McGill University

Pension Plan

Annual Report

December 31, 2020

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Bolded words throughout the annual report are defined in the Glossary.

2020 HIGHLIGHTS

INVESTMENT OPTIONS

$1.3B
OF ASSETS
10.6% RETURN IN 2020
5-YEAR ANNUALIZED RETURN: 8.2%
BALANCED ACCOUNT

$776.3M
OF ASSETS
11.0% RETURN IN 2020
5-YEAR ANNUALIZED RETURN: 9.1%
EQUITY POOL

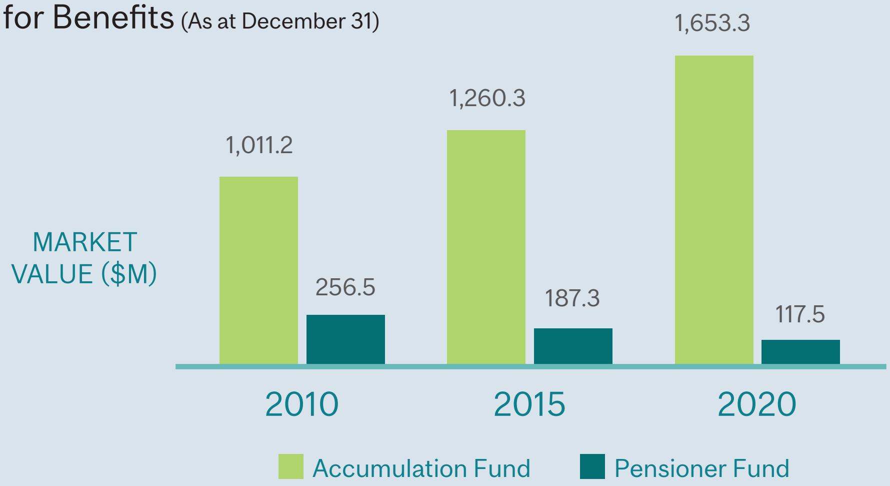
$474.1M
OF ASSETS
10.8% RETURN IN 2020
5-YEAR ANNUALIZED RETURN: 5.4%
FIXED INCOME POOL

$54.6M
OF ASSETS
17.6% RETURN IN 2020
5-YEAR ANNUALIZED RETURN: 10.9%
SOCIALLY RESPONSIBLE INVESTMENT POOL

$26.4M
OF ASSETS
1.2% RETURN IN 2020
5-YEAR ANNUALIZED RETURN: 1.4%
MONEY MARKET POOL

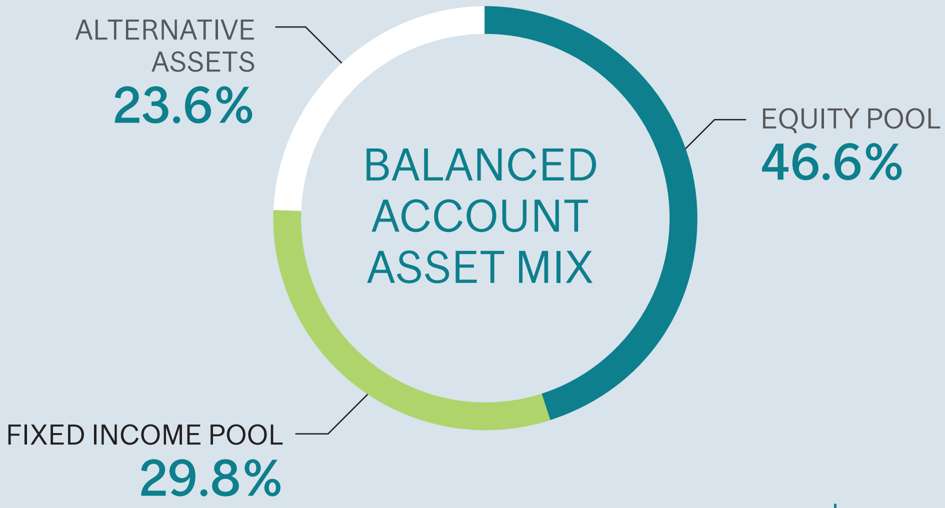
$28.4M
OF ASSETS
RETURNS VARY ACCORDING TO MEMBER'S PROFILE
TARGET DATE PROFILES

McGill University Pension Plan Net Assets Available for Benefits (As at December 31)



81.2%

OF ASSETS ARE INVESTED IN THE BALANCED ACCOUNT OPTION



Well-diversified $1.3 Billion in investments

2020 HIGHLIGHTS

MEMBERSHIP
AS AT DECEMBER 31, 2020

GROWTH IN PLAN MEMBERSHIP

Total membership includes **Active members**, **Deferred members** and **Pensioner members**.

Membership Statistics as of December 31

	2010	2015	2020
Active	5,848	5,736	6,648
Deferred	2,739	2,878	2,693
Pensioners	1,396	1,150	898
Total	9,983	9,764	10,239

Over the last 5 years, active membership has grown by 16%

PLAN MEMBERS AND ASSETS

6,648
ACTIVE MEMBERS

$1.2B in assets
47 member's average age
58% women
42% men

2,693
DEFERRED MEMBERS

$253.5M in assets
53 member's average age
51% women
49% men

898
MEMBERS IN PENSIONER FUND

477 in Pensioner Pool (prior to January 1, 2000) with an average age of 88
421 in Pensioner Pool (on/after January 1, 2000) with an average age of 78
Fund reopened in September 2020

$10.0M Solvency Top-Up Contributions

783 settlements totalling $95.1M

70
RETIREMENTS
64 average age of new retirees

37
MEMBERS
have already selected the NEW Variable Benefit option

MESSAGE FROM THE PENSION ADMINISTRATION COMMITTEE

The McGill University Pension Plan ("Plan") was not immune to the turbulent events of 2020. Both the investment and administrative activities of the Plan faced challenges and opportunities. The main challenges were the volatility of markets as a result of the COVID pandemic and the implementation of the change in service providers for the Plan. The opportunities included taking advantage of market lows to acquire assets at favourable prices, and the increased access to account information and new investment services that the new service provider offers members. The Pension Administration Committee ("PAC") is pleased with the year's investment results and the successful transition to Sun Life Financial ("Sun Life").

The Balanced Account's return of 10.6%, is above the median fund manager's balanced option. This is notable given the volatility of markets. The Office of Investments ("OOI") team adapted rapidly to working remotely and provided a steady hand at the helm in these turbulent times. Returns for each investment pool and its performance relative to its benchmark can be found on pages 18 to 27 of this report.

We successfully transitioned service providers from Morneau Shepell to Sun Life and Normandin Beaudry. Sun Life provides more platforms on which to access account information and offers other investment services outside the Plan not previously available to McGill members, including the group TFSA, access to an asset allocation tool, and a retirement planner that can help align members' investments with their risk tolerance in preparation for their retirement. I would like to thank members for their patience during the transition and, especially, staff in the OOI and the Pension Administration Office who worked so hard on making it as seamless as possible.

In 2020, the Board of Governors approved Amendment #25 to the Plan. It includes a variable benefit option that will allow all members to receive Life Income Fund-type payments directly from the Plan throughout their retirement years. It also allows Part A members to elect to receive their Supplemental Retirement Benefit, if any, in the form of an annuity.

A going-concern actuarial valuation was undertaken as at December 31, 2019. In 2018, the Plan received approval from Retraite Québec to change the way the solvency of the Plan is measured to focus only on the Part A defined benefit component. Using this new measure, the solvency was slightly lower as at year-end 2019 compared to the previous valuation as at year-end 2017. Even so, we were able to maintain the same level of cost-sharing contributions for the Part A members. Further information about the valuation can be found on pages 12 and 13 of this report.

The OOI and Pension Investment Committee ("PIC") continue to take into consideration environmental, social and governance ("ESG") factors in their selection of investment managers and strategies. In early 2020, we conducted a survey of members to gauge interest in offering an investment pool that would exclude investments in fossil fuels. We will continue to explore the viability of a fossil fuel free option in 2021, weighing such considerations as the amount of member interest, the expected returns and management fee costs, and the effect it might have on other investment pools. Additional disclosure about the Plan's ESG strategies can be found on pages 16 and 17.

As outlined in the Governance section on page 8, 2020 saw a membership change at the PAC. After six years representing the non-academic staff, Mr. Simon Fulleringer completed his term on PAC. At the annual general meeting in October, Ms. Nikoo Taghavi was elected to fill the open position. Mr. Fulleringer provided valuable input to PAC over his term, including serving on the sub-committee that reviewed and selected the new service provider. Everyone at the PAC joins me in extending our sincere thanks for his many contributions. Because of market uncertainty, PAC decided not to make changes to the membership of the PIC in 2020. The PAC would like to thank Mr. Michael Boychuk, chair of PIC, for agreeing to extend his term, which had been due to expire in May 2020, until early 2021. The experience he brings to the Plan benefits the OOI and all members.

I would like to thank all the members of the PAC and the PIC, and the staff in the Pension Administration Office and the OOI for delivering the excellent service pension members expect and deserve, particularly during this challenging year.

Because of the pandemic, the Annual General Meeting was postponed from May until October of 2020. The meeting was held virtually, which resulted in an increase in attendance over previous years. We expect to be back on schedule in 2021, but still operating virtually. I hope to see you at the Annual General Meeting of Members of the McGill University Pension Plan at noon on Wednesday May 5, 2021.

Professor Julia Scott, MBA, FCPA, FCA, CFA
Chair of the PAC

PLAN GOVERNANCE

Pension plan governance refers to the roles and responsibilities of the parties who administer and invest the assets of a pension plan as they fulfill their fiduciary obligations. Good governance involves putting in place a structure to administer the pension plan in the best interests of the plan members and beneficiaries, providing appropriate tools to encourage good decision making as well as procedures to ensure proper and timely execution, review and assessment of the pension plan's activities.

The Plan was established in 1972 and is registered under the *Quebec Supplemental Pension Plans Act* (the "Act") under Registration No. 22266 and with the Canada Revenue Agency under Registration No. 299586.

The text of the current **Plan Document** and all formal amendments may be examined during normal business hours at the offices of the Pension Administration Committee located at 688 Sherbrooke Street West, Suite 1420, Montreal, Quebec, H3A 3R1. It can also be viewed online at: https://www.mcgill.ca/hr/pensions/mupp/committee.

MCGILL UNIVERSITY

McGill University ("University") is the sponsor of the Plan. The University approves the Plan text and formal amendments and remits required contributions to the Plan. The Board of Governors ("Board") may supplement, modify, amend or terminate the Plan under certain conditions as set forth in the Plan Document or in any respect which may be required in order to maintain the Plan as a registered pension plan.

PENSION ADMINISTRATION COMMITTEE ("PAC")

The PAC is responsible for the administration of the Plan and the investment of its assets. The PAC has designed and implemented a governance structure in order to appropriately meet its responsibilities.

The PAC has fiduciary responsibility for ensuring that investments are made in a prudent manner and in accordance with the demographic profile and financial needs of its members. As such, it has delegated some of its responsibilities with respect to the investment of the assets to the Pension Investment Committee ("PIC"). The PAC appoints members to the PIC, ensures that such delegates have the proper knowledge and skills to fulfill their mandate, and monitors their activities.

The PAC is also responsible for all administrative matters pertaining to the provision of benefits as set forth in the Plan Document and acts within the framework of legislation and regulations issued under the Act and the *Income Tax Act of Canada.* These responsibilities are discharged through regular meetings of the PAC and through a network of external advisors, consultants and the staff of the Pension Administration Office and the Office of Investments.

During 2020, there were five PAC meetings and a number of informal working group meetings

The PAC is composed of nine members

Four members are elected by the members of the Plan (two by the Administration & Support Staff and two by the Academic Staff). Two are designated by the Board and two are designated by the Principal and the Chair of the Board. One independent member is appointed by the Board acting upon the recommendation of the PAC. Members are elected for a renewable three year-term.

At the annual meeting held virtually on October 21, 2020, Ms. Nikoo Taghavi was elected to a three-year term in one of the Administrative & Support Staff positions replacing Mr. Simon Fulleringer. In June 2020, Ms. Cristiane Tinmouth, was reappointed by the Principal and Chair of the Board of Governors for a new three-year term. The PAC extends its thanks to Mr. Fulleringer for his wise counsel and valuable contributions to the deliberations of the PAC since 2014.

AUDIT COMMITTEE

The Audit Committee ensures the reliability of financial reporting, receives and reviews the draft audited financial statements of the Plan, reports their findings back to the PAC, makes recommendations to the PAC as to the approval of the financial statements and conducts such other business as may be required. It also recommends the appointment of the external auditor and receives the auditor's report.

During 2020, there were two regular meetings of the Audit Committee

The Audit Committee is composed of three PAC members

Audit Committee members are appointed by the PAC. In 2020, no changes occurred in the membership of the Audit Committee.

Ms. Cristiane Tinmouth, CPA, CA (Chair of Audit Committee) Associate Vice-Principal, Financial Services Office of the Vice-Principal, Administration and Finance
Professor Julia Scott, MBA, FCPA, FCA, CFA (Chair of the PAC) Senior Faculty Lecturer Desautels Faculty of Management
Mr. Pierre Lavigne, FSA, FCIA, CFA Pension Consultant

PENSION ADMINISTRATION COMMITTEE

	**Ms. Rosemary Cooke**, BCom Retired - Faculty of Dentistry	Elected by the Administrative & Support Staff Term ending May 2022
	**Ms. Diana Dutton**, MBA Associate Vice-Principal Human Resources	Appointed by the Principal & the Chair of the Board Term ending May 2021
	**Mr. Myles Edwards**, CFA Director and Senior Portfolio Manager-Fixed Income Intact Investment Management Inc.	Appointed by the Board of Governors Term ending April 2021
	**Ms. Tina Hobday** Lawyer, Partner Langlois lawyers, LLP	Appointed by the Board of Governors Term ending June 2022
	**Mr. Pierre Lavigne**, FSA, FCIA, CFA Pension Consultant	Appointed by the Principal & the Chair of the Board Term ending December 2021
	**Professor Christopher Ragan**, PhD Director, Max Bell School of Public Policy Associate Professor of Economics	Elected by the Academic Staff Term ending May 2022
	**Professor Julia Scott**, MBA, FCPA, FCA, CFA (Chair of the PAC) Senior Faculty Lecturer Desautels Faculty of Management	Elected by the Academic Staff Term ending May 2021
	**Ms. Nikoo Taghavi** Administrative Officer Department of Chemistry	Elected by the Administrative & Support Staff Term ending October 2023
	**Ms. Cristiane Tinmouth**, CPA, CA (Chair of Audit Committee) Associate Vice-Principal, Financial Services Office of the Vice-Principal, Administration and Finance	Appointed by the Principal & the Chair of the Board Term ending May 2023

PENSION INVESTMENT COMMITTEE (“PIC”)

The PIC is responsible for the investment of the Plan’s assets and for monitoring investment activities in accordance with the Statement of Investment Policy ("SIP") approved by the PAC and applicable legislation. The PIC is also responsible for recommending changes to the SIP, for approving manager structure and for overseeing the day-to-day management of the assets. From time to time, the PIC will be involved in the selection, termination and monitoring of investment managers, custodian and investment advisors. Monitoring of investment returns and compliance of managers is also a function of PIC members.

During 2020, there were four regular meetings of the PIC

The PIC is composed of eight members

Three PAC members, which include the Chair of the PAC as ex-officio and five independent external members who are not part of McGill University administration or staff and who are not members of another decision-making body within the Plan governance structure. All PIC members are appointed by the PAC.

PIC independent external members serve a first term of three years, renewable for a second term of two years and are limited to a maximum of two consecutive terms.

Mr. Michael Boychuk’s term as a member of the PIC should have ended in 2020; however, due to Covid, his mandate was extended until the end of the first quarter of 2021.

Mr. Michael Boychuk, FCPA, FCA (Chair of the PIC) Corporate Director	Independent external member Term ending March 2021
Mr. Nicolas Drapeau, CFA Vice-President, Private Markets Bimcor Inc.	Independent external member First term ending May 2021
Mr. Myles Edwards, CFA Director and Senior Portfolio Manager-Fixed Income Intact Investment Management Inc.	PAC member Term ending April 2021
Mr. Clifton Isings, CFA Chief Investment Officer and Vice-President CN Investment Division	Independent external member Second term ending November 2021
Mr. Pierre Lavigne, FSA, FCIA, CFA Pension Consultant	PAC member Term ending December 2021
Ms. Caroline Miller, MBA, CFA Global Investment Strategist	Independent external member Second term ending September 2021
Mr. François Quinty, CFA Director Investment Management Via Rail Canada	Independependant external member First term ending January 2023
Professor Julia Scott, MBA, FCPA, FCA, CFA Senior Faculty Lecturer Desautels Faculty of Management	Chair of the PAC as ex-officio Term ending May 2021

PENSION ADMINISTRATION OFFICE AND OFFICE OF INVESTMENTS

The day-to-day management of the Plan is performed by the staff of the Pension Administration Office and the Office of Investments on the basis of policies and procedures established and monitored by the PAC.

CIBC MELLON GLOBAL SECURITIES SERVICE

CIBC Mellon services include custody, record keeping, securities lending services, foreign exchange processing and settlement, asset valuation, performance measurement and compliance monitoring.

SUN LIFE

As previously communicated to all members, in August 2020, record keeping services were transitioned from Morneau Shepell to Sun Life. Sun Life is responsible for processing all member transactions as well as the transfers and cash flow allocations among available investment options. Sun Life also performs all calculations regarding settlements and prepares the settlement packages. They are also responsible for producing members’ annual statements in accordance with legislative requirements.

NORMANDIN BEAUDRY

Also in August 2020, Normandin Beaudry became the record keeper for day-to-day administrative services for pensioners receiving an annuity from the Plan.

BENEFITS AND ADMINISTRATION

PLAN OVERVIEW

The Plan consists of two parts (**Part A** and **Part B**) distinguished by the date of eligibility of joining the Plan. For members who joined or were eligible to join the Plan prior to January 1, 2009, the Plan is a **hybrid plan** (Part A). Part A includes a defined contribution ("DC") plan whereby members and the University contribute a certain amount per pay. Members choose how to invest their contributions from a range of investment options. To protect against the investment risks inherent in a DC plan, a defined benefit ("DB") minimum component also exists which provides a guarantee that the pension payable will at least be equal to the amount calculated under the DB formula. The DB formula takes into account the member's credited service and highest average earnings.

For members who joined on or after January 1, 2009, the Plan is a DC plan and referred to as Part B. Members and the University each contribute a certain amount per pay. Members choose how to invest their contributions from a range of investment options.

When the time comes to settle, members can transfer and convert their pension account balances into a retirement income with a financial institution or make use of the settlement options offered by the University which include the **McGill Group Life Income Fund**, **McGill Group Locked In Retirement Account** or the new **Variable Benefit** option.

To learn more about the applicable provisions, refer to the brochures available online at: https://www.mcgill.ca/hr/pensions/mupp

CONTRIBUTIONS TO THE PLAN

The active members' and the University's regular contributions to Parts A and B of the Plan are invested prior to retirement in the Accumulation Fund in one or several investment options available under the Plan at the discretion of each individual member.

University Special Contributions

In addition to regular contributions, the University is required to make additional contributions. These are determined by the funded status of the Plan in order to fund the DB minimum component for Part A members and pension payments under the Pensioner Fund, as required by applicable legislation. These additional contributions are invested in the Balanced Account investment option and are accumulated in the **Supplemental Fund**.

In order to determine the University's special contributions, actuarial valuations are performed at least tri-annually. The actuarial valuation focuses on two fundamental aspects of the funded status of the Plan: going concern and solvency. These measure the sufficiency of the Plan's assets to meet the Plan's liabilities from two different perspectives.

1. Going-Concern Valuation

The going-concern valuation assumes the Plan will continue indefinitely. The calculation determines the amount that the University is required to contribute for Part A members to accrue for a year of service and to amortize the Plan deficit, if any.

The December 31, 2019 valuation reported that the Plan has a going concern unfunded liability of $38.2 million and a going concern funded ratio of 97.7%. The prior valuation was performed as at December 31, 2017.

The University was required to make special contributions of $9,685,011 in 2020 to fund DB liabilities

The table below shows the change in the Plan's going concern funded ratio from 2017 to 2019:

GOING-CONCERN FUNDING POSITION	DECEMBER 31, 2019 $	DECEMBER 31, 2017 $
MARKET VALUE OF ASSETS	1,641,780,000	1,537,696,000
ACTUARIAL LIABILITIES	1,680,013,000	1,585,071,000
UNFUNDED LIABILITY	(38,233,000)	(47,375,000)
FUNDED RATIO	97.7%	97.0%

The improvement in the funded position is mainly due to investment returns being higher than expected since 2017 and significant contributions made by the University in regard to Solvency Top-Up Contributions.

2. Solvency Valuation

The solvency valuation determines the financial position of the Plan at the valuation date, had the Plan been terminated on that date. The degree of solvency is used in order to determine additional University contributions required for Part A members to access 100% of their holdings upon termination, retirement or reaching age 65. The results of the solvency valation are then used to determine any additional University contributions, so called Solvency Top-Up Contributions.

The calculation of the degree of solvency under the Plan is now based only on the solvency assets and liabilities of the defined benefit minimum provision of the Plan, excluding all members' defined contribution balances.

Based on the solvency valuation as at December 31, 2019, the degree of solvency of the Plan was 54.8%.

The University was required to make special contributions related to the Solvency Top-Up of $10,045,105 in 2020

The table below shows the change in the degree of solvency from 2018 to 2019:

SOLVENCY POSITION[1]	DECEMBER 31, 2019 $	DECEMBER 31, 2018 $
MARKET VALUE OF ASSETS	266,287,000	253,336,000
SOLVENCY LIABILITIES	486,305,000	405,466,000
SOLVENCY DEFICIENCY	(220,018,000)	(152,130,000)
DEGREE OF SOLVENCY	54.8%	62.5%

Note 1: For basis of valuation, refer to the Actuarial Valuation at page 29.

The methodology for calculating the degree of solvency changed in 2018. The change in methodology does not impact plan members as the University continues to provide funding in order to allow departing employees access to 100% of their account values at settlement. Despite the decrease in the degree of solvency, the same level of cost sharing contributions for the Part A members has been maintained.

Part A members - Special Contributions

Effective January 1, 2014, the Plan was amended to introduce cost sharing of deficits with Part A members. Initially, members' cost sharing contribution rate was 2.2% with the University's contribution towards the DC component reduced by an equivalent amount. As of September 2018, the rate was decreased to 1.9%. The Part A members' special contributions are invested in their individual accounts.

The contributions made by the members and the University during the year are detailed below.

Contributions in 2020

ACCUMULATION FUND	FROM MEMBERS $	FROM UNIVERSITY $
REGULAR CONTRIBUTIONS	30,997,649	32,657,243
SPECIAL CONTRIBUTIONS – DB COMPONENTS[1]		9,685,011
SOLVENCY TOP-UP CONTRIBUTIONS		10,045,105
PART A MEMBER-SPECIAL CONTRIBUTIONS	4,624,703	
VOLUNTARY CONTRIBUTIONS	1,629,244	
TOTAL	37,251,596	52,387,359

Note 1: Composed of $5,008,511 for current service cost and $4,676,500 for deficit amortization payments

BENEFITS AND PENSION PAYMENTS

Accumulation Fund

During 2020, 783 settlements were transacted totalling $95,088,893. The type of settlement transactions processed and the benefits paid out during the year are detailed below.

Settlements in 2020

ACCUMULATION FUND	NUMBER OF SETTLEMENTS	TOTAL AMOUNT $
RETIREMENT BENEFITS – EXTERNAL TRANSFER	190	50,502,756
RETIREMENT BENEFITS – TRANSFER TO MCGILL UNIVERSITY LIF/LIRA	27	16,128,563
VARIABLE BENEFITS	7	87,959
TERMINATION BENEFITS	542	23,400,425
DEATH BENEFITS	17	4,969,190
TOTAL	783	95,088,893

Pensioner Fund

As at December 31, 2020 there were 898 pensioners and beneficiaries receiving pensions from the Pensioner Fund. The total of such pension payments amounted to $23,399,134 in 2020.

Annuity Dividends

When a funding surplus emerges in the Pensioner Fund, this amount can be set aside to provide increases in the form of annuity dividends to pensions currently in payment. Subsequent to changes in the Act, pension plans must establish a reserve when the plan is in a surplus position. As a result, the Plan must be 100% solvent and must have funded the reserve prior to using any surplus to fund an annuity dividend. Since the latest actuarial valuation confirmed a solvency deficiency, no annuity dividends could be declared.

PLAN AMENDMENTS

In 2020, Amendment No. 25 with an effective date of August 31, 2020 went into effect.

The Plan was amended in order to comply with applicable legislation, to harmonize the Plan Document with current practices as well as other changes of an administrative nature. The most significant changes introduced in Amendment No. 25 are:

For all members: the introduction of a variable benefits option to provide Life Income Fund type payments directly from the Plan.

For Part A members: the option to receive the **Supplemental Retirement Benefit,** arising from the defined benefit minimum provisions of the Plan, as a pension or maintain the transfer value thereof at 100%. As well, the Amendment established that specific reference to the cost-sharing rate, which will continue to be shared between members and the University, be removed from the Plan Document.

SERVING MEMBERS

Various services are provided to members to assist them in reaching their financial goals. Different tools are available through the Plan website and information can be obtained by calling the McGill University Savings Programs Call Centre.

All general enquiries concerning the Plan should be referred to McGill University Savings Programs Call Centre 1-888-444-2023.

YOUR ACCOUNT

Account balances are updated on a daily basis, personal rates of return and fund performance tables are updated monthly. Contributions, withdrawals and investment allocation changes are processed twice a month, on the 15th of the month (or preceding business day) and the last business day of the month. Account values are updated within 5 business days following the processing dates noted above.

Using existing McGill username and password, members can access their account and view their current balances and asset mix decisions. https://www.mcgill.ca/hr/pensions/mupp/mupp-login

Members are encouraged to take advantage of the many resources available to them in their retirement and financial planning efforts. Through the website http://mysunlife.ca, plan members are able to find out what type of investor they are with the **Asset Allocation Tool**. They can plan for retirement by using the **Retirement Planner** which also includes a decumulation phase illustration to help members estimate their future income.

Since the transition to Sun Life, members can now go mobile and check their balances using the **my Sun Life mobile app**. In addition to telephone support, members now also have access to live support with the **Chat live now** feature through the website.

Some members have already made use of these new tools and services since the transition:

FROM AUGUST 31 TO DECEMBER 31, 2020:	
ASSET ALLOCATION TOOL	835
RETIREMENT PLANNER	214
MOBILE APP USERS	433
MOBILE APP SESSIONS	6 632
CHAT LIVE NOW SESSIONS	189

Several different investment options are designed to help members construct and maintain a well-diversified investment portfolio. Members may change their asset allocation for their current balances and/or future investments.

Members are strongly encouraged to review their holdings regularly and the investment options offered by the Plan to ensure their investments are aligned with their investment objectives and beliefs.

VIDEO CAPSULES

The Pension Administration Office launched a series of videos capsules to help members under the Plan. These capsules can be viewed at:
https://www.mcgill.ca/hr/pensions/mupp/watch-video-capsule.

INFORMATION SESSIONS

The Pension Administration Office offers information sessions to employees and members of the Plan to address their needs. Due to the pandemic, very few sessions were held in early 2020. Work is currently underway to provide recordings of two of the most attended sessions; the Settlement Option and Retirement Information Sessions. These recordings will be available sometime in 2021.

In 2020, Sun Life held sessions for members regarding the transition of record keeping services. These sessions covered several topics including how to sign-up for an online account, the new tools and resources available to members and an introduction to Morningstar®. A total of seven sessions were held and 610 members attended. Members can view the presentations by accessing the McGill University Human Resources website at:
https://www.mcgill.ca/hr/pensions/mupp/sessions.

INVESTMENT REPORTS

Up until June 30, 2020, the Office of Investments prepared quarterly profile sheets summarizing investment option performance and asset allocation by investment option. As of September 2020, the profile sheets have been replaced with Morningstar® available via the Sun Life secure site.

Morningstar® is a provider of investment news and analysis. The Morningstar® investment profile sheets provide in-depth details about what each fund offers. They offer information on performance, the top ten underlying holdings, industry and risk profiles, and more.

INVESTMENT MANAGEMENT

The assets of the Plan are invested in two separate funds, the Accumulation Fund and the Pensioner Fund, in accordance with the liability segments of the Plan and in accordance with the SIP.

Accumulation Fund – Assets of Part A and Part B members and assets of the Supplemental Fund are invested in the Accumulation Fund.

The Supplemental Fund represents the sum of all special contributions from the University into the Plan: the Solvency Top-Up Contributions as well as the funding related to actuarial valuation requirements less contributions paid out related to the **defined benefit minimum component**.

Pensioner Fund – Assets of members who have opted for an internal settlement. The Pensioner Fund was reopened in September 2020 for members who have selected to receive any supplemental retirement benefit as a pension.

SIP – The PAC has adopted a comprehensive SIP which addresses such issues as investment objectives, risk tolerance, asset allocation, diversification, **currency hedging**, expected rates of return, liquidity requirements, permitted investments, ESG considerations and other issues relevant to the investment process. This establishes a framework within which the PIC and the Office of Investments select the investment managers and strategies into segregated accounts, pooled funds and private funds.

The majority of the Plan's investments are **actively managed** by external investment managers with a range of investment mandates. Portfolio managers are responsible for individual security selection within their mandates.

The SIP is reviewed on a regular basis and updated when necessary to ensure that it continues to meet legal requirements and best practices to the benefit of the membership. A copy of the SIP can be found on the Plan's website at: https://www.mcgill.ca/hr/pensions/mupp/invest or can be viewed in the offices of the PAC, during normal business hours.

MANAGEMENT COMMENTARY
By the Office of Investments

What a year 2020 was! After a relatively good start for both equities and bonds, a swift and severe correction of about -35% occurred for equities in only 23 trading days prior to the end of the first quarter. This market downturn was followed by the fastest bear-market recovery in history and by mid-August, the U.S. stock market had erased all its losses and continued to trend higher, closing 2020 at an all-time high. The unprecedented fiscal and monetary policy interventions by governments and central banks globally reassured investors and contributed to this spectacular market recovery. This volatile year ended up nicely for most equity markets: global equities gained 14.2%, U.S. equities gained 18.4% and Canadian equities recorded a less impressive, but respectable, gain of 5.6%. This allowed the well-diversified Equity Pool to close the year with a 11.0% return. This strong performance is even more impressive considering that 2020 followed an even stronger year (26.2% for global equities in 2019).

As for fixed income investments, most central banks brought down their overnight interest rate towards zero percent and pushed mid-term interest rates lower with massive bond purchasing programs. These actions further inflated bond prices and resulted in a very good year for the Fixed Income Pool, which posted a 10.8% return in 2020. Over the past year, short-, mid-, and long-term interest rates reached all-time lows in North America while 80% of the world's government bonds were yielding less than 1%. This low yield is materially reducing the expected return of the Fixed Income Pool.

The Alternative Assets portfolio, comprised of real assets, diversifying assets, and private investments, generated a net return of 4.6% in 2020. Unlike equities and bonds, most alternative investments are not listed on a public exchange, making their valuations especially difficult to assess in these uncertain times. Most managers, in general, favored a conservative approach when reflecting the impact of the 2020 economic slowdown on private investments' value, leaving us with a disappointing low single-digit return. We expect that valuations will converge toward public market valuations, especially if the global vaccination campaign is successful. We remain satisfied with the Balanced Account allocation to Alternatives as it continues to provide exposure to different types of investments that diversify the asset mix and improve the risk-adjusted return over the long term.

The Balanced Account closed the year with a 10.6% return, outperforming both its benchmark and the diversified fund median return of the Morneau Shepell Performance Universe. 2020 acted as a reminder that investors should stick to their long-term strategic plan in highly tumultuous

periods and the Office of Investments obeyed this discipline by rebalancing into equities when the market was reaching new lows in March. The double-digit annual performance of the Balanced Account is therefore not only due to the good return of its equity and fixed income components but is also attributable to timely rebalancing from bonds to equities and tactical adjustments in currency hedging.

The Office of Investments periodically reassesses the long-term strategic allocation of the Balanced Account, especially during rapidly changing market environments such as 2020. As a result, a recommendation to reduce the fixed-income target allocation by 5% in favor of alternative investments was recently approved by the PAC. This asset-mix change is expected to increase the Balanced Account's return while not materially altering its risk profile and liquidity.

Valuations across most asset classes currently seem elevated. The fact that interest rates reached new lows in 2020 is not only making bonds expensive but is also forcing investors in search of a better return to assume more risk. Such sentiments, coupled with the ease of finding cheap financing, increased the prices of equities to new highs. Recently, this has also created, an environment favorable to speculative trading activity. In such a dynamic market environment, the Office of Investments, while looking for opportunities to pursue market dislocation strategies, continues to make resilient investments and to favor investment managers running a well-balanced portfolio of high-quality and profitable companies that should be well-positioned to outperform in the long run.

THE PLAN & SUSTAINABLE INVESTING

WHAT IS ESG INVESTING?

ESG stands for Environmental, Social and Governance. An increasing number of investors are considering these non-financial factors when evaluating opportunities, identifying risks, managing assets, and engaging with investment managers.

SUSTAINABLE INVESTING AND THE PLAN: SELECT MILESTONES

2008	2016	February 2020
Establishing a Socially Responsible Investment ("SRI") fund option for members	Requesting that managers report annually on ESG and United Nations Principles for Responsible Investment (UNPRI) implementation and compliance	Circulating survey to members regarding potential Fossil Fuel Free (“FFF”) fund. Over 1600 members responded. Preliminary results demonstrate members interest in possible FFF fund

UNPRI ARE AS FOLLOWS:

Principle 1:	incorporate ESG issues into investment analysis and decision-making processes.
Principle 2:	be active owners and incorporate ESG issues into our ownership policies and practices.
Principle 3:	seek appropriate disclosure on ESG issues by the entities in which we invest.
Principle 4:	promote acceptance and implementation of the Principles within the investment industry.
Principle 5:	work together to enhance our effectiveness in implementing the Principles.
Principle 6:	report on our activities and progress towards implementing the Principles.

ESG/UNPRI EVOLUTION

% of assets invested with managers who have an ESG policy or are signatories of the UNPRI:

	2016	2020
ACCUMULATION FUND	79%	99%
PENSIONER FUND	58%	98%

WHAT IS A FFF FUND?

This strategy represents a portfolio that invests in companies operating in various countries around the world and across a wide range of sectors but that specifically excludes securities of issuers that directly engage in the extraction, processing and transportation of fossil fuels such as coal, oil and natural gas.

ENVIRONMENTAL
Climate change,
Resource depletion,
Waste and pollution,
Deforestation

SOCIAL
Working conditions,
Local communities, Conflict,
Health & safety,
Employee relations
& diversity

GOVERNANCE
Executive pay,
Bribery and corruption,
Political lobbying & donations,
Board diversity & structure,
Tax strategy

June 2020	throughout 2020
Integrating ESG considerations into the SIP	Increasing staff training on SRI related topics through participation in an MSCI roundtable with other Canadian universities on ESG best practices, discussions with Mercer Investment Consulting Group's head of ESG, attending personalized trainings the MSCI ESG Research team and many more

LOOKING AHEAD

- Follow-up on FFF Survey results with the preparation of a virtual session to educate members on the SRI pool currently offered by the Plan and to highlight the differences between this fund and a potential FFF fund.
- Organize focus groups and determine whether there is sufficient interest to propose a FFF strategy.
- Take steps towards calculating the carbon footprint of the Equity Pool and establish a procedure for measuring and monitoring the portfolio's emissions.

EXCERPT FROM SIP

The PAC "encourages investment managers to adopt environmental, social and governance (ESG) policies. The Committee also believes that responsible behaviour with respect to ESG factors can contribute to long-term performances of investment managers. Consequently, responsible considerations will be part of the Committee's regular course of investment due diligence and risk analysis. Investment priority will be given to investment firms that follow ESG criteria to evaluate companies in which they might want to invest."

ACCUMULATION FUND

The Accumulation Fund includes assets of Part A and Part B members in addition to assets of the Supplemental Fund. Its structure offers a wide range of investment strategies and allows members to create specific investment allocations that best respond to their financial needs. The Accumulation Fund consists of an Equity Pool, a Fixed Income Pool, Alternative Assets, a Money Market Pool and a Socially Responsible Investment Pool. Members also have the Balanced Account option and the Target Date profiles that consist of diverse allocations to the Equity Pool, Alternative Assets and the Fixed Income Pool.

The Balanced Account is the default investment option of the Plan. Members who do not select an investment option are automatically invested in the Balanced Account

PERFORMANCE RELATIVE TO BENCHMARK

As at December 31, 2020 (gross of fees)

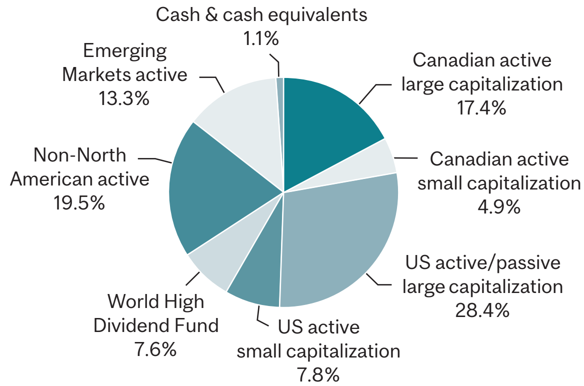
ASSET CLASSES	BENCHMARKS	ASSETS ($ Millions)	2020 RETURNS	BENCHMARK'S RETURNS	VALUE ADDED
SPECIFIC INVESTMENT STRATEGIES					
Equity Pool	22% S&P/TSX Composite 38% S&P 500 (50% USD Hedged) 29% MSCI EAFE 11% MSCI Emerging Markets	776.3	11.0%	11.2%	-0.2%
Fixed Income Pool	FTSE Canada Universe Bond	474.1	10.8%	8.7%	2.1%
Alternative Assets[1]	50% Real Assets Benchmark 25% Private Investments Benchmark 25% Diversifying Assets Benchmark	320.4	4.6%	6.4%	-1.8%
Money Market Pool	FTSE Canada 30-Day T-Bill	26.4	1.2%	0.6%	0.6%
BALANCED INVESTMENT STRATEGIES					
Balanced Account	45% Equity Pool Benchmark 20% Alternative Assets Benchmark 35% Fixed Income Pool Benchmark	1,341.3	10.6%	9.8%	0.8%
Socially Responsible Investment Pool	20% S&P/TSX Capped Composite 40% MSCI World Total Return Net (C$) 40% FTSE Canada Universe Bond	54.6	17.6%	10.6%	7.0%
Target Date profiles		28.4	3.91% to 8.21%	3.01% to 6.95%	0.9% to 1.26%

[1] Net of fees

ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

EQUITY POOL

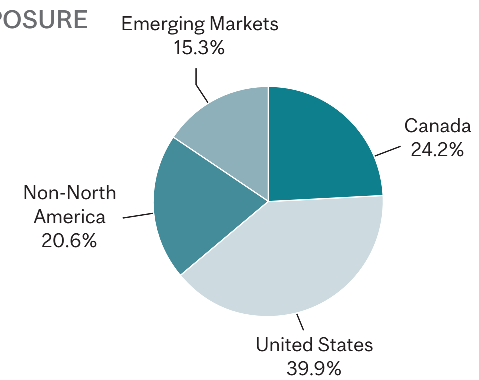
7 STRATEGIES



$776.3M

47.0% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in **basis points**

Management fees	40
Administration fees	27
TOTAL	67

INVESTMENT OBJECTIVE

The Equity Pool's investment objective is to provide long-term capital appreciation and income by investing in a diversified portfolio of Canadian and foreign listed equity securities.

The annualized long-term objective measured over a 10-year period is the annual change in the Canadian **Consumer Price Index** (CPI) + 5.0%, being 6.6%

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return (gross of fees) of the Equity Pool was 9.9%, outperforming the long-term objective by 3.3% and in line with the benchmark return.

Over the past five years, the Equity Pool delivered an annualized rate of return (gross of fees) of 9.1%, below the benchmark return of 10.6%, but above the long-term objective of 6.6%.

2020 PERFORMANCE

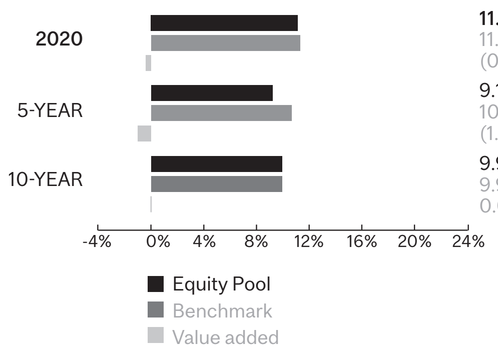
For the 12-month period ending on December 31, 2020, the Equity Pool returned 11.0% (gross of fees), almost equal to the benchmark performance of 11.2%. The volatility in the markets due to the pandemic has created a rapidly changing environment for the asset class. After the lowest point was reached in the middle of March, equity markets experienced a rapid recovery and finished the year up strongly as the Canadian equity index reached 5.6% and the global equity index (MSCI ACWI) ended the year with a return of 14.2% (in Canadian dollars). The defensive nature of the portfolio allowed the Equity Pool to fare better than its benchmark return during the market selloff of the first quarter although this naturally reduced its ability to benefit as much as the benchmark during the market recovery for the last three quarters.

PORTFOLIO CHANGES

In 2020, one international equity manager's mandate was terminated due to underperformance and a new manager was hired.

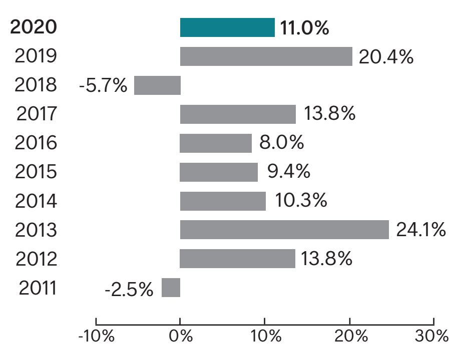
ANNUALIZED RETURNS vs BENCHMARK

(gross of fees)



HISTORIC ANNUAL RETURNS

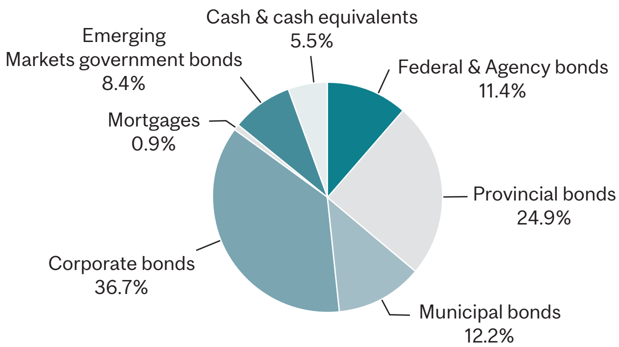
(gross of fees)



ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

FIXED INCOME POOL

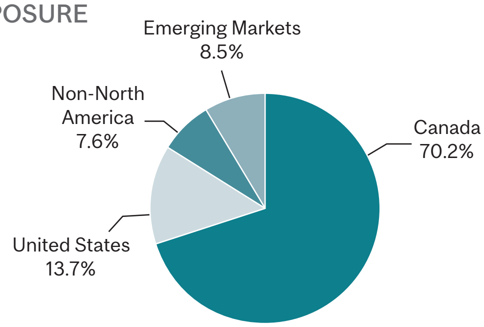
6 STRATEGIES



$474.1M

28.7% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	35
Administration fees	26
TOTAL	61

INVESTMENT OBJECTIVE

The Fixed Income Pool's investment objective is to provide a predictable source of income with low investment return volatility by investing in a diversified portfolio of Canadian and Global fixed income securities.

The annualized long-term objective measured over a 10-year period is the annual change in the Canadian CPI + 1.0%, being 2.6%.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return (gross of fees) of the Fixed Income Pool was 5.3%, outperforming both the long-term objective and the benchmark by 2.7% and 0.8%, respectively.

Over the past five years, the Fixed Income Pool delivered an annualized rate of return (gross of fees) of 5.4%, outperforming the benchmark of 4.2% and the long-term objective.

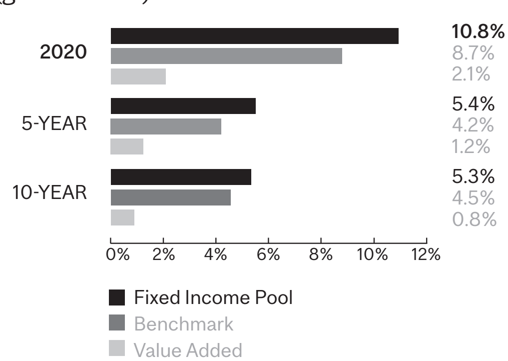
2020 PERFORMANCE

For the 12-month period ending on December 31, 2020, the Fixed Income Pool generated an exceptional return of 10.8% (gross of fees), above the performance of the benchmark of 8.7%. As the portfolio is positioned with shorter duration, the decline in interest rates during 2020 detracted from relative performance. However, the security selection of the corporate bond managers allowed the Fixed Income Pool to finish the year well ahead of its benchmark return.

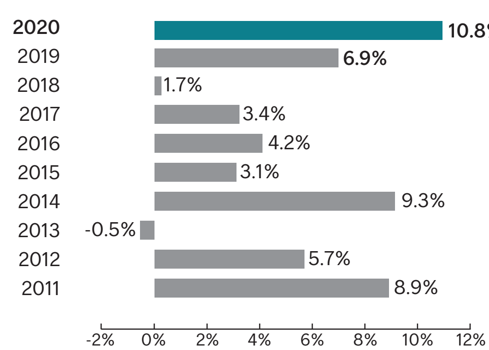
PORTFOLIO CHANGES

No changes occurred during 2020.

ANNUALIZED RETURNS vs BENCHMARK
(gross of fees)



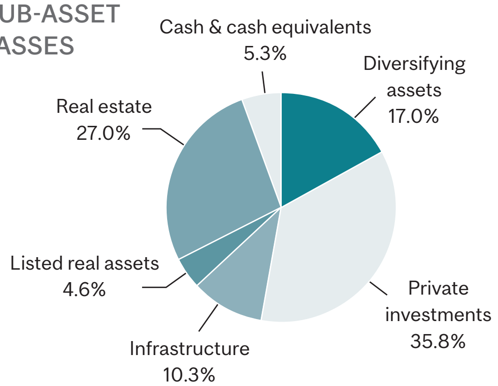
HISTORIC ANNUAL RETURNS
(gross of fees)



ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

ALTERNATIVE ASSETS

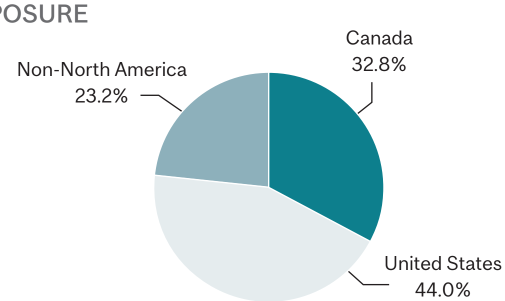
5 SUB-ASSET CLASSES



$320.4M

19.4% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	177
Administration fees	30
TOTAL	207

INVESTMENT OBJECTIVE

The Alternative Assets' investment objective is to provide long-term capital appreciation and income with a focus on capital preservation, by investing in a diversified portfolio of alternative assets.

The annualized long-term objective measured over a 10-year period is the annual change in the Canadian CPI + 4.5%, being 6.1%.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return of the Alternative Assets was 10.1% (net of fees), outperforming its long-term objective by 4.0% and the benchmark by 0.8%

Over the past five years, the Alternative Assets delivered an annualized rate of return of 7.8% (net of fees), surpassing both the long-term objective of 6.1% and the benchmark return of 6.6%.

It is worth mentioning that the Alternative Assets' benchmarks are not replicable nor investable.

2020 PERFORMANCE

For the 12-month period ending on December 31, 2020, the Alternative Assets generated a return of 4.6% (net of fees), which is below the benchmark return of 6.4%. This underperformance is primarily due to a conservative valuation approach taken by managers to estimate the value of the assets (which are not readily publicly available), during the 2020 pandemic. Additionally, certain segments of the Real Estate asset class have been impacted by the pandemic including disruption in the retail and office real estate investments while others have remained resilient including residential real estate and infrastructure. The real estate segment is compared to a benchmark (Prior month CPI + 4%) that was difficult to attain in 2020. However, it provided, to the Plan's benefit, excellent 5 and 10 year performances.

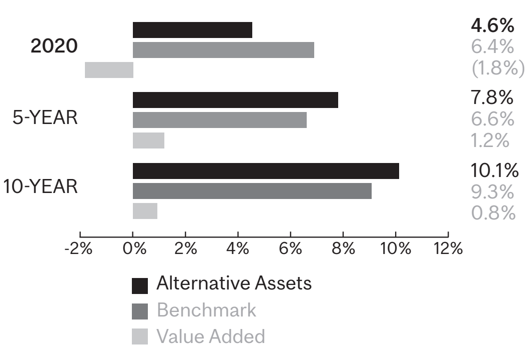
PORTFOLIO CHANGES

In 2020, further commitments were made to private investments and real assets, with one investment in private debt and one investment into a Canadian real estate fund.

Starting in 2016, Alternative Assets were segregated from the Equity Pool. They are now only available via the Balanced Account option and Target Dates profiles.

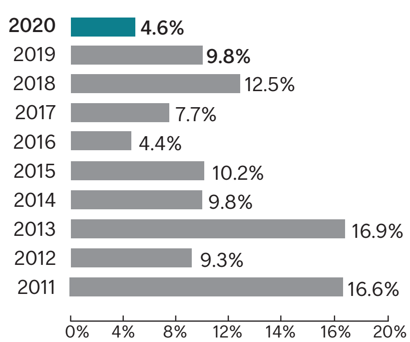
ANNUALIZED RETURNS vs BENCHMARK

(net of fees)*



HISTORIC ANNUAL RETURNS

(net of fees)*

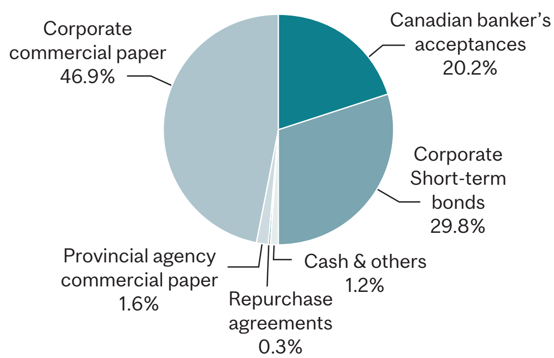


*net of fees, per industry standards

ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

MONEY MARKET

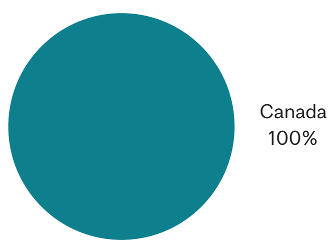
5 TYPES OF SECURITIES



$26.4M

1.6% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	7
Administration fees	10
TOTAL	17

INVESTMENT OBJECTIVE

The Money Market Pool's investment objective is to provide stable returns and maintain capital and liquidity.

The long-term objective is to outperform the return of the FTSE 30-Day T-Bill Index, calculated as an average annual compound rate of return for the last three consecutive years.

The assets are invested in the TD Emerald Canadian Short term Investment Fund and the TD Emerald Canadian Treasury Management Fund.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return (gross of fees) of the Money Market Pool was 1.1%, lagging the long-term objective by 0.1%, but ahead of the benchmark by 0.2%.

Over the past five years, the Money Market Pool delivered an annualized rate of return of 1.4% (gross of fees), above the benchmark return of 0.9% and the long-term objective of 1.2%.

2020 PERFORMANCE

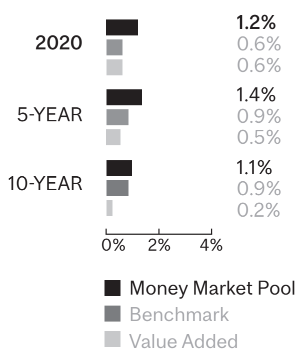
For the 12-month period ending on December 31, 2020, the Money Market Pool provided a return of 1.2% (gross of fees), outperforming its benchmark by 0.6%. As a response to the negative economic impacts of the pandemic, the Bank of Canada reduced the overnight interest rate from 1.75% to 0.25% which reduced our capacity to surpass the absolute return objective of the Money Market Pool. However, we are satisfied by the manager's capability to add value in 2020.

PORTFOLIO CHANGES

No changes occurred during 2020.

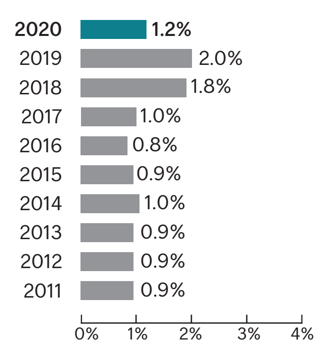
ANNUALIZED RETURNS vs BENCHMARK

(gross of fees)



HISTORIC ANNUAL RETURNS

(gross of fees)



ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

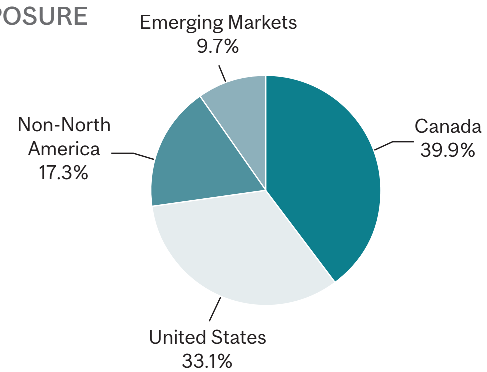
BALANCED ACCOUNT

3 ASSET CLASSES	DECEMBER 31, 2020	ACTUAL TARGET	MIN - MAX
Equity Pool	46.6%	45%	30% - 63%
Fixed Income Pool	29.8%	35%	25% - 55%
Alternative Assets	23.6%	20%	10% - 40%

$1,341.3M

81.2% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	71
Administration fees	27
TOTAL	98

INVESTMENT OBJECTIVE

The Balanced Account's investment objective is to optimize capital accumulation over the long-term through allocations to the Equity Pool, Fixed Income Pool and Alternative Assets, as determined by the Pension Administration Committee.

The annualized long-term objective measured over a 10-year period is the annual change in the Canadian CPI + 3.7%, being 5.3%.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return (gross of fees) of the Balanced Account was 8.7%, outperforming the long-term objective by 3.4% and the portfolio's benchmark by 1.0%.

Over the past five years, the Balanced Account delivered an annualized rate of return of 8.2% (gross of fees), outperforming both the long-term objective of 5.3% and the benchmark return of 7.6%.

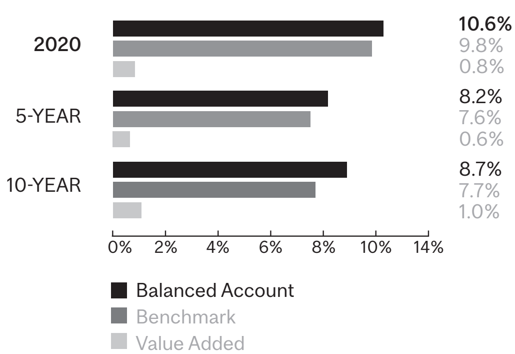
2020 PERFORMANCE

For the 12-month period ending on December 31, 2020, the Balanced Account provided a return of 10.6% surpassing its benchmark by 0.8%. The asset allocation decisions, including the rebalancing activities after the market downturn, the currency hedging decisions and the Fixed Income manager's security selection were the largest contributors to outperformance this year. The Balanced Account benefited from the defensive stance of the Equity Pool while the Alternative Assets reduced volatility. The allocation to small capitalisation stocks contributed to equity performance in Q4 after 5 years of disappointing performance and strongly finished the year above large capitalisation stocks. As a result, the Balanced Account ultimately surpassed its benchmark by the end of the year.

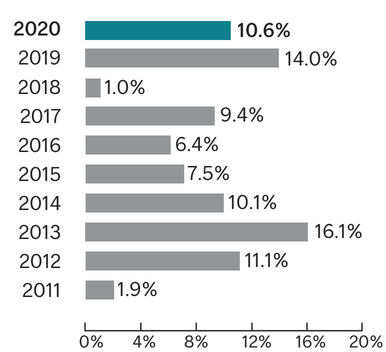
PORTFOLIO CHANGES

Over the course of the year, strategy changes occurred in the Balanced Account through changes in the Equity Pool, Fixed Income Pool and Alternative Assets.

ANNUALIZED RETURNS vs BENCHMARK
(gross of fees)



HISTORIC ANNUAL RETURNS
(gross of fees)



ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

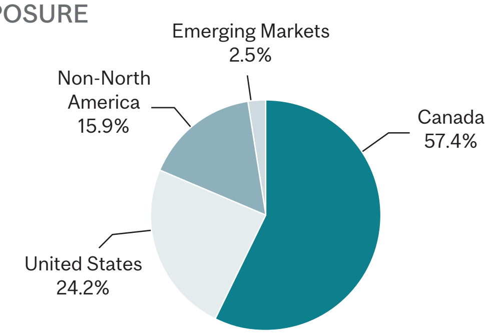
SOCIALLY RESPONSIBLE INVESTMENT POOL

3 RBC VISION FUNDS	DECEMBER 31, 2020	ACTUAL TARGET
Canadian Equity Fund	20.8%	20%
Global Equity Fund	43.2%	40%
Canadian Bond Fund	36.0%	40%

$54.6M

3.3% OF ACCUMULATION FUND ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	17
Administration fees	9
TOTAL	26

INVESTMENT OBJECTIVE

The SRI Pool's objective is to optimize capital accumulation over the long-term, while following an investment framework that incorporates issues related to socially responsible investing.

The annualized long-term objective measured over a 10-year period is the annual change in the Canadian CPI + 3.4%, being 5.0%.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return (gross of fees) of the SRI Pool is 9.1%, outperforming the long-term objective by 4.1%, as well as outperforming the benchmark return by 1.6%.

Over the past five years, the SRI Pool delivered an annualized rate of return of 10.9% (gross of fees), outperforming both the long-term return objective of 5.0% and the benchmark return of 8.1%.

2020 PERFORMANCE

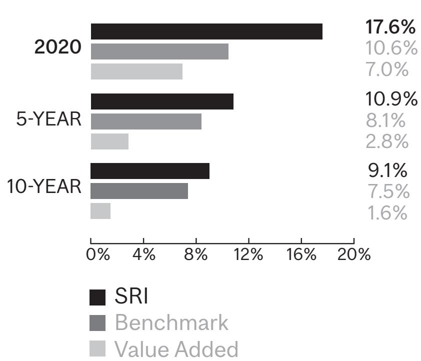
For the 12-month period ending on December 31, 2020, the SRI Pool returned an excellent 17.6% (gross of fees), significantly outperforming the benchmark return of 10.6% during the same period. Global equities is the largest allocation in the overall pool and generated the highest absolute and relative returns which drove the performance for the SRI Pool during the year. The high level of absolute return generated was also supported by its fixed income allocation which benefited greatly from the decreasing rates environment and by the good security selection of the bond manager.

PORTFOLIO CHANGES

No changes occurred during 2020.

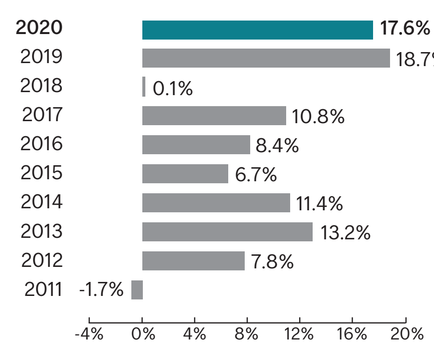
ANNUALIZED RETURNS vs BENCHMARK

(gross of fees)



HISTORIC ANNUAL RETURNS

(gross of fees)



ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

TARGET DATE PROFILES

3 RISK PROFILES
Conservative
Moderate
Aggressive

3 ASSET CLASSES
Fixed Income Pool
Equity Pool
Alternative Assets

$28.4M

1.8% OF ACCUMULATION FUND ASSETS

FEES in basis points for Glide Paths

Management fees	51 (A) to 60 (F)
Administration fees	27 (A) to 27 (F)
TOTAL	78 (A) to 87 (F)

In September 2020, the Plan introduced a new type of Glide Path option, called Multi-Risk Target Date profiles.

Members previously were able to invest in Glide Path funds based on investment profiles and 10-year age bands. Following the transition to Sun Life, members now have access to Target Date profiles. These funds are similar to the Glide Path funds as they are tailored to members' investment style, but follow an annual glide path and not 10-year bands. Members still have access to three risk profiles, based on their risk tolerance.

INVESTMENT OBJECTIVE

The investment objective of the Target Date profiles is to optimize capital accumulation over the long-term through allocations to the Equity Pool, Fixed Income Pool and Alternative Assets based on the chosen risk profile and target retirement date of the Plan member.

Target Date considers all stages of plan members’ lives. Farther away from retirement, the asset mix is tilted more aggressively for growth. Closer to retirement, the asset mix becomes more conservative to preserve gains and generate income.

The expected rate of return for each risk profile will be a blend of the expectations specified above, determined in accordance with the specific asset allocation strategy of the risk profile and the chosen target of the individual Plan member.

PORTFOLIO CHANGES

During 2020, strategy changes occurred in the Glide Path options through changes in the Equity Pool, Fixed Income Pool and Alternative Assets.

The table below shows the gross returns for the Glide Path options.
The 2020 perfomance is for the period January 1 to August 31, 2020.
To calculate their annual return, members must combine their Glide Path and Target Date returns.

	FUNDS/ AGE BANDS	Age 66 and above	Age 60 to 65	Age 50 to 59	Age 40 to 49	Age 30 to 39	Below age 30
ALLOCATION	Allocation	A	B	C	D	E	F
	Fixed Income Pool	65%	50%	40%	30%	20%	10%
	Equity Pool	25%	35%	45%	55%	65%	75%
	Alternative Assets	10%	15%	15%	15%	15%	15%
RISK PROFILE	Conservative	A	A	B	C	D	E
	Moderate	A	B	C	D	E	F
	Aggressive	B	C	D	E	F	F
HISTORIC ANNUAL RETURNS	Allocation	A	B	C	D	E	F
	2020	5.7%	4.6%	3.8%	3.0%	2.3%	1.5%
	Benchmark	6.0%	5.3%	4.7%	4.2%	3.7%	3.1%
	Value Added	-0.3%	-0.7%	-0.9%	-1.1%	-1.4%	-1.6%
	2019	10.6%	12.1%	13.4%	14.8%	16.1%	17.5%
	2018	0.9%	0.7%	0.0%	-0.8%	-1.5%	-2.2%
	2017	6.4%	7.7%	8.7%	9.8%	10.8%	11.8%
	2016	5.2%	5.6%	5.9%	6.3%	6.7%	7.1%
ANNUALIZED RETURN	5-year	5.7%	6.1%	6.3%	6.5%	6.7%	6.9%

ANALYSIS OF PERFORMANCE BY INVESTMENT OPTION

TARGET DATE PROFILES (cont'd)

The table below shows the gross returns for the Target Date profiles.
The 2020 performance is for the period September 1 to December 31, 2020.
To calculate their annual return, members must combine their Glide Path and Target Date returns.

		Target Date	2015	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065
CONSERVATIVE RISK PROFILE	Allocation	Fixed Income Pool	-	65%	65%	50%	50%	40%	40%	30%	30%	20%	20%
		Equity Pool	-	25%	25%	35%	35%	45%	45%	55%	55%	65%	65%
		Alternative Assets	-	10%	10%	15%	15%	15%	15%	15%	15%	15%	15%
	Annual Return	2020	-	4.5%	4.5%	5.3%	5.3%	6.1%	6.1%	6.9%	6.9%	7.7%	7.7%
		Benchmark	-	3.0%	3.0%	3.8%	3.8%	4.6%	4.6%	5.4%	5.4%	6.2%	6.2%
		Value Added	-	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
	Fees in basis points	Management Fees	-	51	51	58	58	58	58	59	59	59	59
		Administration Fees	-	27	27	27	27	27	27	27	27	27	27
MODERATE RISK PROFILE	Allocation	Fixed Income Pool	65%	50%	50%	40%	40%	30%	30%	20%	20%	10%	10%
		Equity Pool	25%	35%	35%	45%	45%	55%	55%	65%	65%	75%	75%
		Alternative Assets	10%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
	Annual Return	2020	4.0%	5.3%	5.3%	6.1%	6.1%	6.9%	6.9%	7.7%	7.7%	8.5%	8.5%
		Benchmark	3.0%	3.8%	3.8%	4.6%	4.6%	5.4%	5.4%	6.2%	6.2%	6.9%	6.9%
		Value Added	1.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
	Fees in basis points	Management Fees	51	58	58	58	58	59	59	59	59	60	60
		Administration Fees	27	27	27	27	27	27	27	27	27	27	27
AGGRESSIVE RISK PROFILE	Allocation	Fixed Income Pool	50%	40%	40%	30%	30%	20%	20%	10%	10%	10%	10%
		Equity Pool	35%	45%	45%	55%	55%	65%	65%	75%	75%	75%	75%
		Alternative Assets	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
	Annual Return	2020	4.7%	6.1%	6.1%	6.9%	6.9%	7.7%	7.7%	8.5%	8.5%	8.5%	8.5%
		Benchmark	3.8%	4.6%	4.6%	5.4%	5.4%	6.2%	6.2%	6.9%	6.9%	6.9%	6.9%
		Value Added	0.9%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.6%	1.6%	1.6%	1.6%
	Fees in basis points	Management Fees	58	58	58	59	59	59	59	60	60	60	60
		Administration Fees	27	27	27	27	27	27	27	27	27	27	27

PENSIONER FUND

The Pensioner Fund contains the assets required to finance the benefits of retired staff who opted for an internal pension settlement prior to January 1, 2011. The Pensioner Fund was reopened in September 2020 for members who have selected to receive any supplemental retirement benefit as a pension.

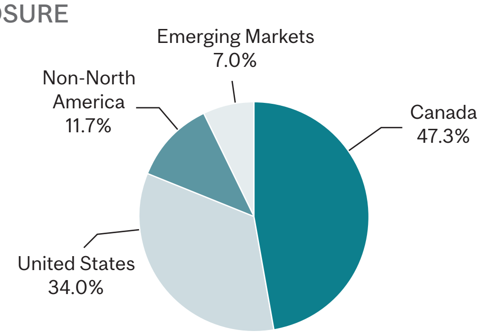
3 ASSET CLASSES

	DECEMBER, 31 2020	ACTUAL TARGET
Equity	52.1%	50%
Fixed Income	46.0%	50%
Real Estate	1.9%	0%

$119.1M

OF ASSETS

GEOGRAPHIC EXPOSURE



FEES in basis points

Management fees	47
Administration fees	23
TOTAL	70

INVESTMENT OBJECTIVE

The Pensioner Fund's investment objective is to optimize the performance of the fund over the long term, to provide enhancements of pension amounts in accordance with the Plan Document, if possible, and to minimize actuarial deficiencies.

The long-term objective measured over a 10-year period is the annual change in the Canadian CPI index + 3.0%, being 4.6%.

HISTORIC PERFORMANCE

Over the past 10 years, the annualized rate of return of the Pensioner Fund was 9.1%, outperforming the long-term objective by 4.5%.

Over the past five years, the Pensioner Fund delivered an annualized rate of return of 9.4%, significantly above the long-term objective of 4.6% and outperforming the benchmark return of 7.1%. The pensioner fund continues to benefit from the 2017 increase in equity exposure from 35% to 50% as the asset class outperformed the fixed income allocation since this change was made.

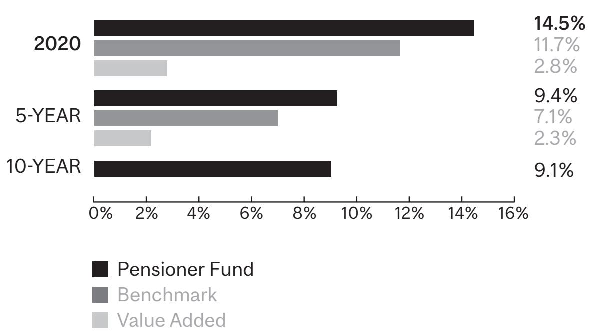
2020 PERFORMANCE

For the 12-month period ending on December 31, 2020, the Pensioner Fund generated a return of 14.5%, outperforming the benchmark return of 11.7%. A strong performance by the global equity and the corporate bond managers allowed the Pensioner Fund to add significant value over its benchmark return again this year.

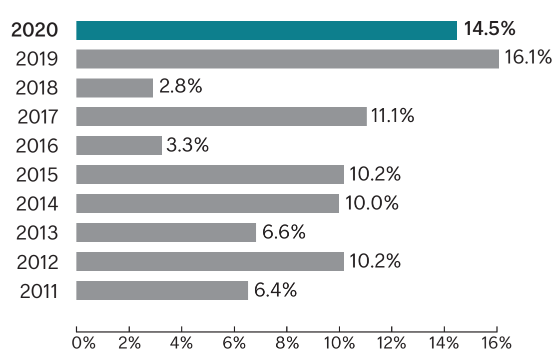
PORTFOLIO CHANGES

In 2020, the nature of one of the fixed income mandates has been changed to gradually reduce exposure to corporate bonds and maintain liquidity.

ANNUALIZED RETURNS vs BENCHMARK
(gross of fees)



HISTORIC ANNUAL RETURNS
(gross of fees)



EXTERNAL ADVISORS AND INVESTMENT MANAGERS

EXTERNAL ADVISORS

CIBC Mellon Global Securities Service	Custody services Performance measurement Private investment administrative services Compliance monitoring
Sun Life Financial	Record keeping Processing transactions Cash flow allocations to investment options Settlement package Host the Plan website
Normandin Beaudry	Record keeping for pensioners
Eckler	Actuarial services
Deloitte	External auditor
Ernst & Young	Tax consultant
Mercer	Investment consultant and manager database

INVESTMENT MANAGERS (excluding Alternative Assets)

Equity Pool	Canadian Equity	Fidelity Investments Van Berkom & Associates
	US Equity	Wellington Management Van Berkom & Associates State Street Global Advisors
	Non-North American Equity	William Blair & Company RBC Global Asset Management Mawer Investment Management
	Global Dividend Equity	State Street Global Advisors
Fixed Income Pool	Canadian Bonds	Canso Investment Counsel RBC Global Asset Management
	Infrastructure Private Debt	AMP Capital
	Municipal & Provincial Bonds	Fiera Capital
	Global Government Bonds	Colchester Global Investors
	Emerging Market Government Bonds	Colchester Global Investors
Money Market Pool	Canadian Short-term Investments	TD Asset Management
Socially Responsible Investment Pool	Canadian Equity Global Equity Canadian Bonds	RBC Global Asset Management
Pensioner Fund	Equity	Vontobel
	Fixed Income	Canso Investment Counsel Manulife Investment Management

ACTUARIAL VALUATION AS AT DECEMBER 31, 2019

ECKLER

At the request of the University and Pension Administration Committee, we have performed a complete actuarial valuation of the McGill University Pension Plan as at December 31, 2019. The results of such valuation were presented in a formal report dated December 23, 2020 which has been filed with the government authorities. The main objectives of the actuarial valuation are to determine the funded position of the Plan as at the valuation date, under both the Going-Concern Funding Position and Solvency Position, and to establish the contributions that are required to be made by the University to comply with the applicable legislation for the three-year period following the valuation date.

Going - Concern Funding Valuation

For the Going-Concern Funding Valuation, the Plan's actuarial liabilities are first compared with the market value of assets as at the valuation date. For the defined contribution provisions ("DC Segment"), actuarial liabilities correspond, by definition, to accumulated contributions with interest and no funding surplus/deficiency can exist thereon. Conversely, for the defined benefit provisions, i.e. minimum pension provisions under Part A ("DB Minimum Segment") and pensions in course of payment ("Pensioner Segment"), a funding surplus/deficiency may exist. If a funding deficiency is revealed, it must be funded over a maximum period of 15 years by the University. In addition, the University must make contributions on account of current service; these contributions include those required under the DC provisions of the Plan and also those required on account of the DB Minimum Segment.

For the DB segments, actuarial liabilities and current service cost are a function of actuarial assumptions underlying the valuation process. A comprehensive review of actuarial assumptions was made in preparation for this valuation. Actuarial assumptions will be reviewed as part of the next complete required actuarial valuation to ensure they are still appropriate.

See Benefits and Administration section of the Annual Report for the main results of the Going-Concern Funding Valuation.

Solvency Valuation

The solvency valuation simulates what would have been the funded position of the Plan as at the valuation date had the Plan been terminated as at that date. The actuarial assumptions are prescribed by legislation. The results of the solvency valuation do not have any direct impact on the funding requirements under the Plan; however, additional University contributions are required for external settlements to be made in totality, such additional contributions representing the unfunded portion of the DB Minimum Segment settlements based on the most recently calculated degree of solvency as required under the *Quebec Supplemental Pension Plans Act*.

See Benefits and Administration section for the main results of the Solvency Valuation.

Actuarial Opinion

In our opinion:

(a) the data on which the valuations are based are sufficient and reliable for the purposes of the valuations;

(b) the assumptions are, in aggregate, appropriate for the purposes of the valuations;

(c) the methods employed in the valuations are appropriate for the purposes of the valuations; and

(d) the assumptions and methods employed to determine the solvency position of the Plan are consistent with the requirements of the *Quebec Supplemental Pension Plans Act.*

Notwithstanding the foregoing opinion, emerging experience, differing from the assumptions, will result in gains or losses which will be revealed in future valuations.

The next required complete actuarial valuation is due no later than December 31, 2022 and needs to be filed with governmental authorities before the regulatory deadline of September 30, 2023. Furthermore, an interim valuation must be prepared as at December 31, 2020 to report on the solvency financial position of the Plan. The University is required to continue to contribute based on the December 31, 2019 actuarial valuation report until a new complete actuarial valuation report is filed, at which time the University will adjust its contributions to reflect the new funding requirements revealed under this new valuation.

Respectfully submitted,

Jean-Francois Gariépy, FSA, FCIA

Catherine Bourdages FSA, FCIA

FINANCIAL REPORT

MANAGEMENT'S LETTER OF RESPONSIBILITY

To the Pension Administration Committee of the McGill University Pension Plan

The financial report of the McGill University Pension Plan (the "Plan") has been prepared by management and approved by the Pension Administration Committee ("PAC").

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting provisions set out in the Guide to the Annual Information Return published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec). This responsibility includes selecting the appropriate accounting principles and methods and exercising an objective judgment when making decisions affecting the measurements of transactions.

In discharging its responsibilities for the integrity and fairness of the financial report, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial report.

Ultimate responsibility for the financial report rests with the members of the PAC. The PAC oversees financial reporting through its Audit Committee. The Audit Committee, comprised of three individuals who are neither management nor employees of the Plan, reviews the financial report and recommends it for approval to the PAC. The Audit Committee fulfills its responsibilities by reviewing the financial information prepared by management and by discussing relevant matters with management and the external auditors. The Audit Committee is also responsible for recommending the appointment of the Plan's external auditors to the PAC. The Audit Committee meets regularly with management and the external auditors to review the scope and timing of the audit, to discuss any audit findings and recommendations for improvement, and to ensure it has appropriately discharged its responsibilities.

Deloitte LLP has been appointed by the PAC to audit the financial report and report directly to the Audit Committee; their report follows. The external auditors have full and free access to, and meet periodically with, both the Audit Committee and management to discuss their audit findings.

March 17, 2021

Natalie Tille, CPA, CMA
Senior Manager, Finance & Governance (Interim)

Sophie Leblanc, CFA
Chief Investment Officer and Treasurer

INDEPENDENT AUDITOR'S REPORT

To the Pension Administration Committee of the McGill University Pension Plan

Opinion

We have audited the financial report of McGill University Pension Plan (the "Plan"), which comprises the statement of net assets available for benefits as at December 31, 2020, and the statement of changes in net assets available for benefits for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial report").

In our opinion, the accompanying financial report presents fairly, in all material respects, the net assets available for benefits of the Plan as at December 31, 2020, and the changes in net assets available for benefits for the year then ended in accordance with the financial reporting provisions set out in the Guide to the Annual Information Return published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Plan in accordance with the ethical requirements that are relevant to our audit of the financial report in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the Pension Administration Committee of the Plan to comply with the financial reporting requirements of Retraite Québec. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial report and our auditor's report thereon, in the McGill University Pension Plan Annual Report.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the McGill University Pension Plan Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting provisions set out in the Guide to the Annual Information Return published by Retraite Québec relating to the preparation of a financial report under section 161 of the *Supplemental Pension Plans Act* (Quebec), and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP[1]

Montréal, Québec
March 17, 2021

[1]CPA Auditor, CA, public accountancy permit No. A125888

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

As at December 31, 2020
(Tabular amounts expressed in thousands of dollars)

Accumulation Fund

ASSETS	2020	2019
Investments (Note 3)	$1,639,715	$1,502,335
Cash	11,488	9,427
Currency contracts (Note 4)	5,223	7,557
Cash margin and stock index futures (Note 6)	–	1,197
Accrued investment income	3,283	3,561
Accounts receivable	682	1,340
McGill University contributions receivable	1,027	764
	1,661,418	1,526,181

LIABILITIES		
Currency contracts (Note 4)	2,376	787
Accounts payable and accruals	1,792	2,334
Due to Pensioner Fund (Note 7)	17	17
Owing to former members	3,912	6,627
	8,097	9,765
Net assets available for benefits	**$1,653,321**	**$1,516,416**

Pensioner Fund

ASSETS		
Investments (Note 3)	$118,301	$125,454
Cash	346	204
Currency contracts (Note 4)	40	48
Accrued investment income	577	786
Accounts receivable	1	1,076
Receivable from Accumulation Fund (Note 7)	17	17
	119,282	127,585

LIABILITIES		
Accounts payable and accruals	70	407
Due to McGill University	1,708	1,814
	1,778	2,221
Net assets available for benefits	**$117,504**	**$125,364**
Total net assets available for benefits	**$1,770,825**	**$1,641,780**

The accompanying notes are an integral part of the financial report.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2020
(Tabular amounts expressed in thousands of dollars)

Accumulation Fund

	2020	2019
Net assets available for benefits, January 1	$1,516,416	$1,359,804
INCREASE		
Investment income (Note 5)	36,495	36,190
Realized gains	46,204	61,218
Members' regular contributions	30,998	29,582
Members' special contributions	4,625	4,812
Members' voluntary contributions	1,629	1,454
McGill University's regular contributions	32,657	31,260
McGill University's special contributions	19,730	17,379
Transfers from other registered plans	1,156	612
Total increase in net assets	173,494	182,507
DECREASE		
Administration expenses (Note 8)	4,058	3,261
Investment management fees	3,642	3,523
Transaction costs	289	346
Retirement benefits	50,504	47,232
Variable benefits	88	–
Retirement benefits - McGill University LIF/RIF	16,129	34,733
Termination benefits	23,400	21,423
Death benefits	4,969	4,489
Total decrease in net assets	103,079	115,007
Change in unrealized fair value of investments (unrealized gains)	66,490	89,112
Change in net assets available for benefits	**136,905**	**156,612**
Net assets available for benefits, December 31	**$1,653,321**	**$1,516,416**

Pensioner Fund

	2020	2019
Net assets available for benefits, January 1	$125,364	$131,472
INCREASE		
Investment income (Note 5)	2,214	2,749
Realized gains	10,604	3,279
Total increase in net assets	12,818	6,028
DECREASE		
Administration expenses (Note 8)	277	258
Investment management fees	118	121
Pension payments	23,399	24,371
Total decrease in net assets	23,794	24,750
Change in unrealized fair value of investments (unrealized gains)	3,116	12,614
Change in net assets available for benefits	**(7,860)**	**(6,108)**
Net assets available for benefits, December 31	**$117,504**	**$125,364**
Total net assets available for benefits, December 31	**$1,770,825**	**$1,641,780**

The accompanying notes are an integral part of the financial report.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

1. Summary Description of the Plan

(A) GENERAL

The McGill University Pension Plan ("Plan") is a retirement benefit arrangement for eligible employees ("Member") of McGill University ("University"). The Plan is a Registered Pension Plan Trust as defined in the *Income Tax Act* and is not subject to income taxes. The pension for each Member is determined in accordance with the accumulated value of the Member's pension account at retirement under a defined contribution arrangement, augmented, as applicable for part A Members, by a Defined Benefit Minimum Supplement.

(B) FUNDING POLICY

Members are required to contribute to the Plan a percentage of Basic Earnings, as defined in the Plan Document, less 1.8% of the portion of Basic Earnings that is subject to a Quebec Pension Plan ("QPP") contribution.

Members' Regular Contributions as a Percentage of Basic Earnings

Members' age at end of preceding month	Regular Members	Tenure Stream Clinical Members
39 or less	5.0%	5.5%
40 to 49	7.0%	7.5%
50 to 65	8.0%	8.5%

The University is required to make regular monthly contributions to the Plan equal to a percentage of Basic Earnings determined according to the following table, less 1.8% of the portion of Basic Earnings subject to a required employer contribution to the QPP:

University Regular Contributions as a Percentage of Basic Earnings

Members' age at end of preceding month	Regular Members	Tenure Stream Clinical Members
39 or less	5.0%	5.8%
40 to 49	7.5%	8.3%
50 to 65	10.0%	10.8%

For those Members enrolled in the Plan or eligible to enroll in the Plan prior to January 1, 2009 ("Part A Members"), there is a Defined Benefit Minimum Supplement determined according to the highest average earnings formula.

The University is required to make additional contributions as may be necessary to fund the cost of the Defined Benefit Minimum Component, as well as other payments as required by law.

Effective January 1, 2014, Part A Members began making special contributions to assist in the funding of the actuarial deficit. In December 2020, following the results of the valuation exercise performed as at December 31, 2019, members' cost sharing contributions, which offset the University's regular contributions in the Defined Contribution Component, remain at 1.9% of eligible earnings.

(C) RETIREMENT BENEFITS

A retirement benefit is payable when a Member reaches retirement age. The retirement benefit for each Member is equal to the accumulated value of the Member's pension account at retirement including, if applicable, the Defined Benefit Minimum Supplement.

Starting in 2015, Members can transfer eligible pension holdings into a Life Income Fund (LIF) or Retirement Income Fund (RIF) sponsored by McGill University.

(D) VARIABLE BENEFITS

A variable benefit is a decumulation phase settlement option that allows members the choice of receiving a life income type payment while remaining invested in the Plan.

Starting in September 2020, members who select the variable benefit option can schedule to receive monthly, quarterly or annual payments in addition to ad-hoc lump sum payments from their holdings in the Plan.

(E) TERMINATION BENEFITS

A termination benefit is payable when a Member ceases to be employed. The value of the termination benefit is equal to the accumulated value of the Member's pension account including, if applicable, the Defined Benefit Minimum Supplement.

(F) DEATH BENEFITS

In the event of death before retirement, a lump sum death benefit equal to the accumulated value of the Member's pension account, including, if applicable, the Defined Benefit Minimum Supplement, is paid to the beneficiary or beneficiaries entitled thereto.

In the event of death after retirement, the death benefit, if any, is determined according to the settlement option chosen at retirement.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

1. Summary Description of the Plan (continued)

(G) ACCUMULATION FUND

The Accumulation Fund is composed of an Equity Pool, Alternative Assets, a Fixed Income Pool, a Socially-Responsible Investment Pool and a Money Market Pool. A Balanced Account and Target Date Options are also available, composed of allocations to the Equity Pool, Alternative Assets and the Fixed Income Pool in proportions determined from time to time by the Pension Administration Committee (“PAC”).

This structure offers a wide range of possible investment strategies permitting Members to create specific strategies that best respond to their individual financial needs.

All defined contribution assets of the Accumulation Fund are allocated to individual accounts and all investment income, gains and losses are distributed accordingly. Assets are, by definition, equal to liabilities and there can be no defined contribution surplus or deficit in the fund.

The Supplemental Fund holds University contributions related to the Defined Benefit Minimum Component, as well as the University’s funding related to actuarial valuation needs.

The assets of the Supplemental Fund are invested in the Balanced Account and are included in the Accumulation Fund.

Any balance existing in the Supplemental Fund is the property of the University to be applied in such fashion as the University shall determine, including, but not limited to, the payment of University contributions otherwise required under the Plan.

Effective January 1, 2014, Part A Members began sharing up to 50% of the cost of funding the actuarial deficit.

In the event of a Plan termination, any actuarial deficit arising from the Defined Benefit Minimum Component or from actuarial valuation needs is the responsibility of the University.

(H) PENSIONER FUND

The Pensioner Fund holds the assets required to secure the obligation for retired staff who opt for an internal pension settlement prior to January 1, 2011.

The Pensioner Fund was reopened in September 2020 for members who have selected to receive any supplemental retirement benefit as a pension.

2. Significant Accounting Policies

BASIS OF PRESENTATION AND ACCOUNTING FRAMEWORK

The financial report has been prepared by management in accordance with the financial reporting provisions described in the *Guide to the Annual Information Return* published by Retraite Québec. The basis of accounting used in this financial report materially differs from Canadian accounting standards for pension plans because it excludes the pension obligations of the Plan and its related disclosures.

The Plan applies Section 4600, Pension Plans, of Part IV of the *CPA Canada Handbook - Accounting* (the "Handbook”). Section 4600 is the underlying accounting standard to the framework prescribed by Retraite Québec. Canadian accounting standards for private enterprises in Part II of the Handbook have been chosen for accounting policies that do not relate to the Plan’s investment portfolio, to the extent that those standards do not conflict with the requirements of Section 4600.

Investments as at December 31, 2020, have been valued using the closing price. If the closing price is below bid price or above ask price, the investments are valued using the mean price.

The financial report is prepared on a going concern basis and presents the aggregate financial position of the Plan as a separate financial reporting entity independent of the University.

The financial report includes the following significant accounting policies:

INVESTMENTS

Investments are recorded as of the trade date and are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

2. Significant Accounting Policies (continued)

INVESTMENTS (continued)

The fair value of investments is determined as follows:

(a) Currency contracts are valued using year-end foreign exchange rates, volatility and time to maturity.

(b) Stock index futures are valued at the stock exchange's settlement price.

(c) Fixed income investments are valued using price or yield equivalent quotations supplied by third-party vendors.

(d) Equity investments are valued at quoted market prices.

(e) Real assets investment valuations are based on periodic appraisals for privately-held real assets. Listed real asset investments are valued at quoted market prices.

(f) Private investments fair value estimates are primarily derived from the most recent financial statements pertaining to the Plan's private investments, adjusted for cash flows and foreign currency, as applicable.

(g) Diversifying assets are valued depending on the underlying assets (currency contracts, fixed income, common stocks, derivatives and real assets).

INCOME RECOGNITION

Investment income is recorded using the accrual method. Dividends and fund distributions are recorded when declared.

FOREIGN EXCHANGE

Transactions denominated in foreign currencies are translated into Canadian dollars at the rates of exchange in effect on the dates of the transactions. At each reporting date, the fair value of foreign currency denominated assets and liabilities is translated using the rates of exchange at that date. The resulting gains and losses from changes in these rates are recorded as part of the current year change in unrealized fair value of investments in the Statement of Changes in Net Assets Available for Benefits.

CONTRIBUTIONS

Contributions are recorded on an accrual basis.

BENEFITS

Payments of retirement, termination, variable and death benefits are recorded on an accrual basis.

USE OF ESTIMATES

The preparation of the financial report requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial report and the reported amounts of revenue and expenses during the reporting period. Key components of the financial report requiring the use of estimates include fair value of real assets investments, private investments and diversifying assets. Actual results could differ from these estimates.

3. Investments and Financial Instruments

(A) TERMS AND CONDITIONS

The terms and conditions of the investments are described as follows:

Cash and Cash Equivalents

Cash equivalent investments, primarily securities issued or guaranteed by Canadian governments, have an average term to maturity of 58 days in the Accumulation Fund (2019 - 52 days) and 92 days in the Pensioner Fund (2019 - 89 days).

Fixed Income

In the Accumulation Fund, bonds, 31.0% of which are guaranteed by the federal or provincial governments (2019 - 33.0%), have a weighted average yield to maturity of 2.1% (2019 - 2.9%) and an average duration of 6.9 years (2019 - 6.0 years). In the Pensioner Fund, bonds, 33.0% of which are guaranteed by the federal or provincial governments (2019 - 30.0%), have a weighted average yield to maturity of 2.0% (2019 - 2.9%) and an average duration of 7.0 years (2019 - 6.5 years).

Equity Investments

In both the Accumulation Fund and the Pensioner Fund, common stock, including trust units and pooled funds, are diversified by issuer, industry sector and geographically.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

3. Investments and Financial Instruments (continued)

(A) TERMS AND CONDITIONS (continued)

Real Assets

Real assets consist of real estate and infrastructure investments.

In the Accumulation Fund, real estate consists of investments in pooled funds investing directly in Canadian, US and European properties.

In the Accumulation Fund, infrastructure investments consist of funds that invest directly in European and US infrastructure assets.

In the Pensioner Fund, real estate consists of investments in pooled funds investing directly in Canadian properties.

Listed Real Assets

In the Accumulation Fund, listed real assets are marketable securities and are diversified globally.

Private Investments

In the Accumulation Fund, private investments consist of investments in private equity funds of funds, private debt funds and equity funds.

Diversifying Assets

In the Accumulation Fund, diversifying assets consist of investments in absolute return strategies focusing on relative value trading and long-short equities and hedge fund co-investments and secondaries.

(B) COMMITMENTS

In the Accumulation Fund, there are unfunded commitments in the amount of $137.7 million (2019 - $142.5 million) for diversifying assets, fixed income (private debt), private investments, real estate and infrastructure investments. It is anticipated that these commitments will be met in the normal course of operations.

(C) CREDIT RISK

Credit risk arises from the potential for a bond issuer to default on its contractual obligations to the Plan. Fixed income investments are recorded at fair value. This represents the maximum credit risk exposure of the Plan. The credit risk is managed through diversification of issuers and by limiting allocation to non-investment grade issuers.

(D) LIQUIDITY RISK

Liquidity risk refers to the risk that the Plan does not have sufficient cash to meet its liabilities, commitments, benefit payments and any other expected or unexpected cash flow requirements. The liquidity position of the Plan is analyzed regularly to ensure the Plan has sufficient liquid assets such as cash, cash equivalent securities and government bonds. The Plan also maintains a portfolio of highly marketable assets that can be sold on a timely basis as protection against any unforeseen interruption to the payment requirements of the Plan.

(E) INTEREST RATE RISK

Interest rate risk refers to the impact of interest rate changes on the Plan's financial position. It impacts the liabilities of the Plan as a result of the Defined Benefit Minimum Provision, as well as the liabilities of the Pensioner Fund.

Interest rate changes directly impact the fair value of fixed income securities held in the Plan and partially compensate the effect on the pension liabilities.

Duration is a measure used to approximate the impact on the fair value of fixed income securities for a given change in interest rates. To manage this risk, the duration of the Plan's fixed income securities are monitored and adjusted, as appropriate.

(F) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the value of a foreign currency denominated asset or liability will fluctuate due to changes in foreign exchange rates. Currency forward contracts and cross-currency swaps are used in order to hedge the effect of changes in the value of foreign currencies on foreign investments. The Plan's largest foreign currency exposure is to the United States dollar. Diversification of assets is also used to manage foreign currency risk.

Note 4 quantifies the currency contracts outstanding as at December 31, 2020 and 2019.

(G) EQUITY PRICE RISK

Equity price risk is the risk that the fair value of an investment will fluctuate as a result of changes in market price. Asset class and sub-asset class diversification is used to manage this risk.

NOTES TO THE FINANCIAL REPORT

December 31, 2020

3. Investments and Financial Instruments (continued)

EFFECT OF THE VARIATIONS OF INTEREST RATE, FOREIGN CURRENCY AND EQUITY PRICE RISK

Type of risk	Variation	Effect on Accumulation Fund	Effect on Pensioner Fund
Interest rate risk	1% increase (decrease)	Decrease (increase) fair value of fixed income investments by $32.4 million (2019 - $27.3 million)	Decrease (increase) fair value of fixed income investments by $3.6 million (2019 - $3.2 million)
Foreign currency risk on investments	$0.01 appreciation (depreciation) of the United States dollar versus the Canadian dollar	Increase (decrease) in the fair value of investments of approximately $4.5 million (2019 - $3.9 million)	Increase (decrease) in the fair value of investments of approximately $536 thousand (2019 - $535 thousand)
	$0.01 appreciation (depreciation) of the Euro versus the Canadian dollar	Increase (decrease) in the fair value of investments of approximately $527 thousand (2019 - $694 thousand)	N/A
Foreign currency risk on forward contracts and cross-currency swaps	$0.01 appreciation (depreciation) of the United States dollar versus the Canadian dollar	Decrease (increase) in the fair value of forward contracts and cross-currency swaps of approximately $2.0 million (2019 - $1.4 million)	N/A
	$0.01 appreciation (depreciation) of the Euro versus the Canadian dollar	Decrease (increase) in the fair value of forward contracts and cross-currency swaps of approximately $303 thousand (2019 - $319 thousand)	N/A
Equity price risk	10% change in equity prices	$92.2 million change in the fair value of the private and listed equities (2019 - $80.7 million)	$6.2 million change in the fair value of the private and listed equities (2019 - $6.6 million)

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

3. Investments and Financial Instruments (continued)

(H) INVESTMENT DETAIL

	Accumulation Fund		Pensioner Fund	
	2020	**2019**	**2020**	**2019**
Cash equivalents	$74,580	$62,128	$2,686	$4,751
Fixed income investments				
Canadian	327,807	309,872	42,558	39,702
Foreign	141,764	145,187	8,645	9,666
	469,571	455,059	51,203	49,368
Equity investments				
Canadian	378,302	278,311	110	61
Foreign	413,764	418,899	61,993	65,925
	792,066	697,210	62,103	65,986
Alternative Assets*				
Real assets	119,598	119,491	2,309	5,349
Listed real assets	14,806	10,717	-	-
Private investments	114,680	99,084	-	-
Diversifying assets	54,414	58,646	-	-
	303,498	287,938	2,309	5,349
Total Investments	**$1,639,715**	**$1,502,335**	**$118,301**	**$125,454**

* In the Accumulation Fund, 69.0% (70.1% in 2019) of Alternative Assets are held in foreign currencies. There are no Alternative Assets held in foreign currencies in the Pensioner Fund in 2020 and 2019.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

3. Investments and Financial Instruments (continued)

(I) FAIR VALUE HIERARCHY

Financial instruments measured at fair value are classified according to a fair value hierarchy that reflects the importance of the data used to perform each evaluation. The fair value hierarchy is made up of the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable data on the market each time such data exists. A financial instrument is classified at the lowest level of the hierarchy for which significant input has been considered in measuring fair value.

	Fair Value as at December 31, 2020			
Accumulation Fund	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$74,580	$-	$-	$74,580
Fixed income investments	-	443,161	26,410	469,571
Equity investments	553,520	238,546	-	792,066
Alternative Assets	14,806	-	288,692	303,498
Total Investments	**$642,906**	**$681,707**	**$315,102**	**$1,639,715**
Other Financial Assets				
Evaluated at fair value	-	$5,223	-	$5,223
Other Financial Liabilities				
Evaluated at fair value	-	$2,376	-	$2,376

	Fair Value as at December 31, 2019			
Accumulation Fund	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$62,128	$-	$-	$62,128
Fixed income investments	-	425,948	29,111	455,059
Equity investments	591,449	105,761	-	697,210
Alternative Assets	10,717	-	277,221	287,938
Total Investments	**$664,294**	**$531,709**	**$306,332**	**$1,502,335**
Other Financial Assets				
Evaluated at fair value	$1,197	$7,557	-	$8,754
Other Financial Liabilities				
Evaluated at fair value	-	$787	-	$787

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

3. Investments and Financial Instruments (continued)

(I) FAIR VALUE HIERARCHY (continued)

	Fair Value as at December 31, 2020			
Pensioner Fund	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$2,686	$-	$-	$2,686
Fixed income investments	-	51,203	-	51,203
Equity investments	-	62,103	-	62,103
Alternative Assets	-	-	2,309	2,309
Total Investments	**$2,686**	**$113,306**	**$2,309**	**$118,301**
Other Financial Assets				
Evaluated at fair value	-	$40	-	$40

	Fair Value as at December 31, 2019			
Pensioner Fund	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$4,751	$-	$-	$4,751
Fixed income investments	-	49,368	-	49,368
Equity investments	-	65,986	-	65,986
Alternative Assets	-	-	5,349	5,349
Total Investments	**$4,751**	**$115,354**	**$5,349**	**$125,454**
Other Financial Assets				
Evaluated at fair value	-	$48	-	$48

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

3. Investments and Financial Instruments (continued)

(I) FAIR VALUE HIERARCHY (continued)

The following table summarizes movements in the fair value of financial instruments classsified as Level 3 from the beginning balance to the ending balance:

	Accumulation Fund	Pensioner Fund
Fair value, January 1, 2019	$270,511	$4,499
Purchases	83,461	-
Sales	(58,384)	(48)
Change in fair value	10,744	898
Fair value, December 31, 2019	**$306,332**	**$5,349**
Purchases	37,947	-
Sales	(36,131)	(3,309)
Change in fair value	6,954	269
Fair value, December 31, 2020	**$315,102**	**$2,309**

During 2020 and 2019, there has been no transfer of amounts between Level 1 and Level 2 or to or from Level 3.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

4. Currency Contracts

Accumulation Fund

Currency Contracts as at December 31, 2020

Long Position	Short Position	Notional CDN$ Equivalent	Average Exchange Rate	Assets CDN$	Liabilities CDN$
Canadian Dollar	US Dollar	323,366	1.2885	4,294	515
Canadian Dollar	Euro	51,513	1.5469	-	464
Euro	Canadian Dollar	4,650	0.6424	12	-
US Dollar	Canadian Dollar	20,995	0.7734	-	309
US Dollar	Euro	15,669	1.1951	78	451
US Dollar	Singapore Dollar	2,616	0.7346	17	93
US Dollar	Japanese Yen	7,407	0.0096	269	188
US Dollar	Pound Sterling	2,486	1.3238	-	80
Pound Sterling	US Dollar	4,764	0.7629	199	-
Euro	US Dollar	8,116	0.8236	123	61
Japanese Yen	US Dollar	3,737	103.8318	49	28
Various currencies	Various currencies	10,721	-	182	187
Total		**$456,040**		**$5,223**	**$2,376**

Accumulation Fund

Currency Contracts as at December 31, 2019

Long Position	Short Position	Notional CDN$ Equivalent	Average Exchange Rate	Assets CDN$	Liabilities CDN$
Canadian Dollar	US Dollar	259,603	1.3282	6,146	-
Canadian Dollar	Euro	47,150	1.4755	561	-
Canadian Dollar	Australian Dollar	3,153	0.9023	-	37
Canadian Dollar	Japanese Yen	6,367	0.0121	46	-
Euro	Canadian Dollar	6,888	0.6779	-	61
Australian Dollar	US Dollar	6,783	1.4530	156	-
US Dollar	Canadian Dollar	5,956	0.7598	-	89
US Dollar	Euro	4,551	1.1053	44	117
US Dollar	Singapore Dollar	3,200	0.7327	36	83
US Dollar	Japanese Yen	7,913	0.0092	203	200
Pound Sterling	US Dollar	5,234	0.7734	135	8
Swedish Krona	US Dollar	3,574	9.6063	94	-
Japanese Yen	Canadian Dollar	2,508	81.6552	-	55
Various currencies	Various currencies	13,930	-	136	137
Total		**$376,810**		**$7,557**	**$787**

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

4. Currency Contracts (continued)

Pensioner Fund — Currency Contracts as at December 31, 2020

Long Position	Short Position	Notional CDN$ Equivalent	Average Exchange Rate	Assets CDN$	Liabilities CDN$
Canadian Dollar	US Dollar	6,861	1.2815	40	-
Total		**$6,861**		**$40**	-

Pensioner Fund — Currency Contracts as at December 31, 2019

Long Position	Short Position	Notional CDN$ Equivalent	Average Exchange Rate	Assets CDN$	Liabilities CDN$
Canadian Dollar	US Dollar	3,568	1.3141	48	-
Total		**$3,568**		**$48**	-

5. Investment Income

Accumulation Fund

	2020	2019
Cash & cash equivalents	$331	$1,299
Fixed income	11,939	10,776
Equity	16,785	17,389
Real assets	2,949	2,326
Private investments	4,383	4,221
Securities lending	108	179
Total	**$36,495**	**$36,190**

Pensioner Fund

	2020	2019
Cash & cash equivalents	$11	$98
Fixed income	2,015	2,244
Equity	180	400
Securities lending	8	7
Total	**$2,214**	**$2,749**

6. Cash Margin and Stock Index Futures

The Plan entered into stock index futures contracts in order to efficiently and cost effectively gain market exposure to certain non-North American equity markets. Following the termination of a manager in the second quarter of 2020 who used stock index futures contracts, the Plan is no longer required to post cash margin as collateral.

NOTES TO THE FINANCIAL REPORT

December 31, 2020
(Tabular amounts expressed in thousands of dollars)

7. Receivable from/due to Accumulation and Pensioner Fund

As at December 31, 2020, $16,980 (2019 - $17,431) was the amount of the inter fund account between the Accumulation Fund and the Pensioner Fund. The amount relates to administrative expenses.

8. Administration Expenses

Administration expenses include the following:

Accumulation Fund	2020	2019
Salaries and benefits	$1,373	$1,096
Service provider record keeping fees	1,262	918
Custodial	351	317
Actuarial	151	76
Liability insurance	133	85
Financial data providers	132	92
GST/QST charge	127	114
Performance measurement fees	101	102
Retraite Québec fees	101	92
Trustee	92	109
Audit	71	62
Other expenses	164	198
Total	**$4,058**	**$3,261**

Pensioner Fund	2020	2019
Salaries and benefits	$109	$97
Service provider record keeping fees	67	69
Custodial	21	18
Actuarial	12	6
Liability insurance	9	9
GST/QST charge	10	10
Performance measurement fees	8	8
Retraite Québec fees	8	8
Trustee	8	9
Audit	5	5
Other expenses	20	19
Total	**$277**	**$258**

GLOSSARY

Active Management A management style where by a manager selects individual investments with the goal of earning a return higher than a comparative benchmarks.

Active Member Refers to a McGill employee contributing to the Plan.

Basis Points A unit of measure representing one hundredth of one per cent.

Benchmark A standard against which rates of return can be compared to measure value added against market indices.

Consumer Price Index (CPI) An indicator provided by Statistics Canada that measures the price of a representative basket of goods and services. Inflation is the annual rate of change of the CPI.

Currency Hedging The act of entering into a financial contract in order to protect against changes in currency exchange rates.

Deferred Member Member no longer contributing and has not yet elected a settlement option from the Plan.

Defined Benefit Minimum Component Based on a formula that takes into account the plan member's credited service and highest 60-consecutive months of earnings. Applicable to members who joined or were eligible to join the Plan.

Degree of Solvency Ratio of total solvency assets to total solvency liabilities at the valuation date, excluding all members' defined contribution balances.

Glide Paths Evolving asset mix based on a member's age and risk tolerance. As a member approaches retirement, the asset mix becomes more conservative.

Going-Concern Surplus Means the amount, if any, by which the sum of the going concern assets exceed the going concern liabilities.

Going-Concern Deficiency Means the amount, if any, by which the sum of the going concern liabilities exceed the going concern assets.

Going-Concern Valuation Assumes the Plan will remain in effect indefinitely and is, therefore, based on long-term actuarial assumptions and methods.

Hybrid Plan A pension plan that includes elements of both defined contribution and defined benefit provisions. Part A of the Plan is a hybrid plan arrangement.

McGill Group Life Income Fund (LIF) Decumulation phase settlement option offered by the University for the direct transfer of locked-in pension account balances from the Plan or LIRA.

McGill Group Locked In Retirement Account (LIRA) Accumulation phase settlement option offered by the University for the direct transfer of locked-in pension account balances from the Plan.

Part A Refers to the hybrid part of the Plan for employees who joined or were eligible to join.

Part B Refers to the defined contribution part of the Plan for employees who joined the Plan on or after January 1, 2009.

Pensioner Fund Assets of retired members or beneficiaries who have opted for an internal settlement.

Pensioner Member Retired member or beneficiary receiving pension payments from the Pensioner Fund.

Plan Document The text of the McGill University Pension Plan.

Solvency Deficiency Means the amount by which the sum of the actuarial liabilities, as determined on a solvency basis, exceeds the sum of the assets. A solvency valuation is based on the assumption that the Plan is being terminated.

Solvency Top-Up Contribution Additional contributions required by the University to allow settlement DB benefits at a level of 100% when Part A members terminate employment, retire or reach age 65.

Supplemental Fund Represents the sum of all special contributions from the University into the Plan: the Solvency Top-Up Contributions as well as the funding related to actuarial valuation requirements less contributions paid out related to the defined benefit minimum component.

Supplemental Retirement Benefit Represents an additional amount a member is entitled to if the transfer value of the DB Minimum pension is higher than the total value the member would have accumulated in their Defined Contribution account had it been invested 100% in the Balanced Account, adjusted for contributions related to stipends on a prorata basis (as applicable).

Target Date Profiles Evolving asset mix based on a member's target retirement date and risk tolerance. As a member approaches retirement, the asset mix becomes more conservative.

Variable Benefit Decumulation phase settlement option that allows members the option of receiving a life income type payment while remaining invested in the McGill University Pension Plan.

CONTACTS

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All general enquiries concerning the Plan should be referred to McGill University Savings Programs Call Centre 1-888-444-2023.

NOTES

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