



BOARD OF TRUSTEES 2018 ACCOMPLISHMENTS AND DECISIONS

The following provides a summary of the activities of the Board of Trustees from January to December 2018 (other than regular business and standing items).

Plan Documents and Oversight

The Board reviewed and approved the following governing and other supporting items for the Plan:

- Amendments to the Plan Text:
 - Document the benefit increase associated with the Steps 2-4 Increase of the Funding Policy (effective January 1, 2018); and
 - Awarded indexing as at January 1, 2019 of 1.88%.
- Conducted their annual review of the Statement of Investment Policies and made the following change in addition to housekeeping items:
 - Change the 5% allocation to U.S. High Yield Bonds - \$CAD Hedged to a 5% allocation to Global High Yield Bonds - \$CAD Hedged.
- Conducted their annual review of the Funding Policy and proceeded with housekeeping amendments.
- Approved the audited financial statements for the CBE SRP for the year ended December 31, 2017.
- Approved the CBE SRP Actuarial Valuation Report as at December 31, 2017.

The Board met all regulatory filing and disclosure requirements outlined under the *Pension Benefits Act* and the *Income Tax Act* (Canada).

Board Governance

The Board formally established the Investment Committee with the duties and responsibilities for the oversight of the overall asset mix that is consistent with the risk management goals included in the Plan's governing documents.

The Board reviewed and approved amendments to the following policies and practices as part of the annual review of its governance framework:

- Terms of Reference for the Board, the Audit Committee, Governance Committee and the Investment Committee;
- Code of Conduct and Ethics;
- Communications Policy;
- Disclosure Policy;
- Orientation and Education Policy;
- Per Diem and Travel Expense Policy; and
- Trustee Nomination Guidelines.

The Board received the following presentations as part of their ongoing education program:

- Shared Risk Plan Regulations changes;
- Low Volatility Strategies;
- Stochastic Simulation Modeling;
- Sample Application of Funding Deficit Recovery Plan under Various Funded Levels; and
- Legal Updates and Regulatory Requirements of the CBE SRP.

The Board of Trustees partnered with three other Boards of Trustees in conducting a Board compensation review with the assistance of an independent human resources consulting firm. As a result, no amendment was made to the Per Diem and Travel Expense Policy relating to the compensation review.

Member Services and Communications

The Board approved:

- Spring and Fall 2018 Newsletters;
- CBE SRP new logo; and
- Detailed objectives (Year 1) in regard to the Communications Strategy.

Service Provider Engagement

The Board engaged the following service providers:

- Vestcor Inc. for pension administration services and investment management services;
- Morneau Shepell for actuarial services for the 2018 plan year;
- Grant Thornton as the 2018 external auditor for the CBE SRP financial statements; and
- Osler, Hoskin & Harcourt LLP for legal services.