

Pension Committee Terms of Reference

Preamble

The Board delegates the responsibility for oversight of the Pension Plan for Employees of the Kitchener-Waterloo Hospital (K-W Pension Plan) and for the investment of the pension plan funds to the Pension Committee.

Reporting Relationship

The Committee reports to Board of Directors.

Chair

Appointed by the Board of Directors from among the voting Directors

Voting Membership

- Three voting Directors including the Committee Chair and the Chair of Resources Committee
- A maximum of three Non-Director Community Members, each of whom will be appointed annually on a one-year term to a maximum of four years. Members appointed by the Pension Advisory Committee who are not executive-level employees of the hospital, to a maximum of three
- Hospital employees who are members (not currently drawing pension benefits) of the K-W Pension Plan, appointed by the CEO, to a maximum of two
- Board Chair or one of the Vice Chairs as delegated by the Board Chair

Ex-Officio Non-Voting Membership

- President and CEO

Resource (non-members)

- Vice-President responsible for finance
- Vice-President responsible for human resources
- Others annually appointed as required

Responsibilities and Accountabilities

The responsibilities of the Pension Committee pertain to the governance oversight of the following areas:

1. Key Legislation

Legislation that may pertain to the area(s) of this committee's responsibilities includes, but is not limited to, the following:

- 1.1. Pension Benefits Act, R.S.O. 1990, c. P.8
- 1.2. Income Tax Act, R.S.O. 1990, c. I.2
- 1.3. Family Law Act, R.S.O. 1990.c.F.3

2. Strategic Matters

- 2.1. Oversee the development and implementation of the pension strategy in accordance with the organization's vision and ensure that appropriate measures are taken to address any identified opportunities or issues

3. Governance

- 3.1. Apply sound governance practices and tools to achieve effective governance
- 3.2. Monitor the committee's own effectiveness through a regular evaluation process
- 3.3. Monitor and review the processes outlined in the Pension Plan Governance Policy

4. Asset Management

- 4.1. Review the Statement of Investment Policies and Procedures (SIP&P) and recommend amendments as required
- 4.2. Conduct investment review meetings, at least quarterly, with the Investment Oversight Manager
- 4.3. Monitor the investment performance of the Investment Oversight Manager on agreed terms of measurement as specified by SIP&P
- 4.4. Review quarterly financial statements relating to all pension activities in the period

5. Plan Administration and Oversight

- 5.1. Provide oversight to the plan administration processes including but not limited to appointment and review of internal and external providers; preparation and submission of required reports, and communication and education to plan members
- 5.2. Review plan design changes and proposed plan amendments including any plan design suggestions from the Pension Advisory Committee
- 5.3. Review, at least annually, a report from the Pension Advisory Committee

Quorum

A majority of the voting members will constitute quorum.

Voting

Each voting member including the Committee Chair and Board Chair shall have one vote

Meeting Frequency

The Pension Committee will meet at least 4 times per year. Additional meetings may be arranged at the call of the Chair as necessary.

Meeting Procedures

Refer to Sub-section 4.2 – 4.9 of Corporate By-law, 2022

Pension Committee Terms of Reference, May 16, 2023