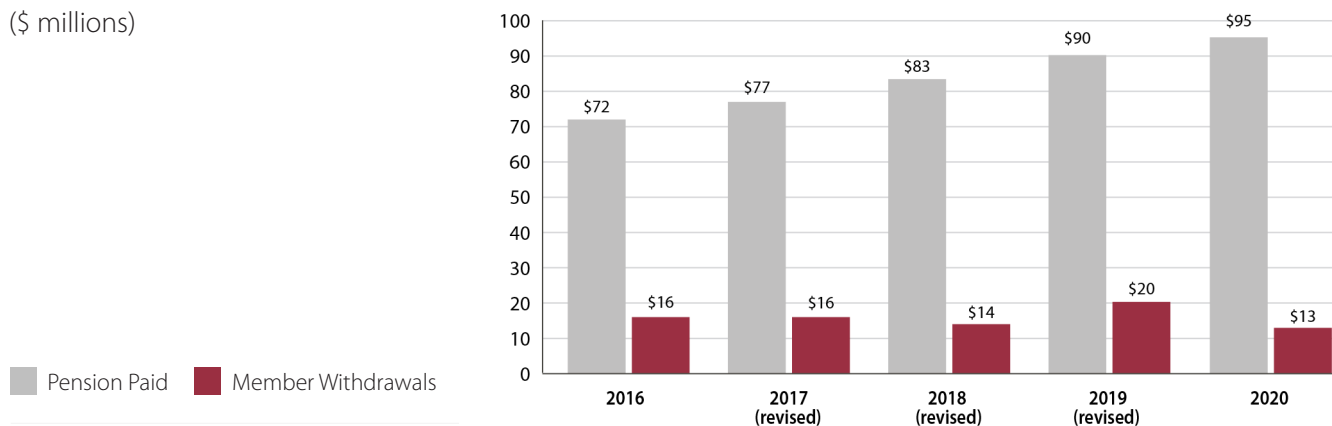
(\$ millions)



The chart above includes the employer's deficit funding payments of nil in 2016 and \$8.6 million in 2017. It also includes annual PfAD payments of \$5.3 million in the employer contribution for 2018 and 2019. The PfAD payment increased to \$10.8 million in 2020. All required contributions were met as of December 31, 2020.

Pension Payments and Withdrawals

(\$ millions)



Benefits for Retired Members

The pension plan benefits are established in the plan text, which provides for automatic annual indexation of pensions according to the following formula:

| | |
|---|----------------------------------|
| If the Consumer Price Index (CPI) is less than 2% | CPI |
| If the CPI is between 2% and 3% | 2% |
| If the CPI is greater than 3% | CPI-1% (maximum of 8%) |

The percentage increase in the CPI, based on the prescribed period under the plan (12 months ending September 30, 2020), was 1.04%. Therefore, based on the above formula, pensioners received a 1.04% automatic increase on January 1, 2021.

Most Recently Filed Actuarial Valuation

An actuarial valuation report must be filed with the regulators at least once every three years. The most recent actuarial valuation filed with the Canada Revenue Agency (the "CRA") and FSRA was effective January 1, 2020.

The January 1, 2020 funding valuation of the plan showed a going concern surplus before PfAD of \$345 million (or a ratio of 116%) and after PfAD of \$43 million (or a ratio of 102%). The funding valuation also indicated a solvency deficit of \$111 million (or a ratio of 96%), excluding the value of future indexation. In accordance with the funding regulations, a going concern deficit must be funded over ten years and a solvency deficit must only be funded over five years to bring the solvency back to 85%. Accordingly, no annual special payments are required from the University following the filing of the January 1, 2020 funding valuation.

The solvency basis excludes the value of future indexation, which is for funding purposes only and does not change the obligations of the pension plan in an actual wind-up situation. The wind-up deficit, or the solvency deficit including the value of future indexation, was \$1,534 million (or a ratio of 63%) as of January 1, 2020.

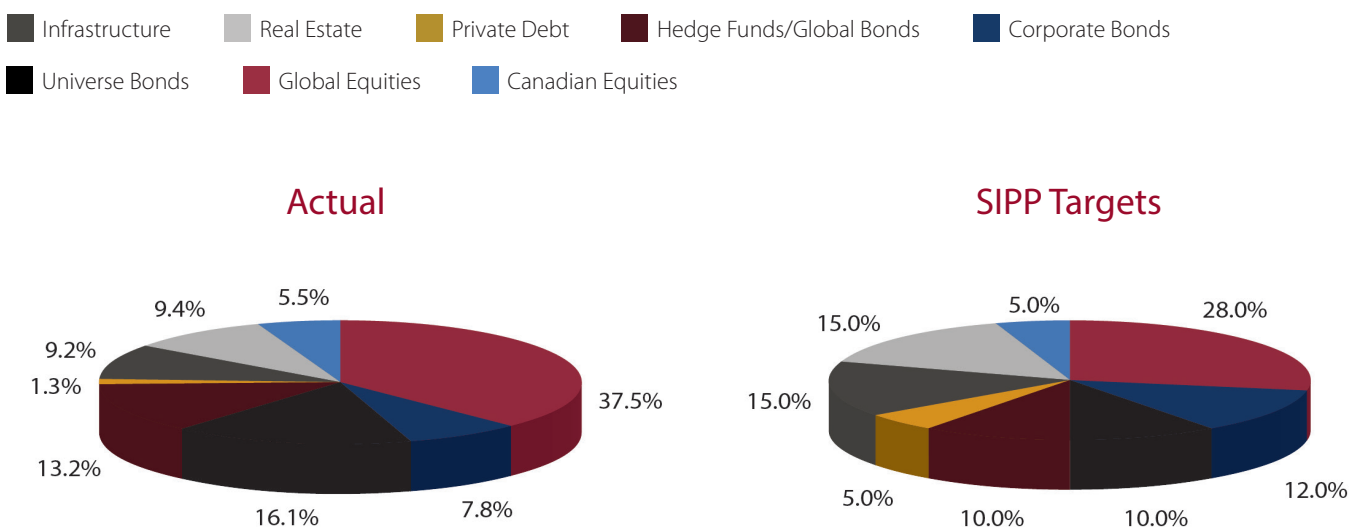
The next required filing date is as of January 1, 2023 at the latest. To monitor the financial position of the pension plan on a regular basis, an actuarial valuation update is prepared annually.



Statement of Investment Policies and Procedures

The Statement of Investment Policies and Procedures (the “SIPP”) provides the objectives, guidelines, and procedures to manage the assets of the pension plan. Investment objectives and risk tolerance are reflected in the asset mix, strategic ranges for asset classes, as well as the risk mitigation and diversification policies.

The outcome of the asset/liabilities review in 2018 resulted in notable asset mix changes in the SIPP. As a result, an interim asset mix was deployed to gradually transition the individual investment strategies to the new asset mix. The facilitation of an interim asset mix is provided for in the SIPP. Differences between the actual weights and policy targets are also expected to occur due to tactical decisions and market value fluctuations. The table below illustrates the actual and strategic asset mixes.



As an important risk mitigation strategy, to reduce the volatility from the plan’s holdings due to currency fluctuations, a portion of the foreign currency is hedged. A significant component of the pension plan’s assets is denominated in foreign currencies; as such, the impact of the currency overlay can be significant in periods of extreme market movements for the Canadian dollar.

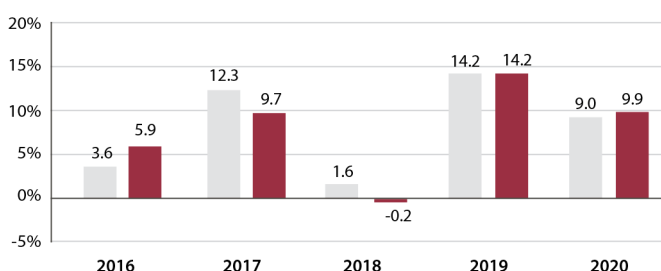
Investment risk exposures are largely comprised of price, currency and interest rate risks, credit risk, and liquidity risk. These risk exposures as at December 31, 2020 (and steps taken to mitigate these risks) are provided in the audited financial statements of the pension plan and its accompanying notes.

Investment Performance

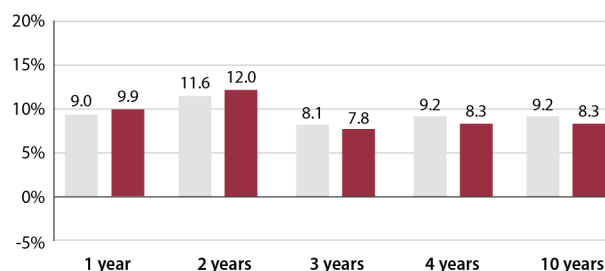
Investment performance is evaluated against a benchmark that is comprised of a combination of market indices. Achievement of the investment performance objectives is evaluated after the impact of the currency overlay used for risk mitigation.

■ Total Fund ■ Benchmark

Annual (gross)



Annualized (gross)



Investment performance in the past year was positive and in line with the long-term averages. All asset classes delivered positive performance on an individual basis. Global equity markets displayed very large volatility during the year but ended on a very strong note, fueled by unprecedented central bank actions that drove interest rates to record lows. These central bank actions also resulted in record highs of the North American bond markets. On the other hand, the valuations of many real return assets such as commercial real estate and infrastructure started to reflect the pressures of the underlying economy caused by the COVID-19 pandemic.

On a longer-term basis, such as rolling four-year and ten-year periods, strong annualized investment returns continued to be observed for the overall investment portfolio and across most individual asset classes. The 2020 annual return was ranked in a first quartile position when measured on a four-year and ten-year period with a peer group universe of other Canadian pension plans.

Investment Objectives

The expected return objectives of the pension plan outlined in the SIPP are to:

- a.** Earn a minimum real rate of return, after expenses paid from the plan, of 4.25% over ten-year moving periods. This objective was met at December 31, 2020 with the pension plan generating a ten-year annualized real return, after expenses, of 7.04%.
- b.** Achieve a minimum absolute rate of return, after expenses paid from the plan, which exceeds the benchmark return by 0.27% over four-year moving periods. This objective was achieved at December 31, 2020, with the plan generating a return on a four-year annualized basis, after expenses, of 0.46%, which was in excess of its benchmark return.

The expected return objectives are reviewed from time to time in consultation with the actuaries and as part of the annual SIPP review. The PFIC establishes long-term investment strategies and evaluates results versus the expected return objectives. Due to the long-term nature of the investment strategies, periods of extreme market volatility may result in a divergence between investment expectations and results.

All individual investment managers have performance objectives tailored according to the unique aspects of their respective investment mandate. Performance is monitored on an ongoing basis and appropriate actions are taken to address any shortfall in meeting established objectives.

Responsible Investing

A responsible investment approach, aligned with the industry best practices framework established by the United Nations supported Principles for Responsible Investment ("UN PRI"), is being deployed for the pension plan's investments.

Responsible investment integrates environmental, social and governance ("ESG") criteria in the investment decision-making process based on the belief that these criteria can influence the performance of an underlying investment. As such, the consideration of ESG factors is consistent with the goal of the plan to meet its commitment to provide members with a defined level of retirement income.

In 2020, the University as plan administrator pledged support for a new responsible investing charter titled *Investing to Address Climate Change: A Charter for Canadian Universities* whereby signatories adopt a responsible investing framework, in line with recognized standards such as the UN-supported Principles of Responsible Investment (UN PRI), to guide investment decision-making. This pledge is in addition to other initiatives taken by the University in recent years, such as:

- Signing and committing to the *United Nations Principles for Responsible Investing* (UN PRI). The University is ranked well above the median and its peers in this leading global survey.
- Signing the *Montreal Carbon Pledge*. The University of Ottawa was the first university in Canada, and only the second in the world, to sign.
- Committing to regular progress reports outlining our efforts to address global warming.

Net Assets Available for Benefits

The net assets available for benefits to pension plan members as at December 31, 2020 were \$2,817 million (December 31, 2019 - \$2,597 million).

EFFECTIVE DATE

The information in this report is as of December 31, 2020, unless indicated otherwise.



APPENDICES

Sections A–F

Glossary of Terms

Active (plan) member: An eligible employee who has completed the necessary enrolment forms and is entitled to benefits or rights under the *University of Ottawa Pension Plan* (the “UOPP”).

Actuarial value: A figure used to calculate transfer-out/-in estimates or final transfer amounts. It is based on factors like your pension plan provisions, projected mortality rates, inflation rates, and market interest rates.

APUO: The Association of Professors of the University of Ottawa.

Asset smoothing: Asset smoothing is the partial recognition of asset gains or losses over a defined period as a mechanism to dampen asset volatility. If a pension plan’s assets have a bad year in the market, instead of recognizing the full loss in the year it occurred, it can be spread over a period of years. The same is true for gains. Asset smoothing produces a figure called the actuarial value of assets.

Commutated value: Means the “converted” or “adjusted” value of a person’s pension benefits and other benefits under the UOPP, determined according to bases adopted by the administrator and in compliance with the *Pension Benefits Act*.

Credited service: Refers to the days, months, and years that you contribute to the UOPP, including service you transferred from a previous employer, or service you accumulated while receiving benefits from the University’s long-term disability plan.

Currency overlay: Currency overlay is a financial trading strategy or method conducted to manage the pre-existing exposure to foreign currencies, by seeking to limit the risk from adverse movements in exchange rates (i.e. hedge) through taking the opposite positions in currency instruments such as forward contracts.

Deferred member: A former University of Ottawa employee who has left their pension rights in the UOPP.

Defined-benefit pension plan (DB): In a DB pension plan, the pension benefit you receive at retirement is determined or “defined” by a formula usually based on years of service and/or earnings.

Going concern funded position: Going concern is a term for an organization that has the resources to continue as an ongoing entity without the threat of liquidation for the foreseeable future. As such, the going concern funded position looks at the pension plan’s funded status on the basis that the plan will continue to operate indefinitely. A deficit occurs where a plan’s going-concern liabilities, plus a provision for adverse deviations determined in accordance with the *Pension Benefits Act*, exceeds its assets, and the plan sponsor is obliged to make special payments sufficient to amortize the deficit over a 10-year period.

Indexation: A percentage increase in your pension benefits granted on January first (1st) each year to reflect changes in the Canadian Consumer Price Index and as published by Statistics Canada. The increase for the UOPP is determined in accordance with paragraph 8.5.2 in the plan text.

Interest: An amount added to the value of your contributions to the UOPP. The rate of interest credited in each year, from 1987 on, is at least equal to the rate prescribed under the *Pension Benefits Act*. Interest on contributions accrues from the end of the month following the month in which the contributions were made.

IUOE: The International Union of Operating Engineers representing this bargaining unit.

Locked-in: Refers to the portion of the available transfer amount that can be used solely for a retirement benefit, meaning it can never be commuted, surrendered, assigned, or alienated (transferred) during the member’s lifetime.

Pension adjustment (PA): A formula established by the Canada Revenue Agency (CRA) and used to estimate the value of the benefits you accumulate under the UOPP

each year. This value appears on your taxation slip and reduces your annual **Registered Retirement Savings Plan** (RRSP) contribution limit.

Pensionable earnings: Means the compensation of the plan member recognized by the University, in respect of service rendered to the University, which the Board of Governors classifies as Pensionable Earnings for purposes of this plan and which is in accordance with subsection 147.1(1) of the **Income Tax Act**.

Pensionable service: See subparagraph 7.2 of the UOPP plan text.

PIPSC: The Professional Institute of the Public Service of Canada for the Group of Information Technology Professionals of the University of Ottawa (ITPUO).

Provision for adverse deviations (PfAD): The PfAD is an amount that provides for an additional level of funding on top of existing normal cost and going concern funding requirements of the plan. The PfAD is based on a number of factors, including the asset allocation of the plan, the discount rate, and the open or closed status of the plan.

Service with a prior employer: Any period of pensionable service under a registered pension plan of a previous employer.

Solvency funded position: The solvency funded position is a hypothetical calculation that measures whether or not all the benefits owed to the plan's members could be paid if the pension plan was wound down on the valuation date. Pension standards legislation includes minimum funding rules for defined benefit plans to provide assurance that adequate funds will exist to pay for defined benefits with due regard to stability of contribution levels and the possibility of unfavorable outcomes now and in the future.

SSUO-OSSTF: The bargaining unit affiliated with the Ontario Secondary School Teachers' Federation that represents University of Ottawa support staff.

Wind-up position: The purpose of a pension plan wind-up, sometimes referred to as a termination, is to determine and actually settle the value of all member entitlements in accordance with the pension plan documents and the applicable legislation and regulations. When a pension plan is in a wind-up surplus/deficit position, it means there are more/less than sufficient assets to settle those entitlements.



External Service Providers

Actuarial Consulting Services

Mercer Canada

Pension Administration System

Morneau Shepell

Trustee/Custodian and Securities Lending

RBC Investor & Treasury Services

External Auditor

KPMG

Performance Measurement Services

RBC Investor & Treasury Services

Equities, Fixed Income, and Hedge Fund Investment Managers and Advisors

Jarislowsky Fraser Ltd.

Equities

BlackRock Inc.

Equities

William Blair & Company LLC

Equities

Mondrian Investment Partners Ltd.

Equities

Comgest Asset Management International Ltd.

Equities

Walter Scott & Partners Ltd.

Equities

Canso Investment Counsel Ltd.

Fixed Income

TD Asset Management Inc.

Fixed Income

PGIM Fixed Income

Fixed Income

Cliffwater LLC (Advisory)

Hedge Funds

Fees and Expenses

| | Notes | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|----------|--------------|--------------|-------------|-------------|-------------|
| Investment Management and Advisory | 1 | 8,688,850 | 9,490,044 | 6,031,434 | 4,880,610 | 5,040,673 |
| Custodian | | 344,401 | 353,935 | 522,077 | 409,415 | 437,044 |
| Investment Consulting | 2 | 183,392 | 150,393 | 248,567 | 136,545 | 184,011 |
| External Audit | | 43,031 | 33,253 | 38,927 | 40,926 | 43,896 |
| Actuarial Services | 3 | 292,683 | 312,157 | 309,493 | 360,087 | 357,904 |
| Pension Administration | 4 | 200,152 | 235,313 | 224,050 | 228,665 | 207,609 |
| Other Professional | 5 | 179,907 | 45,313 | 75,510 | 123,673 | 149,696 |
| Other Administration | 6 | 1,170,826 | 1,223,543 | 1,290,561 | 1,471,825 | 1,474,564 |
| HST Previous Years Payments and Recoveries | 7 | -893,394 | -515,853 | 212,574 | 23,600 | -23,600 |
| Total Fees | 8 | \$10,209,848 | \$11,328,098 | \$8,953,192 | \$7,675,347 | \$7,871,795 |
| Transaction Costs | | 210,136 | 172,192 | 831,731 | 211,349 | 404,103 |
| Total Fees (Net) | | \$10,419,984 | \$11,500,290 | \$9,784,924 | \$7,886,697 | \$8,275,897 |
| Basis Points | 9 | 50.6 | 52.4 | 38.7 | 32.2 | 29.2 |

Notes:

- Investment management fees were higher in 2020 mainly due to portfolio growth. The amount includes investment advisory services for the overall hedge funds and part of the private debt portfolio but excludes fees charged by the individual hedge and private debt fund managers. It also excludes fees for the real estate and infrastructure investments, as the investment income in these asset classes is net of fees.
- Investment consulting includes fees for fund evaluation, performance measurement services, and special projects such as strategic asset allocations. These fees tend to vary from one year to the next.
- These expenses include actuarial valuations, consulting for special projects, as well as ongoing actuarial services. Like investment consulting, these costs tend to vary from one year to the next.
- Pension administration reflects external fees paid for the external pension administration system, including costs related to producing employee benefit statements.
- Other professional fees include legal fees. These fees tend to vary from one year to the next.
- Other administration includes internal charges from the University of Ottawa, governance costs (pension committee expenses), and amounts paid to the Ministry of Finance. University of Ottawa internal charges are largely comprised of salaries and benefits for investment management and pension benefit administration staff that is allocated to the pension plan.
- The 2018 figure includes HST payment adjustments while the 2017 total includes HST recoveries for previous years.
- Total administration fees for the year were within the approved budget.
- Basis points: One basis point is 1/100th of one percent.

Mandate of Pension Plan Committee

Save and except the powers to appoint the members of the committee, modify the pension plan, and appoint the trustees and investment managers of the pension fund which are under the exclusive jurisdiction of the Board of Governors, the Pension Plan Committee has been delegated all of the powers necessary for the interpretation of the pension plan and the administration of the pension fund.

In accordance with and without limiting the above, the Pension Plan Committee (PPC) shall:

- 1.** Monitor the administration of the pension fund to ensure compliance with the terms of the Plan bylaws, the pension fund expense policy, and the Statement of Investment Policies and Procedures. In order to fulfill this function, the PPC shall receive all relevant information including a copy of the Plan documents, the Annual Information Return and the related Statement of Investment Policies and Procedures (SIPP), and the reports of the CIO in respect of fees and expenses charged to the fund and the relevant parts of the minutes of the meetings of the Pension Fund Investment Committee (PFIC).
- 2.** Monitor any proposed plan benefit modifications and advise the Board or one of its committees with respect to these modifications and on any other matters on which the PPC has been asked by the Board or one of its committees to advise.
- 3.** Monitor member communications so as to ensure an appropriate dissemination of Plan matters to the Plan members through the Associate Vice-President, Human Resources, as required.
- 4.** Monitor the funding of the Plan, at least annually, and comment as appropriate. In order to fulfill this function, the PPC will receive the Plan's audited financial statements and the actuarial reports. The PPC will also receive the reports of the PFIC to the Board of Governors.
- 5.** Monitor compliance with legislation through receipt of copies of legislated reports/filings and of annual compliance reports from each of the CIO and the Associate Vice-President, Human Resources.
- 6.** Interpret, when required, any matters relating to the Plan bylaws, the methods to be employed for the calculation of benefits, and the determination of a right to a benefit.
- 7.** Review and recommend on the actuarial valuation in a timely manner.
- 8.** Review and recommend on policies relating to the administration of the pension fund, including the pension fund expense policy.
- 9.** Review and recommend on the proposed annual budget of fees and expenses to be charged to the pension fund prepared by the CIO. The budget shall include an allowance for external assistance for the PPC as is necessary for the exercise of its mandate.
- 10.** Request, through the Chair of the PPC, external assistance when necessary for the PPC to exercise its mandate, subject to the approved annual budget, and subject to the pension fund expense policy for unbudgeted amounts.

With respect to the SIPP, the PPC will review and comment on the SIPP prior to any recommendation by the PFIC to the Board. If there are differences between the PPC and the PFIC after the PFIC has provided a response to the PPC on its comments and recommendations, a meeting between the PPC and the Chair of the PFIC will take place if requested. On those parts of the SIPP where there is still a disagreement following such a meeting, the PPC will make its own recommendation to the Board of Governors.

The PPC shall report to the Board at least annually or more often as requested, on relevant pension issues within its mandate.

(Textual excerpt from the Pension Governance Structure, November 2002, approved by the Board of Governors of the University of Ottawa)

Pension Plan Committee Membership

Representatives of the Board of Governors

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| Jennifer Adams | Chair Member, Board of Governors, Founder, Educating Leaders Consulting |
| Alex Beraskow | Member, Board of Governors |

Associate Vice-President, Financial Resources

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| Paul St George | Associate Vice-President, Financial Resources |
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Associate Vice-President, Human Resources

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| Karina Adam | Associate Vice-President, Human Resources |
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APUO Representatives

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| Michel Desjardins | Administrative Director, APUO |
| Jacob Krich | Associate Professor, Department of Physics, Faculty of Science |
| Daniel Paré | Associate Professor, Department of Communication, School of Information Studies - Faculty of Arts; and Institute for Science, Society, and Policy (ISSP) – Faculty of Social Sciences |

Representative of Retired Support Staff

| | |
|-------------------|---------|
| Louise Pagé-Valin | Retiree |
|-------------------|---------|

OSSTF Representatives

| | |
|-----------------|---|
| Alp Oran | Lab Coordinator, Department of Biology, Faculty of Science |
| Marc Villeneuve | Distance Education and Off-Campus Site Coordinator, Centre for Innovative Pedagogies and Digital Learning |
| Jonathan Degan | Active Learning Technologist, Library |

PIPSC Representative

| | |
|---------------|---------------------------------------|
| Chris Stanton | IT Technician, Faculty of Engineering |
|---------------|---------------------------------------|

Representative of Retired Professors

| | |
|-----------------|-------------------|
| Charles Belleau | Retired Professor |
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IUOE Representative

| | |
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| Claude Allaire | Senior Second Class Engineer, Facilities |
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Ex-Officio

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| Jacques Frémont | President and Vice-Chancellor |
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Secretary of Committee

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| Zainab Karouni | Governance Officer, Office of the Secretary-General |
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Mandate of Pension Fund Investment Committee

The Pension Fund Investment Committee (PFIC) will, after giving proper consideration to the comments and recommendations of the PPC, recommend to the Board of Governors the approval of the Plan's related SIPP. This includes establishing the return on investment objective and risk tolerance including the asset mix policy and strategic ranges for class assets.

Within the parameters of the approved SIPP, the PFIC will be given the exclusive power to:

- 1.** Approve criteria for investment manager selection and performance.
- 2.** Monitor investment manager performance and compliance with SIPP and applicable legislation.
- 3.** Approve the adoption of any investment manager mandates related to the Plan.
- 4.** Approve the adoption of any securities lending agreements related to the Plan.
- 5.** Approve the appointment, removal, or retention of the investment managers.

The PFIC shall report to the Board of Governors at least semi-annually or more often as requested, on relevant pension issues within its mandate.

(Textual excerpt from the Pension Governance Structure, November 2002, approved by the Board of Governors of the University of Ottawa, and revised on May 28, 2012)

Pension Fund Investment Committee Membership

Chair, External Member

Richard Fortier

Chairman of the Board, Retraite Québec

Member of the Board of Governors

Doreen Hume

Member, Board of Governors

External Members*

Stephen A. Cotsman

Former Managing Director/CEO, CBC Pension Plan

Josée Mondoux

Chief Investment Officer, Canadian Medical Protective Association

Ex-Officio

Robert Bourgeois

Vice-President, Finance and Administration

APUO Representatives

Michel Desjardins

Administrative Director, APUO

Tyler Chamberlin

Associate Professor, Telfer School of Management, University of Ottawa

Member of the Plan

Renée Guénette

Director of Financial Accounting, Finance and Administration

Secretary Committee

Zainab Karouni

Governance Officer, Office of the Secretary-General

* An external member is a person who is neither employed by the University of Ottawa, nor a member of the Board of Governors, nor a member of the Plan.

Contacts and Additional Information

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K1N 6N5

Pension Fund and Investment Management

Chief Investment Officer:

Tom Valks

Director, Investments:

Jonathan Sum

Director, Investments:

Fady Sallit

Telephone: 613-562-5952

Pension Plan and Benefits

Email: hrpension@uottawa.ca

Website and Retirement Planning Tool

uottawa.ca/human-resources

Additional Information

The website provides an important communication tool for active employees and retired pension plan members. The index on the home page directs active staff members (with a special sub-section for employees nearing retirement) and retired members to the forms and information that matter most to them. Visit the website for plan information, forms and guides, activities, planning, publications, plan management, contacts, and contribution/pension benefit simulators.

