



BOARD OF TRUSTEES 2021 ACCOMPLISHMENTS AND DECISIONS

The following provides a summary of the activities of the Board of Trustees from January to December 2021 (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:
 - Amended to include permanent and temporary reduction service accrual provisions currently provided for under the applicable CBE SRP collective agreements.
 - Document the benefit increase associated with the Steps 2-4 Increase of the Funding Policy (effective January 1, 2020); and
 - Document the awarding of indexing (cost of living adjustment - COLA) as at January 1, 2022 of 1.46%.
- Conducted their annual review of the Statement of Investment Policies and reviewed amendments to reflect the changes to the investment management strategy that resulted from the Asset Liability management (ALM) study which was completed in 2021 (*approved February 11, 2022 after further review*).
- Conducted their annual review of the Funding Policy and approved amendments to reflect a revised discount rate of 4.50% per annum and mortality adjustment rate of 115% for both males and females.
- Approved the audited financial statements for the CBE SRP for the year ended December 31, 2020.
- Approved the CBE SRP Actuarial Valuation Report as at December 31, 2020.
- Approved the amendment to the Agreement and Declaration of Trust to permit union employees to serve as Trustee.

The Board met all regulatory filing and disclosure requirements outlined under the New Brunswick *Pension Benefits Act*.

Board Governance

The Board reviewed and approved amendments, as required, 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;
- Trustee Nomination Guidelines; and
- Audit Partner Rotation Policy.

In addition, the Board approved a Discount Rate Selection Policy. The objective of this document is to provide greater transparency in the decision-making process as it relates to the selection of the discount rate for the current and future Board.

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

- Vestcor Investment Performance Calculations Overview,
- Grant Thornton Risk Management Session,
- Private Markets, and
- Canadian Climate Law Initiative.

The Board appointed John T. Dinner Board Services to conduct the independent facilitation of the triennial Board effectiveness assessment. The assessment was completed by June 2021.

The Board of Trustees began the development of a Risk Management Framework which entailed the establishment of an ad-hoc Risk Management Committee. The Committee was tasked with preparing the framework which will be brought back to the Board for their review and collaboration.

Member Services and Communications

The Board reviewed and approved the following:

- Spring and Fall 2021 Newsletters;
- Various postings on the CBE SRP website providing members with updates on the CBE SRP in relation to the COVID-19 pandemic and reassurance of the business continuity of their pension-related services;
- Posting on the CBE SRP website to address the investment performance misinformation which circulated in 2021; and
- Posting on the CBE SRP website of an information item related to the calculation of the Cost of Living Increase.

Service Provider Engagement

The Board engaged the following service providers:

- Vestcor Inc. for pension administration services and investment management services;
- LifeWorks for actuarial services for the 2021 plan year;
- Grant Thornton as the 2021 external auditor for the CBE SRP financial statements;

- Osler, Hoskin & Harcourt LLP for legal services;
- Grant Thornton for the delivery of a Risk Management Framework session, and
- John T. Dinner Board Services for the Board's Triennial Effectiveness Assessment.