

JBT

Joint Board of Trustees of the CUPE Employees' Pension Plan
Le Conseil de fiducie mixte du régime de retraite des employé(e)s du SFCP

CFM

Pension Plan Governance
for the Joint Board of Trustees
of
The Canadian Union of Public Employees
Employees' Pension Plan

Revised June 6, 2023

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INTRODUCTION

This document on Pension Plan Governance for the Joint Board of Trustees (“JBT” or the “Trustees”) is intended to set out the process necessary to fulfill the Trustees’ mandate as Administrator of the Canadian Union of Public Employees, Employees’ Pension Plan (“Plan”). This document describes the mandate, roles and responsibilities of the JBT. It also refers to the major areas of responsibility that have been delegated, subject to ongoing supervision by the JBT, to the Trustees’ agents.

A Trust Agreement, dated January 1, 1998 (“the Trust Agreement”) has been signed by the Canadian Union of Public Employees (“CUPE”) the Canadian Staff Union (“CSU”), the Administrative and Technical Staff Union (“ATSU”) and the Office and Professional Employees International Union, Local 491 (“OPEIU”) (collectively, the “Settlers”), establishing the Plan and related trust fund as a jointly trustee pension arrangement. Under its terms, the Settlers retain certain important responsibilities, including the overall responsibility for the design and amendment of the Pension Plan, selecting and appointing the individual Trustees (except the Retiree Trustee who is elected by the retirees) and consulting with the Trustees about the Plan’s actuarial valuations.

The Trust Agreement also details the overall functions and responsibilities of the JBT. The Trustees are charged with the responsibility of acting as the Administrator of the Plan pursuant to the Pension Benefits Act of Ontario (“PBA”). This mandate involves all aspects of the day-to-day administration of the Plan and investment of the Pension Fund (“Fund”). The JBT may appoint agents to act on its behalf in connection with its areas of responsibility, and may delegate important responsibilities to such agents. In such cases, the Trustees retain responsibility for selecting and monitoring their agents, while the agents assume responsibility for the areas delegated to them.

The JBT is responsible for administering the Plan in accordance with the Plan text and Trust Agreement. It is not responsible for recommendations with respect to pension plan design, other than as necessitated by changes in government legislation. The JBT is responsible to the Plan’s beneficiaries for the proper and diligent administration of the Plan and investment of the Fund.

This governance document will be made available to the Settlers and the Plan beneficiaries.

SECTION 1 – MISSION STATEMENT

The JBT has adopted the following Mission Statement as a reflection of its overall mandate under the Plan.

“Our Mission is to ensure the timely and accurate delivery of benefits to Plan beneficiaries in accordance with the Plan terms and conditions by ensuring the proper funding and investment of the Pension Fund and the implementation of effective administrative procedures.”

SECTION 2 – FIDUCIARY RESPONSIBILITIES

The JBT has a fiduciary responsibility to all Plan beneficiaries for the following:

2.1 Funding

The JBT is responsible to ensure that the Plan is funded in a proper and orderly fashion. The JBT must ensure that the costs and liabilities under the Plan are accurately determined, based on actuarial assumptions and procedures which have been reviewed and agreed to by the JBT. Once the costs and liabilities have been determined, the JBT is responsible to ensure that the required contributions under the Plan are made to the Pension Fund in a timely manner.

2.2 Investment

The JBT is responsible to ensure that a Statement of Investment Policies and Procedures (“SIPP”) is established which details the allocation of the Fund’s assets, the investment process and the performance expectations for the investment of the Fund’s assets. Further, the JBT is responsible for exercising due diligence in the selection of the investment managers and for the regular and ongoing monitoring of their performance in accordance with the performance benchmarks established under the SIPP. Finally, the Trustees are responsible for the regular review of the SIPP as well as the investment methods employed and managers selected.

2.3 Custodial

The JBT is responsible to ensure that the investments made under the Pension Fund are held in safe custody and that all investment income earned under the assets of the Plan is properly received and recorded. Further, the JBT must ensure that the investments made are in compliance with the SIPP as well as with all legislative requirements. In addition, the JBT must ensure that all payments from the Fund are made in accordance with the Plan or Trust documents.

2.4 Benefit Administration

The JBT provides support to the Settlers to ensure that Plan documents are up-to-date with respect to all Plan changes collectively bargained and, as well, is responsible for Plan amendments necessary to comply with all government legislation. They must ensure that the proper calculation and payment of Plan benefits are made. Finally, they are charged with the responsibility for all appropriate communications to Plan beneficiaries.

SECTION 2 – FIDUCIARY RESPONSIBILITIES

2.5 Legislative Compliance

The JBT is charged with the responsibility of ensuring that all Plan documents, funding, investments and benefit payments are in compliance with government legislation. In addition, the JBT is responsible to ensure that all government filings are completed as required.

2.6 Conflicts of Interest

In order to ensure that the fiduciary duties are satisfied, the JBT is required to detail the potential areas of conflict of interest under the Plan for those involved in the administration of the Plan which includes the Trustees and agents appointed to assist in the administration of the Plan. The areas of conflict of interest should be documented as well as the appropriate procedures, including any applicable disclosure requirements, for such conflicts and the actions that should be undertaken in the event of conflicts of interest being identified.

SECTION 3 – ROLES AND RESPONSIBILITIES

The duties of the JBT are as documented in the Trust Agreement. The Pension Plan text identifies the benefits that are to be administered by the JBT under the Plan.

The fiduciary duties of the JBT have been identified in Section 2 of this document. The JBT may delegate some or all of these duties to agents, provided that the final overall responsibility for the selection and monitoring of the agents rests with the JBT.

The JBT's roles and responsibilities may be further described as follows:

3.1 Funding

In satisfying its mandate with respect to the funding of benefits under the Plan, the JBT will undertake the following:

- (i) An actuary will be appointed under the Plan. The JBT will be responsible for setting the assumptions to be used in the funding of the Plan based on the advice of the Plan's actuary, and input received from the Settlers and which will be in accordance with generally accepted actuarial principles.
- (ii) The Trustees will delegate to the actuary the responsibility for determining the costs and liabilities under the Plan, in accordance with the assumptions agreed to under (i) above.
- (iii) The JBT will be responsible for finalizing the funding requirements after receiving the report from the actuary.
- (iv) The JBT will convey to the Settlers the results of the funding requirements, and will also advise the custodian under the Plan in order to ensure compliance.
- (v) The JBT will convey to the Settlers a copy of the final actuarial report.
- (vi) The JBT will ensure that at least one actuarial report is filed every 3 years.

3.2 Investments of the Pension Fund

In satisfying its mandate with respect to the investments of the Pension Fund, the JBT, with expert advice, will do the following:

- (i) The JBT shall establish the Investment Policies & Procedures, which will be documented in the SIPP.
- (ii) The JBT, based on the SIPP, will conduct a thorough review of the potential investment managers and make a selection with respect to the investment managers best able to manage the investments of the Pension Fund.

SECTION 3 – ROLES AND RESPONSIBILITIES

- (iii) The JBT will be responsible for monitoring the ongoing investments of the Pension Fund for compliance with the SIPP and legislative requirements as well as the suitability of the investment manager.

3.3 Custodial

The JBT will delegate its custodial responsibilities to a custodian, pursuant to a written agreement, who will:

- (i) Ensure that the appropriate contributions are made under the Plan.
- (ii) Ensure that the investments made are in accordance with the SIPP.
- (iii) Ensure that the physical investments as made under the Plan are held in safe custody.
- (iv) Ensure that the appropriate investment income is received and appropriately recorded.
- (v) Monitor the investments of the Fund to ensure that they are in compliance with the SIPP as well as with all appropriate regulations.

3.4 Audit

The JBT will delegate, pursuant to a written agreement, on an annual basis to the Plan's auditor, the responsibility to:

- (i) Ensure that the contributions made under the Plan are in accordance with the funding requirements.
- (ii) Ensure that the benefit payments made are in accordance with Plan documentation.
- (iii) Verify the overall value of the assets under the Plan.
- (iv) Ensure that the administrative procedures in place with the Administrative Agent are appropriate for the proper and efficient delivery of benefits under the Plan.

SECTION 3 – ROLES AND RESPONSIBILITIES

3.5 Benefit Administration and Communication

The JBT is charged with the administration of the Plan. In carrying out this responsibility, it will appoint an Administrative Agent, pursuant to a written agreement, to provide the following:

- (i) Handle all day-to-day administrative procedures as required by Plan documents and government legislation.
- (ii) Determine and authorize all benefit payments to Plan beneficiaries.
- (iii) Ensure that all Plan documentation is up-to-date.
- (iv) Ensure that all Government filings are made as required.
- (v) Ensure that all required communications based on Government legislation or the Plan is put in effect.

The JBT will ensure that communications with the Settlers as required under the Joint Trust Agreement will be satisfied, including the Annual Meeting.

3.6 Conflicts of Interest

The JBT will prepare the appropriate guidelines to be followed in the identification of and action required in connection with possible conflicts of interest in the areas of Plan administration, funding or investments. This will include the identification of the areas of possible conflict of interest, the disclosure requirements and the procedures to be followed where a conflict is identified.

3.7 Legal Issues

In the conduct of its duties, the JBT will be faced with many legal responsibilities and issues. In satisfying its legal requirements, the JBT will appoint legal counsel to the JBT who will advise on the following:

- (i) Legal matters that may arise in the administration of the Plan.
- (ii) Advise the JBT as necessary on matters of legislative requirements.
- (iii) Assist in ensuring that all appropriate Plan documentation is in place and satisfies the administrative and legal requirements.

SECTION 3 – ROLES AND RESPONSIBILITIES

3.8 Governance and Oversight

Once the Trustees have been appointed to the JBT, the JBT has the responsibility to:

1. Ensure that there are adequate financial resources available to permit the Trustees to maintain and enhance their qualifications as Trustees through continuing education.
2. Ensure that all Trustees are adequately maintaining the standards of quality and training necessary for the proper execution of their duties.
3. Undertake appropriate actions pursuant to the Trust Agreement in the event that it is the opinion of the majority of the other Trustees that a Trustee no longer fulfills the qualifications necessary to satisfy their mandate as a Trustee.

3.9 In Camera Minutes Recording

All JBT motions passed during in camera meetings shall have the motion, the mover and seconder, and the disposition of the motion recorded in the minutes. The Board, in its discretion, may record factors considered in making the decision.

3.10 Retiree Trustee and Alternate Retiree Trustee Laptops

Any new Retiree Trustee or Alternate Retiree Trustee that does not have a laptop will have one supplied by the Joint Board of Trustees. The laptop will remain the property of the Joint Board of Trustees and must be returned at the end of one's tenure on the Board.

SECTION 4 – SUPERVISION

As noted in the prior sections of this document, the JBT has a fiduciary responsibility in a number of areas. Some of these responsibilities are retained directly by the JBT and others have been delegated to agents. To ensure that those tasks which have been delegated are completed in a satisfactory manner, the JBT will be responsible for their supervision, as follows:

4.1 Funding

The JBT will ensure that it receives the following from the actuary:

- (i) An annual report on a review of the actuarial assumptions and methods.
- (ii) An annual report establishing the costs and liabilities under the Plan.
- (iii) An annual report confirming that the funding is in accordance with government requirements.

And from the Auditor:

- (iv) An annual report detailing whether or not the funding requirements have been met.

4.2 Investments

With respect to the investments, the JBT will ensure the following:

- That there is an annual review of the SIPP.
- That semi-annual meetings are held with the investment managers.
- That there is an on-going review of investment managers to ensure compliance with the Trustees' expectations of the investment manager as well as the investment performance expectations detailed in the SIPP.
- That there is a monthly review of the report received from the custodian dealing with the compliance of the investments with the SIPP and Government requirements.

SECTION 4 – SUPERVISION

4.3 Custodial

In order to ensure that the custodian complies with its mandate, the JBT will receive the following:

- (i) Monthly reports from the custodian on the assets and activities of the Fund.
- (ii) An annual report from the Administrative Agent outlining the services received from the custodian.
- (iii) The auditor's report dealing with the custodian's reporting of the assets, receipts, disbursements and expenses.

4.4 Benefits Administration and Communication

The general administrative functions described in Section 3.5 will be delegated to the Administrative Agent. The Administrative Agent will provide a report to the JBT at their quarterly meetings, detailing the administrative and communication activities as well as expenses incurred in the previous quarter pursuant to a written agreement.

4.5 Review of Agents

The agents, as appointed by the JBT, will be subject to regular and on-going assessment by the JBT. In addition, there will be a formal review of the agents at least once every three years.

SECTION 5 – GOVERNANCE REVIEW

This governance document is intended to provide the general guiding principles to the JBT in connection with its mandate for the overall administration of the Plan. This governance document will be reviewed on a regular and ongoing basis to ensure that it continues to adequately describe the procedures for good governance of the Plan on the part of the JBT. A formal review of the document will be undertaken at least once every 3 years.

SECTION 6 – BOARD STRUCTURE

6.1 Board Structure

The Board developed a committee structure to ensure it meets its obligations and duties as described in applicable law and in the trust agreement. These committees are:

- Governance Committee
- Finance and Audit Committee
- Investment Committee
- Benefits and Member Communications Committee

Each trustee is expected to serve on one committee.

The Chairperson and Vice-Chairperson are assigned the following responsibilities in addition to serving on one of the committees:

- Collective agreement support and costing requirements
- Liaison with the Settlers
- Set board agenda in collaboration with the Administrative Agent
- Annual meeting and agenda arrangements
- Prepare draft annual work plan for Board discussion
- Additional tasks as assigned by motion of the Board

SECTION 7 – COMMITTEE MEETINGS

7.1 Committee Structure

Each committee will be made up of five members who may be Trustees and/or Alternate Trustees where:

- (a) three committee members are selected by Employer Trustees, and two committee members are selected by the union/retiree Trustees (the term "union/retiree Trustee", for the purpose of committee membership means a Trustee who is appointed by CSU, COPE or Unifor or who is elected by the retirees), or
- (b) three committee members are selected by the union/retiree Trustees, and two committee members are selected by Employer Trustees.

Where three committee members are selected by Employer Trustees, one of them shall be designated as a non-voting member of the committee by the Employer Trustees. In the absence of a committee member who is a voting Employer Trustee, the Trustee designated as a non-voting member of the committee by the Employer Trustees may exercise the vote of the absent committee member.

Where three committee members are selected by union/retiree Trustees, one of them shall be designated as a non-voting member of the committee by the union/retiree Trustees. In the absence of a committee member who is a voting union/retiree Trustee, the Trustee designated as a non-voting member of the committee by the union/retiree Trustees may exercise the vote of the absent committee member.

Trustees will be appointed to their respective committee at the first meeting of the Board each calendar year.

7.2 Committee Chairs

At the first meeting following the Board's appointment of members to a Committee, the Committee shall elect a Chair from amongst its members for a one year term.

The role of the committee chair is to:

- a) chair committee meetings,
- b) make committee reports to the board, and
- c) only engage with Board service providers when there is a mandate from the committee to do so.
- d) in cases where a committee chair engages with a service provider:

SECTION 7 – COMMITTEE MEETINGS

- (i) the arrangements for such engagement shall be made through the Administrative Agent,
- (ii) the information provided by the service provider from said engagement will be disclosed to the committee and/or the Board as appropriate in the circumstances.

7.3 Agenda

The Administrative Agent shall assign staff to support the work of the committee for example: setting up conference calls, meeting space, and distributing reports. The Agenda shall be set by the Committee Chair, with input from Committee members as applicable.

7.4 Quorum

Committees with five (5) members shall have a quorum of two (2) of voting members, provided that at least one (1) voting member shall be a Trustee selected by Employer Trustees, and one (1) voting member shall be a Trustee who is appointed by the union/retiree Trustees.

In the event quorum is not met at any Committee meeting, the meeting can proceed. Issues discussed at such meetings will not result in recommendations from the Committee being presented to the Board. Issues identified at such meetings can be brought forward to the JBT for its consideration.

7.5 Reports to the Board

The Chair of the committee or designate will provide a written report to the Administrative Agent at least three weeks in advance of the JBT meeting. Failure to submit reports on a timely basis will mean that those issues would not be placed on the upcoming meeting agenda. Two weeks prior to the JBT meeting, the Administrative Agent will upload to the CEPP website all committee reports and supporting documents.

The Committee may report to the Board without recommendation on issues where the Committee has identified a number of viable options and is unable to reach a consensus or a majority preference for a single option. The Committee shall report to the Board concerning any decisions on any matter over which the Board has delegated decision making power to the Committee, and any issues it considers appropriate the Board should be aware of.

SECTION 7 – COMMITTEE MEETINGS

7.6 Recommendations to Board

The Committee shall make recommendations to the Board on any matter that it has considered and on which it has reached a consensus or a majority preference for a course of action. The recommendation shall be accompanied by a report, setting out the background to the issue. The report shall identify compliance with any applicable Joint Trust Agreement provisions, plan rules, statutory provisions or policies, financial implications and a discussion of the recommendation including alternative options considered.

Committees generally have the power to make recommendations to the JBT, and do not have the power to make final decisions on behalf of the Board. A recommendation and report to the JBT shall require votes from a majority of the voting members at the full committee, with at least one affirmative vote from a voting Committee member selected by Employer Trustees and one affirmative vote from a voting Committee member selected by the union/retiree Trustees.

7.7 Work Plan

Committees will set an annual work plan. This work plan is received by the JBT at their fourth quarterly meeting each year (December). This work plan will be the guide for meetings of the committee throughout the year. Meetings may be held by conference call, video conferencing, in person or any other means the committee sees appropriate.

7.8 Terms of Reference

Terms of Reference for each committee will be developed by the Committee. These Terms of Reference will be considered and adopted by the JBT and will form part of this governance document at Appendix "A".

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June 6, 2023

APPENDIX A

COMMITTEE TERMS OF REFERENCE

BENEFITS AND MEMBER COMMUNICATIONS SUB-COMMITTEE TERMS OF REFERENCE

Mandate

The Benefits and Member Communications Sub-Committee shall consider and make recommendations to the JBT on the following matters:

- Provide member education, communications with plan members, and monitor and report on benefit related issues as they arise, including:
 - Plan Text amendments referred by the Administrative Agent or collective bargaining;
 - Develop, implement and monitor Member education program(s) using internal and external resources (Plan member education includes pre-retirement and post retirement education and communications);
 - Develop, implement, monitor and assess the JBT communications program which includes but is not limited to:
 - Annual reports;
 - Annual meeting;
 - Website (on-line pension tools);
 - Newsletters;
 - Other member communications which includes plan amendments, legislative updates, etc.
 - Benefit and communication matters as assigned by the JBT.

Sub-Committee decisions shall form the basis of its recommendations to the JBT and are subject to final determination by the Joint Board of Trustees.

Membership

The Benefits and Member Communications Sub-Committee will be made up of five members who may be Trustees and/or Alternate Trustees where:

- (a) three Committee members are selected by Employer Trustees, and two Committee members are selected by the union/retiree Trustees (the term "union/retiree Trustee", for the purpose of committee membership means a Trustee who is appointed by CSU, COPE or Unifor or who is elected by the retirees), or
- (b) three Committee members are selected by the union/retiree Trustees, and two Committee members are selected by Employer Trustees.

Where three Benefits and Member Communications Sub-Committee members are selected by Employer Trustees, one of them shall be designated as a non-voting member of the Committee by the Employer Trustees. In the absence of a Committee

member who is a voting Employer Trustee, the Trustee designated as a non-voting member of the Committee by the Employer Trustees may exercise the vote of the absent Committee member.

Where three Benefits and Member Communications Sub-Committee members are selected by union/retiree Trustees, one of them shall be designated as a non-voting member of the Committee by the union/retiree Trustees. In the absence of a Committee member who is a voting union/retiree Trustee, the Trustee designated as a non-voting member of the Committee by the union/retiree Trustees may exercise the vote of the absent Committee member.

Committee members shall serve for a term of one year.

Frequency of Meetings

The Benefits and Member Communications Sub-Committee shall meet at least semi-annually.

Chair of Benefits and Member Communications Sub-Committee

The Sub-Committee shall elect a Chair from the members of the Sub-Committee.

Recording of the Meeting

The Chair or designate shall record the discussions of the Sub-Committee meeting.

Reports

The Sub-Committee Chair or designate shall prepare written reports to the JBT. Reports will include: work in progress; matters under consideration; recommendations; and/or options for decisions.

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April 11, 2018

FINANCE AND AUDIT SUB-COMMITTEE TERMS OF REFERENCE

Mandate

The Finance and Audit Sub-Committee's mandate is to ensure that the JBT's finances, accounting practices and staffing needs are reviewed and reported on annually. Duties and responsibilities include the following:

- Conduct an annual review of the Trustees expenses and Board Expense Policy;
- Annually review the performance of the audit firm and make recommendations for proposed audit plans;
- Present the audit findings report and the Annual financial statements for approval;
- Annually review the Administrative Services Agreement with CUPE including the charges for services and all work and quality of service provided by the Admin Agent;
- Review and assess the value of administrative and actuarial services provided by the Actuarial Consultant;
- Review of liability insurance and recommend insurance carrier;
- Other matters as assigned by the Board.

Sub-Committee decisions shall form the basis of its recommendations to the JBT and are subject to final determination by the Joint Board of Trustees.

Membership

The Finance and Audit Sub-Committee will be made up of five members who may be trustees and/or alternate trustees where:

- (a) three Committee members are selected by Employer Trustees, and two Committee members are selected by the union/retiree Trustees (the term "union/retiree Trustee", for the purpose of committee membership means a Trustee who is appointed by CSU, COPE or Unifor or who is elected by the retirees), or
- (a) three Committee members are selected by the union/retiree Trustees, and two Committee members are selected by Employer Trustees.

Where three Finance and Audit Sub-Committee members are selected by Employer Trustees, one of them shall be designated as a non-voting member of the Committee by the Employer Trustees. In the absence of a Committee member who is a voting Employer Trustee, the Trustee designated as a non-voting member of the Committee by the Employer Trustees may exercise the vote of the absent Committee member.

Where three Finance and Audit Sub-Committee members are selected by union/retiree Trustees, one of them shall be designated as a non-voting member of the Committee by the union/retiree Trustees. In the absence of a Committee member who is a voting union/retiree Trustee, the Trustee designated as a non-voting member of the Committee by the union/retiree Trustees may exercise the vote of the absent Committee member.

Committee members shall serve for a term of one year.

Frequency of Meetings

The Finance and Audit Sub-Committee shall meet as required; most likely four times a year.

Chair of Finance and Audit Sub-Committee

The Sub-Committee shall elect a Chair from the members of the Sub-Committee.

Reports

The Sub-Committee Chair or designate shall prepare written reports to the JBT. Reports will include: work in progress; matters under consideration; recommendations; and/or options for decisions.

GOVERNANCE COMMITTEE TERMS OF REFERENCE

Membership

The Governance Sub-Committee will be made up of five members who may be Trustees and/or Alternate Trustees where:

- (a) three Committee members are selected by Employer Trustees, and two Committee members are selected by the union/retiree Trustees (the term "union/retiree Trustee", for the purpose of committee membership means a Trustee who is appointed by CSU, COPE or Unifor or who is elected by the retirees), or

- (a) three Committee members are selected by the union/retiree Trustees, and two Committee members are selected by Employer Trustees.

Where three Governance Sub-Committee members are selected by Employer Trustees, one of them shall be designated as a non-voting member of the Committee by the Employer Trustees. In the absence of a Committee member who is a voting Employer Trustee, the Trustee designated as a non-voting member of the Committee by the Employer Trustees may exercise the vote of the absent Committee member.

Where three Governance Sub-Committee members are selected by union/retiree Trustees, one of them shall be designated as a non-voting member of the Committee by the union/retiree Trustees. In the absence of a Committee member who is a voting union/retiree Trustee, the Trustee designated as a non-voting member of the Committee by the union/retiree Trustees may exercise the vote of the absent Committee member.

Committee members shall serve for a term of one year.

Frequency of Meetings

The Governance Committee shall meet semi-annually or more frequently as required.

Chair of Governance Committee

The Committee shall elect a Chair from the members of the Committee.

Recording of the Meeting

The Chair or designate shall record the discussion of the committee meeting for purposes of draft and reporting back to the committee.

Reports

The Committee Chair or designate shall prepare written reports to the JBT. Reports will

include: a summary of committee discussion and attendance of committee members; recommendations and/or options for decisions.

Responsibilities

The Governance Committee shall consider and make recommendations to the JBT on the following matters:

- Annually conduct and prepare Trustee/Board performance review(s) as a whole;
- Undertake an annual review of the committee structure including mandates and performance;
- Annually arrange and conduct a review of the governance policies of the JBT;
- Annually review and report to the JBT on the performance of legal counsel;
- Review Plan Text amendments developed by the service provider;
- Address Pension Plan administrative issues as requested by the Administrative Agent;
- Work with legal counsel and actuary on legal and legislative issues or updates;
- Recommend and arrange trustee education after receiving input from the various Board committees (Trustee education consists of specialized programs which may be referred to the committee by other Board committees, as proposed by the JBT from time to time, and general training as needed using internal and external resources);
- Other governance matters assigned by the Board.

Committee decisions have the force of recommendations to the JBT and are subject to final determination by the Joint Board of Trustees.

INVESTMENT SUB-COMMITTEE TERMS OF REFERENCE

Mandate

The Investment Sub-Committee's mandate is to review and oversee the investment policies of the JBT, performance of fund managers, overall performance of the JBT investments and includes the following:

- Annually review the Statement of Investment Policies and Procedures (SIP&P) and make recommendations to the JBT as necessary;
- Review of investment performance and solvency ratio for period up to July every year;
- Review and provide information on asset allocation issues;
- Monitor alternative investments including real estate and keep the JBT aware of potential alternative investment opportunities;
- Monitor, and report on Socially Responsible Investment (SRI) issues including proxy voting, engagement, etc;
- Review the fund managers performance and compliance with the SIP&P;
- Review and assess the value of services provided by the custodian;
- Review and assess the value of investment services provided by the Actuarial Consultant
- Review and assess the value of services provided by the proxy voting service and SRI firms;
- Recommend to the Trustee Education Committee specialized investment-related training/education as appropriate;
- Other matters as assigned by the Board.

Sub-Committee decisions shall form the basis of its recommendations to the JBT and are subject to final determination by the Joint Board of Trustees.

Membership

The Investment Sub-Committee will be made up of five members who may be Trustees and/or Alternate Trustees where:

- (a) three Committee members are selected by Employer Trustees, and two Committee members are selected by the union/retiree Trustees (the term "union/retiree Trustee", for the purpose of committee membership means a Trustee who is appointed by CSU, COPE or Unifor or who is elected by the retirees), or
- (b) three Committee members are selected by the union/retiree Trustees, and two Committee members are selected by Employer Trustees.

Where three Investment Sub-Committee members are selected by Employer Trustees, one of them shall be designated as a non-voting member of the Committee by the Employer Trustees. In the absence of a Committee member who is a voting Employer Trustee, the Trustee designated as a non-voting member of the Committee by the Employer Trustee may exercise the vote of the absent Committee member.

Where the Investment Sub-Committee members are selected by union/retiree Trustees, one of them shall be designated as a non-voting member of the Committee by the union/retiree Trustees. In the absence of a Committee member who is a voting union/retiree Trustee, the Trustee designated as a non-voting member of the Committee by the union/retiree Trustees may exercise the vote of the absent Committee member.

Committee members shall serve for a term of one year.

Frequency of Meetings

The Investment Sub-Committee shall meet as required; conference calls will be arranged as necessary.

Chair of Investment Sub-Committee

The Sub-Committee shall elect a Chair from the members of the Sub-Committee.

Reports

The Sub-Committee Chair or designate shall prepare written reports to the JBT. Reports will include: work in progress; matters under consideration; recommendations; and/or options for decisions.

APPENDIX B

JBT POLICIES

The following Policies can be found on the www.cepp.ca website.

Governance

[Accommodation of Trustees with Disabilities](#)

[Communications Policy](#)

[Confidentiality and Privacy Policy](#)

[Conflict of Interest Policy](#)

[Election of the Retiree Trustee and Alternate Retiree Trustee Policy](#)

[Management and Retention of Pension Plan Records Policy](#)

[Policy regarding Attendance at regular JBT Meetings](#)

[Trustee Education Policy](#)

[Trustee Responsibility Policy](#)

Finances

[Board Expense Policy](#)

Pre-retirement

[Pre-Retirement Planning Seminars](#)

[Retirement Counselling](#)

APPENDIX C
MONITORING CHECKLIST

**GOVERNANCE MONITORING CHECKLIST
CUPE EMPLOYEES' PENSION PLAN**

Activity	Review Date	Due Date	Responsible Person/Firm	Contact
Legislative Requirements				
1. Revenue Canada T4As and Non-Resident NR4s		Feb 28	RBC IS	Martino d'Alessandro
Pensioner T4As		Feb 28	RBC IS	Martino d'Alessandro
Pensioner Non-Resident NR4s		Feb 28	RBC IS	Martino d'Alessandro
2. T3P – Employees Pension Plan Information and Income Tax Return		Mar 31	CUPE	Samtou Tchamdja
3. Tax Receipts for Member Buy-back Payments		Feb 28	CUPE	Samtou Tchamdja
4. PSPAs related to Plan Improvements			CUPE	Samtou Tchamdja / Domenic Barbiero
5. Survey of Trusteed Pension Funds (Stats Canada)	Every second year	May 1 st	CUPE / Eckler	Samtou Tchamdja / Domenic Barbiero
6. Joint Annual Information Return and Filing Fees		Pymt: March Filing: Sept 30	CUPE / Eckler	Samtou Tchamdja / Domenic Barbiero
7. Actuarial Valuation	Jan 1		Eckler	Domenic Barbiero
(a) Review actuarial assumptions	April & Dec Board		JBT / Eckler	Trustees / Domenic Barbiero
(b) Consultation with Settlers	April & or June Board		JBT	
(c) Filing	Sept Board	September	Eckler	Domenic Barbiero
8. Plan Amendment Filing		within 60 days of Settlers' approval	CUPE	Samtou Tchamdja
9. Reciprocal Transfer Agreement Filing		within 20 days of signed RTA	CUPE	Samtou Tchamdja

Activity	Review Date	Due Date	Responsible Person/Firm	Contact
10. Information to New Members ¹			CUPE	Samtou Tchamdja
11. Enrolment of New (Permanent Employee) Members ²			CUPE	Samtou Tchamdja
12. Enrolment of (New Part-time Employee) Members ³ (Excluding Manitoba)			CUPE	Samtou Tchamdja
13. Enrolment of (New Part-time Employee) (Manitoba) ⁴			CUPE	Samtou Tchamdja
14. Information to Members about Plan Amendments		within 60 days of certification	CUPE	Samtou Tchamdja
15. Monitoring Timeliness of Contributions ⁵			RBC IS / CUPE	Martino d'Alessandro / Samtou Tchamdja
16. Notice to Superintendent Regarding Delinquent Contributions ⁶			RBC IS	Martino d'Alessandro
17. Certification of Past Service Pension Adjustments* ⁷			CUPE	Samtou Tchamdja
18. Termination Statement (Deferred Pension ⁸)			CUPE	Samtou Tchamdja
19. Termination Statement (No Deferred Entitlement) ⁹			CUPE	Samtou Tchamdja

¹ Plan Summary, section 14.4 of Plan

² On the first day of employment for permanent full-time employees, membership is mandatory

³ On January 1, provided the employee has worked at least 700 hours or earned at least 35% of the YMPE in the calendar year immediately preceding his application for membership, membership is optional

⁴ Manitoba: After 24 months of continuous employment, provided the employee has worked at least 700 hours or earned at least 25% of the YMPE in each of the two 12-month periods, membership is mandatory.

⁵ Member and Employer Contributions to be remitted within one month after deduction of Member Contribution (section 4.7)

⁶ Compliance Requirement is 30 days after contribution is due

⁷ Compliance Status is 60 days (not statutory – CUPE standard)

⁸ Compliance Status is 60 days (statutory standard)

⁹ Compliance Status is 60 days (statutory standard)

Activity	Review Date	Due Date	Responsible Person/Firm	Contact
20. Retirement Statement ¹⁰			CUPE	Samtou Tchamdja
21. Statement Upon Death ¹¹			CUPE	Samtou Tchamdja
22. Annual Pension Statements		June 30	CUPE	Samtou Tchamdja
23. Statement of Investment Policy and Procedures – Annual Review	Dec Board	December	Investment C'ttee	Chair Investment / Chair & Vice-Chair
24. Summary of Contributions Form 7		Feb 28	CUPE	Samtou Tchamdja
25. Conflict of Interest Policy			Governance C'ttee	Chair Governance / Chair & Vice-Chair
26. Withholding Taxes – Lump Sum Payments			RBC IS / CUPE	Martino d'Alessandro and Deepika Melvin / Samtou Tchamdja
27. Withholding Taxes – Pensioner Payments			RBC IS	Deepika Melvin
28. PAR Report	Quarterly	Jan 31, May 30, Aug 29, Nov 29	CUPE	Samtou Tchamdja
29. Investment Information Summary (IIS) Form 8 and filing of Audited Financial Statements		June 30	CUPE	Samtou Tchamdja
Trust Agreement Requirements				
1. Appointment of Trustees/ Alternate Trustees			Settlors	
2. Election of Retiree Trustee/ Alternate Retiree Trustee		End of 2021	CUPE	Recording Secretary / Samtou Tchamdja
(a) Nominations	June 2021		CUPE	Recording Secretary / Samtou Tchamdja

¹⁰ Compliance Status is 21 days (CUPE standard)

¹¹ Compliance Status is 30 days (statutory standard)

Activity	Review Date	Due Date	Responsible Person/Firm	Contact
(b) Retiree Trustee Election		End of 2021	CUPE	Recording Secretary / Samtou Tchamdja
(c) Alternate Retiree Trustee Election		End of 2021	CUPE	Recording Secretary / Samtou Tchamdja
3. Acceptance of Declaration of Trust by Trustees			CUPE	Recording Secretary / Samtou Tchamdja
4. Terms of Chair and Vice-Chair of Board ¹²		Dec Board	Trustees	Chair
5. Quarterly Report of Administrative Agent ¹³		Quarterly	CUPE	Samtou Tchamdja
6. Trustees Quarterly Meeting		Quarterly	CUPE	Recording Secretary / Samtou Tchamdja
7. Annual Meeting with Settlers		Sept Board	CUPE	Recording Secretary / Samtou Tchamdja
8. Payment for Errors, Omissions and Liability Insurance		October 1	CUPE	Samtou Tchamdja
9. Review of Errors & Omissions Insurance	September Board	Sept 30	Finance Audit C'ttee	Chair Finance Audit / Samtou Tchamdja
10. Plan and Fund Audit	June Board		KPMG / Finance Audit C'ttee / CUPE	Sheldon Gunn / C'ttee Chair / Samtou Tchamdja
11. Report to Members	June Board	June/July	Comm. C'ttee JBT	Comm. C'ttee Chair / Myrienne Sellier
12. Establishment of Committees and Review of Mandates	Dec Board		Governance C'ttee	C'ttee Chairs

¹²Two years, unless no successor appointed 5.12

¹³ Quarterly report required by Governance Policy

Activity	Review Date	Due Date	Responsible Person/Firm	Contact
Contractual Requirements				
1. Investment Manager Reports		Dec Board	Investment Managers	Chair Invest. C'ttee / Danny Martin
2. RBC IS – Custodian Report	monthly		RBC IS	Martino d'Alessandro
3. RBC IS – Compliance Report	monthly		RBC IS	David Lam
4. Auditor's Finding Report	June to sub-committee		KPMG	Sheldon Gunn
5. RBC Performance Measurement	Dec Board		RBC IS	David Lam
Potential/Ongoing Litigation				
Board of Trustee Obligations from Board Minutes				
Prepare Summary of Return Items			CUPE	Recording Secretary / Samtou Tchamdja
Follow up Summary			JBT	Chair & Vice Chair
Governance Requirements				
1. Review Pension Plan Governance Document	June Board	June Board	Gov. C'ttee	Chair of Gov. C'ttee
2. Review Agents/Advisors			C'ttees / JBT	Chair of C'ttees

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June 6, 2023