

TERMS OF REFERENCE - THE INVESTMENT COMMITTEE

To carry out its mandate to support the Pension Board in governing, managing and operating the Fund, the Investment Committee's composition, operation and responsibilities are described below.

1. *Plans Subject to the Authority of the Investment Committee*

The Investment Committee's pension related authority applies solely to the Fund.

2. *Investment Committee Composition and Operation*

- (a) The Investment Committee will consist of eight to eleven voting members at least one of whom will be a voting member of the Pension Board (the "Board Rep"), and three ex-officio (non-voting) designated staff members.
- (b) The Pension Board will recommend to the Nominations Committee of the Executive all remaining voting members of the Investment Committee. If the number of members on the Investment Committee at any point in time is less than eight, the Executive will appoint the number of members necessary to achieve at least eight.
- (c) The three ex-officio designated staff members will consist of:
 - i. the Executive Officer, Human Resources;
 - ii. the Executive Officer, Financial Services; and
 - iii. the Pension Fund Investment Manager
 - iv. or their designates (the "Designated Staff Reps")
- (d) Voting Investment Committee members will normally serve for a term of three years. The maximum number of terms that may be served consecutively by members is three, unless the Nominations Committee of the Executive grants an exception in writing on such terms and conditions as the Nominations Committee of the Executive may establish from time to time. Appointments will be reviewed periodically by the Pension Board. Wherever possible, terms of the specialists should be staggered in such a manner as to promote continuity on the Investment Committee.
- (e) The Pension Board will appoint the Chair of the Investment Committee. The Chair's appointment will be for a three year term and may be renewed to coincide with their membership term for a maximum of nine consecutive years.
- (f) No person will be eligible to serve as a voting member of the Investment Committee if he or she is a member of the General Council Office staff.
- (g) The Investment Committee will meet at least four times a year and the Investment Committee will adopt meeting processes and procedures.

- (h) A meeting will be properly constituted only if a majority of the voting members are present in person or participating by means of a telephone, video conference or other technology.
- (i) No proxies will be permitted at any time. However, another voting member of the Pension Board may attend as an alternate Board Rep.
- (j) No motion at a meeting will be adopted unless it receives an affirmative vote from a majority of the voting members of the Investment Committee participating in the meeting. Should a motion be proposed by circulating hard copies, use of e-mail, or comparable technologies outside of a meeting, it will not be adopted unless it receives an affirmative vote from a majority of all voting members of the Investment Committee.
- (k) In the event the Chair cannot attend a particular meeting of the Investment Committee, the remaining members present will appoint a member to act as interim Chair for the purposes of that meeting.
- (l) Investment Committee members are entitled to reimbursement from the Fund of reasonable expenses incurred personally in the conduct of their duties, in accordance with the Pension Board's expense chargeback policy.

3. *Investment Committee Responsibilities*

- (a) The Investment Committee will develop, with support from Plan staff, the investment policies of the Fund and in turn provide recommendations to the Pension Board for approval. Such policies may include, but are not limited to:
 - i. Statement of Investment Policy and Procedures (SIPP), which shall address all matters required by law including but not limited to investment objectives and asset mix policy and proxy voting.
 - ii. Other related investment policies and guidelines not necessarily contained in the SIPP such as policies related to responsible investing.
- (b) The Investment Committee will review the SIPP at least annually and recommend changes to the Pension Board as appropriate; the Investment Committee will review other related investment policies on a regular basis, or as requested by the Pension Board.

- (c) The Investment Committee will approve appointments and terminations of investment managers. In approving such appointments and terminations, the Investment Committee will satisfy itself that the appropriate due diligence and selection processes were carried out. The Investment Committee will notify the Pension Board of all appointments and terminations with supporting rationale.
- (d) The Investment Committee will recommend to the Pension Board the appointment and/or termination of the Plan's Custodian, with supporting rationale, and arrange for the review and execution of all related documents in accordance with the Pension Board's relevant policies;
- (e) The Investment Committee will recommend to the Pension Board the appointment and/or termination of other investment related advisers and service providers, with supporting rationale, and arrange for the review and execution of all related documents in accordance with relevant procedures and policies.
- (f) The Investment Committee will review and report to the Pension Board the following on a quarterly basis:
 - i. Compliance with the SIPP and related investment policies of the Fund; and
 - ii. The performance of the Fund and each asset class.
- (g) The Investment Committee will instruct staff to rebalance the asset mix of the Fund in accordance with the Statement of Investment Policies and Procedures. The Investment Committee will notify the Pension Board of any rebalancing activity with supporting rationale.
- (h) The Investment Committee will periodically review the overall investment structure, operation and costs to ensure that they continue to support the goals and objectives of the Fund and the Plan.
- (i) The Investment Committee will:
 - i. Remain abreast of strategic risks that could fundamentally affect the ability to meet the Plan's objectives or the way the Plan is invested. Examples include taxation of investment income, regulatory restrictions or political interference.
 - ii. Remain abreast of trends and developments in the pension investment management industry;
 - iii. Be available to advise the Pension Board and Plan staff as required; and
 - iv. Undertake, at the request of the Pension Board, such other activities as may be necessary or desirable.

4. ***Periodic Performance Review***

In addition to the quarterly reports received from the Investment Committee, it is necessary for the Pension Board to periodically evaluate the performance of its delegates in order to discharge its responsibility to oversee its delegates.

At least annually, the Investment Committee will undertake a collective self-assessment and report the results to the Pension Board.