Governance

Manual

for the

Public Employees Pension Board

March 25, 2026

Contents

I. Mandate and Roles

Section 1 - Background

1.01 Governance
1.02 History of the Public Employees Pension Plan
1.03 Equal Representation
1.04 Responsibilities of Minister of Finance
1.05 Fiduciary Responsibilities of the Board
1.06 Participating Employers
1.07 History

Section 2 - Mission Statement and Strategic Priorities

2.01 Strategic Direction
2.02 Who we are
2.03 Mission
2.04 Vision
2.05 Board Principles
2.06 Strategic Priorities
2.07 History

Section 3 - Organizational Chart of Plan's Administration

3.01 Reporting Structure to Board
3.02 History

Section 4 - Charter of Expectations

4.01 Board Responsibilities
4.02 Appointment of President and Chief Executive Officer and Senior Management
4.03 Board Member Attributes
4.04 Board-Level Special Competencies
4.05 Board Member Responsibilities
4.06 Chair Responsibilities and Duties
4.07 History

Section 5 - Responsibilities and Accountabilities/Performance Measurement and Reporting

5.01 Introduction
5.02 Plan Design
5.03 Compliance
5.04 Administration
5.05 Communication

5.06 Funding and Custody
5.07 Investment and Custody
5.08 Governance
5.09 Strategic Planning Process
5.10 Risk Assessment
5.11 Integrity
5.12 Orientation/Ongoing Education
5.13 Board Effectiveness
5.14 History

II. Governance

Section 6 - Private Investments Committee

6.01 Purpose
6.02 Composition
6.03 Support for the Committee
6.04 Meeting Schedule and Frequency
6.05 Delegation
6.06 Responsibilities
6.07 Committee Leadership
6.08 Reporting and Accountability to the Public Employees Pension Board
6.09 Remuneration
6.10 Other
6.11 History

Section 7 – Governance Committee

7.01 Purpose
7.02 Composition
7.03 Meeting Schedule and Frequency
7.04 Delegation
7.05 Responsibilities
7.06 Committee Leadership
7.07 Remuneration
7.08 Reporting
7.09 Board Evaluation
7.10 History
Appendix (Governance Committee Terms of Reference)

Section 8 - Acquisition and Retention of Services

8.01 Purpose
8.02 Rationale
8.03 Policy
Services Acquired by Plannera
Services Acquired by the Board

Delegation of Authority for Acquisition of Services
Procurement Thresholds
Request for Proposal (RFP)
Approval of Contracts
Evaluation of Service Providers to the Board
8.04 History

Section 9 - Operation of Board
9.01 Purpose
9.02 Composition of the Board
9.03 Process for Appointment of Board Members
9.04 Appointment of New Board Members
9.05 Term of Office of a Board Member
9.06 Election of Vice-Chair
9.07 Removal of Board Members
9.08 Resignation
9.09 Executive Secretary Services
9.10 Executive Management Services
9.11 Administrative Services
9.12 Information to be Received by the Board
9.13 Rules and Procedures for Reviewing and Acting on Information
9.14 History

Section 10 - Board Remuneration/Reimbursement
10.01 Purpose
10.02 Board Remuneration/Reimbursement
10.03 Chair Remuneration
10.04 Chair Remuneration and Expense Guidelines
10.05 General Remuneration/Reimbursement
10.06 Remuneration/Reimbursement for Outgoing Board Members
10.07 Reimbursement for Gifts for Non-Board Members
10.08 Emergency Medical Coverage While Travelling
10.09 History

Section 11 - Educational Program
11.01 Purpose
11.02 Orientation Program for New Members
11.03 Ongoing Developmental Program for All Members
11.04 Final Year of Appointment
11.05 Board Member Reporting on Educational Activities
11.06 Board Extension
11.07 Board Exemption
11.08 Substitution of Courses
11.09 Board Travel for Educational Purposes
11.10 Supplier-sponsored Opportunities for Board Member Education

11.11 Board Trustee Mentor Program
11.12 Director Certification
11.13 History

Section 12 - Conduct of Meetings
12.01 Purpose
12.02 Board Meetings
12.03 Venue
12.04 Absenteeism of Board Members
12.05 Agenda
12.06 Quorum
12.07 Voting
12.08 Decisions of the Board when a meeting is not possible
12.09 Minutes
12.10 Confidentiality
12.11 *In Camera* Sessions
12.12 History

Section 13 - Code of Conduct and Conflict of Interest Procedures
13.01 Purpose and Objective
13.02 Definitions
13.02 Application
13.03 Fiduciary Duties
13.04 Duty of Care
13.05 Ethical Standards
13.06 Conflict of Interest Procedures
13.07 Consequences of a Breach
13.08 Avoidance of Bias
13.09 Board Member's Acknowledgement
13.10 History

Section 14 - Governance: Periodic Self-Assessment
14.01 Purpose
14.02 About the Questionnaires
14.03 History

III. General

Section 15 - Complaint Process
15.01 The Process
15.02 Board's Point of Reference
15.03 History

Section 16 - Board Liability

16.01 Board Member Indemnification
16.02 Not Limiting Board Member Right of Indemnification
16.03 The Board's Position on Third-Party Liability Insurance
16.04 History

Section 17 - Communications and Stakeholder Relations

16.01 Purpose
16.02 Rationale
16.03 Policy
16.04 History

Section 18 - Risk Management

18.01 Purpose
18.02 Rationale
18.03 Policy
18.04 History
APPENDIX A- Risk Management
APPENDIX B – Terms and Conditions

Section 19 – Lifetime Pension

19.01 Purpose
19.02 Background
19.03 Service Providers
19.04 Performance Reporting
19.05 Lifetime Pension Operations and Responsibilities
19.06 History

Section 20 - Definitions

20.01 Purpose
20.02 Definitions
20.03 History

I. Mandate and Roles

Section 1 – Background

Contents

1.01 Governance 1
1.02 History of the Public Employees Pension Plan 2
1.03 Equal Representation 2
1.04 Responsibilities of Minister of Finance 2
1.05 Fiduciary Responsibilities of the Board 3
1.06 Participating Employers 4
1.07 History 4

1.01 Governance

Pension plan governance refers to the roles and responsibilities of the parties involved in the administration of a pension plan to fulfill their fiduciary obligations. In general, good pension plan governance promotes the timely and cost-effective delivery of benefits and promotes the administration of the plan in the best interests of all plan members and beneficiaries. Good governance requires appropriate control mechanisms that encourage sound decision-making, proper and timely execution, and regular review and assessment.

As the Public Employees Pension Plan (PEPP, the Plan) trustees, the Public Employees Pension Board (the Board) has the responsibility to ensure that the Plan is well managed. Good governance is essential in order for the Board to fulfil its fiduciary responsibilities to plan members. The Board recognizes the need to take a systematic, coherent and transparent approach to governing the plan. As such, the Board has developed a comprehensive governance manual in order to document the governance process.

As part of the ongoing articulation and implementation of the governance principles contained in this governance manual, the governance process will be reviewed at least annually and modified as required.

1.02 History of the Public Employees Pension Plan

The Plan's origins date to 1977, when the Public Employees (Government Contributory) Superannuation Plan was established to provide superannuation benefits for provincial public employees of designated participating employers. The Plan was officially created on October 1, 1977, under *The Superannuation (Supplementary Provisions) Act*.

1.03 Equal Representation

Throughout the Plan's history, governance has been organized in a manner that the Board should be composed of an equal number of employee and employer representatives, with a chairperson.

This Act provided for a Board composed of:

- a Chairperson appointed by the Board;
- four members representing employees; and
- four members representing the employers of employees participating in the Plan.

1.04 Responsibilities of Minister of Finance

The Plan is continued by *The Public Employees Pension Plan Act* (the Act) and *The Public Employees Pension Plan Regulations*, *2015*, which were adopted in their original forms by the Legislative Assembly on July 1, 1997. (Please refer to section 9 - Operation of Board for the current composition of the Board).

In order to fulfill their administrative responsibilities under the Act, the Minister of Finance:

- recommends to Cabinet amendments to the Act, as required or deemed necessary;
- oversees the passage of amendments to the Act;
- oversees the passage of Regulations to the Act and amendments thereto; and
- answers questions in the Legislative Assembly of Saskatchewan regarding the Plan.

1.05 Fiduciary Responsibilities of the Board

In order for the Board to fulfill its primary fiduciary responsibility to all members and beneficiaries, the Board must:

- act solely in the best interest of plan members and beneficiaries;
- treat members and beneficiaries impartially;
- act with the care, skill and diligence of a prudent person;
- interpret the plan terms fairly, impartially and in good faith;
- prevent personal interests from conflicting with those of the Plan; and
- within the scope of its authority, ensure that members and beneficiaries receive the benefits promised.

In addition to its primary fiduciary responsibilities, the Board also bears responsibilities to the following:

- the Minister of Finance;
- participating employers;
- labour unions representing members of the Plan;
- groups and organizations who have appointed members to the Board;
- organizations and individuals employed by the Board to provide services to the Board; and
- the Legislative Assembly of Saskatchewan.

In order to execute the Board's fiduciary responsibilities under the Plan, the Board shall administer the Act, as stated in Section 3(2) of the Act.

The Board is granted certain powers under Section 5 of the Act. Such powers include charging a fee for services provided by the Board, establishing policies for the investment of assets of the Public Employees Pension Fund (the Fund), and for the calculation and allocation of revenues accruing to the Fund. The Board may invest all monies in the Fund in any securities authorized under *The Pension Benefits Act, 1992*.

The Board may:

- determine the amounts in the Fund standing to the credit of members;
- dispose of securities in which the Fund has been invested, in any manner and on any terms that it considers appropriate;
- enter into agreements;
- engage the services or retain any technical, professional or other advisor, specialist or consultant; or

- do any other things that it considers necessary for the purposes of managing, investing or disposing of the assets of the Fund.

Section 6 of the Act states that a decision of the Board shall be final should questions arise as to the application, interpretation or intent of the Act or Regulations.

Section 8 of the Act confers trust obligations upon the Board. The Board is the trustee of the Fund and shall ensure that the assets of the Fund are invested in accordance with the requirements for the investment of pension funds pursuant to *The Pension Benefits Act, 1992* and the *Income Tax Act* (Canada). The Board must also ensure that its actions and those of its members are consistent with the provisions of *The Trustee Act, 2009.*

The costs incurred by the Board for the administration of the Plan and other expenses related to managing, investing or disposing of the assets of the Fund are payable out of the Fund.

The Board is responsible for the effective and timely operation and management of the Plan. To discharge this obligation, the Board has delegated specific functions to the President and Chief Executive Officer, Plannera Pensions and Benefits (Plannera), as well as to the following service providers: Plannera as plan administrator, Legal Counsel, Auditor, Strategic Investment Consultant, Private Markets Consultant, Investment Managers, and Custodian.

1.06 Participating Employers

A current listing of participating employers whose employees are eligible for participation as members of PEPP can be found in *The Public Employees Pension Plan Regulations, 2015*.

1.07 History

Approval date:	January 26, 2005; November 26, 2008; November 28, 2012; May 27, 2020; and February 28, 2024
Current review:	March 25, 2026
Next scheduled review:	March 2027

Section 2 – Mission Statement and Strategic Priorities

Section 2 – Mission Statement and Strategic Priorities....1
2.01 Strategic Direction....1
2.02 Who we are....1
2.03 Mission....2
2.04 Vision....2
2.05 Board Principles....2
2.06 Strategic Priorities....3
2.07 History....3

2.01 Strategic Direction

The **mission** is PEPP's core purpose and what it does.

The **vision** pictures the future and describes what long-term success looks like.

The Board's **principles** guide how it operates and the standards for how the Board behaves.

Together, PEPP's mission, vision, and the Board's principles guide the outlook for 2025-2026 and beyond.

2.02 Who we are

PEPP is a defined contribution (DC) pension plan for eligible employees of the Government of Saskatchewan and other specified employers. It is the largest defined contribution pension plan in Canada.

The Board is responsible for managing the Plan and its investments in the best interests of members and their beneficiaries. It must act with care, skill, and diligence while considering members' diverse needs.

The Board has adopted a comprehensive governance process that includes regular strategic planning and risk assessment. This strategic plan has been developed within the context of the Plan's vision, mission and priorities.

2.03 Mission

To provide retirement income options that deliver financial security and exceptional value.

2.04 Vision

To be an industry-leading pension plan, partnering with members to enhance their financial well-being.

2.05 Board Principles

Stewardship

We are committed to excellence in governing the Plan by providing the highest quality of service, robust governance, strong risk management, diligent investment management and informed decision making.

Accountability

We are transparent and take responsibility for our decisions and actions. We are committed to managing the Plan with care and acting in the best interests of members and employers.

Integrity

As trustees of PEPP, we hold ourselves to the highest standards of integrity. We strive to act with honesty and in a manner worthy of the trust our members have placed in us.

Value

We deliver high-quality services and outcomes in a cost-effective manner. We use Plan resources responsibly to maximize value for members and employers.

Innovation

We see embracing innovation as key to enhancing adaptability, developing competitive advantages and positioning the Plan to seize new opportunities to meet the evolving needs of members while mitigating emerging risks.

2.06 Strategic Priorities

The Plan's strategic priorities include:

Investment:
Achieve strong, risk-managed investment returns through a diversified portfolio.

Plan Governance:

Deliver a well-governed Plan for members and employers through strong oversight.

Member Experience:
Enhance member experience to support informed decision-making.

Growth:
Explore options for growth and innovation.

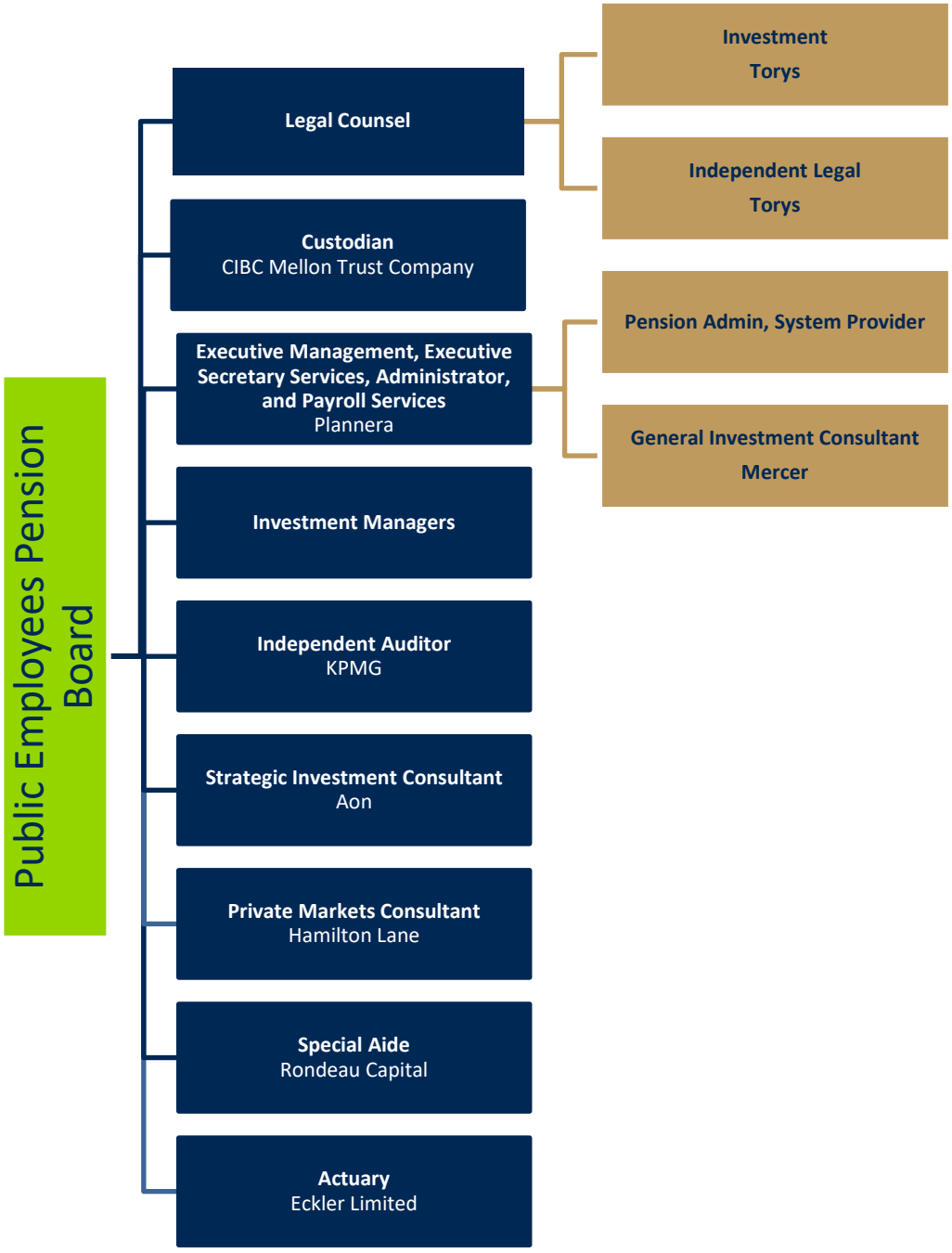
2.07 History

Approval date:	September 27, 2006; November 26, 2008; September 23, 2009; October 27, 2010; November 28, 2012; November 24, 2021; February 28, 2024; and March 26, 2025.
Current review:	March 25, 2026
Next scheduled review:	March 2027

I. Mandate and Roles

Section 3 – Organizational Chart of Plan's Administration

3.01 Reporting Structure



- Plannera Pensions and Benefits provides executive management, executive secretary services, plan administration, investment services, client relations, plan accounting, record keeping, legislative/tax services and research services.
- Torys LLP provides investment legal advice and general independent legal advice.
- KPMG provides financial audit reports to the Board and the Provincial Auditor.
- Aon provides strategic investment consulting services to the Board.
- Hamilton Lane Advisors LLC provides private markets consulting services to the Board.
- Rondeau Capital Inc. provides the Special Aide to the Board. The Special Aide assists the Board in the oversight of investment service providers.
- Eckler Limited provides actuarial services.
- Investment managers provide management of investments in compliance with the Statement of Investment Policies and Goals (SIP&G), transaction reports and performance analysis of managed assets. A list of current Investment Managers is available in the most recent Investment Monitoring report.
- CIBC Mellon Trust Company provides custody of assets, settlement of investment transactions, and SIP&G compliance monitoring.
- Contracts are set as per the Acquisition and Retention of Services Policy (Section 8 of this document).
- Dates when contracts are due to be reviewed or tendered can be found in Section 8 of the Periodic Checklist. The Periodic Checklist is reported to the Board twice per year, usually in November and May.

3.02 History

Approval date:	June 27, 2005; June 27, 2007; September 23, 2009; October 27, 2010; November 23, 2011; November 28, 2012; October 23, 2013; May 27, 2020; February 28, 2024; and March 26, 2025.
Current review:	March 25, 2026
Next scheduled review:	March 2027.

I. Mandate and Roles

Section 4 – Charter of Expectations

Section 4 – Charter of Expectations 1
4.01 Board Responsibilities 1
4.02 Appointment of President and Chief Executive Officer and Senior Management 4
4.03 Board Member Attributes 5
4.04 Board-Level Special Competencies 6
4.05 Board Member Responsibilities 8
4.06 Chair Responsibilities and Duties 9
4.07 History 11

4.01 Board Responsibilities

The Public Employees Pension Board (the Board) is explicitly responsible for the effective and timely operation and management of the Public Employees Pension Plan (PEPP, the Plan). To discharge this obligation, the Board assumes responsibility in the following areas.

Plan Design:

- Review the design of the Plan from time to time, recommend changes to the Plan when required and implement changes to the Plan; and
- Review marketplace statistics, imminent trends and analysis, to ensure that the Plan design is competitive with or comparable to similar trusteed plans.

Compliance:

- Recommend changes to the Plan that arise from *The Pension Benefits Act, 1992* (PBA) or are required by the *Income Tax Act* (Canada) (ITA);
- Ensure timely reporting to the Canada Revenue Agency (CRA) in accordance with the ITA;
- Ensure timely reporting to the Financial and Consumer Affairs Authority in accordance with the PBA and *The Public Employees Pension Plan Act* (PEPP Act);
- Monitor Statement of Investment Policies and Goals compliance;
- Appoint an independent Auditor, review performance and terminate services when necessary;

- Review reports from the Auditor, determine appropriate action and implement the recommendations contained therein (statutorily, the Provincial Auditor remains as the Auditor of the Plan); and
- Monitor Plan administration to ensure compliance with the PEPP Act.

Administration:

- Ensure the timely payment of benefit entitlements to Plan members and beneficiaries;
- Monitor and review the performance of Plannera Pensions and Benefits (Plannera) and other administrative service providers;
- Make decisions resulting in an increase to the funding and operational costs of the Plan and any changes in the interim; and
- Make decisions regarding the eligibility of an employer/employee to join the Plan.

Communication:

- Promote the communication, awareness and understanding of the Plan among Plan members;
- Ensure that statutory disclosure regulations are being met and exceeded for the benefit of Plan members/beneficiaries; and
- Ensure that all relevant information affecting members' rights, benefits and entitlements is provided to members and beneficiaries.

Funding and Custody:

- Review Plannera's co-ordination of the asset management of the Plan and make appropriate changes, if necessary.

Investment:

- Appoint Investment Managers and terminate their services when necessary;
- Monitor the performance of the Investment Managers and the assets under their management;
- Appoint a Strategic Investment Consultant, a Private Markets Consultant, and a Custodian, review performance, and terminate their services when necessary;
- Review Plannera's recommendations and determine appropriate action; and
- Approve the Statement of Investment Policies and Goals and subsequent amendments.

Governance:

- Conduct a self-assessment review of the governance process on a periodic basis; and
- Monitor and confirm the governance framework, and implement changes as deemed necessary.

Strategic Planning Process:

- Develop, implement and assess short- and long-term measurable directions and objectives;
- Monitor performance against adopted directions and objectives;
- Review and approve the annual budget and operating plan, and monitor performance against those plans; and
- Ensure, to the extent possible, that necessary resources will be available to pursue strategies, establish priorities and achieve objectives.

- An annual planning cycle will consist of:
    - A strategic planning session to set, review, or update the Board's Strategic Business Plan;
    - An annual work plan at the Board's June meeting to set the pace and plan for the initiatives the Board will look to accomplish over the next September through June meeting cycle; and
    - A comprehensive education plan at its September meeting to identify in-meeting education by service providers and other industry experts to assist the Board in its preparation for upcoming decisions on the initiatives approved in its annual work plan.

Risk Assessment:

- Identify business risks which would adversely or positively affect the operation of the Plan;
- Ensure that appropriate systems and actions are in place to manage such risks; and
- Ensure that risk is formally considered and integrated into all decisions made.

Integrity:

- Ensure the integrity of the Plan's internal controls and information systems; and
- Ensure the ethical behaviour of all participants involved in the administration of the Plan.

Orientation/Ongoing Education:

- Ensure the establishment and implementation of an appropriate, formal orientation program for new members of the Board; and
- Ensure that resources are available for an appropriate and practical ongoing educational program for all members of the Board.

Board Effectiveness:

- Evaluate the effectiveness of the Board in fulfilling its responsibilities on a periodic basis; and
- Monitor the effectiveness and contribution of individual members of the Board.

4.02 Appointment of President and Chief Executive Officer and Senior Management

By Order in Council, the Lieutenant Governor of Saskatchewan designates Plannera as the administrator of PEPP. Plannera staffing is the responsibility of Plannera, and as such:

- Selection, appointment, evaluation and, if necessary, termination of the President and Chief Executive Officer (CEO) of Plannera, is the sole jurisdiction of the Plannera Board; and

- Succession planning, appointment, training, evaluation and, if necessary, termination of senior management at Plannera is the responsibility of the CEO of Plannera.

While the Board recognizes that senior-level staffing is the sole jurisdiction of the Plannera Board, the Board will send a letter to the Chair of the Plannera Board each time the position of CEO of Plannera is being staffed, requesting input into the selection process.

4.03 Board Member Attributes

To execute the Board responsibilities, members of the Board must, collectively and/or individually, possess certain characteristics and traits:

Integrity and Accountability:

- Members of the Board must demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on and remain accountable for their boardroom decisions;

- Members of the Board must act solely in the best interest of Plan members/beneficiaries and are required to exercise the care, skill and diligence of a prudent person in carrying out their duties; and

- Members of the Board must be seen to possess the qualities of integrity and accountability by being able to demonstrate they are individuals who conduct themselves at all times in accordance with the law as specified in section 13.05 - Ethical Standards in the Board's Code of Conduct and Conflict of Interest Procedures.

Informed Judgment:

- Members of the Board must develop a depth of knowledge of pension-related matters in order to understand and question the assumptions upon which the strategic and operational plans are based, and to form an independent judgment regarding the probability that such plans can be achieved.

Financial Literacy:

- An important function of the Board is to monitor financial performance. Members of the Board must have a high level of financial literacy. They should know how to read financial statements and reports, and understand appropriate terminology for the evaluation of investment performance.

Mature Confidence:

- Members of the Board should value Board and team performance over individual performance, possess respect for others, and facilitate superior Board performance;

- Members of the Board should demonstrate openness to the opinions of others, and the willingness to listen should rank as highly as the ability to communicate persuasively; and

- Members of the Board must approach others assertively, responsibly and supportively, and be willing to raise difficult questions in a manner that encourages open discussion.

4.04 Board-Level Special Competencies

The Board believes that an important prerequisite to good governance is having a board composed of individuals who collectively have the full range of skills, expertise, and experience necessary to oversee the management and performance of the Plan and otherwise fulfill its duties and responsibilities. The Board recognizes that the competencies required for effective oversight of the Plan are influenced by the size and complexity of the Plan. The Board has developed a list of special competencies related to the Plan's design and features. Because the Board functions and makes decisions as a group, not all individuals need to possess the same competencies.

However, the Board has determined that it needs individuals who collectively have knowledge, skill, and experience in the following areas:

1. Pension funds:
    - Pension industry, including key risks, trends and issues;
    - Design, funding, and administration of defined contribution pension plans;
    - Member investment choice;
    - Custody;
    - Employee retirement options; and
    - Regulatory requirements.

2. Investment:
    - Investment management concepts (e.g., capital markets, asset mix, returns);
    - Asset classes (e.g., equities, bonds, infrastructure, real estate, private equity, liquid alternatives, farmland, global large and small cap);

- Investment portfolios (e.g., active versus passive management, pooled funds versus segregated portfolios, investment styles);
- International investing considerations, such as currency and political risk;
- Setting and monitoring investment policy and strategy;
- Derivatives;
- Investment performance reporting; and
- Trends and current issues.

3. Risk management:
    - Enterprise risk management;
    - Internal controls; and
    - Trends and current issues.

4. Finance and accounting:
    - Generally accepted accounting principles, financial statements;
    - Audits; and
    - Trends and current issues.

5. Human resources/supplier management:
    - Supplier selection and evaluation;
    - Reliance on expert advice;
    - Succession planning; and
    - Trends and current issues.

6. Governance:
    - Pension governance structures;
    - Fiduciary duties;
    - Conflict of interest; and
    - Trends and current issues.

7. Stakeholder relations:
    - Government functioning;
    - Public policy; and
    - Trends and current issues.

4.05 Board Member Responsibilities

To discharge their collective obligation as a Board of Trustees, individual Board members assume responsibility in the following areas:

Duty of Due Diligence

Members shall:

- Be informed of *The Public Employees Pension Plan Act* and *Regulations, 2015; The Pension Benefits Act, 1992* and *Regulations, 1993;* and *The Trustee Act, 2009,* which define the Board's responsibilities and powers;
- Have knowledge of the Board's Governance Manual and the Board's Policy Manual;
- Keep generally informed about issues that affect the Plan and about general trends in the sector in which the Plan operates;
- Develop a depth of knowledge of pension plan-related matters in order to understand and question the assumptions upon which operational plans are based;
- Develop a high level of financial literacy. They should know how to read financial statements and reports, and understand appropriate terminology for the evaluation of investment performance; and
- Regularly attend Board meetings and contribute to the work of the Board.

Duty of Loyalty

Members shall:

- Act with honesty and good faith in what they believe to be the best interests of the members of the Plan and their beneficiaries;
- Maintain solidarity with fellow Board members in support of decisions that have been made in good faith in a legally constituted meeting by members in reasonably full possession of the facts;
- Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with the Board's conflict of interest procedures; and
- Keep confidential all Board information, including post service, as it remains the property of the Board.

Duty of Care

Members shall:

- Exercise the same degree of care, diligence, and skill that a reasonably prudent person would show in comparable circumstances;

- Demonstrate high ethical standards and integrity in their personal and professional dealings, and be willing to act on and remain accountable for their boardroom decisions;
- Offer their personal perspective and opinions on issues that are the subject of Board discussion and decision;
- Demonstrate openness to the opinions of others; the willingness to listen should rank as highly as the ability to communicate persuasively;
- Voice, clearly and explicitly at the time a decision is being made, any opposition to a decision being considered by the Board;
- Ask that the Board review any decision made if they have reasonable grounds to believe that the Board acted without full information or in a manner inconsistent with its trusteeship responsibilities; and
- Work cooperatively with the staff of Plannera, respecting that the distinction between the roles of the Board and staff is consistent with generally established principles of governance.

4.06 Chair Responsibilities and Duties

Primary Responsibilities:

- Consult with the Board regarding the frequency and dates of regular meetings;
- Call special meetings of the Board whenever the Chair considers it necessary;
- Cancel any meeting of the Board if the circumstances require;
- Preside over the meetings of the Board;
- Vote on motions of the Board;
- Approve the agenda for Board meetings;
- Approve draft minutes of Board meetings for distribution to the Board;
- Approve/release the communication of Board business;
- Receive and table before the Board notices of conflict of interest;
- In consultation with the Board, determine the appropriate course of action regarding the resolution of conflicts of interest;
- Receive and table before the Board notices of bias;
- In consultation with the Board, determine the appropriate course of action regarding the resolution of situations of bias;
- Decide whether to approve requests by Board members to exceed their Education Allowances by the amount prescribed in section 10.02 Board Remuneration/Reimbursement;
- Represent the Board at meetings of the Public Accounts Committee as required;
- Authorize individuals to represent the Board at meetings of the Public Accounts Committee;

- Act as spokesperson and representative of the Board to management and outside parties, or authorize individuals to speak on behalf of the Board;
- Communicate recommended amendments to the Plan to the Minister of Finance;
- In conjunction with the other members of the Board, ensure that the contract with Plannera is appropriately carried out;
- Authorize or approve the timely and appropriate execution of Board business;
- Be available for consultation with management when required;
- Authorize the signing of contracts for services acquired by the Board that are in excess of $24,999;
- Authorize the termination of investment managers;
- Facilitate the Board's process for making decisions outside of regularly scheduled meetings;
- Comply with the Board's Code of Conduct/Conflict of Interest policy and administer the policy as required;
- Undertake a Criminal Record Check prior to an offer of appointment;
- Keep confidential all Board information, including post service, as it remains property of the Board; and
- Provide other duties as necessary as agreed to by the Board.

Personal Attributes

The position of Chair requires a person who is able to use alternative ways of looking at issues or problems and linking complex information to a solution.

The Chair is responsible for analyzing, planning and integrating concepts into a structured and rational process. This person will be able to make complex situations or ideas clear, simple and understandable. This person will assemble ideas, issues and observations into clear and useful explanations and solutions.

Teamwork:

- The Chair builds team spirit and acts to promote a friendly climate, good morale and co-operation between team members. This person will resolve team conflicts and promote team reputation with others.

Leadership:

- The Chair effectively manages the Board and its performance in order to maximize the productive use of Board members' time and efforts.

Board Culture:

- The Chair creates a positive and inclusive environment, where members of the Board function as a team, and feel free to participate and express dissenting views, and to identify and remedy conflicts of interest.

Relationships/Communication:

- The Chair fosters relationships and acts as a communication link between the Board, stakeholders and service providers.

4.07 History

Approval date:	September 27, 2006; November 26, 2008; September 23, 2009; October 27, 2010; October 23, 2013; May 27, 2020; June 24, 2020; September 29, 2021; February 28, 2024; and March 26, 2025.
Current review:	March 25, 2026
Next Scheduled Review:	March 2027

I. Mandate and Roles

Section 5 – Responsibilities and Accountabilities/Performance Measurement and Reporting

Contents

5.01	Introduction	1
5.02	Plan Design	3
5.03	Compliance	4
5.04	Administration	7
5.05	Communication	10
5.06	Funding and Custody	12
5.07	Investment and Custody	12
5.08	Governance	16
5.09	Strategic Planning Process	17
5.10	Risk Assessment	19
5.11	Integrity	20
5.12	Orientation/Ongoing Education	21
5.13	Board Effectiveness	22
5.14	History	22

5.01 Introduction

In order to ensure the responsibilities listed in the Charter of Expectations (Section 4 of this Governance Manual) are being carried out, it is necessary for the Public Employees Pension Board (the Board) to delegate some of its authority to a number of service providers. This is in keeping with the Canadian Association of Pension Supervisory Authorities (CAPSA) pension plan governance principles in general, and with the following of those principles in particular:

- the plan administrator should clearly describe and document the roles, responsibilities, and accountabilities of all participants in the pension plan governance process;
- the plan administrator should establish and document performance measures to monitor the performance of participants in the governance and administration of the plan;
- the plan administrator should establish and document a framework and ongoing processes, appropriate to the pension plan, to identify and manage the plan's risks; and
- the plan administrator should establish and document appropriate processes to ensure compliance with the legislative requirements and pension plan documents.

The chart on the following pages is designed to provide a reference guide to Board members as to how the roles and responsibilities have been delegated by the Board in order to fulfill its Charter of Expectations.

An explanation of the status of the reporting of the activities outlined in Section 4 can be found in the Periodic Checklist.

For each service provider, the services provided are either statutorily prescribed or set out in a contractual arrangement. The following table documents the nature of the service relationship the Board has with each service provider.

Service	***Provider***	***Contractual Documentation***
Administration	Plannera Pensions and Benefits (Plannera)	Statutory/ Administration Agreement
Legal (independent)	Independent Legal	Ad hoc basis
Legal (investment)	Torys LLP	Contract
Custodian	CIBC Mellon Trust Company	Contract
Auditor	KPMG	Contract
Employers	Employers	Statutory
Strategic Investment Consultant	Aon	Contract
Private Markets Consultant	Hamilton Lane Advisors LLC	Contract
Special Aide	Rondeau Capital	Contract
Actuary	Eckler Limited	Contract

5.02 Plan Design

Review the design of the Plan from time to time, recommend changes to the Plan when and/or where required and implement changes to the Plan

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Facilitate review of Plan design/Report on administrative issues/ Recommend Plan amendments re: Legislative changes/Communication strategies development	Yes – Must meet with Board satisfaction and comply with *The Pension Benefits Act, 1992* (PBA)/*Income Tax Act, Canada* (ITA)	Board meetings/Plannera Admin Reports
Strategic Investment Consultant	Review Plan design/ Recommend Plan amendments	Yes – Must meet with Board satisfaction and comply with PBA/ITA	Board meetings
Legal (primary)	Research legal issues/Draft plan amendments	Yes – Must comply with PBA/ITA	Board meetings
Legal (independent)	Research legal issues/ Provide advice	Yes – Must comply with PEPP ACT	Board meetings

Review marketplace statistics, imminent trends and analysis, to ensure that the Plan design is competitive/comparable to similar trusteed plans

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Perform Review	Yes – Executive Management Services Evaluation	Board meetings/Plannera Admin Reports

5.03 Compliance

Recommend changes to the Plan that arise from the PBA or are required by the ITA

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor compliance with PBA/ITA	Yes – Must comply with PBA/ITA	Plannera Admin Reports
Legal (primary)	Research legal issues/Draft plan amendments	Yes – Must comply with PBA/ITA	Board meetings

Ensure timely reporting to Canada Revenue Agency in accordance with the ITA

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor compliance with PBA/ITA	Yes – Must comply with PBA/ITA	Plannera Admin Reports

Ensure timely reporting to the Financial and Consumer Affairs Authority, in accordance with the PBA and **The Public Employees Pension Plan Act *(PEPP Act)***

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor compliance with PBA/ITA	Yes – Must comply with PBA/ITA	Plannera Admin Reports

Monitor the Statement of Investment Policies and Goals compliance reporting from the Investment Managers and the Custodian

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor compliance with Statement of Investment Policies and Goals (SIP&G)	Yes – Task Verification	Plannera Admin Reports
Custodian	Monitor SIP&G compliance	Yes – SIP&G	Monthly reports to Plannera/Reported by Plannera at Board meetings and in Plannera Admin Reports.

Recommend Auditor, review performance and terminate their services when necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Carry out request for proposal process, recommend a provider and once appointed, negotiate service provider contracts and evaluate their performance	Yes – Executive Management Services Evaluation	Annual review

Review reports from the Auditor, determine appropriate action and implement the recommendations contained therein (statutorily, the Provincial Auditor remains as the Auditor of the Plan)

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Review reports, provide recommendations and implementation plan; execute implementation plan	Yes – Executive Management Services Evaluation	Annual review
Auditor	Audit Reports	Yes – Evaluation of Auditor	Annual Report
Provincial Auditor	Audit Reports	N/A	Annual Report

Monitor plan administration to ensure compliance with the PEPP Act

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Maintenance of member accounts, Benefit calculations/payments, Plan amendments re. legislative changes, Orders in Council	Yes – PEPP Act Compliance	Plannera Admin Report
Auditor	Audit Reports	Yes – Evaluation of Auditor	Annual Audit Report
Provincial Auditor	Audit Reports	N/A	Annual Report

5.04 Administration

Ensure the timely payment of benefit entitlements to Plan members/beneficiaries

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Maintenance of member accounts, Benefit calculations/Payments, customer/Plan member service	Yes – Schedule A to Admin. Agreement, PEPP Act	Plannera Admin Report
Employers	Member enrolment and termination, collecting & remitting contributions, liaise between members & Plannera	Yes – PEPP Act	Results of activity tracked in Plannera Admin Report

Monitor and review the performance of Plannera and other administration Service Providers

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Board	Evaluate performance of Plannera	Yes – Executive Management Services Evaluation	Shared with Plannera and the Municipal Employees Pension Commission
Plannera	Carry out the Request for Proposal process, negotiate service provider contracts and evaluate service provider performance and self-report performance	Yes – Executive Management Services Evaluation	Annual Evaluations, Plannera Admin Report

Make decisions resulting in an increase to the funding and operational costs of the Plan and any changes in the interim on an incremental basis

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Make recommendations regarding operational costs	Yes – Executive Management Services Evaluation	Plannera Admin Report

Make decisions regarding the eligibility of an employer/employee to join the Plan

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide research/ recommendations	Yes – Must comply with PEPP Act and Board Policy	Plannera Admin Report
Legal (independent)	Research legal issues/Provide advice	Yes – Must comply with PEPP Act and Board Policy	Board meetings
Legal (primary)	Research legal issues/Provide Advice	Yes – Must comply with PEPP Act and Board Policy	Board meetings

Acquisition of Service for Board (RFP for vendors)			**Frequency:** Ad hoc **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Board receives advance communication of RFPs for directly contracted services (e.g., Actuary, Legal Counsel, Auditor, Investment Manager, and Custodian, etc.).	Clarifies the strategic rationale, scope, and implications of upcoming RFPs. Enables informed Board discussion and decision making prior to issuing an RFP.	<u>Board</u> *Decision Item*	The Board is informed of the services it will acquire through RFP and has the opportunity to discuss options. The Board approves the RFP and award contract arising from the RFP process. The Chair will sign the master terms and Conditions. The Director or their designate responsible for the work has delegated authority to approve and execute Statement of Works and related documents on the Board's behalf.

5.05 Communication

Promote the communication, awareness and understanding of the Plan among plan members

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Develop/Distribute communication material/Strategies, Education/Training seminars, Website development & maintenance	Yes – Executive Management Services Evaluation	Plannera Admin Report
Employers	Inform employees about the Plan and Plan changes	N/A	N/A

Ensure that statutory disclosure regulations are being met and exceeded for the benefit of Plan members/beneficiaries

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Perform disclosure, file documents with regulatory authorities	Yes – Must comply with PBA/ITA	Plannera Admin Report
Legal (independent)	Research legal issues/Provide advice	Yes – Must comply with PBA/ITA	Board meetings
Legal (primary)	Research legal issues/Provide advice	Yes – Must comply with PBA/ITA	Board meetings

Ensure that all relevant information is provided to Plan members/beneficiaries which affects their rights, benefits and entitlements

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide research/ recommendations	Yes – Must comply with PBA/ITA	Plannera Admin Report
Legal (independent)	Research legal issues/provide advice	Yes – Must comply with PEPP Act	Board meetings
Legal (primary)	Research legal issues/provide advice	Yes – Must comply with PEPP Act	Board meetings
Employers	Inform employees about the Plan and Plan changes	N/A	N/A

5.06 Funding & Custody

Review Plannera's coordination of the asset management of the Plan and make appropriate changes, if necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Cash management, fund rebalancing	Yes – Task Verification	Plannera Admin Report

Approve the assumptions for actuarial valuations for Lifetime pension

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Review assumptions, data and gain/loss analysis for accuracy/reasonability	Yes – Executive Management Services Evaluation	Board Meetings
Actuary (Eckler Ltd.)	Provide assumptions and recommendations	Yes – Evaluation of Actuary	Annual. Current Statement of Work term: September 11, 2023, to September 10, 2026. As required, Board meetings.

5.07 Investment and Custody

Recommend Investment Managers and terminate their services when necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide recommendation in investment manager selection and facilitate implementation and execution of service provider contracts	Yes – Executive Management Services Evaluation	Annual review
Plannera	Carry out Request for Proposal process and evaluate performance of investment managers	Yes – Executive Management Services Evaluation	Board meetings

Review the performance of the Investment Managers and the assets under their management

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Coordinate monitoring of investment manager performance and compliance with SIP&G with General Investment Consultant	Yes – Executive Management Services Evaluation	Annual review

Recommend Strategic Investment Consultant, review performance, and recommend termination of agreement when necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Carry out Request for Proposal process, provide recommendation to Board, negotiate service provider contracts and evaluate performance of consultant	Yes – Executive Management Services Evaluation	Annual review

Review the recommendations of the Strategic Investment Consultant and determine appropriate action

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Review recommendations	Yes – Executive Management Services Evaluation	Annual review

Review the SIP&G for any necessary amendments

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Review SIP&G and recommend amendments	Yes – Executive Management Services Evaluation	Annual review

Recommend appointment of Custodian, review performance and recommend termination when necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Carry out Request for Proposal process, negotiate service provider contracts and evaluate their performance	Yes – Executive Management Services Evaluation	Annual Review

Conduct a review of the investment asset mix on a periodic basis

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Strategic Investment Consultant	Facilitate the Board's review of asset mix as necessary	Yes – performance of Consultant reviewed pursuant to Consulting Agreement	Board Meetings

Conduct a review of private markets contracts

SERVICE PROVIDERS	*SERVICES*	PERFORMANCE MEASUREMENT	REPORTING
Legal (investment)	Independent due diligence legal review of private markets investment contracts	No – must meet Board satisfaction	Board Meetings, Private Investment Committee Meetings

5.08 Governance

Conduct a self-assessment review of the governance process on a periodic basis

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor/Confirm/Amend governance framework	Self–Assessment	Annually
Legal (primary)	Legal issues/Advice	No – must meet Board satisfaction	Board meetings
Legal (independent)	Legal issues/Advice	No – must meet Board satisfaction	Case-by-case basis

Monitor and confirm the governance framework, and implement changes as deemed necessary

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor/Confirm/Amend Governance Framework	Self-Assessment	Annually
Legal (primary)	Legal Issues/Advice	No – must meet Board satisfaction	Board meetings
Legal (independent)	Legal Issues/Advice	No – must meet Board satisfaction	Case-by-case basis

5.09 Strategic Planning Process

Develop, implement and assess short- and long-term measurable directions and objectives

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide Recommendations	Yes – Executive Management Services Evaluation	Strategic Business Plan

Monitor performance against adopted directions and objectives

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide Recommendations	Yes – Executive Management Services Evaluation	Workplan Update

Review and approve annual budget and operating plans, and monitor performance against those plans

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide Recommendations	Yes – Executive Management Services Evaluation	Board Meetings, Annual Review

Ensure, to the extent possible, that necessary resources will be available to pursue strategies, establish priorities and achieve objectives

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide Recommendations	No – must meet Board satisfaction	Regular Board meetings/Plannera Admin Report

5.10 Risk Assessment

Identify business risks which would adversely or positively affect the operation of the Plan

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide recommendations, facilitate risk process, and report progress of risk management initiatives	Yes – Executive Management Services Evaluation	As required

Ensure that appropriate systems and actions are in place to manage such risks

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide recommendations and report progress of risk management initiatives	Yes – Executive Management Services Evaluation	As required; Review of annual Risk Management Plan

5.11 Integrity

Ensure the integrity of the Plan's internal controls and information systems

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Maintenance of member accounts, Benefit calculations/Payments, Customer/Plan member service	Yes – Performance, Confidentiality, Privacy, and Security Policy, PEPP Act	Plannera Admin Report, Admin Agreement renewal every five years or earlier upon mutual agreement
Legal (primary)	Legal issues/Advice	Yes – advice must be consistent with applicable legislation	Board meetings on a case-by-case basis
Legal (independent)	Legal issues/Advice	Board satisfaction	Board meetings on a case-by-case basis
Provincial Auditor	Audit Reports	N/A	Annual Report
Auditor	Audit Reports	Yes – Evaluation of Auditor	Annual Report

Ensure ethical behavior of all participants involved in the administration of the Plan

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Provide recommendations	No – must meet with Board satisfaction	Plannera Admin Report
Legal (primary)	Legal issues/Advice	Yes – advice must be consistent with applicable legislation	Board meetings on a case-by-case basis
Provincial Auditor	Audit Reports	N/A	Annual Report

5.12 Orientation/Ongoing Education

Ensure the establishment and implementation of an appropriate, formal orientation program for new members of the Board

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor/Confirm/Amend orientation program/Provide investment education	Yes – program and amendments must be approved by the Board	Annual review

Ensure that resources are available for an appropriate and practical ongoing educational program for all members of the Board

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Monitor/Confirm/Amend orientation program	Yes – program and amendments must be approved by the Board	Annual review

5.13 Board Effectiveness

Evaluate the effectiveness of the Board in fulfilling its responsibilities on a periodic basis

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Maintenance of Board meeting minutes and records, Assist/provide recommendations in Governance Self-Assessment Process	Yes – Governance Self-Assessment must be approved by Board	As required/Annual self-assessment

Monitor the effectiveness and contribution of individual members of the Board

SERVICE PROVIDERS	SERVICES	PERFORMANCE MEASUREMENT	REPORTING
Plannera	Maintenance of Board meeting minutes and records, Assist/Provide recommendations in Governance Self-Assessment Process	Yes – Governance Self-Assessment must be approved by Board	As required/Annual self-assessment

5.14 History

Approval date:	September 27, 2006; November 26, 2008; September 23, 2009; October 27, 2010; November 28, 2012; October 23, 2013; May 27, 2020, February 28, 2024; and March 26, 2025.
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 6 – Private Investments Committee

Contents

6.01 Purpose 1
6.02 Composition 1
6.03 Support for the Committee 1
6.04 Meeting Schedule and Frequency 2
6.05 Delegation 2
6.06 Responsibilities 3
6.07 Committee Leadership 3
6.08 Reporting and Accountability to the Public Employees Pension Board 3
6.09 Remuneration 3
6.10 Other 4
6.10 History 4

6.01 Purpose

The purpose of the Private Investments Committee (the Committee) is to enable the Public Employees Pension Board (the Board) to meet its fiduciary oversight and related obligations in relation to the retention and disposition of private markets investments.

6.02 Composition

The Committee is composed of three (3) to five (5) Board members appointed by a resolution of the Board. The Board shall, by resolution, designate a Chair of the Committee.

The term of appointment to the Committee is three years, with the first three-year term appointment having occurred at the meeting prior to May 31, 2019.

Should a member resign from the Committee prior to the end of their term of appointment, the member replacing them will be appointed to complete the initial three-year term.

Quorum of the Committee is three (3) members of the Committee.

6.03 Support for the Committee

Plannera Pensions and Benefits (Plannera) shall provide executive secretary services to the Committee.

The Board's Special Aide may support the Committee by performing duties designated by agreement with the Board.

6.04 Meeting Schedule and Frequency

The Committee will meet at the call of the Chair.

Wherever possible, one week's notice will be provided. A more compressed preparation period may be required.

Committee members are to inform the Chair if they will be unavailable to meet for a period of time.

6.05 Delegation

The Committee may authorize, on behalf of the Board, the retention and disposition of:

- Private equity funds with mandates no greater than 50 basis points (0.5 per cent of plan assets);
- Infrastructure funds with mandates no greater than 200 basis points (two per cent of plan assets);
- Farmland funds with mandates no greater than 100 basis points (one per cent of plan assets); and
- Private credit funds with mandates no greater than 100 basis points (one per cent of plan assets).

The Chair or Vice-Chair of the Board, the President and Chief Executive Officer (CEO) Plannera or their designate is authorized to execute decisions made by the Committee.

6.06 Responsibilities

The Committee fulfills its purpose by:

- Approving the retention and disposition of private equity and infrastructure investments within its delegated authority, and the annual budget set by the Board; and
- Ensuring that funds are retained in accordance with the Board's Acquisition and Retention of Services Policy.

6.07 Committee Leadership

The role of the Committee Chair is to:

- Ensure the informational needs of Committee members are met;
- Promote the independent thinking and decision-making of the Committee;
- Build consensus among Committee members;
- Ensure meeting time is used effectively;
- Monitor Committee activities to ensure the work undertaken is consistent with the mandate;
- Work in conjunction with Management to ensure that the Committee fulfills its mandate and completes its work efficiently and effectively; and
- Move Committee discussion towards a constructive and timely resolution.

6.08 Reporting and Accountability to the Public Employees Pension Board

Following each Committee meeting, the Committee Chair will report to the Board on the activities of the Committee. This will be accomplished by the distribution of the minutes of all Committee meetings to the Board.

6.09 Remuneration

In accordance with section 10.02 of the Board's Governance Manual, Committee members are not remunerated.

Where the Board Chair is appointed to act as the Committee Chair, the Board Chair may be remunerated for service as the Committee Chair pursuant to an agreement with the Board.

Remuneration for services provided by the Special Aide will be established by agreement with the Board.

Expenses related to Committee business will be reimbursed in accordance with section 10.02 of the Board's Governance Manual.

6.10 Other

The Committee will:

- Use the external advisors retained by the Board when considering the retention or disposition of a private market investments; and
- Retain service providers with respect to the disposition of any private market investments.

6.11 History

Approval date:	April 23, 2019; February 24, 2021; February 28, 2024; and March 26, 2025
Current Review:	March 25, 2026
Next Scheduled Review:	March 2027

I. Mandate and Roles

Section 7– Governance Committee

I. Mandate and Roles 1
Section 7– Governance Committee 1
7.01 Purpose 1
7.02 Composition 1
7.03 Meeting Schedule and Frequency 2
7.04 Delegation 2
7.05 Responsibilities 2
7.06 Committee Leadership 3
7.07 Remuneration 3
7.08 Reporting 3
7.09 Board Evaluation 3
7.10 History 3
Appendix (Governance Committee Terms of Reference)

7.01 Purpose

The purpose of the Governance Committee (the Committee) is to support the Board in fulfilling its responsibilities related to governance practices, including oversight, evaluation, and continuous improvement of governance frameworks.

7.02 Composition

The Committee is to be comprised of at least three Board members. Members shall serve terms as outlined in the approved Terms of Reference, with appointments for expiring members made annually by resolution at the September meeting of the Board. There is no limit to the number of consecutive terms that can be served.

The Committee members shall designate a Chair.

A majority of the members shall constitute a quorum.

The Board may, at its discretion, remove or replace any Committee member. If a member resigns before completing their term, a replacement will be appointed to serve the remainder of the original term.

The Manager, Plan Governance and Legislation, Plannera Pensions and Benefits (Plannera) or their designate shall act as Secretary to the Committee.

7.03 Meeting Schedule and Frequency

The Committee shall meet at least quarterly, and additionally at the call of the Chair.

7.04 Delegation

The Committee operates in an advisory capacity and does not possess decision-making authority unless specifically delegated by the Board. The Committee may:

- Access relevant information and records necessary to fulfill its mandate;
- Engage external advisors or consultants, within budgetary limits approved by the Board; and
- Make recommendations to the Board on governance and nominations matters.

7.05 Responsibilities

The Governance Committee's responsibilities include, but are not limited to:

- Reviewing and recommending updates to the Board's governance framework;
- Monitoring compliance with applicable legislation, regulations, and fiduciary obligations;
- Reviewing and recommending proposed legislative changes for Board approval to recommend to the Minister;
- Overseeing the development and implementation of evaluation processes for the Board, its committees, and individual members;
- Advising on nominations and appointments, including criteria and processes for Board and Committee membership;
- Supporting orientation and ongoing education for Board members to promote effective governance;
- Monitoring governance trends and recommending best practices to enhance the Board's effectiveness;
- Reviewing and advising on the Board's Code of Conduct and conflict of interest policies; and
- Performing other governance-related duties as may be assigned by the Board from time to time.

7.06 Committee Leadership

The role of the Committee Chair is to:

- Ensure the informational needs of Committee members are met;
- Foster open dialogue and support committee members facilitated discussion on governance oversight;
- Build consensus among Committee members;
- Ensure meeting time is used effectively;
- Monitor Committee activities to ensure the work undertaken is consistent with the mandate;
- Work in conjunction with Plannera to ensure that the Committee fulfills its mandate and completes its work efficiently and effectively to complement the Board's broader governance initiatives; and
- Move the Committee discussion towards a constructive and timely resolution.

7.07 Remuneration

In accordance with Subsection 10.02 of the Board's Governance Manual, Committee members are not remunerated as the members' meeting attendance is compensated by their employer.

Expenses related to Committee business will be reimbursed in accordance with Section 10 of the Board's Governance Manual - Board Remuneration/Reimbursement.

7.08 Reporting

Following each Committee meeting, the Committee Chair will report to the Board on the activities, findings, and recommendations of the Committee. This will be accomplished by the distribution of the minutes of all Committee meetings to the Board's following regular meeting.

An annual report summarizing the Committee's work shall be presented to the Board.

7.09 Board Evaluation

In collaboration with Executive Secretary Services, the Governance Committee will facilitate the annual evaluation processes outlined in Section 14 of the Board's Governance Manual – Governance: Periodic Self-Assessment.

7.10 History

Approval Date:	September 30, 2025
Current Review:	March 25, 2026
Next Scheduled Review:	March, 2027

Appendix (Governance Committee Terms of Reference)

Purpose

The Governance Committee (the Committee) is established by the Public Employees Pension Board (the Board) as an advisory body to support the Board in fulfilling its responsibilities related to governance practices, evaluation of Board effectiveness, and input into Board member selection. The Committee provides recommendations and guidance to the Board but does not possess decision-making authority.

The Committee also serves as a mechanism to foster engagement and participation across the Board, recognizing that active involvement is essential to effective governance.

Authority

The Committee operates in an advisory capacity and has the authority to:

- Access relevant information and records necessary to fulfill its mandate.
- Engage external advisors or consultants, subject to approval by the Board.
- Make recommendations to the Board on governance and nominations matters.

The Committee does not have the authority to make decisions on behalf of the Board unless explicitly delegated. It serves in an assisting and supporting role to the Board.

Composition

- The Committee shall consist of at least three members of the Board.
- Members shall be appointed by the Board.
- Committee members will appoint a chair.
- The Board may remove or replace any member of the Committee at its discretion.

Committee members shall serve staggered terms to ensure continuity. Initial appointments may include varied term lengths (e.g., two members for one year, two members for two years) as determined by the Committee.

The Committee may consider the inclusion of ex officio members and bring forward a recommendation to the Board for discussion.

Meetings

The Committee shall meet at least quarterly, and additionally as required.

- A majority of the members shall constitute a quorum.
- The Committee Chair shall preside over meetings. In the Chair's absence, the members present shall appoint an acting Chair.
- Minutes of each meeting shall be recorded and submitted to the Board in its consent agenda.
- At least one meeting per year shall be held in person to promote collaboration and engagement among members.

Responsibilities

The Committee's responsibilities include, but are not limited to:

Governance Oversight

- Review and recommend updates to the Board's governance framework, including policies, charters, and codes of conduct.
- Monitor compliance with applicable laws, regulations, and fiduciary obligations.
- Recommend proposed legislation changes to the Board for recommendation to the Minister of Finance.
- Oversee Board and committee structure, composition, and succession planning.
- Facilitate Board self-assessments and performance evaluations.
- Monitor emerging governance trends and recommend best practices.

Board Nominations

- Develop collaborative relationships with the appointing bodies to support the identification, recruitment, and nomination of qualified candidates for Board membership.
- Recommend criteria and processes for Board appointments and reappointments.
- Ensure diversity, skills, and experience are considered in Board composition using a skills matrix.
- Oversee orientation and onboarding of new Board members as well as engagement with stakeholders to ensure there is a clear understanding of the process.
- Prospective Board candidates may be invited to observe Committee meetings prior to formal appointment to support onboarding and engagement.

Collaboration with the Plan Administrator

- Collaborate with the Governance branch of the Public Employees Pension Plan Administrator to ensure alignment on governance practices, policy development, and implementation. This includes reviewing the Governance Manual.
- Maintain open communication and coordination on matters of mutual interest, including compliance, reporting, and governance education.

Implementation Oversight

- Support the implementation of the recommendations from the Watson report.
- Recommend a future governance structure to the Board.

Education and Development

- Recommend orientation and ongoing education programs for Board members.
- Develop a Board Success Profile and skills matrix to support Board recruitment.
- The Committee shall review feedback on educational programs attended by Board members to assess their value and inform future recommendations.

Other Duties

- Perform any other governance-related duties as assigned by the Board.

Reporting

- The Committee shall report regularly to the Board on its activities, findings, and recommendations.
- A summary of the Committee's work shall be presented to the Board annually.

Review

- These Terms of Reference shall be reviewed annually by the Committee and any proposed changes shall be submitted to the Board for approval.

II. Governance

Section 8 – Acquisition and Retention of Services

Contents

8.01 Purpose 1
8.02 Rationale 1
8.03 Policy 2
Services Acquired by Plannera 2
Services Acquired by the Board 2
Delegation of Authority for Acquisition of Services 2
Procurement Thresholds 3
Request for Proposal (RFP) 3
Approval of Contracts 5
Evaluation of Service Providers 7
8.04 History 7

8.01 Purpose

The purpose of this policy is fourfold. The policy provides:

- Guidance regarding the acquisition and disposition of services by Plannera Pensions and Benefits (Plannera) under paragraph 2.7 of the Public Employees Pension Board's (the Board) contract with Plannera;
- Guidance regarding the acquisition and disposition of services required by the Board in order for it to fulfill its responsibilities under *The Public Employees Pension Plan Act* (the Act);
- Requirement for contracts entered into by or on behalf of the Board; and
- Requirement for the evaluation of service providers.

8.02 Rationale

As the body responsible for the administration of the Act and as Trustee of the Public Employees Pension Fund (the Fund), the Board has the responsibility to ensure that expenditures paid by the Fund are appropriate and that services are acquired in an appropriate manner. This policy assists the Board in carrying out its responsibilities appropriately.

8.03 Policy

Services Acquired by Plannera

While Plannera is the statutory administrator of the Public Employees Pension Plan (the Plan), there is an agreement in place between the Board and Plannera outlining the parameters of the services provided by Plannera. The Board has retained Plannera, by contract, to provide administrative, senior executive officer and executive secretary services. Paragraph 2.7of the contract provides:

"Subject to the prior approval of the Board and in compliance with the Board's Acquisition and Retention of Services Policy, Plannera may engage consultants or advisors or enter into contracts with other parties for the provision of services that it is obliged to provide under this agreement."

If the Board agrees to Plannera retaining a service provider, upon selection of the service provider, Plannera is to provide the Board with the following:

- A description of the request for proposal process and the criteria for awarding the contract;
- A description of the proposed deliverables and the scheduling for the deliverables;
- The performance measures and the consequences of not meeting the performance standards, if any; and
- A description of the responsibilities of the contractor and Plannera.

Services Acquired by the Board

Paragraph 2.3 of the contract between the Board and Plannera provides:

"Plannera shall provide the services, which would be required of a senior executive officer to the Board,"

For the purposes of this policy, the Senior Executive Officer is the President and Chief Executive Officer, Plannera.

Delegation of Authority for Acquisition of Services

The Senior Executive Officer (the Chief Executive Officer & President, Plannera) or the Chief Financial Officer (CFO) or their designate will authorize, the acquisition of services other than those for which the Board has direct contractual relationship (e.g., Auditor, legal Services, Actuary, Custodian, investment manager, etc.) subject to such an

expenditure has been budgeted or can be managed within Plannera's current annual budget allotment.

In the event that such expenditure would cause Plannera to be over budget, a supplemental budget approval will be requested for Board approval.

Prior to obtaining the Board's approval for the acquisition of services with which the Board will hold a direct contractual relationship, Plannera will provide the Board with the following information:

- A description of the services to be acquired;
- The reasons why the services are necessary;
- The reasons why the provider of services is recommended; and
- A description of the proposed method of acquisition and selection processes.

To support transparency and effective oversight, the Board will receive advance notice of any forthcoming Request for Proposal (RFP) processes initiated by Plannera for services with which the Board holds direct contractual relationships. Following the Board's signing of Master Terms and Conditions for the provision of services, the Plannera's Director or their designate responsible for the work has delegated authority to approve and execute Statements of Work (SOW) and related documents on the Board's behalf. All Statements of Work must be consistent with and subordinate to the Master Terms and Conditions and must not materially amend, override, or expand the scope, risk, or obligations approved by the Board.

When applying this decision authority, the total estimated cost of a project is to be used rather than the estimated cost of individual modules.

Procurement Thresholds

Services	
Value	Method to Acquire
Less than $25,000	Three (3) quotes are recommended, with discretion for direct award
$25,000-$100,000	Three (3) quotes are required or sole source
Greater than $100,000	RFP or sole source

Request for Proposal (RFP)

A request for proposal process or approved alternative process must be undertaken at least every six years for any services acquired by the Board except for:

- Senior Executive Officer services;
- Executive secretary services;
- Administration services;
- Investment management services;
- Custody services; and
- Independent legal services.

The acquisition of investment management services may vary depending on the investment mandate. The acquisition may be by way of:

- Direct source selection; or
- Request for proposal; or
- Request for quotation.

Service Provider Selection Criteria

Within the selection process, the following criteria may be taken into account with respect to choosing a service provider:

- Experience providing similar services to other clients;
- Training of key staff within the organization;
- Access to special services or technology;
- Cost of services;
- Quality of past service delivery;
- Continuity of services, in terms of both operation of the organization and provision of the applicable services;
- Knowledge and understanding of the pension industry; and
- Recommendations and feedback from other clients.

The selection criteria for investment management services also include:

- Investment performance.

Service Provider Selection

Plannera shall ensure that sufficient and appropriate due diligence is carried out in the service provider selection process.

Plannera shall provide the Board with a recommendation of a service provider to be selected. The recommendation is to include a description of the due diligence process, the reasons and the circumstances that were considered for the recommendation.

Services Acquired by the Private Investments Committee

The Private Investments Committee may retain service providers required to assist in the investment disposition process within the Committee's delegated authority.

Approval of Contracts

Written contracts with providers of services may include:

a) A statement of work requirements which describes:
    i. The deliverables and the scheduling of the deliverables; and
    ii. The performance measures and the consequences of not meeting the performance standard, if applicable;
b) The price (including, where appropriate, fees and expenses) agreed to;
c) The billing and receipt requirements;
d) The responsibilities of all the parties of the contract;
e) Where appropriate, details of the Board's operational and policy constraints (for example protection of privacy); and
f) Other applicable terms considered appropriate in the circumstances.

Except as noted below, the Board may enter into a contract with a service provider that does not exceed three years. The contract may be extended for an additional three years.

For the following service providers, the six-year contract limit without retendering is not appropriate:

- Senior Executive Officer services;
- Executive secretary services;
- Administration services;
- Investment management services;
- Custody services; and
- Independent legal services.

Senior Executive Officer services, Executive Secretary services and Administration services are governed by an Order in Council. They are independent of the Board's jurisdiction and not subject to tender. The Plannera Corporate Board is their appropriate oversight body. However, it would be impractical, costly, and undesirable to change investment managers, the custodian, or the independent legal service provider every six years. However, investment managers, the Plan custodian, and the independent legal service provider may be replaced when necessary.

Recognizing the nature of the relationship with Plannera as the Board's administrator, the Board may enter into contracts with Plannera for administrative services not to exceed a period of five years, however, there is no limitation to the number of times the contract may be extended or re-negotiated.

In the case of investment managers, given the nature of the services provided and that a manager can be terminated at any time, it is appropriate to enter into contracts that do not have expiry dates.

In the case of the Plan custodian, because of the nature of the services provided and the stability of custody fees, as well as the cost and complexity of transitioning between custodians, it is appropriate to enter into a contract that does not have an expiry date.

In the case of the independent legal service provider, given the nature of the service provided and the value of retaining the same legal counsel for the duration of a particular legal matter, it is appropriate to enter into a contract that does not have an expiry date.

The Board Chair may approve all contracts for services acquired by the Board that are in excess of $24,999. To provide approval, the Senior Executive Officer is to provide the Chair with a recommendation and a description of the due diligence process.

Once approved, the Chair, Vice-Chair, Senior Executive Officer or any other individual designated by the Board, may sign a contract.

Board members may request to review contracts for services acquired by the Board that are in excess of $24,999 as information items.

Contracts for Private Markets

In the case of investments approved for acquisition or disposition or investment managers approved for retention or termination, the Board Chair, Vice-Chair, Senior Executive Officer, or a designate, may execute fund agreements or documents.

Plannera will inform the Chair once an agreement has been executed and will report to the Board on the due diligence process carried out for each executed agreement.

Evaluation of Service Providers to the Board

The performance of each service provider will be reviewed at least annually, except for an outgoing service provider, in situations where a new service provider has been

selected, unless an evaluation is requested by the Board. Service provider evaluation will resume within the annual cycle once the new service provider has provided a length of service appropriate to be evaluated. The results of each performance review will be reported to the Board. In reviewing service provider performance, each service provider will be rated in the following areas:

- Overall quality of services;
- Overall timeliness of the provision of services;
- Overall service satisfaction; and
- Achievement of the deliverables specified in the contract.

The selection and review criteria specified are applicable to all service providers, with the exception of investment managers. Performance review criteria for investment managers are specified in the Board's Statement of Investment Policies and Goals.

Actions to be taken in the event a service provider does not perform at a satisfactory level in any of these areas are determined on a case-by-case basis and are specified in all service provider contracts.

If Plannera is of the view that a service provider should be terminated, they will provide the Board with a recommendation regarding the termination of the service provider. The recommendation is to include a description of the due diligence process, the reasons and the circumstances that were considered for the recommendation.

.

8.04 History

Approval date:	November 26, 2003; October 17, 2007; January 28, 2009; June 29, 2010; September 26, 2012; November 28, 2012; March 28, 2018; May 22, 2019; May 27, 2020; February 24, 2021; May 25, 2022; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 9 – Operation of Board

II. Governance.....1
Section 9 – Operation of Board 1
9.01 Purpose 1
9.02 Composition of the Board.....1
9.03 Process for Appointment of Board Members.....2
9.04 Appointment of New Board Members 2
9.05 Term of Office of a Board Member.....3
9.06 Election of Vice-Chair.....3
9.07 Removal of Board Members 3
9.08 Resignation.....4
9.09 Executive Secretary Services.....4
9.10 Executive Management Services 5
9.11 Administrative Services.....7
9.12 Information to be Received by the Board 9
9.13 Rules and Procedures for Reviewing and Acting on Information.....11
9.14 History.....25

9.01 Purpose

The purpose of this policy is to document how the Public Employees Pension Board (the Board) is appointed and how it operates in accordance with the powers conferred upon it by *The Public Employees Pension Plan Act* (the Act). The policy also sets out the Board's expectations of the various service providers it retains, as well as the reports they provide in order for the Board to conduct its governance and risk management responsibilities.

9.02 Composition of the Board

The Act states the criteria and process for the appointment of members to the Board.

In accordance with section 3(4) of the Act, the Board consists of:

The following persons who, are appointed on behalf of employers:

- One person appointed by the Public Service Commission;

- One person appointed by SaskEnergy, SaskPower and SaskTel;
- One person appointed by Saskatchewan Polytechnic and the Saskatchewan Liquor and Gaming Authority; and
- One person appointed by the Saskatchewan Crop Insurance Corporation, the Workers' Compensation Board and the Saskatchewan Cancer Agency.

The following persons, who are appointed on behalf of employees:

- One person appointed by the Saskatchewan Government and General Employees' Union;
- One person appointed by Unifor;
- One person appointed by the International Brotherhood of Electrical Workers Local 2067; and,
- One person appointed by the Canadian Union of Public Employees Local 600; and,

An independent chair is appointed by the members of the Board.

The term of the current Chair appointment, effective February 1, 2026, ends January 31, 2030, although it may be renewed for an additional four-year term ending January 31, 2034.

9.03 Process for Appointment of Board Members

The Act governing the Plan does not specify how the appointing organizations are to appoint Board members. However, in the situation in which multiple organizations appoint a single Board member and the appointing organizations are not able to concur on their appointment of a Board member within 60 days of the occurrence of a vacancy, the Lieutenant Governor in Council shall appoint the member.

When there is a vacancy on the Board to be filled, Plannera Pensions and Benefits (Plannera) will inform the appointing organization of the key competencies and the developmental plan required of members of the Board.

9.04 Appointment of New Board Members

Plannera shall provide each new member of the Board with electronic access to or physical copies of the following material:

- An orientation package containing the materials specified in Section 10.02;
- The Public Employees Pension Plan (PEPP, the Plan) Governance Manual;

- The PEPP Policy Manual;
- The PEPP Strategic Business Plan; and
- The most recent Risk Management Review and the current year's Risk Management Plan.

9.05 Term of Office of a Board Member

Each Board member is appointed for a term of four years, and is eligible for re-appointment for a second term of four years.

If a member of the Board, other than the Chair, ceases to hold office before the expiry of the member's term, the person appointed to replace that member holds office for the remainder of the term of the member being replaced.

The terms of members of the Board are established such that the appointments of half of Board members overlap the other half by two years.

A Board member may resign at any time, pursuant to section 9.08 of the Governance Manual.

9.06 Election of Vice-Chair

The members of the Board shall elect a member of the Board as Vice-Chair to act in the place of the Chair during their absence. This election shall occur the first meeting after June 30, as per section 3(10) of *The Public Employees Pension Plan Act.*

9.07 Removal of Board Members

There is no procedure in place for the removal of a member of the Board.

The Trustee Act, 2009 provides circumstances under which a person becomes disqualified to act as a trustee. Reasons include the member lacking capacity, being convicted of an offence involving dishonesty, or being an undischarged bankrupt. According to *The Trustee Act, 2009*, the person ceases to be a trustee on the date they become disqualified. Where a Board member becomes disqualified to act as a trustee, they cease to be a member of the Board on that date.

The Trustee Act, 2009 also provides circumstances under which a person is unfit to act as a trustee. These circumstances include the person being incompetent or otherwise incapable of making the decisions necessary to perform the duties of a trustee, or being unwilling or unable to act co-operatively with other trustees, or

unreasonably refusing to act co-operatively with other trustees, that un-cooperativeness hampering the efficient administration of the trust.

The Trustee Act, 2009 provides that a Board member may be removed from the Board where a Court is satisfied it is in the best interests of the Plan through Court order on the application of the Board or one or more Board members, a Plan member, an appointing organization, or the Public Guardian and Trustee.

A member may also be removed from the Board by their appointing body or association.

9.08 Resignation

A member of the Board may resign at any time by providing written notice thereof to the Chair.

9.09 Executive Secretary Services

Section 2.4 of the Board's contract with Plannera states that Plannera shall provide the services which would be required of an executive secretary to the Board. In consultation with the Chair, Plannera is responsible for the following executive secretary services:

- Maintaining the integrity of the governance framework;
- Organizing all Board meetings and business;
- Setting and distributing the agenda and related materials for all Board meetings;
- Taking and distributing the minutes of all Board meetings;
- Maintaining the confidentiality of Board business;
- Ensuring that Board decisions are communicated;
- Corresponding with service providers and other stakeholders and preparing reports on the Board's behalf;
- Filing returns and other statutory reporting;
- Executing documents as a signing authority; and
- Managing the process for complaints to the Board.

9.10 Executive Management Services

It is generally accepted that executive management services, at a high level, relate to:

- Executive support to the board:
  - providing whatever support the board requires in fulfilling its governance of the trust; and
  - providing timely advice to the board regarding any developments that might affect the corporation's capacity to responsibly pursue its objectives;
- Planning and organizing:
  - supporting the board in the development of long-term strategic plans and operating plans and budgets;
- Policy development:
  - developing, recommending, and implementing board policies within governing legislative and regulatory frameworks and in accordance with pension industry best practices;
- Program/service management:
  - managing the administration's financial and human resources in pursuit of its objectives; and
  - recruiting, developing and managing staff in a manner consistent with approved board policies;
- Financial administration:
  - developing and recommending an annual budget and administering the Plan within the parameters of the approved budget;
- Risk management:
  - identifying, managing, and mitigating risks to the trust and its beneficiaries; and
- Board, supplier and stakeholder relationships:
  - developing and maintaining effective, professional relationships with the board, beneficiaries, staff, service suppliers, stakeholders, and the public.

The Board recognizes its duty to exercise prudence in its administration of the Plan. The Board acknowledges that where the Board does not possess all the skills, information and knowledge necessary to properly carry out its duties, prudence requires that it seek advice from an expert third party.

The Board's expectation is that its administrator will provide the following executive management services:

- Provide whatever executive support the Board requires in fulfilling its governance of the Plan;
- Support the Board in the development of long-term strategic plans and operating plans and budgets;
- Develop, recommend, implement, and recommend amendment of Board policies within the Plan's legislative and regulatory frameworks and in accordance with pension industry best practices;
- Review the Plan's Statement of Investment Policies and Goals (SIP&G) at the required intervals and recommend any required amendments to the policy;
- Prepare a recommendation for the Board's consideration whenever there is a decision before the Board, including the selection of service providers, except where it would be more appropriate to receive a recommendation from another qualified service provider.
- Develop and recommend an annual budget and administer the Plan within the parameters of the approved budget;
- Maintain a risk management program adequate to identify, manage, and mitigate risks to the Plan and its members and beneficiaries;
- Monitor the performance of the Board's service providers and make any recommendation that the provider's performance requires;
- Administer agreements, other than investment management and custody, to which the Board is a party by reviewing invoices submitted by service providers and making appropriate payments pursuant to those agreements, for which the Board shall provide reimbursement;
- Administer investment management and custody agreements to which the Board is a party by reviewing invoices submitted by service providers and making appropriate payments from the Public Employees Pension Fund (the Fund); and
- Develop and maintain effective relationships with members, staff, service suppliers, stakeholders, and the public.

The Board will evaluate its administrator in its performance of these services on an annual basis.

The Board will provide its administrator with a summary of the evaluation. The Board will require that the administrator presents a plan to address any areas of concern to the Board.

9.11 Administrative Services

The Board authorizes the President and Chief Executive Officer, Plannera, or their designate, to enter into the following transactions on behalf of the Board to facilitate the timely and efficient administration of the Plan:

	Plannera Responsibility	**Circumstances**
Service provider administration – general	Assess and authorize or deny adjustments in fees and payment of adjusted fees.	Where a supplier adjusts fees in accordance with the provisions of a Board-approved contract.
	Negotiate fee schedule changes.	Where the administrator or the custodian determines a need to negotiate fees.
Investment manager administration	Issue trade instructions for rebalancing, transfers and payment of invoices.	Where rebalancing is necessary to comply with SIP&G.
	Communicating Board decisions to consultants and investment managers.	Where the Board has made a decision to hire an investment manager or terminate an investment manager, or change the assets allocated to an investment manager.
Custodian administration	Execute power of attorney documents for sub-custodian.	Where a jurisdiction requires documentation of power of attorney.
	Wire transfer orders.	Where rebalancing is required: • To comply with SIP&G; • Where funds need to be transferred to a custodian; and • Where funds need to be transferred to a private market manager.

	Plannera Responsibility	Circumstances
Custodian administration…	Direction to open or close custody accounts or implement changes to investment mandates.	Where the Board has made a decision to hire an investment manager or terminate an investment manager, or to make changes to an investment mandate.
Strategic Investment Consultant administration	Budget and spend Plan assets on various projects and provide direction to consultants as necessary.	Where the Board has approved a budget amount for a project.
Private Markets Consultant administration	Budget and invest Plan assets.	Where the Board or Private Investment Committee has approved an investment.
Required regulatory reporting	Authorization and submission of required documents.	As required by the Canada Revenue Agency (CRA) and the Financial and Consumer Affairs Authority (FCAA), in accordance with the relevant deadlines.
Other administration tasks	Authorize payments out of the Fund.	Where an amount is determined, on Plannera's examination, to be appropriately payable out of the Fund.
	Respond to surveys on behalf of the Plan.	Where information would normally be provided to the public.
	Carry out Plan amendments.	Where a regulatory body requires that the Plan be amended or where housekeeping amendments are required.

	Plannera Responsibility	Circumstances
Other administration tasks (cont'd)	Engaging parties in foreign jurisdictions (e.g., tax advisors in some emerging markets).	Where the jurisdiction requires the retention of an advisor.
Trustee expense claim administration	Assess and verify expense claims and administer payment.	Where trustees seek reimbursement for approved expenses.
Legal	Engage legal counsel.	Where PEPP requires legal services.

9.12 Information to be Received by the Board

The purpose of providing the Board with periodic reports is to ensure the Board can manage the Plan effectively and monitor the service providers it retains.

The reports required by this section are to be delivered at the next available meeting of the Board.

Information provided by Plannera

The Board requires information from its administrator in the form of quarterly administration reports in accordance with the contract between the Board and its administrator to support its decision-making process. The report will contain the following information:

- Performance information regarding service standards established for the Plan;
- Status of the budget;
- Status of special projects;
- Governance issues and Legislative updates;
- Member and employer engagement;
- Any exceptions noted in the monthly check as per the regulations under the *Criminal Code* (Canada) and/or by the *United Nations Suppression of Terrorism Regulations (UNSTR);* and
- Demographic information.

The Board also requires information documents to make decisions on governance and risk management issues. These documents include:

- The Periodic Checklist;
- The Strategic Business Plan;
- The Annual Workplan;
- Key Performance Indicators Report;
- The Pension Plan Governance Self-Assessment Questionnaire;
- The Board Self-Assessment Questionnaire;
- The Capital Accumulation Plan (CAP) Guidelines Compliance Analysis;
- The Risk Management Plan for the current Plan year;
- The Risk Management Review for the preceding Plan year;
- The Mid-Year Risk Management Dashboard;
- Investment Monitoring Report;
- The Annual Report and Financial Statements; and
- The Market Trends electronic Industry News newsletter.

Information provided by the Board's investment consultant

The operational investment consultant collaborates with Plannera to produce the quarterly Investment Monitoring Report with information regarding:

- Investment manager ratings, issues and updates;
- Economic highlights;
- Currency details;
- Asset class highlights; and
- Manager performance.

The operational investment consultant also provides, on a periodic basis, the following services:

- Fund design information and analysis; and
- Independent analysis of Plannera's recommendations.

Information provided by the Board's investment managers

Plannera will receive quarterly reports from investment managers. These reports can be expected to contain some or all of the following information:

- Information on past performance and future strategies. Past performance results are to be in the form of numerical data and an explanation of the major influences on those results, and should provide a comparison to the appropriate benchmark. Future strategy discussion may, if appropriate, be limited to a general discussion of philosophy or mandate.
  Reports should also contain information regarding any significant changes in an investment manager's staff.

- If an investment manager has more than one mandate for the Board, a consolidated report will be provided. This report provides any general market commentary that is related to the mandates, and separately discusses performance and future strategies for each specific mandate.

- Market commentary will only be provided to the Board if it is linked to the specific mandate or if it is brief and contained in the overall quarterly report.

Plannera will report to the Board on any issues of concern noted in its review of the investment manager reports at the earliest opportunity.

The Board will typically not meet with investment managers.

9.13 Rules and Procedures for Reviewing and Acting on Information

The information received by the Board is to be reviewed and acted upon in a timely and professional manner.

The following are the actions required for each category of information:

1. Information Item: Item is reviewed, background information is researched and a discussion relating to the subject takes place.

2. Decision Item: Item is reviewed, background information is researched and a decision relating to the subject takes place.

3. Action Item: Item is reviewed, background information is researched and an identified task is undertaken.

The following tables provide a summary of information provided and the purpose, key points, action required and results of action.

Meeting Items

Meeting Package			**Frequency:** Monthly **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Package is delivered to Board members prior to meeting. Ensures that members are given time to review items.	All items in package are for the Boards' review and vary given the time of year and information required.	Board *Information Item*	Board members are prepared for the meeting.

Meeting Minutes			**Frequency:** Monthly **Provider:** Supervisor, Governance and Legislation
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures an accurate permanent record of the discussions and decisions of the previous meeting.	• Attendance • Approval of Agenda • Approval of Minutes • Risk Management • Governance Items • Service Delivery • Communication Items • Plan Design Items	Board *Decision Item* Administrator *Action Item*	Board reviews and confirms accuracy of minutes. Plannera carries out decisions or causes the decisions to be carried out.

Agenda			**Frequency:** Monthly **Provider:** Supervisor, Governance and Legislation
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures an orderly and timely meeting. Provides attendees with an opportunity to add or delete items.	Full listing of the meeting topics.	<u>Board</u> *Decision Item* <u>Administrator</u> *Action Item*	Board reviews and confirms the agenda. Items can be added, deleted or deferred. Agenda is approved as is or with amendments. Items on the Consent Agenda are accepted and approved as a group except any items that have been requested to be removed from the Consent Agenda. Any items removed are moved to the regular agenda for discussion Plannera uses draft agenda to prepare materials for the Board meeting.

Risk Management Items

Investment Monitoring Report			**Frequency:** Quarterly **Provider:** Plannera/Invst. Consultant
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides a third party review of the investment managers and investment performance.	• Asset Class Highlights • Manager Ratings • Manager Issues and Updates for Quarter • Economic Highlights • Currency Details • Investment Option Performance • Equity Portfolio Performance • Alternatives Portfolio Performance • Income Portfolio Performance • Plan Assets • Active Manger Relative Performance • Manager Performance	<u>Board</u> *Information Item* <u>Administrator</u> *Action Item*	Board reviews and discusses: • Investment Manager Performance • Investment Fund Performance Actions may be required based on the information received and discussions that take place.

Strategic Investment Consultant, Private Markets Consultant, Custodian and Auditor Evaluations			**Frequency:** Annually, or as per Acquisition and Retention of Services Policy **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures that the service providers are being evaluated.	• Evaluation of service providers	Board *Decision Item* Administrator *Action Item*	Service providers are evaluated. Plannera recommends the evaluation to the Board for approval. Documentation of the evaluation is recorded. Plannera prepares and reviews the evaluation to ensure that service provider performance is satisfactory.

Risk Management Plan - Current Year			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures possible risks to the Plan are considered and actions are put in place to manage the identified risks.	• Strategic Risk • Financial Risk • Regulatory Risk • Operational Risk	Board *Decision Item* Administrator *Action Item*	The Risk Management Plan (RMP), as approved, is used for the upcoming year to manage identified risks. Plannera uses the RMP to ensure that processes are in place to manage the identified risks.

Mid-Year Risk Management Dashboard			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures possible risks to the Plan are considered and actions are put in place to manage the identified risks.	• Strategic Risk • Financial Risk • Regulatory Risk • Operational Risk	<u>Board</u> *Information Item* <u>Administrator</u> *Action Item*	The Board receives a mid-year update on the status of the risks identified in the RMP. Plannera prepares the Mid-Year Risk Management Dashboard for Board review.

Risk Management Review - Previous Reporting Period			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures that the identified risk management strategies were implemented for the year.	• Strategic Risk • Financial Risk • Regulatory Risk • Operational Risk	<u>Board</u> *Information Item* <u>Administrator</u> *Action Item*	The Board ensures that the administrator is managing the identified risks throughout the previous year. Plannera prepares the Risk Management Review (RMR) and outlines what actions were taken throughout the previous year to manage risks. The RMR is then used to develop the following year's RMP.

Investment Policy Review			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
A review of the policy to ensure it is meeting the needs of the Plan, is compliant and reflects current beliefs, values and goals.	• Overview • Asset Allocation • Permitted and Prohibited Investments • Investment Monitoring • Administration	<u>Board</u> *Information Item* & *Decision Item* <u>Administrator</u> *Information Item* & *Action Item*	Board reviews the investment policy and makes changes as required. Plannera administers the Plan according to the Investment Policy. Plannera implements changes as identified by the Board to the Investment Policy.

Plannera Administration Report			**Frequency:** Quarterly **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides an update regarding the administrative operations of the Plan.	• Service Standards • Demographics • Investments • Fund retention • Division of Assets • Member Engagement • Employer Engagement • Communications • Administration and Demographics • Compliance with the *Suppression of Terrorism Act*	<u>Board</u> *Information Item* *Action Item*	Board reviews and discusses: • Budget and financial statements; • Administrator service standards performance; • Status of Plan amendments and policies; • Compliance with legislation and regulatory authorities; • Status of any risk management issues; and • Plan demographics. Board uses items to measure service provider performance.

Governance

Strategic Business Plan - Development			**Frequency:** 3 to 6 year intervals, reviewed annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides direction for the Plan in regard to the Board's Goals, Objectives and Values on a rolling three-year basis.	• Background • Vision • Mission Statement • Goals • Initiatives	<u>Board</u> *Decision Item* <u>Administrator</u> *Action Item*	Board members voice their beliefs, values and goals for the Plan. Initiatives are reviewed, and new initiatives are developed and approved by the Board. Plannera develops the plan based on input from the Board. The Strategic Plan provides Plannera with a working framework in which the Plan will be administered.

Annual Workplan			**Frequency:** Annual: September - June: **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides the annual plan to accomplish initiatives identified in the Strategic Business Plan	• Initiative • Objective • Progress to date • Considerations • Next Steps • Governance Budget	<u>Board</u> *Decision Item* <u>Administrator</u> *Action Item*	Board members review and approve the annual Workplan. Plannera develops the plan based on initiatives identified in the Strategic Business Plan.

Workplan Update			**Frequency:** Monthly **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides an update on the annual plan to accomplish initiatives identified in the Strategic Business Plan	• Initiatives • Objectives • Progress to date • Considerations • Next Steps • Governance Budget	<u>Board</u> *Information Item* <u>Administrator</u> *Action Item*	Board receives an update on items in the annual Workplan. Plannera provides updates on initiatives in the annual Workplan

Education Events Listing			**Frequency:** Monthly **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides Board with a list of upcoming education events.	Lists education providers, offerings, locations and dates.	<u>Board</u> *Information Item*	The Board members are kept informed of upcoming educational events.

Education Report			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Inform Board members of their personal educational requirements.	Lists each requirement for each member with a completed or not completed status.	Board & Administrator *Information Item*	The Board members are kept informed of their personal educational requirements. Plannera tracks Board members' educational progress and communicates this to the Board.

Periodic Checklist			**Frequency:** Semi-Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
The Board ensures that the delegated duties are being performed in a timely and effective manner. The Board confirms whether an activity was completed, when it was completed or when it is to be completed.	• Performance of Plan Design • Legislative Compliance • Investment Management • Administration • Communication • Reporting, Guidelines and Standards • Governance • Service Provider Contracts	Board *Decision Item* Administrator *Action Item*	The Board is able to review the document to ensure that the delegated duties are being completed. Plannera completes the checklist to ensure that tasks are being completed as planned. The checklist is used to monitor the review and evaluation schedules.

Key Performance Indicators Report			Frequency: Semi-annually Provider: Plannera
Purpose	Key Points	Action Required	Result of Action
The Board received quarterly updates on key indicators of the Plan and administrative performance.	The performance measures are organized into the following quadrants: • Customer; • Financial; • Internal; and • Innovation and learning.	Board *Information Item* Administrator *Action Item*	The Board receives summary high-level updates of key performance indicators and discusses any related issues.

Market Trends and Developments Industry News Newsletter			**Frequency:** Bi-weekly **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Board members have the opportunity to review pension and business news, monitor case law, and review market trends and developments.	• Education Events • Pension News • Business News • Legislation, Litigation, and Regulation • Pension Reform • Surveys, Studies and Opinions	Board & Administrator *Information Item*	The Board and Administrator's staff reviews the Industry News newsletter to remain current in pension and business trends and developments.

Code of Conduct/Conflict of Interest Procedures			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Ensures Board maintains guidelines for conduct.	• Fiduciary Duties • Duty of Care • Ethical Standards • Procedures • Consequences • Avoidance of Bias • Acknowledgement	Board *Action item*	The Board members are aware of the guidelines for their conduct. This item is reviewed and signed annually. Board members also affirm adherence to the policy by disclosing any potential conflicts of interest at the call of the Chair at the start of each meeting.

Governance Self-Assessment Review			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Assists the Board in assessing performance and recognizing weaknesses and strengths.	• Fiduciary Responsibility • Governance Framework • Roles and Responsibilities • Performance Monitoring • Knowledge and Skills • Governance Information • Risk Management • Oversight and Compliance • Transparency and Accountability • Code of Conduct/Conflict of Interest • Governance Review	Board *Decision Item* Administrator *Action Item*	The Board is made aware of the performance, weaknesses and strengths of its governance model. Plannera prepares the self-assessment review for the Board. Actions identified by the Board to strengthen the governance process are implemented.

Board Self-Assessment Questionnaire			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides the Board members with an opportunity to voice their opinions.	• Operation • Information • Strategic Direction • Member Orientation • Self-Assessment	Board *Action Item*	The Board members are able to reflect on their experience as members and provide direction and comment for future operations. A summary is provided to the Board in order to have a comprehensive view of the results.

Annual Report			**Frequency:** Annually **Provider:** Plannera
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides Board and Stakeholders with a comprehensive view of the Plan's operations and financial statements.	Communicates the strategic plan and initiatives, operations and financials of the Plan.	Board *Decision Item*	The Annual Report is available on the website. Stakeholders are provided with a transparent view of the operations and financial statements of the Plan.

Chair's Report (written)			**Frequency:** Quarterly **Provider:** Board Chair
Purpose	**Key Points**	**Action Required**	**Result of Action**
Provides the Board with a comprehensive view of the Chair's activities outside of Board meetings.	Activities related to primary responsibilities.	Board *Information Item*	The Board has a written record of the Chair's activities. The Board discusses the reports and has an opportunity for questions and clarification.

9.14 History

Approval date:	September 28, 2006; January 23, 2008; September 23, 2009; June 29, 2010; October 27, 2010; November 23, 2011; November 28, 2012; October 23, 2013; June 22, 2017; March 28, 2018; May 27, 2020; November 24, 2021; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next Scheduled Review:	March 2027

II. Governance

Section 10 – Board Remuneration/Reimbursement

Contents

Section 10 – Board Remuneration/Reimbursement 1
10.01 Purpose 1
10.02 Board Remuneration/Reimbursement 1
10.03 Chair Remuneration 2
10.04 Chair Remuneration and Expense Guidelines 3
10.05 General Remuneration/Reimbursement 4
10.06 Remuneration/Reimbursement for Outgoing Board Members 4
10.07 Reimbursement for Gifts for Non-Board Members 5
10.08 Emergency Medical Coverage While Travelling 5
10.09 History 5

10.01 Purpose

The purpose of this policy is to outline the manner in which Public Employees Pension Board (the Board) members are remunerated or reimbursed for attendance at Board meetings and Board-related education and events.

10.02 Board Remuneration/Reimbursement

Clause 8(4)(d)(i) of *The Public Employees Pension Plan Act* (the Act) allows payment out of the Public Employees Pension Fund of the costs incurred by the Board for the administration of the Public Employees Pension Plan (the Plan). These costs include reimbursement to Board members for attending Board meetings or other events in their capacity as Board members as follows:

1. Hotel and travel expenses will be reimbursed as incurred;

2. Mileage for members' personal vehicles and meals will be reimbursed at the rate established by the Canada Revenue Agency (CRA);

3. Incidental costs for travel within the United States will be reimbursed at the rate established by the Canada Revenue Agency.

4. Other expenditures authorized by the Board.

Section 5(1)(h) of the Act provides that the Board may charge a fee for any service provided by the Board.

Section 43(3) of *The Trustee Act, 2009* provides that a trustee may reimburse themselves for, or pay or discharge out of the trust money, all expenses reasonably incurred in or about the execution of the trustee's trust or powers.

Board members will be paid a fee of $250 for their preparation prior to attending a regular Board meeting, the strategic planning session, and the Professional Development Day for which the member is in attendance. This fee is paid for preparation done on a Board member's personal time, in addition to meeting attendance for which the member is being compensated by their employer.

In addition to the above, the Board has authorized an Education Allowance for each member of the Board on an annual basis. The allowance is intended for education/training purposes associated with the performance of each member's Board duties and responsibilities.

The allowance for tuition is currently:

- $5,000.00 per member, per fiscal year; plus
- Any additional amount required to comply with the Board's new member orientation program.

Upon the request of a Board member, the Chair may authorize additional funds not exceeding $1,000.00 per member, per fiscal year, for tuition fees. In the absence of the Chair, the Vice-Chair may grant the request.

Where the Chair makes a request for additional funds not exceeding $1,000.00 for tuition fees, pursuant to the provision applying to Board members, the Vice-Chair may grant the request. The Chair will report the request and approval at the next scheduled Board meeting following approval.

10.03 Chair Remuneration

At the April 27, 2005, meeting, in accordance with clause 5(1) (a) and (b) of the Public Employees Pension Act, the Board established remuneration and per diem amounts to be paid to the Chair as follows.

Effective February 2026, the Chair's remuneration is:

Retainer	$45,000 per year

Acting Chair Remuneration

If and when the Chair position becomes vacant, or the Chair is absent or otherwise unable to fulfill their duties, the Vice-Chair assumes the responsibilities of Acting Chair until a new Chair is appointed or the Chair resumes their duties. The Acting Chair is eligible to receive a $250 preparation fee for meeting preparation undertaken while serving in this capacity, outside of regular Board meetings.

10.04 Chair Remuneration and Expense Guidelines

1. The retainer shall be paid on a quarterly basis. The retainer is paid to compensate the Chair for their contributions to the Plan and for the time the Chair spends preparing for and carrying out the duties of the Chair or participating in board-related activities.

2. At the discretion of the Public Employees Pension Board (the Board), where the Chair has missed two regularly scheduled meetings of the Board, the Board may direct the withholding of a portion of or the Chair's entire quarterly or annual retainer.

3. When attending a meeting of the Board or an education event specified in the Board's Governance Manual, the Chair is entitled to be reimbursed for expenses.

4. The Chair is entitled to the Education Allowance specified in the Board's Governance Manual.

5. Expenses are reimbursed if the Chair attends a social event as Board Chair. The Chair is not eligible to receive an education fee for attendance at a social event.

6. A Chair using their personal vehicle is entitled to receive per kilometre rates established by the Canada Revenue Agency.

7. Meals will be reimbursed at the rate established by the Canada Revenue Agency.

8. Hotel and travel expenses related to Board work will be reimbursed on an actual and reasonable basis, supported by receipts.

9. Expense claims shall be submitted to the Executive Secretary of the Board for authorization as soon as possible.

10.05 General Remuneration/Reimbursement

1. Expenses are reimbursed for a Board member or Chair who attends a social or education events as a Board member. The Board member or Chair is not eligible to charge a meeting fee or education fee for attendance at a social event.

2. Expenses for meals for the entire Board are to be paid as incurred.

3. Meals will be paid based on the location and time of departure of a trip, and not the final destination.

4. Members are not eligible to claim meal per diems if meals are provided by the conference/education session as part of the registration costs.

5. For a streamlined and consistent approach, all bookings for travel and training must be made through Plannera.

6. Non-personal expenses directly attributable to Board functions are to be reimbursed as incurred.

7. Board events/dinners:

    - The Executive Secretary Services area is responsible for the planning and budgeting of Board events/dinners.
    - No more than four board events/dinners should be held each fiscal year.
    - Meals must be within the current Corporate Plannera per-diem limits.
    - Any events outside of four in a fiscal year must be approved by the Chair of the Board.

10.06 Remuneration/Reimbursement for Outgoing Board Members

1. Effective April 1, 2007, a member leaving the Board after two or more years of service is entitled to receive:

    - A gift, the value of which is not to exceed $20 per year of service, to a maximum of $200;
    - A banquet (expenses are to be paid as incurred); and
    - Reimbursement of expenses for in-province travel to the banquet as prescribed by section 10.02.

2. Expenses for gifts and banquets:

    - May be reimbursed directly out of the fund; and
    - The Chair may approve payment/reimbursement.

10.07 Reimbursement for Gifts for Non-Board Members

If the Board approves the purchase of a gift for an individual who is not a Board member, the maximum amount allowed for reimbursement is $200.

10.08 Emergency Medical Coverage While Travelling

In the event that a member is required to travel on Board business, and where the Board member does not have existing emergency medical insurance coverage while travelling, Board members shall obtain adequate travel insurance.

The purpose of this policy is to indemnify the Board in the event that a member incurs medical expenses while travelling on Board business.

Appropriate insurance is available on a per day basis and is dependent on age and health.

Board members will be reimbursed for the expense of the required insurance.

Information regarding emergency travel medical insurance providers is available to Board members in the resources section of Diligent.

10.09 History

Approval date:	January 26, 2005; November 26, 2008; February 26, 2009; September 23, 2009; October 27, 2010; November 23, 2011; June 27, 2012; November 28, 2012; October 23, 2013; March 28, 2018; May 27, 2020; April 28, 2021; September 28, 2022; June 28, 2023; November 22, 2023; February 28, 2024; and March 26, 2025.
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 11 – Educational Program

Section 11 – Educational Program 1
11.01 Purpose 1
11.02 Orientation Program for New Members 2
11.03 Ongoing Developmental Program for All Members 4
11.04 Final Year of Appointment 5
11.05 Board Member Reporting on Educational Activities 5
11.06 Board Extension 5
11.07 Board Exemption 5
11.08 Substitution of Courses 5
11.09 Board Travel for Educational Purposes 6
11.10 Supplier-sponsored Opportunities for Board Member Education 6
11.11 Board Trustee Mentor Program 7
11.12 Director Certification 8
11.13 History 9

11.01 Purpose

In order for the Public Employees Pension Board (the Board) to fulfill its fiduciary responsibilities, each member of the Board should possess sound knowledge and understanding of pension-related issues to better serve the interests of all Public Employees Pension Plan (PEPP, the Plan) members.

Members of the Board must be in a position to question assumptions dealing with the operation of the Plan, and be able to form independent judgments regarding the soundness and practicality of advice received from their service providers.

To achieve the desired objectives, an educational program must address relevant and current legislative and pension industry issues, as well as recognize the “hot” topics of the day. In order to meet the educational goals of the Board, members of the Board have decided to implement the following ongoing program for new members joining the Board and for current Board members.

The purpose of this policy is to define the education that Board members will be required to undertake in order to acquire and maintain the knowledge and experience required for the Board to fulfill its fiduciary responsibilities to Plan members.

NB: attendance at online courses and participating in trainings via teleconference, are acceptable for the purpose of fulfilling the education objectives of the Board.

11.02 Orientation Program for New Members

Upon appointment to the Board the new member will receive access to the following information on the Diligent Boards online meeting information system:

- A list and description of documents that come before Board members at regular Board meetings;
- Member booklet;
- Annual report;
- Administration budget;
- Statement of Investment Policies and Goals;
- Board meeting minutes from the last 12 meetings;
- Board meeting schedule for the current year;
- Strategic Business Plan and Workplan update;
- Risk Management Review and Risk Management Plan; and
- A sheet of common acronyms used in the pension industry.

Within three months of appointment to the Board, the new Board member will undertake the following orientation activities in two sessions:

<u>First session:</u>

- Meet President and Chief Executive Officer (CEO), Plannera Pensions and Benefits (Plannera) and Plannera Governance personnel.

- Overview presentation on the Board and its duties:
  - What is the Plan?
  - What is the Board?
  - What is a trustee?
  - What are the rules?
  - Who makes the rules?
  - What is the pension plan environment like?
  - Who are the Plan's service providers? What do they do?
  - What are the duties of the Board?
  - Strategic Business Plan
  - Significant past decisions of the Board

- Current and upcoming issues and decisions

- Administrative information on the operation of the Board: how to complete expense forms, computer requirements, etc.

Second session:

- Presentation: Understanding the Plan with the Manager, PEPP.

- Presentation: Information on Investments: A review of the investment portfolio with the Executive Director, Investment Services.

- Presentation: Plannera Budget Development Process with the Chief Financial Officer.

- Meeting with Executive Secretary and Director of Governance and CEO, Plannera.

- Review information with Plannera Governance personnel:
  - Governance Manual;
  - Policy Manual;
  - Minutes of the last 12 Board meetings;
  - Current issues before the Board;
  - *The Public Employees Pension Plan Act* and *Regulations, 2015*;
  - *The Pension Benefits Act, 1992* and *Regulations, 1993;* and
  - *The Trustee Act, 2009.*

During this period, a mentor (either the Board Chair or an experienced director) will be assigned to the new Board member to answer questions and offer guidance (refer to section 10.11).

Prior to their first Board meeting, the new member shall speak with the Board Chair in order to prepare for the meeting.

After three Board meetings, the Manager or their designate, Governance Branch will contact the new Board member to answer any additional questions or address any additional concerns or issues that the new Board member may have.

The following courses/seminars are to be attended by new Board members within the stated time frame:

- Within one year of being appointed to the Board:

  - A basic trustee development course facilitated by a recognized pension and benefits organization, such as:

- International Foundation of Employee Benefit Plans (IFEBP);
- School of Pension Investment Management;
- Rotman International Centre for Pension Management; and
- Humber College Centre for Employee Benefits.

- Within three years of being appointed to the Board:

    - The Pension Governance Education Program, presented by the International Centre for Pension Management at the Rotman School of Management, University of Toronto.

  NB: The registration fee for the Pension Governance Education Program, presented by the International Centre for Pension Management at the Rotman School of Management, University of Toronto is more than the annual $5,000 education allowance for Board members. In order to allow Board members to take the training, the annual allowance for a member attending this course will be increased to cover the registration fee, and it will be the only education event for which a registration fee applies that a Board member will be able to attend in the year.

11.03 Ongoing Developmental Program for All Members

The Ongoing Developmental Program for All Members is meant to provide Board members with an opportunity to continually develop their understanding of governance best practices and pension-related issues in order to fulfill their fiduciary duties to the members of the Plan.

This ongoing program will be reviewed periodically to ensure that it addresses current needs as governance practices evolve and new trends develop within the pension industry.

In order to fulfill their ongoing educational needs, members of the Board, shall each year attend at least one educational event facilitated by an industry-recognized business school, governance institute, or pension and benefits organization, such as the Canadian Pension and Benefits Institute, IFEBP, or the Association of Canadian Pension Management.

A Board member who is actively engaged in fulfilling the requirements of the Orientation Program for New Members is exempt from the requirements of the Ongoing Developmental Program for All Members.

Plannera will inform Board members, on a regular basis, regarding *ad hoc* courses/seminars being offered by the pension industry, for Board consideration.

11.04 Final Year of Appointment

Expenditures of Plan funds on education by a Board member who is near the end of their tenure with the Board may give rise to the perception of a lack of value to the Plan. Such expenditures may consequently give rise to the perception that a Board member is seeking personal enrichment at the expense of the Plan.

This policy applies to any Board member who is in the final year of their appointment to the Board and is ineligible to serve a subsequent term or who does not intend to serve a renewed term on the Board.

Any such member shall not engage in any educational activity that requires travel outside of the province or is of a greater than nominal cost.

11.05 Board Member Reporting on Educational Activities

To support the Board's accountability to the Plan's members, Board members will provide the Board with a written report on educational opportunities attended no more than 60 days after the event.

11.06 Board Extension

The Board reserves the right to extend or alter the stated time frame for any course or seminar for a member of the Board as circumstances are warranted and as deemed appropriate.

11.07 Board Exemption

The Board may exempt a member of the Board from attending a particular course or seminar if the member's educational background and/or work experience warrants such an exemption.

11.08 Substitution of Courses

The Chair may approve a request by a Board member to substitute a course of a similar or higher level of learning on the same subject area for one of the required courses. Any such substitution shall be reported to the Board.

11.09 Board Travel for Educational Purposes

The Board recognizes that a number of quality educational events take place outside of Canada, many of which are within the continental United States. The Board is of the view that it is not in the best interests of Plan members to limit Board member access to educational events based on geographic location, but also recognizes the need to be prudent in its expenditures for education. Board members who are interested in attending an educational event outside of Canada and the continental United States are required, prior to attending the event, to provide the Board with the following information:

- A description of the educational event;
- The cost of the event;
- An explanation of how the event meets the objectives of the Board's education program; and
- An explanation related to why this education or a comparable one cannot be obtained within Canada or the continental United States.

11.10 Supplier-sponsored Opportunities for Board Member Education

A supplier-sponsored educational opportunity is one that is offered to a member of the Board free of charge by a service provider retained by the Board.

This policy applies to any educational opportunity that:

- is sponsored by a service provider who is currently engaged by the Board, has previously been engaged by the Board, or could reasonably be expected to provide services to the Board in the future, and

- could reasonably be considered to be of a value greater than a nominal value that could be accepted by a Board member under paragraph 11.05.

Board member attendance at such events creates the appearance of a conflict of interest. To avoid any real or perceived conflict of interest, the Board prohibits attendance at such events by Board members.

11.11 Board Trustee Mentor Program

Objective:

The Mentor Program is intended for new Board members to help them gain a greater understanding of their fiduciary roles and responsibilities and how the Board operates within the governance framework.

The assignment of an experienced Board member to a new member (the mentee) to answer their questions about their roles and responsibilities should serve to reduce the mentee's learning curve and help the individual to become more effective in their role as a Board member.

Role of the Mentor:

The role of the mentor is to provide a contact point for the mentee to ask questions about issues of how the Board operates based on mentor's experience and to provide feedback on how the mentee is progressing in meeting his or her responsibilities in the conduct of meetings. The mentor also may provide insight into areas of governance and oversight that may have been unclear during their initial period on the Board, or on any issues that the mentor anticipates the mentee may not understand. Mentors will be encouraged (but will not be obligated) to be present at orientation sessions. Mentors are encouraged to provide explanations where necessary regarding materials mentees receive in their orientation binder, and to make any suggestions for preparation for upcoming educational events the mentees are required to attend.

Role of the Mentee:

The mentee is encouraged to ask questions of the mentor on any issues that are unclear during meeting discussions, with respect to materials distributed in meeting packages, or current issues that may impact their role as a Board member.

Assignment of a Mentor:

Board members will be asked to indicate if any of them is willing to act as a mentor. A list of potential mentors will be compiled by Plannera and kept on file, and each year members will be asked to confirm that they are still interested in acting as mentors. If no member voluntarily comes forward as a potential candidate, the Chair of the Board will approach eligible Board members and ask them to consider becoming mentors. A Board member becomes eligible to

participate as a mentor once he or she has completed at least two years of service on the Board.

When a new Board member is appointed, the Chair of the Board will assign a mentor to the member from the list of potential candidates based on the potential mentor availability. If an appointed mentor is unable to continue a mentorship role, an alternate candidate will be assigned to the mentee.

The mentor will be assigned to the new Board member as part of the new Board member's orientation.

Timeframe and Format of the Mentor Program:

The mentor relationship will not have a fixed timeframe, but it is anticipated that the period where the most activity will take place will be the first six months of the assignment. The mentor relationship can extend beyond the six-month period if the mentor and mentee determine that more time is needed. The format and frequency of meetings will depend on how often the mentor and the mentee need to meet. The mentor and mentee can meet after Board meetings or at a set time when both individuals are able to make contact with each other. The method of communication will also depend on the needs of the mentee and can take the form of face-to-face meetings, phone calls or e-mails where appropriate.

11.12 Director Certification

The Board recognizes the value of continuing education for members of the Board and recognizes the increasing emphasis in the pension industry on director certification.

The Board is also aware of the financial cost of such a course of certification, and notes that the program fees for an individual to pursue director certification are approximately $20,000.

Balancing the need to support members of the Board who undertake ongoing education in the form of a course of director certification with the need to be prudent in its expenditures of member funds, the Board has developed the following criteria for determining whether to provide financial support to Board members who pursue certification:

The Board may provide financial support to Board members pursuing certification on the following conditions:

- The Board member has completed the orientation program for new members set out in section 11.02 of this Governance Manual; and
- The Board member's course of certification will be completed during the Board member's current appointment to the Board.

Where a member's appointment will elapse during the intended course of certification, the Board may determine on a case-by-case basis the appropriateness of providing financial support, taking into account a member's intention to serve a renewed appointment to the Board.

11.13 History

Approval date:	September 1, 2006; June 27, 2007; November 26, 2008; September 23, 2009; October 27, 2010; November 23, 2011; November 28, 2012; October 23, 2013; June 22, 2015; December 2, 2015; September 27, 2017; June 23, 2021; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 12 – Conduct of Meetings

Section 12 – Conduct of Meetings 1
12.01 Purpose 1
12.02 Board Meetings 1
12.03 Venue 2
12.04 Absenteeism of Board Members 2
12.05 Agenda 2
12.06 Quorum 2
12.07 Voting 2
12.08 Decisions of the Board when a meeting is not possible 3
12.09 Minutes 4
12.10 Confidentiality 4
12.11 *In Camera* Sessions 5
12.12 History 5

12.01 Purpose

The purpose of this policy is to provide the rules and procedures regarding the conduct of Public Employees Pension Board (the Board) meetings.

12.02 Board Meetings

The Chair shall, in consultation with the Board, determine the frequency of meetings of the Board whenever they consider it necessary to ensure the proper administration of the Act. Plannera Pensions and Benefits (Plannera) will provide each member of the Board with a schedule of meetings in each fiscal year.

Eight Board meetings, including one Strategic Planning Session and a Professional Development Day, are currently scheduled in a fiscal year.
If the circumstances require, the Chair may cancel any meeting of the Board and decide on the rescheduling of the meeting. The decision to cancel or reschedule a meeting will be made and notice given to the Board at least forty-eight (48) hours prior to the originally scheduled date.
In circumstances where notice is not possible such as when quorum is not met on the day of the meeting, the Chair shall cancel the meeting in consultation with

the members present. A record should be kept stating the reason(s) for the cancellation of the meeting.

12.03 Venue

The meetings of the Board shall be held at the office of Plannera in Regina, Saskatchewan, or such other place, or in any other manner, as may be determined by the Board.

12.04 Absenteeism of Board Members

Members of the Board are expected to attend all meetings of the Board. Should a member not attend three or more scheduled Board meetings in a fiscal year, the absenteeism will be reported to the organization that nominated the member.

The Board publishes a summary of Board member attendance at meetings of the Board in the Public Employees Pension Plan Annual Report.

Board members participating in a meeting via teleconference are deemed to be attending the meeting.

12.05 Agenda

Plannera shall distribute an agenda, for the next scheduled Board meeting, to each member of the Board at least one week prior to such meeting.

12.06 Quorum

Quorum consists of at least four members of the Board, together with either the Chair or Vice-Chair and must include at least two of the Board members appointed on behalf of employees.

Board members participating in the meeting via teleconference are deemed to be attending the meeting for the purposes of meeting quorum.

12.07 Voting

Each member of the Board, including the Chair, shall have one vote. A motion brought forward by a Board member is to be seconded by another Board member. Motions shall be carried by majority vote. In the event of a tie, the motion is defeated.

Where a member of the Board opposes a majority decision of the Board, the member must provide the Manager or their designate, Governance Branch with a statement of their dissent in order to receive an exemption from liability.

The statement must identify the decision to which the dissent refers and the reasons for the dissent. The statement of dissent must be provided at least 12 calendar days prior to the subsequent meeting of the Board.

12.08 Decisions of the Board when a meeting is not possible

Where a decision of the Board is required in a timeframe that does not allow for a meeting of the Board, the President and Chief Executive Officer (CEO) Plannera, or the President and CEO's delegate, will recommend that the Chair engage the following process:

Commencement

- The Chair will direct Plannera to commence the process.

Notification of Board members

- Plannera will contact all members of the Board at the earliest opportunity to determine whether quorum can be met.
- Plannera will provide no fewer than four days' notice of a required decision, and as much notification as time permits.
- Plannera will distribute the decision materials and recommendation via Diligent Boards and inform Board members when the information is available.
- Plannera will, in consultation with the Chair, communicate a deadline for all Board members to vote on the motion in the Diligent Boards application.

Virtual Meeting (optional)

- The Chair will determine whether a virtual meeting to discuss the issue is necessary, considering any time constraints. If a virtual meeting is found to be necessary, the Chair and/or Plannera will schedule and facilitate a virtual meeting with the available Board members.

- If a decision is made during a virtual meeting, Plannera will draft a record of the decision.

Voting

- Plannera will monitor the voting and notify Board members via email when the decision is made.

- Plannera will draft a record of the decision.

Follow-up and Communication

- Plannera will communicate the Board's decision to the appropriate parties.

- The Board will review and approve the record of the decision at the first possible opportunity following the decision.

12.09 Minutes

The Manager or their designate will be the Recording Secretary for Board meetings. The Recording Secretary shall record written minutes of each Board meeting and Plannera will distribute such minutes to each member of the Board at least one week prior to the next scheduled Board meeting.

12.10 Confidentiality

To ensure open and frank deliberation among Board members, all matters discussed at Board meetings and individual positions on any subject matter will be held in strict confidence.

Members of the Board may communicate motions, which have been approved by the Board, to the party or parties involved. Detailed communication of approved motions must be released through the Chair.

Any material of a confidential nature in the possession of Board members must be held in a secure location and out of public view.

Any material, provided to Board members on paper, containing the name or names of members of the Plan must be returned to Plannera following the completion of a Board meeting, with the exception of minutes, which may be retained by Board members.

Minutes of Board meetings are exempt from public release under *The Freedom of Information and Protection of Privacy Act*. The Board has decided that it will review any Freedom of Information requests for Board minutes on a case by case basis.

12.11 *In Camera* Sessions

A member of the Board may request an *in camera* session during the course of a Board meeting, providing that such a request has the support of a majority of the Board members.

All members of the Board, the Recording Secretary, if requested, and any other participants invited by the Board shall attend such *in camera* session. Minutes shall be recorded during an *in camera* session if a decision is made or direction is given.

In the event that the Recording Secretary is not present to record the minutes of an *in camera* session, the Chair shall appoint one Board member to record the minutes.

These minutes shall be kept in a secure location separate from the regular meeting minutes.

In camera sessions shall be held to discuss items of a confidential nature.

12.12 History

Approval date:	June 27, 2007; November 26, 2008; September 23, 2009; November 28, 2012; October 23, 2013; February 25, 2015; May 27, 2020; September 29, 2021; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 13 – Code of Conduct and Conflict of Interest Procedures

Section 13 – Code of Conduct and Conflict of Interest Procedures 1
13.01 Purpose and Objective 1
13.02 Definitions 2
13.03 Application 2
13.04 Fiduciary Duties 2
13.05 Duty of Care 3
13.06 Ethical Standards 4
13.07 Conflict of Interest Procedures 7
13.08 Consequences of a Breach 11
13.09 Avoidance of Bias 11
13.10 Board Member's Acknowledgement 13
13.11 History 13

13.01 Purpose and Objective

The purpose of this section of the Governance Manual is to establish and document guidelines for conduct required of all members of the Public Employees Pension Board (the Board). The guidelines have been developed to create and sustain a business culture that promotes sound decision-making by the Board.

The purpose of establishing conflict of interest procedures goes beyond ensuring compliance with minimum statutory requirements. They provide a workable process for identifying, minimizing and resolving conflicts of interest, in order that Board members may fulfill their fiduciary obligations effectively while maintaining their independence and integrity.

The following guidelines and procedures have been developed to ensure that Board members have a full understanding of the Board's principles and values, and to assist Board members in determining appropriate business practices and behaviour.

The Board recognizes the need to review these guidelines and procedures on an annual basis, and has determined that all Board members are to acknowledge the guidelines and procedures by signing them upon appointment to the Board, each time they are amended, and in any event, no less than upon each annual review.

13.02 Definitions

The following interpretations will be applied in this document:

"Business relationship" means a contractual relationship, which could be expected to lead to a private interest in the affairs of an organization.

"Conflict of interest" means a conflict between the private interests and the official responsibilities of a member of the Board.

"Perceived conflict of interest" exists where there is an apprehension, which a reasonably well informed person could have, that a Board member has or may have a conflict of interests, even where there is no actual conflict.

"Private interest" means an interest in the subject matter or a relationship with the parties, impairing impartiality, open-mindedness and a sense of fairness.

"Reasonably well-informed person" means a hypothetical person who exercises the care, skill, diligence, and conduct that a reasonably prudent person would observe under a similar set of circumstances.

In the event, a policy or procedure in this document is applicable to the Chair, the Vice-Chair shall administer the procedure with respect to the Chair.

13.03 Application

These guidelines and procedures govern the operation and conduct of members of the Board in the execution of their duties and responsibilities under *The Public Employees Pension Plan Act* and *The Public Employees Pension Plan Regulations, 2015*.

13.04 Fiduciary Duties

These duties apply to the members of the Board in their capacity as trustees of the Public Employees Pension Fund (the Fund) and as administrators of the Public Employees Pension Plan (the Plan).

- *Duty of Loyalty*

  The duty of loyalty requires members of the Board to act honestly and in good faith, and in the best interest of all Plan members. Furthermore, members of the Board must consider the effect of their individual actions on the integrity and credibility of the Board as a whole.

- *Opportunities Acquired Through Board Business*

  Members of the Board must not take personal advantage of business opportunities of which they become aware in the course of carrying out their duties as Board members.

  Similarly, confidential information obtained as a result of Board business must not be used for personal profit, or for the personal benefit of others.

- *Duty to Protect Confidential Information*

  Board members must at all times keep confidential all information, proprietary material and records received by them in their capacity as members of the Board. Confidential information may only be disclosed if it is otherwise generally available to the public, if the disclosure is required by law, or if the disclosure is consistent with the purpose for which the information was obtained.

- *Post Service Restrictions*

  Board members who cease to serve on the Board must continue to refrain from taking improper advantage of their previous position. Former members of the Board must continue to observe the duty to protect confidential information, unless they have received written authorization from the Chair of the Board to disclose the information. Furthermore, former members of the Board must not use confidential information or opportunities acquired as a result of Board business for personal gain, or for the personal benefit of others.

13.05 Duty of Care

In exercising their powers as trustees of the pension fund and administrators of the pension plan, it is the explicit duty of every member of the Board to exercise the care, skill and diligence that a reasonably prudent person would exercise in comparable circumstances.

In fulfilling this duty, members of the Board have a responsibility to ensure that they obtain expert advice to acquire the necessary information required to make informed decisions for the effective and timely operation of the Plan. Board decisions must be made pursuant to sound business practices respecting established policies and procedures.

Improper or ill-advised decisions can be costly to the Plan. Board members should undertake the training or educational opportunities necessary to ensure that they have a sufficient level of knowledge and understanding to fulfill their duties.

The Board has established its mission, and Board members should take actions which are consistent with the mission and the policies which support it.

Though the Board may delegate activities to its service providers, the Board retains responsibility for oversight of the Plan, and Board members should be engaged in reviewing the performance of the Plan and its success in meeting its goals.

13.06 Ethical Standards

Members of the Board should adhere to the following standards when exercising all of their duties and responsibilities:

- *Preferential Treatment*

  Board members must not use their position to benefit persons or organizations in their dealings with the Plan if this may be perceived to result in preferential treatment to such persons or organizations.

  To minimize the potential for any real or perceived preferential treatment of service providers to the Plan, no Board member shall engage in a business relationship with a service provider to the Board during the term of the Board member's appointment to the Board.

  Further, no Board member shall be party to a business relationship with an individual or service provider that might reasonably be expected to seek to provide service to the Board.

  Examples of such service providers include, but are not limited to, investment management firms and consulting firms active in the pension plan market.

- *Gifts, Benefits and Entertainment*

  Board members should not accept gifts, benefits, entertainment or other personal favors, which would create, or appear to create, a favored position for persons or organizations doing business with the Plan.

  Board members must not solicit or accept gifts, benefits, entertainment or other personal favors in exchange for, or as a condition of, the exercise of their duties or as an inducement for performing an act associated with the duties and responsibilities of their position.

  Members of the Board may generally accept gifts, hospitality or other benefits, of nominal value, associated with the duties and responsibilities of their position, if such gifts, hospitality or other benefits:

  - are within the bounds of propriety, a normal expression of courtesy, or within the normal standards of hospitality;
  - would not bring suspicion on the Board member's objectivity and impartiality; and
  - would not compromise the integrity of the Board.

- *Communication and Public Comment*

  The Plan has the responsibility to communicate with its members and beneficiaries in a timely, accurate, and transparent manner. This communication is generally provided by the Plan, rather than by individual Board members.

  In the instance where communication directly from the Board is necessary, public announcements or comments will be the responsibility of the Chair, unless approved otherwise by the Board.

  Members of the Board must refrain from making media announcements or comments regarding the activities of the Board and the operation of the Plan, unless authorized by the Chair to do so. Board members must avoid making public comments which are likely to bring the Board into disrepute or adversely affect the operation of the Plan.

  Board members must not intentionally misrepresent the Plan in any communications, including oral representations, electronic communications, or written materials, whether publicly disseminated or not.

- *Board Independence*

  Although members of the Board are appointed by various appointing bodies and organizations, their primary duty and responsibility is to all members of the Plan. Board members must not serve the interests of specific groups, associations or organizations.

- *Compliance with Laws*

  Members of the Board must at all times be aware of and comply with all laws, rules and regulations applicable to the Plan.

  Members of the Board must conduct their personal affairs with integrity, and must report any violation of the Code of Conduct and Conflict of Interest Procedures, or any charge or conviction under the *Criminal Code* (Canada) or any statute that may apply, directly or indirectly, to the administration of the Plan:

  (a) where the violation, charge or conviction occurred prior to the appointment of the member to the Board, prior to the first meeting that the member of the Board attends;
  (b) where the violation, charge or conviction occurs after the appointment of the member to the Board, prior to the first meeting after it occurs.

  Board Members must report criminal or other illegal or unethical conduct by any other Board member of which they may become aware, including any potential violations of the Code of Conduct and Conflict of Interest Procedures. Such reports shall be made at the earliest possible opportunity and in any case no later than the next following regularly scheduled Board meeting.

  Reports are to be made to the Board Chair. Where the individual with the duty to report is the Board Chair, that individual shall report to the Vice-Chair.

  The Chair (or Vice-Chair) may determine that the violation, charge or conviction renders the participation of the member in decisions of the Board inappropriate, and may exclude or restrict the member of the Board from participating in some or all of the decisions of the Board.

- Payment of fees for time spent preparing for Board meetings

  Board members are eligible to be paid a fee of $250.00 in recognition of the time spent preparing for a Board meeting or set of meetings, for which the Board member is in attendance.

This fee is paid for preparation done on a Board members' personal time in addition to meeting attendance for which the member is being compensated by their employer.

Subsection 15(1) of *The Trustee Act, 2009* provides the conditions under which a person becomes disqualified to act as a trustee. Specifically, a person becomes disqualified to act as a trustee if that person:

a) Dies;
b) Disclaims the trust or refuses to act as trustee;
c) Lacks capacity;
d) Is a minor;
e) Is convicted of an offence involving dishonesty;
f) Is an undischarged bankrupt;
g) Resigns from the trust; or
h) Is a corporate trustee that is not registered, if required by the law to be registered, or is not licensed, if required by law to be licensed.

Board members must report when they satisfy a condition, aside from item (a), which would disqualify them from acting as a trustee.

Reports are to be made to the Board Chair. Where the individual with the duty to report is the Board Chair, that individual shall report to the Vice-Chair.

The Chair (or Vice-Chair) shall report to the body or bodies appointing the Board member that the Board member is no longer qualified to be a trustee.

13.07 Conflict of Interest Procedures

These procedures apply to members of the Board with respect to their responsibilities as trustees of the pension fund, administrators of the Plan, and decision-maker with respect to disputes regarding the Plan.

Members of the Board shall not knowingly permit their interests, actual or perceived, monetary or otherwise, direct or indirect, to conflict with the proper exercise of their duties and responsibilities.

Board members should familiarize themselves with the range of actions which may be taken to respond to a conflict of interest or ethical issue. Although not exhaustive, the following actions may be taken to remedy or avoid a possible conflict of interest or ethical issue.

- *Disclosure*

  At the beginning of each Board meeting Board members are asked if they have, or know of, any actual, perceived, or possible conflicts of interest.

  If a disclosure is made, the Board will discuss how to proceed with the disclosure. The disclosure will be recorded in the register (see below).

  Members of the Board shall disclose in writing the nature and details of any actual, perceived or possible conflicts of interest, which could impair their ability to make unbiased decisions affecting the Plan. Such disclosure shall be made to the Chair or Manager or their designate, Governance Branch, Plannera Pensions and Benefits (Plannera) as soon as practicable after the conflict of interest has been discovered by the Board member. In the event that the member is the Chair, disclosure must be made to the Vice-Chair or Supervisor.

  The Chair will table the matter at the next regularly scheduled Board meeting. The Chair, in consultation with the Board (excluding the member who is in conflict of interest), will determine the appropriate action under the circumstances.

  Should a Board member discover an actual or perceived conflict of interest during the course of a Board meeting, the member must immediately declare the conflict of interest. The Chair, in consultation with the Board (excluding the member who is in conflict of interest), will determine the appropriate action under the circumstances.

- *Register*

  The Director and Executive Secretary, Governance Branch, Plannera (the Executive Secretary) shall maintain a register of all actual, perceived or possible conflicts of interest disclosed by members of the Board.

  The register shall contain a description of each conflict of interest and the name of the Board member to whom the conflict of interest applies, the date upon which the conflict of interest arose and was subsequently disclosed by the Board member, and the manner in which the conflict of interest was dealt with by the Board.

- *Abstaining from Vote and Discussion*

  Members of the Board who have disclosed a conflict of interest, or who are required to disclose an actual or perceived conflict of interest, shall not

participate in any discussion, decision or vote relating to any transaction involving the aforementioned conflict of interest. Such members must consult with the Board to determine whether or not it is appropriate to leave the meeting during discussion of the matter.

Where a Board member has disclosed a conflict of interest, the member may continue to participate in the discussion, decision or vote, despite the conflict of interest, by obtaining prior approval from the Board. The approval to participate should be noted by the Executive Secretary in the register.

- *Other Business Activities*

  Members of the Board engaging in any other business activities, directly or indirectly, which may conflict with or are in competition with their duties and responsibilities as Board members, must make full disclosure of such activities to the Chair of the Board or the Supervisor.

  Adhering to the *Disclosure* procedures in this section, a resolution to the matter will be undertaken by the Board. The Board should determine whether an actual or perceived conflict of interest exists, and the appropriate action under the circumstances.

  The Chair will advise the Board member, who is in conflict of interest, to comply with one of the following options determined by the Board:

  - discontinuation of the activity;
  - appropriate action to remedy the situation; or
  - consent to the activity.

  In the event the Board member in conflict or perceived conflict is the Chair, the Vice-Chair shall advise the Chair to comply with the option determined by the Board.

- *Gifts, Benefits and Entertainment*

  It is deemed a conflict of interest if, without the consent of the Board, a member of the Board accepts gifts, benefits, entertainment or other personal favours of more than token or nominal value from persons or organizations doing business with the Plan. Any person or organization offering such inducements must be advised to discontinue the practice immediately if a sustained business relationship is to continue with the Plan.

  Similarly, Board members must not offer gifts or favours to persons or organizations in order to secure preferential treatment for the Plan.

Inappropriate gifts or benefits that are received by members of the Board, which violate the Board's **Ethical Standards**, should be returned to the donor as soon as practicable. Where the donor may perceive the return of an inappropriate gift or benefit as offensive, for cultural or other reasons, the Board member must make full and immediate disclosure of receipt of the gift or benefit. Such gift or benefit must be delivered to the Board, who will determine the suitable disposition of the item.

- *Transfer Between Investment Funds*

  Where a member of the Board is also an active or inactive member of the Plan, the Board member shall have all investment options and opportunities that would otherwise accrue to any other Plan member. However, since Board members are in a position to make or to influence decisions affecting the investment of the Fund (as defined in the Act) or the investment options available to Plan members generally, and because Board members at times have access to information that is otherwise not generally available to Plan members, the act by a Board member of transferring account balances between investment funds, or of transferring funds into or out of the Plan, may give rise to an actual, perceived or possible conflict of interest.

  Where a member of the Board intends to transact on account balances within the Plan, the Board member must obtain the written approval of the Chair prior to carrying out the transaction. In the event that the Board member is the Chair, such approval must be obtained from the Vice-Chair.

  The Chair (or Vice-Chair, as the case may be) should determine whether an actual, perceived or possible conflict of interest exists, and the appropriate action under the circumstances. Such action may be:

  - determining that no actual, perceived or possible conflict exists, in which case the Board member may proceed with the transaction as proposed; or
  - determining that an actual, perceived or possible conflict exists, in which case the Board member may not proceed with the transaction either indefinitely during that Board member's tenure on the Board or until such a time as the Chair (or Vice-Chair) is of the opinion that the actual or perceived conflict no longer exists.

  All such requests by Board members and any resulting transactions among investment funds carried out by Board members are to be reported to the Executive Secretary for the purposes of recording the transactions in the Conflict of Interest Register.

The Chair (or Vice-Chair) shall have the discretion to report the transaction to the Board. Such discretion may be exercised:

- immediately upon granting the requisite approval;
- at the next or any subsequent Board meeting; or
- at such later time as it may become evident to the Chair (or Vice-Chair) that the best interests of those to whom the Board owes fiduciary obligations would be served by such disclosure.

13.08 Consequences of a Breach

In the event of a breach of the Code of Conduct and Conflict of Interest Procedures, or a failure to remedy or disclose an actual or perceived conflict of interest, the consequences of such infractions should reflect the nature, magnitude and seriousness of the breach.

The following are examples of possible consequences, which the Board may consider, when dealing with a breach of the Code of Conduct and Conflict of Interest Procedures:

- The Board may inform the Board member's appointing body of the breach;
- The Board member may be offered the opportunity to resign from the Board;
- The Board may recommend to the appointing body to terminate the appointment of the Board member to the Board;
- The Board member may be required to make full restitution to the Board of any personal gain acquired as a result of the breach, for disposition by the Board;
- The Board may consider taking legal action against the Board member; and
- If the Board member is in breach of the law, the Board will report the Board member's action to the proper authorities.

In the event that the Board member in breach of this policy is the Chair, the Board may consider the additional step of revocation of the Chair's appointment.

This list of consequences is not exhaustive, and does not preclude any other course of action, which the Board may deem appropriate under the circumstances.

13.09 Avoidance of Bias

These procedures apply to members of the Board with respect to their responsibilities as decision-makers with respect to disputes regarding the Plan.

Members of the Board shall not knowingly permit any relationship or other circumstances, either in the past or the present, to be perceived as a possible reason for the member to hold a bias either in favour or against a party with respect to whom a decision is to be made.

Board members should familiarize themselves with the range of actions that may constitute a potential bias issue, and the actions that might be taken to respond to the issue. A potential bias issue may arise as a result of circumstances such as:

- the member has a personal or business relationship with a party;
- the member is a member of an organization in which the party is also a member;
- the member has information about the party which has not been placed before the other members of the Board as part of the decision-making process;
- the member has expressed views in public respecting the subject matter of the decision; or
- the member has communicated directly with one of the parties respecting the subject matter of the decision.

This list is not exhaustive.

If a member of the Board is aware of any circumstances which might give rise to a bias issue, the member must disclose the circumstances to the Chair of the Board or the Manager, Governance Branch at the earliest opportunity. In the event that the member is the Chair, disclosure must be made to the Vice-Chair or Supervisor. The Chair may:

- remove the member from the panel of members that are making the decision;
- if the Chair is of the opinion that the circumstances may not warrant removal of the member, the Chair shall disclose the circumstances to the parties and provide them with an opportunity to make representations to the Board with respect to the ability of the member to participate in the hearing; and
- the Board shall determine the extent, if any, to which the member may participate in the hearing.

A member cannot be removed from the panel where doing so would mean that a quorum of members would not be present. A member is not required to disclose a relationship that is inherent in the manner of the member's appointment, such as being a member of the Plan or a member or employee of a body that is entitled to appoint a member of the Board.

13.10 Board Member's Acknowledgement

I ACKNOWLEDGE that I have read and considered the Code of Conduct and Conflict of Interest Procedures for members of the Public Employees Pension Board, and as a member of the Board, agree to conduct myself in accordance with the Code of Conduct and Conflict of Interest Procedures as it applies to members of the Board.

I UNDERTAKE to affirm in writing that I have read, understood and will comply with the most recent version of the Code of Conduct and Conflict of Interest Procedures for members of the Public Employees Pension Board.

_____

Signature

13.11 History

Approval date:	September 27, 2006; October 31, 2008; September 23, 2009; September 22, 2010; September 28, 2011; October 24, 2012; November 28, 2012; October 23, 2019; May 27, 2020; June 28, 2023; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 14 – Governance: Periodic Self-Assessment

Contents

Section 14 – Governance: Periodic Self-Assessment		1
14.01	Purpose	1
14.02	About the Questionnaires	1
13.01	History	3

14.01 Purpose

An effective governance system is a good method of overall risk management. Controlling legal and other risks facing the Public Employees Pension Board (the Board) is one of the benefits of good governance practices. An equally important and transparent benefit of effective governance is the reliable assurance to members that the Public Employees Pension Plan (PEPP, the Plan) is capable of providing benefits presently and into the future.

The PEPP Governance Self-Assessment and Board Self-Assessment Questionnaires have been designed to assist members of the Board in assessing their own performance and determining where weaknesses exist that require corrective measures.

The self-assessment process also offers an opportunity for the Board to share responsibility for the pension benefit delivery with other stakeholders. Transparency of information about existing conditions, decisions and actions is integrally related to accountability. Reporting the self-assessment results provides accountability to interested stakeholders and is consistent with the recommendation by the Joint Task Force on Pension Plan Governance and with the Canadian Association of Pension Supervisory Authority's (CAPSA) *Pension Plan Governance Guidelines* for industry best practices.

14.02 About the Questionnaires

Four questionnaires form the basis of the governance self-assessment process. The objective of these evaluations is to enhance the performance of individual Board members in an effort to strengthen the Plan governance capabilities of the Board as a whole.

The questionnaires are as follows:

1. Board Self-Assessment Survey;
2. Board Chair Assessment Survey;
3. Pension Plan Governance Self-Assessment Questionnaire;
4. Pension Plan Prudent Investment Practices Guideline; and
5. Capital Accumulation Plan Guidelines.

1. Board Self-Assessment Survey

Annually, at the end of each fiscal year of the Plan, the Board Self-Assessment Questionnaire will be completed in writing by each member of the Board. Board members will complete the questionnaires within 30 days of receipt of notice of the questionnaires being ready. A person designated by the Board will, if necessary, conduct confidential interviews with each member of the Board regarding key points made in the evaluations. Plannera Pensions and Benefits (Plannera) will then provide the Board with a summary of the Board member comments edited such that the identities of the commenters will remain confidential.

All individual questionnaires completed by members of the Board will be held in strict confidence.

2. Board Chair Assessment Survey

The Board Chair Assessment Survey is completed at the same time as the Board Self-Assessment Survey. The dual purpose of this survey is to provide Board members with the opportunity to provide candid commentary on the performance of the Chair and also to provide the Chair with the opportunity to receive feedback from Board members on their performance of the duties of Board Chair.

All individual questionnaires completed by members of the Board will be held in strict confidence.

3. Pension Plan Governance Self-Assessment Questionnaire

CAPSA's *Pension Plan Governance Guidelines and Self-Assessment Questionnaire* is recommended as a useful tool for pension plan trustees and administrators in assessing their own plan's performance. Responses to the questions should be thorough and analytical in order to reflect the current situation of the Plan, thus pointing out areas that require improvement.

This questionnaire will be completed by the person or persons who possess the best knowledge of the answer to each question, and will be approved by the Board, after due consultation with the Board. The questionnaire will be completed annually, at the end of each fiscal year of the Plan.

A report of the results of this questionnaire, approved by the Board, will be made available to all interested stakeholders on the Plan website.

4. Pension Plan Prudent Investment Practices Guideline

The Pension Plan Prudent Investment Practices Guideline is recommended by CAPSA as a useful tool for pension plan trustees and administrators in assessing their investment management processes. The assessment questionnaire will be completed on an exception-reporting basis as investment practices change and there is a requirement to re-examine the Board's compliance with this guideline.

5. The Capital Accumulation Plan Guidelines

The intent of CAPSA's *Capital Accumulation Plan (CAP) Guidelines* is to outline and clarify the rights and responsibilities of CAP sponsors, service providers, and CAP members.

This questionnaire will be completed by the person or persons who possess the best knowledge of the answer to each question. The questionnaire will be completed annually, at the end of each fiscal year of the Plan.

13.01 History

Approval date:	February 23, 2005; June 27, 2007; November 26, 2008; September 23, 2009; November 28, 2012; May 27, 2020; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

III. General

Section 15 – Complaint Process

Section 15 – Complaint Process 1
15.01 The Process 1
15.02 Board's Point of Reference 4
15.03 History 4

15.01 The Process

The Public Employees Pension Board (the Board) is committed to making timely decisions in an open and consultative manner, in accordance with the principles of procedural fairness and natural justice, to ensure fair and equitable treatment of the Public Employees Pension Plan (PEPP, the Plan) members.

The Complaint Process provides the parties to a dispute with an opportunity to have their respective points of view considered by the Board before the matter in dispute is decided.

The parties to a dispute may be any combination of the following:

- a member of PEPP;
- an employee of a participating employer in PEPP;
- a participating employer in PEPP; and
- PEPP's administration.

The Board's authority to resolve disputes is derived from Section 6 of *The Public Employees Pension Plan Act* (the Act), which states as follows:

> **"Decision of board final**
> 6 The board may determine any question as to the application, interpretation or intent of a provision of this Act or of the regulations, and the decision of the board is final."

Unresolved member questions are initially addressed by the Plannera Pensions and Benefits (Plannera) Pension Administration branch, and employer questions by the Education and Engagement branch. On request, a response will be provided in writing, the Plan Manager will respond to members, and an Employer Relations Coordinator will respond to employers.

- If it is determined that the inquiry is administrative, a response will be provided in writing. If a member or an employer is unsatisfied with the response, they will be asked to submit a written description of their complaint to the Board.

- If it is determined that the inquiry requires an interpretation of the Act or regulations, the member or employer will be asked to submit a written description of their complaint to the Board.

The Board has determined that the following process must be followed in order for a matter to come before the Board for a decision:

1. A complaint is to be filed in writing, by the party or parties in dispute, with the Executive Secretary & Director, Governance (Executive Secretary), Plannera by email at complaints@plannera.ca or at the following address:

   Public Employees Pension Board
   c/o Executive Secretary & Director, Governance
   Plannera Pensions and Benefits
   110-1801 Hamilton Street
   Regina, Saskatchewan
   S4P 4W3

   To maintain neutrality throughout the process, the Executive Secretary will assume the position of the Executive Secretary to the Board.

2. The Executive Secretary will promptly inform all members of the Board that a complaint has been filed, affording all Board members the ability to respond appropriately and in keeping with the Board's Code of Conduct and Conflict of Interest Procedures (Section 11 of this Governance Manual) to any inquiries on the matter they may receive. The Executive Secretary will provide Board members with the names of the parties in dispute but will not provide any further information with respect to the dispute.

3. The Executive Secretary will research the complaint and prepare a report containing full details of the matter in dispute, a copy of which will be provided to each party having an interest in the matter together with a request for submissions with respect to the matter in dispute.

4. The Executive Secretary will review the submissions from the parties. The review is to determine whether additional issues have been raised or additional parties have been identified which may require additional submissions in order for the Board to have before it everything it needs to make an informed decision.

5. The Executive Secretary will provide a copy of the submissions from each party to the other parties for their review and shall provide each party with the opportunity to reply to the submissions of the other party or parties.

6. The Executive Secretary will review the responses from the parties. The review is to determine whether additional issues have been raised or additional parties have been identified which may require additional submissions in order for the Board to have before it everything it needs to make an informed decision.

7. A party to the dispute may request to make a presentation in person to the Board when it meets to hear the matter. A party cannot request a presentation in person in lieu of a written submission. The request must state in writing the reason for the request and provide submissions as to why the written materials would not be sufficient for the Board to make a decision on the dispute. The Executive Secretary will inform all parties with an interest in the matter of a party's request to appear in person before the Board and provide the parties with an opportunity to:

   - make submissions with respect to the request; and
   - notify the Board whether, if the request is granted, they wish to also make a presentation in person to the Board.

8. The Executive Secretary will place a request pursuant to paragraph 7 together with their report and all submissions, responses and documentation relating to the matter in dispute on the agenda for the next available meeting of the Board. If the Board decides to grant the request, the Board will either:

   - schedule a hearing of the matter for the next available Board meeting; or
   - strike a Hearing Committee of three or more members to schedule and hold a hearing of the matter on behalf of the Board.

   If the Board decides not to grant the request, the Board will proceed to make a decision with respect to the dispute based on the written materials submitted by the party or parties.

9. Where the Board grants a request pursuant to Paragraph 7, the Chair or person designated as the Chair of the Hearing Committee shall determine the procedure for making the presentations and may:

- permit further documents to be filed at the hearing;
- permit the parties to ask questions of the party making a presentation; or
- adjourn the hearing to permit a party to respond to any document or information that had not been disclosed in the written submissions.

10. In the absence of a request pursuant to Paragraph 7, the Executive Secretary will place the report and all submissions, responses and documentation relating to the matter in dispute before the next available meeting of the Board, which will make a decision based upon the materials submitted by the party or parties.

    The Board will render its decision in writing, stating:

    - the decision; and
    - the reasons for the decision.

    The decision by the Board is final, and will be communicated in writing to all the parties involved in the dispute.

12. The Board may review a decision, should the party or parties in dispute provide new information which was not available at the time of the initial decision, where the Board considers it appropriate and no other party is prejudiced by the review.

15.02 Board's Point of Reference

The Board will make its decision based upon its interpretation of *The Public Employees Pension Plan Act* and *Regulations, 2015*, and may consider established policy practices and previous decisions that it considers relevant.

15.03 History

Approval date:	January 26, 2005; September 26, 2007; September 23, 2009; November 28, 2012; June 28, 2023; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

III. General

Section 16 – Board Liability

Contents

Section 16 – Board Liability 1
16.01 Board Member Indemnification 1
16.02 Not Limiting Board Member Right of Indemnification 5
16.03 The Board's Position on Third-Party Liability Insurance 6
16.04 History 6

16.01 Board Member Indemnification

Subsection 8(2) of *The Public Employees Pension Plan Act* establishes the Public Employees Pension Board (the Board) as the trustee of the Public Employees Pension Fund (the Fund). As trustees of the Fund, the Board collectively, or its members individually, may from time to time find themselves subject to legal actions brought forward by a beneficiary or beneficiaries of the trust or other interested parties regarding actions taken by the Board with respect to the investment or disposition of funds in the trust or the incursion of expenses related to the trust.

A trustee is permitted to be indemnified out of the property of the trust for a liability incurred while administering the trust, provided that the trustee has acted honestly and prudently. In addition, section 43 of *The Trustee Act, 2009* provides the following:

43 (1) In this section, 'trustee' includes a former trustee.
(2) A trustee:
(a) is accountable only for money and securities actually received by the trustee even though the trustee signed a receipt for the sake of conformity; and
(b) is answerable and accountable only for the trustee's own acts, receipts, neglects or defaults, and not for those of any other trustee, nor for those of any banker, broker or other person with whom the trust money or securities mentioned in clause (a) are deposited.
(3) A trustee may reimburse himself or herself for, or pay or discharge out of the trust money, all expenses reasonably incurred in or about the execution of the trustee's trust or powers.

(4) A trustee may:
(a) be indemnified out of trust money with respect to:
(i) liabilities and expenses, including an amount paid to settle an action or satisfy a judgment, arising out of any matter or thing done honestly and in good faith relating to the exercise or attempted exercise of the powers and duties of the trustee; and
(ii) legal fees and costs relating to a claim for which this subsection provides an entitlement to an indemnity; and
(b) receive out of the trust money an advance of money for the purpose of meeting an expense for which the trustee may be reimbursed or indemnified pursuant to this section.
(5) A trustee shall repay the money advanced to the trustee pursuant to clause (4)(b) if the trustee is found not to be entitled to be reimbursed or indemnified with respect to the expense for which the advance was made.

A trustee who has not acted honestly and prudently will not be eligible for indemnification by the trust. The purpose of clause 43(4)(b) of *The Trustee Act, 2009* is to recognize that the process of responding to a legal claim and establishing the trustee's honesty and prudence in their conduct as trustee can involve expenses causing significant financial hardship to the individual trustee.

In order to avoid conflicts of interest that arise by the very nature of the circumstances in which this policy would apply, the Board has adopted criteria which, if met, will entitle the Board and its members to access funds from the Fund for the purpose of undertaking a reasonable response to a claim without having to seek approval from the Board.

The guiding principle behind the policy is that in all cases that the Board member must have acted honestly and in good faith, and the onus lies with the Board member to provide such information as may be required to make that determination.

Accessing Moneys from the Trust in Advance of a Determination of Liability – One Board Member Named in Claim

Section 43 of *The Trustee Act, 2009* allows for a Board member to access funds in the trust to pay legal expenses in advance of the determination of whether the Board member (or members) in question has acted honestly and prudently. The Board's procedure for where a Board member requires access to funds in the trust for that purpose is as follows:

1. Where a Board member has been served with a Statement of Claim which in the Board member's opinion will require that he or she seek legal

representation, the Board member will request in writing, via the Executive Secretary & Director Governance, Plannera Pensions and Benefits (Plannera) (the Executive Secretary), that the external legal counsel as may be providing legal services to the Board assist the Board member in responding to the claim.

2. Should the Board's legal counsel decline the Board member's request for assistance in responding to the claim, on grounds other than that the Board member has, in the opinion of counsel, acted dishonestly or in bad faith, the Board member may retain legal counsel of his or her own choosing. The Board member and legal counsel shall make an initial determination as to whether it may or will be necessary and appropriate, based on an initial assessment on the nature, merits and scope of the claim, to access funds in the trust on an advance basis in order to provide an adequate response to the claim.

3. Where the Board member, in conjunction with legal counsel, determines that an advance will be necessary, the Board member shall provide to the Director, the following documentation:

   - a certified true copy of the Statement of Claim;
   - a written legal opinion from the member's legal counsel as to the applicability of section 43 of *The Trustee Act, 2009* to the circumstances of the claim;
   - an estimate of what the total fees and expenses will be to provide an adequate response to the Statement of Claim; and
   - if applicable, any outstanding invoice(s) received from the legal counsel as of the date of the Board member's application to access moneys in the trust.

4. The Executive Secretary will review the submission from the Board member and undertake such investigation as the Director feels is necessary in order to determine whether the Board member is entitled to an advance of funds pursuant to this policy.

5. The Executive Secretary may seek the advice of the external legal counsel as may be providing legal services to the Board in the course of determining whether the Board member is entitled to an advance of funds pursuant to this policy.

6. Where the Executive Secretary is satisfied that the Board member is entitled to an advance of funds pursuant to this policy, the Executive Secretary shall advise the Board member in writing of the decision and shall prepare a report for the information of the Board.

7. Where the Executive Secretary is satisfied that the Board member is not entitled to an advance of funds pursuant to this policy, the Executive Secretary shall advise the Board member in writing of the decision together with the reasons for the decision.

8. The decision of the Executive Secretary is final.

9. Where the Board member's claim for an advance of funds is successful and until the claim against the Board member is determined or otherwise settled, the Board member will provide any invoices for claim to the Executive Secretary who will take any such steps as may be necessary to verify the claim and authorize it for payment.

10. At each meeting of the Board subsequent to a successful application for advance payment from the trust fund, the Executive Secretary will provide a report for the information of the Board indicating:

    - the details and amount of all invoices received with respect to the matter;
    - a cumulative total of all moneys to date paid out of the trust with regard to the matter;
    - any information that might affect the eligibility of the Board member to continue receiving funds; and
    - the amount initially estimated by the Board member.

11. The Executive Secretary may at any time inquire of the applicant as to the status of the claim and where the Executive Secretary is of the opinion that further explanation and details for an updated estimate of expenses in the matter may be required, the Executive Secretary may request such further explanation and details of the applicant Board member, reserving the right to suspend further advances from the fund until such time as the applicant Board member provides such explanation and details.

12. At the conclusion of the claim, the Executive Secretary shall provide a report to the Board containing such information as the Board may reasonably require in order to determine whether the amounts advanced from the Fund are amounts to which the Board member would be entitled to be indemnified, and if not, whether steps should be taken for the recovery of those amounts.

Accessing Moneys from the Trust in Advance of a Determination of Liability – More than One Board Member Named in Claim

More than one Board member may be named in a Statement of Claim and it may be necessary for more than one Board member to access funds from the trust in advance in order to respond to the claim. In such cases, the Board members will have the option of seeking advance moneys from the trust individually or collectively as a group of Board members.

In either case, the above process is to be followed with such modifications as may be necessary to maintain the effectiveness and integrity of the process.

Efficiency of Process

The Board recognizes the need for timeliness in responding to potential claims against the Board or its members.

Where a member makes an application to access funds to respond to a Statement of Claim, the Executive Secretary will endeavour to bring the process to a conclusion with the greatest efficiency.

Commencing with the Executive Secretary 's receipt of the Board member's request, the Executive Secretary will provide the Board member with weekly progress reports regarding the indemnification process.

16.02 Not Limiting Board Member Right of Indemnification

Where for any reason a Board member (or a group of Board members) have not availed themselves to the provisions allowing them to request moneys from the trust in advance of a determination of a Claim, nothing in this section of the Governance Manual is to be construed as prohibiting that Board member from seeking reimbursement from the trust in accordance with the terms of *The Trustee Act, 2009* for expenses reasonably incurred in responding to a Claim merely because the Board member(s) did not avail themselves of the process.

Where a Board member is (or Board members are) seeking reimbursement from the trust after the fact, the process described above is to be followed with such modifications as may be necessary to maintain the effectiveness and integrity of the process.

16.03 The Board's Position on Third-Party Liability Insurance

The Board can choose whether the risk of having to indemnify a member of the Board for a liability should be borne by the Fund, or shared with other parties through the purchase of third-party insurance. The choice is between risking a potentially substantial payment out of the fund or incurring a cost that is certain.

The Trustee Act, 2009 provides trustees who act honestly and in good faith with liability protection. This protection is not provided in the event of willful misconduct or criminal activity. Similarly, liability insurance purchased through a third-party insurer does not provide protection in the event of willful misconduct or criminal activity.

It is the position of the Board that it not purchase third-party liability insurance. The reasons for this include:

- *The Trustee Act, 2009* already provides liability protection for trustees who act honestly and in good faith, therefore, there is no advantage to members of the Board in having insurance coverage for the same risk;
- Willful misconduct and criminal activities are the only activities for which there is a real possibility of liability on the part of individual Board members. It is a matter of policy that there is an expectation that such activities will not be tolerated, and if they do occur, the member should face the consequences personally;
- The Board has adopted governance policies and procedures that minimize the risk of there being liabilities for which the fund would be responsible for indemnification; and
- The history of the administration of the Plan does not indicate a risk that justifies the additional cost of third-party insurance.

16.04 History

Approval date:	September 1, 2006; June 27, 2007; November 26, 2008; September 23, 2009; October 27, 2010; November 23, 2011; November 28, 2012; October 23, 2013; May 27, 2020; February 22, 2023; and
Current Review:	March 25, 2026
Next Scheduled review:	March 2027

III. General

Section 17 – Communications and Stakeholder Relations

Contents

17.01 Purpose 1
17.02 Rationale 1
17.03 Policy 2
17.04 History 8

17.01 Purpose

This document contains the policies the Public Employees Pension Board (the Board) adheres to in managing communications and stakeholder relations related to the Public Employees Pension Plan (PEPP, the Plan).

The policies have been created to support communications and stakeholder relations requirements under *The Pension Benefits Act, 1992*, *The Pension Benefits Regulations*, *1993* and *The Public Employees Pension Plan Act*. These policies are to be followed to ensure that Plan communications meet the requirements set out in those documents.

17.02 Rationale

Communications Strategy

The Board is aware of the importance of effective communication for Plan members and employers. The challenges are considerable given both the complexity of the information being communicated and the number of relatively small organizations participating in the Plan.

The Board believes that it is important to target communications to members at various stages in their Plan membership. The Board is mindful, as well, of the need to facilitate two-way communication with stakeholders and to facilitate member feedback.

***Plan Communications involves**:*

- Communicating with the Plan's various membership demographics to deliver information and education through Plannera Pensions and Benefits (Plannera) as the Plan administrator website, financial statements, newsletters, correspondence, public meetings and seminars.
- Managing the risks inherent in the communication of Plan information. The Plan works to provide information in a clear and concise manner with sensitivity to members' level of understanding. The Plan is responsive to members' interests and concerns.

The policies set forth here have been developed mindful of those goals and elements.

17.03 Policy

Communications Strategy

All communications with the media or stakeholder groups should be planned to ensure a consistent, coordinated and professional approach. Plannera works on behalf of the Board to comply with the objectives and goals for communications as set out here.

Spokespersons

Senior Plannera officials provide information, research, consultation, advice, and support to the Chair of the Board.

The Chair of the Board has the authority to act as the spokesperson on behalf of the Plan and the Board. As the individual so designated, the Chair may delegate this authority as deemed appropriate.

When a Plannera employee is contacted for comments on or about the Plan, he or she is to bring the request to the attention of a senior Plannera official acting on behalf of the Plan. Following internal consultation with the appropriate Planner officer(s), the appropriate spokesperson is recommended to the Chair.

Key Audiences

Plan Members and Beneficiaries

Plan members and their beneficiaries are primary amongst the Plan's key audiences, and the majority of communication materials produced by the Plan

are designed for their benefit. The Plan develops and delivers information and educational materials to support Plan members and their beneficiaries in understanding their options within the Plan. Materials include print materials provided via mail, materials posted on the Plan's website and social media platforms, and materials provided during live presentations.

Participating Employers

Employers receive both general and targeted information via mail, email (employer bulletins), the Plan website, and through live presentations. Communications with participating employers are proactive whenever possible, and responsive whenever an issue requiring attention is identified. Plannera's Employer Relations Coordinators monitor employer issues and serve as the primary liaison between the Plan and participating employers.

Unions

Unions, through employer bulletins, are provided with the same information as participating employers.

Government

The Government of Saskatchewan is one of two legislative authorities under which the Plan operates, being responsible for *The Pension Benefits Act, 1992* and the Plan document, *The Public Employees Pension Plan Act,* and associated regulations. Plannera has been delegated by the Government of Saskatchewan, and is the primary liaison between the Board and Executive Government, facilitating frequent and issue-specific communications.

Appointing Organizations

There are 13 organizations that together appoint the eight members of the Public Employees Pension Board:

- Public Service Commission (PSC);
- Saskatchewan Polytechnic and the Saskatchewan Liquor and Gaming Authority (SLGA);
- SaskEnergy, SaskPower, and SaskTel;
- Saskatchewan Crop Insurance Corporation (SCIC), Workers' Compensation Board (WCB), and the Saskatchewan Cancer Agency;

- Unifor Union of Canada;
- Canadian Union of Public Employees Local 600 (CUPE);
- International Brotherhood of Electrical Workers Local 2067 (IBEW); and
- Saskatchewan Government and General Employees Union (SGEU).

Communication by the Board with the appointing organizations is typically limited to matters relating to the appointment of members to the Board and is conducted by the Chair of the Board or by the Supervisor, Governance and Legislation, Plannera.

Pension, Investment Industry Leaders and News Media

The Plan is the largest defined contribution pension plan in Canada; as a result, the Chair of the Board or Plannera management may be interviewed from time to time or asked to speak about the Plan in general. Plannera management is authorized to be interviewed or give presentations about the Plan in general. In these situations, if a member of Plannera management offers an opinion, the person must explicitly indicate that the opinion does not reflect the opinion of the Board.

In terms of media enquiries regarding specific issues, the process regarding Media Enquiries is to be used.

Communications Materials

Annual Reports

Section 29 of *The Public Employees Pension Plan Act* requires the Board to produce an annual report in accordance with the provisions of *The Executive Government Administration Act*. This report is prepared by Plannera officials acting on behalf of PEPP and approved by the Board prior to being tabled.

Financial Statements

Annual and quarterly financial statements contain the information required under *The Executive Government Administration Act* and such other information as management may determine as relevant and the Board approves.

Board Governance Documents

The Board maintains a number of governance documents relating to issues of proper oversight and administration of the Plan. Documents, such as the Board's Strategic Business Plan and its Code of Conduct and Conflict of Interest Procedures provide information that demonstrates the Board's commitment to effective governance and are relevant to the Board's stakeholders. As a means of disclosing its governance policies and practices to Plan members and other stakeholders, the Board has placed the following documents on the Plan website:

- CAPSA Pension Plan Governance Self-Assessment Questionnaire;
- Statement of Investment Policies and Goals; and
- Board Governance Manual.

Other Board documents to be made available upon request include:

- PEPP Policy Manual (excluding Board minutes);
- Risk Management Plan (current year);
- Risk Management Review (previous year);
- Mid-Year Risk Management Dashboard; and
- Periodic Checklist (previous year).

Minutes of Board meetings are confidential. These documents can only be released on the Board's approval.

Release of Other Published Materials and Information

All published materials and information that do not require prior approval of the Board (information sheets, newsletters, correspondence) must receive appropriate Plannera Senior Management approval.

News releases are subject to approval by the Chair of the Board as well as the approval processes set out by Plannera.

Any materials published by PEPP will be available to members at no charge.

Notice and Stakeholder Enquiries

Enquiries regarding publicly available information will be dealt with promptly by the President and Chief Executive Officer (CEO), Plannera or designate. Whenever possible, the enquirer will be referred to the PEPP website.

Enquiries from the Minister of Finance or Ministers or Members of the Legislative Assembly will generally be dealt with by the President and CEO or their delegate, in accordance with their roles as support or alternate spokespersons.

Other enquiries from stakeholders generally will be directed to the Manager, PEPP or Director, Education and Engagement, Plannera (Director, E & E) to evaluate the request, respond directly, or respond through a designate when appropriate, or to gather the necessary background information and direct the request to the officer best able to address the request.

Member's Annual Statements

Members receive an annual statement (or as otherwise required by *The Pension Benefits Act, 1992* and *Regulations, 1993*) that provides pension information and projections. The statements are mailed to the most recent addresses for members PEPP has on file and made available through the member's online access portal. (*The Pension Benefits Act, 1992* section 13, *The Pension Benefits Regulations, 1993* sections 13 through 21)

Media Enquiries

The President and CEO Plannera, or the Director Education & Engagement (E& E), will inform the Chair of the Board of any media enquiries with respect to the Board or the Plan. The information provided will include background on the enquiry and the recommended course of action, as well as designate the Plannera official who will respond to the enquiry on the Board's behalf. The Chair will approve or amend Plannera's recommendation.

Background briefings and interviews are subject to prior approval by the Chair of the Board and will be developed in collaboration with the President and CEO Plannera and Director, E & E. Generally, interviews and background briefings will be on-the-record.

Presentations

PEPP conducts member presentations about the Plan. PEPP considers requests for presentations from all areas of the province. Five, *Your Path to Retirement Workshops* are available to members. *Learn* is a workshop for members early in their careers. The *Build* workshop is targeted to members in the middle of their careers. The *Prepare* workshop is for members nearing retirement.

Enjoy is a half-day workshop for retired members and *Create* is for members wanting to learn PEPP's online retirement planning tool.

Website

The PEPP website is a primary means of providing current and accurate member and public communications. Only published material and information previously approved by an appropriate Plannera official is posted on the website. PEPP Communications staff are responsible for checking the timeliness, accuracy, and general content of information of the website.

Any possible changes or updates proposed for the website will be brought to the attention of the Director, E & E.

PEPP Member Booklet

Responsibility for creating the PEPP Member Booklet belongs to Plannera. The PEPP Member Booklet provides an overview of the main provisions of PEPP. The PEPP Member booklet may be produced annually (or as required) depending on the number and level of changes to the Plan (*The Pension Benefits Act, 1992* section 13, *The Pension Benefits Regulations, 1993* section 11, *The Public Employees Pension Act*, section 56).

Pension Perspectives

Pension Perspectives is the Plan newsletter PEPP publishes and mails to members. It is produced four times per calendar year on a quarterly basis. The newsletter provides general information about the Plan and its operation.

The PEPP Connection

The PEPP Connection is the Plan newsletter for Variable Pension Benefit members. It is published annually and provides general information about the Plan and its operation.

PEPP Talks

PEPP *Talks* are publications with details about specific Plan topics. They are posted on the website and are available to be mailed to members upon request. These are referenced in the PEPP Member Booklet, *Pension Perspectives*, and member forms. For example, PEPP *Talks* have been created for *Blackout Periods, Designation of Beneficiary, Breakdown of Spousal Relationships, Changing Your Investment Options,* among other topics. New PEPP *Talk* publications will be created as need is identified.

Review

The Board will review communications initiatives periodically.

17.04 History

Approval date:	January 26, 2011; November 28, 2012; March 28, 2018; May 27, 2020; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

II. Governance

Section 18 – Risk Management

Contents

18.01 Purpose 1
18.02 Rationale 1
18.03 Policy 1
18.04 History 7
APPENDIX A – Risk Management Process 8
APPENDIX B – Terms and Definitions 9

18.01 Purpose

The Public Employees Pension Board (the Board) is responsible for managing the risks of the Public Employees Pension Plan (the Plan). The purpose of this policy is to identify the Board's risk management philosophy, principles, roles and responsibilities, review process and communication expectations.

18.02 Rationale

A focused, systematic and integrated approach recognizes that all decisions involve the management of risks. Whether in routine operations or major initiatives involving significant resources, it is important that the risk management process be applied at all levels of operation.

The Risk Management Policy ensures that a regular documented process is in place for the management of the Plan's foreseeable risks. Documenting the rationale for arriving at decisions strengthens accountability and demonstrates due diligence.

18.03 Policy

Risk Management Philosophy

The Board is committed to creating and maintaining value for the stakeholders of the Plan. The Plan faces risks as the Board fulfills this commitment. Therefore, the Board is responsible for implementing a process to identify and manage all foreseeable risks that

could affect the operation of the pension plan and the Plan's stakeholders. Through the risk management process, the Board identifies, measures, monitors and manages these risks in a manner that is consistent with the Board's governance model.

Risk Management Principles

The Canadian Standards Association (CSA) has adopted the risk management principles and guidelines of the International Organization of Standardization (ISO) in a National Standard of Canada. The Board recognizes the principles, recorded below, as documented in the CAN/CSA-ISO 31000-10 as those of industry best practices.

- *Risk management creates value.*

  Risk management contributes to the demonstrable achievement of objectives and improvement of, for example, human health and safety, legal and regulatory compliance, public acceptance, environmental protection, financial performance, product quality, efficiency in operations, corporate governance and reputation.

- *Risk management is an integral part of organizational processes.*

  Risk management is part of the responsibilities of management and an integral part of the normal organizational processes as well as of all project and change management processes. Risk management is not a stand-alone activity which is separate from the main activities and processes of the organization.

- *Risk management is part of decision-making.*

  Risk management helps decision-makers make informed choices. Risk management can help prioritize actions and distinguish among alternative courses of action. Ultimately, risk management can help with decisions on whether a risk is unacceptable and whether risk treatment will be adequate and effective.

- *Risk management explicitly addresses uncertainty*.

  Risk management deals with those aspects of decision-making that are uncertain, the nature of that uncertainty, and how it can be addressed.

- *Risk management is systematic, structured and timely.*

  A systematic, timely and structured approach to risk management contributes to efficiency and consistent, comparable and reliable results.

- *Risk management is based on the best available information.*

  Inputs to the process of managing risk are based on information sources such as experience, feedback, observation, forecasts and expert judgment. However,

decision-makers should be informed of and take into account any limitations of the data or modeling used or the possibility of divergence among experts.

- *Risk management is tailored.*

  Risk management is aligned with the organization's external and internal context and risk profile.

- *Risk management takes human and cultural factors into account.*

  The organization's risk management recognizes the capabilities, perceptions and intentions of external and internal people that can facilitate or hinder the achievement of the organization's objectives.

- *Risk management is transparent and inclusive.*

  Appropriate and timely involvement of stakeholders and, in particular, decision-makers at all levels of the organization, ensures that risk management remains relevant and up-to-date. Involvement also allows stakeholders to be properly represented and to have their views taken into account in determining risk criteria.

- *Risk management is dynamic, iterative and responsive to change.*

  As internal and external events occur, context and knowledge change, monitoring and review take place, new risks emerge, some change, and others disappear. Therefore, an organization should ensure that risk management continually senses and responds to change.

- *Risk management facilitates continual improvement and enhancement of the organization.*

  Organizations should develop and implement strategies to improve their risk management maturity alongside all other aspects of their organization.

<u>Risk Management Process, Terms and Definitions</u>

The Board has adopted the risk management process, terms and definitions set out in CAN/CSA-ISO 31000-10. The Board has made slight modifications to the risk management process to highlight the attention given to Risk Assessment, Risk Management and Risk Communications within the process. A model of the Board's risk management process is attached as Appendix A. A list of relevant terms and definitions is attached as Appendix B.

Roles and Responsibilities

The role of the Board as it applies to the risk management process is to set and approve the Board's Risk Management Policy, monitor compliance with the approved policy, review and approve the annual Risk Management Plan, delegate the tasks of risk management to the Administrator, and oversee the risk management process.

As the Board's Administrator, Plannera Pensions and Benefits (Plannera) role as it applies to the risk management process is to establish operating strategies, implement policies, provide resources to support the Board, report on compliance, report on performance and conduct the day-to-day administration of the risk management process.

Ensuring the significant components of the risk management plan are documented is a primary responsibility of Plannera. The extent of documentation will depend on the magnitude and complexity of the risk issues involved, stakeholder expectations, and the anticipated need to explain and reference the risk management plan and demonstrate due diligence in the future.

Specific responsibilities of the Board and Plannera are set out below.

The Board is responsible for:

- Approving a risk management process;
- Approving the Board's Risk Management Policy and monitoring compliance with the approved policy;
- Ensuring that significant risks are identified, assessed and managed;
- Reviewing and approving the annual Risk Management Plan;
- Approving the Board's risk tolerance levels
- Providing leadership on risk management and assigning roles and responsibilities within the context of the Board's governance processes;
- Abiding by its Code of Conduct and Conflict of Interest procedures;
- Ensuring that Plan stakeholders have adequate access to appropriate risk management communications;
- Voting on risks; and
- Approving a risk register.

Plannera's Senior Management is responsible for:

- Articulating the tools and procedures needed to support the risk management process set out in Appendix A;
- Assigning management accountabilities and responsibilities at appropriate levels within the organization;
- Incorporating the Board's risk management policy into the operational framework;
- Determining risk management performance indicators that align with the Plan's performance indicators;
- Ensuring alignment of risk management objectives with the objectives and strategies of the Plan and organization;
- Ensuring legal and regulatory compliance;
- Identifying, assessing and communicating the Plan's significant risks and risk management strategies;
- Providing a supportive environment that encourages effective risk management, sensible risk-taking, and learning opportunities;
- Ensuring that the necessary resources are allocated to risk management;
- Providing clear direction on risk tolerance levels;
- Explicitly understanding and managing the level of risk associated with operational policies, plans and programs;
- Ensuring risk management is communicated to both internal and external stakeholders in such a manner that the risk information is consolidated where appropriate from a variety of sources within the organization taking into account its sensitivity;
- Abiding by its Conflict of Interest policy; and
- Ensuring that the framework for managing risk continues to remain appropriate.

Risk Management Board Reporting

The Board has in place three documents that apply to the risk management process. These are the Risk Management Review (RMR), the Risk Management Plan (RMP), and the Mid-Year Risk Management Dashboard.

Annually, the Board will receive the RMR. The RMR is developed and presented by Plannera and reports on the status of risk management strategies undertaken for each of the identified risks for the previous year.

Annually, the Board will receive and approve the RMP. The RMP is developed and presented by Plannera and provides the Board with a listing of identified risks and their risk management strategies for the Plan for the upcoming years.

Annually, the Board will receive the Mid-Year Risk Management Dashboard that will report on the risks and risk management strategies identified in the Risk Management Plan.

All three of these documents are developed by Plannera within the context of the Plan.

Communication

Risk management is communicated to both internal and external stakeholders. Communication should include processes to consolidate risk information where appropriate from a variety of sources within the organization taking into account its sensitivity.

Internal risk management communication and reporting ensure that:

- Key components of the risk management framework, and any subsequent modifications, are communicated appropriately;
- There is adequate internal reporting on the framework, its effectiveness and the outcomes;
- Relevant information derived from the application of risk management is available at appropriate levels and times; and
- There are processes for consultation with internal stakeholders.

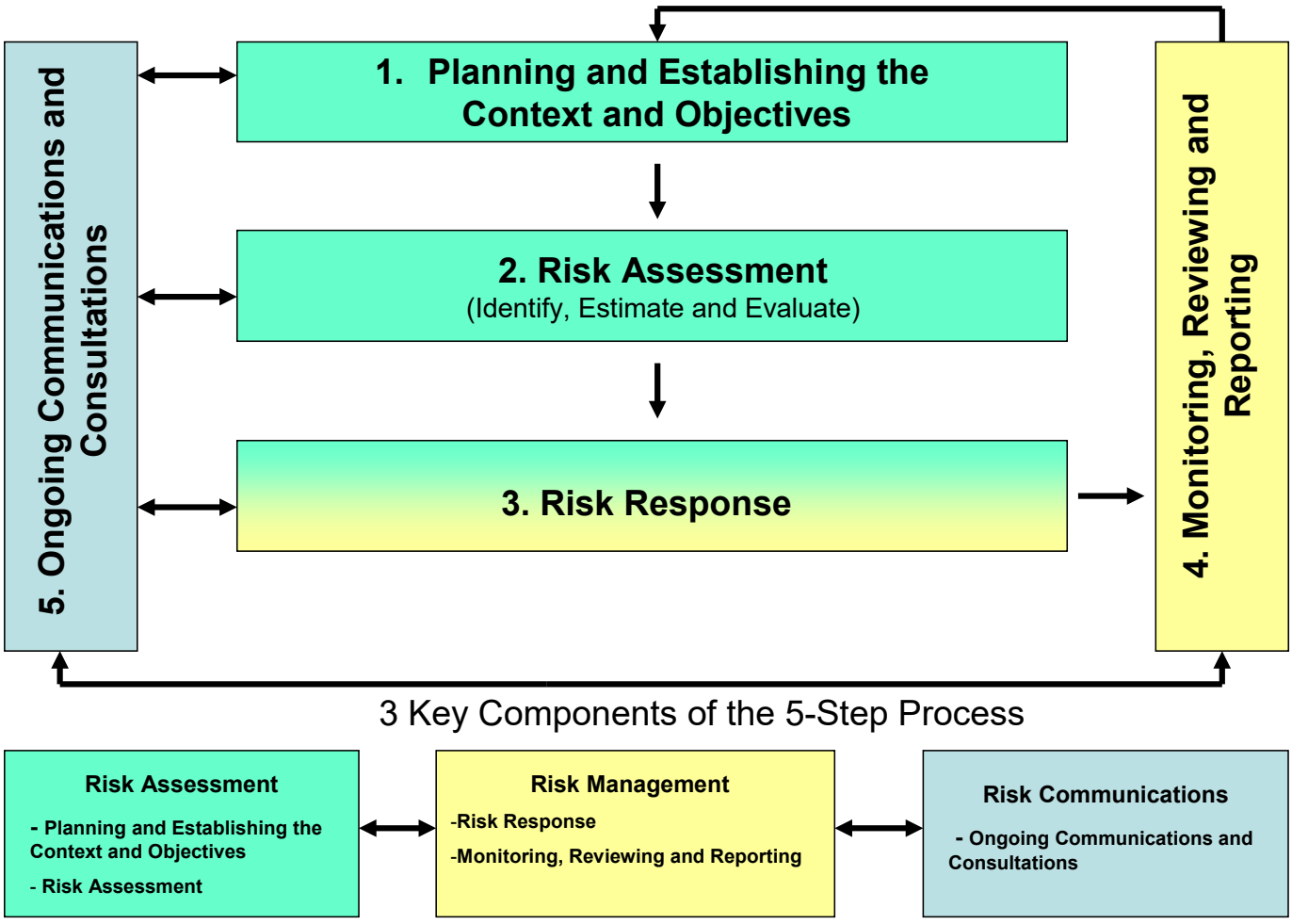
External risk management communication and reporting involve:

- Engaging appropriate external stakeholders and ensuring effective exchange of information;
- External reporting to comply with legal, regulatory, and corporate governance requirements;
- Making legally required disclosures;
- Providing feedback and reporting on communication and consultations;
- Using communication to build confidence in the organization; and
- Communicating with stakeholders in the event of a crisis or contingency.

18.04 History

Approval date:	June 26, 2013; November 22, 2017; May 27, 2020; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027

APPENDIX A – Risk Management Process



APPENDIX B – Terms and Definitions

For the purposes of the Board's risk management program, the following terms and definitions apply (from the CAN/CSA-ISO 31000-10 standard):

Consequence (Impact) - outcome of an event affecting objectives

Control – measure (process or activity) that is modifying risk

Event - occurrence or change of a particular set of circumstances

Inherent Risk - risk prior to considering any risk treatment in place

Likelihood - chance of an event happening

Monitoring - continual checking, supervising, critically observing or determining the status in order to identify change from the performance level required or expected

Residual Risk - risk remaining after risk treatment

Risk - effect of uncertainty on objectives

Risk Assessment - overall process of risk identification, risk analysis and risk evaluation

Risk Attitude - organization's approach to assess and eventually pursue, retain, take or turn away from risk

Risk Criteria - terms of reference against which the significance of a risk is evaluated

Risk Identification - process of finding, recognizing and describing risks

Risk Management - coordinated activities to direct and control an organization with regard to risk

Risk Management Framework - set of components that provide the foundations and organizational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organization

Risk Management Plan - scheme within the risk management framework specifying the approach, the management components and resources to be applied to the management of risk

Risk Owner - person or entity with the accountability and authority to manage a risk

Risk Profile - description of any set of risks

Risk Source - element which alone or in combination has the intrinsic potential to give rise to risk

IV. PEPP Product

Section 19 – Lifetime Pension

Content

Section 19 – Lifetime Pension 1
19.01 Purpose 1
19.02 Background 1
19.03 Service Providers 2
19.04 Performance Reporting 2
19.05 Lifetime Pension Operations and Responsibilities 4
19.06 History 7

19.01 Purpose

The purpose of this section is to design the Public Employees Pension Board's (PEPB, the Board) operation to monitor the Lifetime Pension product of the Public Employees Pension Plan (PEPP, the Plan).

The Board is responsible for making strategic decisions about the Lifetime Pension. The PEPB will oversee the governance of the Lifetime Pension fund, which will involve various governance activities throughout the fiscal year. Additionally, the Board must approve key decisions related to the Lifetime Pension.

19.02 Background

- On November 22, 2022, Saskatchewan's regulator, the Financial and Consumer Affairs Authority (FCAA), introduced Bill 108, The Pension Benefits Amendment Act, 2022, outlining the requirements for administering a Variable Payment Life Annuity (VPLA) fund. Bill 108 received royal assent in May 2023, allowing PEPP to develop its own VPLA retirement product under its regulations.

- Working to develop a multi-jurisdictional VPLA framework, the Canadian Association of Pension Supervisory Authorities (CAPSA) established the Decumulation Committee with provincial regulators. FCAA provided a formal update on the framework to pension plan administrators in early 2024 and is currently working on draft regulations, following the principles proposed in the framework. Order in Councils regarding VPLA received Lieutenant Governor approval in June 2024.

Implementing PEPP's VPLA, branded as Lifetime Pension, is aligned with the Board's strategic priorities.

19.03 Service Providers

Plannera Pensions and Benefits (Plannera) is responsible for development, implementation and management of Lifetime Pension. Plannera utilizes internal resources and coordinates with external service providers to manage and operate Lifetime Pension from project initiation to post-launch product operation.

External Service Providers	Responsibilities
ESTI	Project Management; Web Site Development
Eckler	Actuary
Brown Communications	Marketing
Insightrix & BEworks	Focus Groups and Product Features
JEA	System Changes to PENFAX
Nuovalo	Lifetime Pension Web Calculator Application Programming Interface
MPath	Web Site Design
Miller Thomson	Legal Services
KPMG	Auditor
Linea Solutions	Project Management of JEA Changes

19.04 Performance Reporting

Plannera is responsible for reviewing key metrics and providing a monitoring report to the Board. The key metrics include:

- Monitor Lifetime Pension fund experience
- Evaluate Lifetime Pension members' experiences
- Review future expectations against the original expectations

Plannera will coordinate with the actuary to ensure the Board's governance schedule and administration cycle aligns with the oversight requirements related to the Lifetime Pension. The Governance schedule will inform the Board quarterly and annually on how the Lifetime Pension is performing against the key metrics identified above. The administration cycle lays out the schedule for timely preparation of the items prerequisite for the governance deliverables.

Governance Schedule:

Update Frequency	Annual Schedule	Items	Plannera	Actuary
Quarterly	January, April, June, and November	Member Uptake	Report on member uptake rates	
		Lifetime Pension Fund	Track and report on fund size	
		Legislative Changes	Collaborate with FCAA to identify relevant changes impacting Lifetime Pension	Monitor legislative amendments, share insights
		Industry Trends	Coordinate with FCAA for insights	Provide updates on trends relevant to the Lifetime Pension
Annual	January	Mortality Assumptions	Implement mortality assumption changes effective April 1	Recommend assumptions to Board
	May	Annual Adjustment	Prepare standing agenda item for reviewing annual adjustments	Provide report on annual adjustments
	June	Member Engagement Strategy	Review and report on member feedback for Lifetime Pension	
	June	Investment Strategy Review	Assess strategy, review risk levels	Provide assessment of future expected risk and return, and comparison to original design

Administration schedule:

Schedule	Plannera	Actuary
March 31	Prepare fiscal year member data for Actuary	
April - May		Calculate annual adjustment amounts

May		Calculate expected asset returns and volatility
Early June	Send Lifetime Pension member letter confirming pension adjustments	
End of June	New monthly pension amount paid	
October	Provide PEPP membership data extract to Actuary for mortality assumption review	
November-December		Carry out review of mortality assumption

19.05 Lifetime Pension Operations and Responsibilities

Role	**Service Providers**	**Services**	**Performance Measurement**	**Reporting**
Lifetime Pension Design	Plannera	Review Lifetime Pension design, market and member needs Recommend Plan amendments, Develop Communication strategies	Yes – Must meet with Board satisfaction and comply with *The Pension Benefits Act, 1992* (PBA)/*Income Tax Act, Canada* (ITA)/ Public Employees Pension Act	Board meetings/ Plannera Admin Reports
	Actuary	Review Lifetime Pension design, market needs Recommend Plan amendments	Yes – Must meet with Board satisfaction and comply with PBA/ITA/PEPP Act	Board meetings
	Legal	Research legal issues/ Provide advice	Yes – Must comply with PBA/ITA/ PEPP Act	Board meetings
Compliance	Plannera	Monitor compliance with Income Tax Act, Pension and Benefits Act, PEPP Act	Yes – Must comply with PBA/ITA/ PEPP Act	Plannera Admin Reports

Role	Service Providers	Services	Performance Measurement	Reporting
	Actuary	Monitor compliance with Income Tax Act, Pension and Benefits Act, PEPP Act	Yes – Must comply with PBA/ITA/ PEPP Act	Board meetings
	Legal	Research legal issues/Draft plan amendments	Yes – Must comply with PBA/ITA/PEPP Act	Board meetings
Administration	Plannera	PEPP Policy Manual Amendments/Annual adjustments to pension payments	Yes – Must comply with PEPP Act and Board Policy	Board meetings
	Systems provider	Payment calculations	Yes – Must comply with PEPP Policy Manual	Board meetings
	Actuary	Recommend mortality assumption Determine annual adjustments to pension payments	Yes – Must comply with PEPP Policy Manual	Board meetings
Communication	Plannera	Develop marketing strategy and material to be included in workshops/Website tools/members' online portal	Yes – Executive Management Services Evaluation	Plannera Admin Report
	Employers	Inform employees about Lifetime Pension	N/A	N/A
	Legal and Actuary	Research legal issues/Provide advice	Yes – Must comply with PEPP Act	Board meetings
	Agency of Record	Develop marketing strategy and material	Yes – Must comply with PEPP Act	Plannera Admin Report
Investment & Custody	Plannera	Monitor the suitability of investment strategy for Lifetime Pension fund	Yes – Executive Management	Board Meetings

Role	Service Providers	Services	Performance Measurement	Reporting
		/Determine fund returns	Services Evaluation	
	Actuary	Monitor the suitability of investment strategy for Lifetime Pension fund /Determine future expected returns and volatility	Yes – Executive Management Services Evaluation	Annual review
Governance	Plannera	Monitor/Confirm/Amend governance framework/ Update processes for Lifetime Pension	Yes- Must comply with the Governance Manual	Annually
	Legal	Legal Issues/Advice	No – must meet Board satisfaction	Board meetings
Strategic Planning	Plannera	Assess Lifetime Pension against Board objectives	Yes – Executive Management Services Evaluation	Strategic Business Plan
Risk Assessment	Plannera	Amend/review Lifetime Pension Monitoring Policy[1]/PEPP Risk Register/PEPP Risk Management Plan (RMP)	Yes – Executive Management Services Evaluation	Board meetings
	Actuary	Provide recommendations and Risk processes for Lifetime Pension	Yes – Must comply with Lifetime Pension Monitoring Policy/PEPP Risk Register/PEPP RMP	Board meetings

[1] Lifetime Pension Risk Monitoring Policy (the Policy) is intended to work alongside the PEPP's RMP and complement the Strategic Business Plan. PEPP's RMP 2025-2026 includes Lifetime Pension risks on a high level. The Policy is an additional tool for the Board to assess and mitigate risks associated with LP effectively.

19.06 History

Approval Date:	January 22, 2025; March 26, 2025
Current Review	March 25, 2026
Next scheduled review:	March 2027

III. General

Section 20 – Definitions

Contents

Section 20 – Definitions 1
20.01 Purpose 1
20.02 Definitions 1
20.03 History 3

20.01 Purpose

The purpose of this section is to define terms that are used throughout various sections of the Public Employees Pension Board's (PEPB, the Board) Governance Manual.

20.02 Definitions

Words importing the masculine gender will have the same meaning in the feminine gender, and words used in the singular form will have the same meaning as those used in the plural form, as the context requires.

For the purposes of the (PEPB, the Board) Governance Manual, the following shall apply:

a) **"Administrator"** means the PEPB as the administrator of the Public Employees Pension Plan (PEPP, the Plan).

b) **"Annual Report"** means the report submitted in each fiscal year of the PEPP by the Board to the Minister of Finance setting out the business of the Board and audited financial statements for the preceding fiscal year.

c) **"President and Chief Executive Officer, Plannera Pensions and Benefits (Plannera)"** means the individual who is the head of Plannera. By agreement with the Board, this individual reports to the Board and is responsible for communicating Board decisions, negotiating and executing agreements on behalf of the Board, recommending Board policies and changes thereto, and apprising the Board regarding the activities of any party with whom the Board has entered into an agreement.

d) **"Board"** means the Public Employees Pension Board.

e) **"CAPSA"** means the Canadian Association of Pension Supervisory Authorities.

f) **"CRA"** means the Canada Revenue Agency.

g) **"Chair"** means a member of the Board who has been retained by members of the Board to be the chair of the Board.

h) **"CICA"** means the Canadian Institute of Chartered Accountants.

i) **"Executive Secretary Services"** means the tasks necessary for the organization of all Board business and meetings.

j) **"Fiscal Year"** means a period of time commencing on April 1 of any given year and ending on March 31 of the immediately following year.

k) **"ITA"** means the *Income Tax Act* (Canada).

l) **"PBA"** means *The Pension Benefits Act, 1992*.

m) **"PEPP"** means the Public Employees Pension Plan.

n) **"PEPP Act"** means *The Public Employees Pension Plan Act*.

o) **"PEPP Regulations"** means *The Public Employees Pension Plan Regulations, 2015.*

p) **"Periodic Checklist"** means the list of activities that are being performed to support the oversight and management of the Plan. The checklist documents the frequency with which tasks are completed, when the task was completed, and the supporting documentation to verify the completion of each task.

q) **"Plannera"** means Plannera Pensions and Benefits.

r) **"Policy Manual"** means a manual developed in accordance with federal and provincial pension legislation in order to formalize and document significant issues regarding specific administrative practices and procedures for the purpose of maintaining consistent and accurate instructions, which have been approved and adopted by the Board.

s) **"Service Provider"** means an individual or organization providing administrative or support services, which have been delegated by the Board through negotiated agreements, to ensure the proper administration and management of the PEPP. Service providers include the following: Plan Administrator, Legal Counsel, Auditor, Strategic Investment Consultant, Private Markets Consultant, Investment Managers, and Custodian.

t) **"SIP&G"** means Statement of Investment Policies and Goals, which sets out the investment criteria and objectives for the assets of PEPP.

u) **"Stakeholder"** means an individual or organization that has a substantial interest in the operation and management of the PEPP, such as: plan members/ beneficiaries, participating employers, plan sponsor, unions/associations, and plan administration staff.

v) " VPLA (Variable Payment Life Annuity)" A **Variable Payment Life Annuity (VPLA)** is a pension benefit that provides lifetime monthly payments to a member, with optional continuation to a surviving spouse or beneficiary and is adjusted annually based on fund performance and mortality experience, in accordance with Canadian income tax regulations. (PEPP has branded VPLA as Lifetime Pension).

20.03 History

Approval Date:	September 28, 2006; November 26, 2008; September 23, 2009; November 28, 2012; May 27, 2020; February 28, 2024; and March 26, 2025
Current review:	March 25, 2026
Next scheduled review:	March 2027