



Pension Committee Meeting #116 Minutes

Date of meeting: 24-Sep-2025
Time: 1:30pm – 3:00pm
Location: McNally Boardroom

PENSION COMMITTEE MEMBERS

Voting Members

COMMITTEE SUPPORT

Non-Voting Members

Chair – Susan MacDonald
Vice Chair - Florian Muenkel (SMUFU)
Christine Panasian (SMUFU)
John Fiset (SMUFU) - absent
Rob Thacker (SMUFU)
Nabil El Meslmani (SMUFU) - late
Margaret McKee (SMUFU)
John Irving (SMUFU)
Liliane Bassil (NSGEU) - absent
Greg Hilliard (NSGEU) - absent
Shannon Rhode (NSGEU)
Mark Moffett (Non-union)
Todd Williams (Non-union)

Meghan Thorpe, People & Culture
Matthew Timmons, Financial Services
Jonathan Croft, Mercer

Meeting called to order at 1:30pm.

- 1. Approval of agenda, introduction of new members and approval of Minutes (Chair)

Introduction of newest Committee Member – Chair, Susan Macdonald, Interim VPFA. A round table introduction was done as this was the first time since 2020 that the Pension Committee meeting was held in-person.

Approval of agenda

Motion: Agenda approved as presented.

Made by: Mark Moffett

Seconded by: Christine Panasian

In Favor: all

Approval of the minutes of the 12-Jun-2025 meeting

Motion: Minutes approved as circulated.

Made by: Todd Williams

Seconded by: Florian Muenkel

In Favor: all

Actionable Items:

Minutes from 12-Jun-2025 meeting adopted as submitted; to be posted on our Pension website.

2. Business Arising from the Minutes
a. Investment Subcommittee (ISC)– TDF Fund Manager search update (Christine, Jonathan)

| <p>ISC initiated a comprehensive review of the current pension plan fund manager. The review was overdue and driven by multiple factors:</p> <ul style="list-style-type: none"> ○ ESG (Environmental, Social, Governance) alignment ○ Market benchmarking ○ Fund management fees <p>ISC held several meetings over the summer to review potential Managers and shortlisted two final candidates. Finalist presentations were completed last week. A roadblock prevented consensus; decision deferred to broader committee.</p> <p>Key Differences Between Finalists:</p> <table border="1" data-bbox="100 840 1109 1438"> <thead> <tr> <th>Criteria</th> <th>#1</th> <th>#2</th> </tr> </thead> <tbody> <tr> <td>Management Style</td> <td>Fully passive</td> <td>More active</td> </tr> <tr> <td>Fee Structure</td> <td>Lower fees</td> <td>Slightly higher (due to active management)</td> </tr> <tr> <td>Architecture</td> <td>Closed architecture (uses only in-house funds)</td> <td>Open architecture (can select external managers)</td> </tr> <tr> <td>ESG Strategy</td> <td>Strong ESG positioning; uses ESG-optimized indices and controversy screening</td> <td>Less emphasis highlighted</td> </tr> <tr> <td>Use of Alternatives</td> <td>Limited</td> <td>Greater use of alternatives</td> </tr> <tr> <td>Customization</td> <td>Custom portfolios available but come with higher cost and governance complexity</td> <td>Similar open-architecture approach to current setup</td> </tr> </tbody> </table> <p>Members emphasized that the decision should reflect plan member interests. Considerations include cost, governance burden, ESG preferences, and investment style. It was agreed that both candidates present better options than our current Fund line-up.</p> <p>Decision deferred to December meeting. Committee members would like more time to review the materials presented at the finalist meetings in order to make an informed decision.</p> | Criteria | #1 | #2 | Management Style | Fully passive | More active | Fee Structure | Lower fees | Slightly higher (due to active management) | Architecture | Closed architecture (uses only in-house funds) | Open architecture (can select external managers) | ESG Strategy | Strong ESG positioning; uses ESG-optimized indices and controversy screening | Less emphasis highlighted | Use of Alternatives | Limited | Greater use of alternatives | Customization | Custom portfolios available but come with higher cost and governance complexity | Similar open-architecture approach to current setup | <p>Actionable Items:</p> <p>Jonathan to share finalist slides and commentary for members to review and come prepared to discuss at the next Committee meeting in December.</p> |
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| Criteria | #1 | #2 | | | | | | | | | | | | | | | | | | | | |
| Management Style | Fully passive | More active | | | | | | | | | | | | | | | | | | | | |
| Fee Structure | Lower fees | Slightly higher (due to active management) | | | | | | | | | | | | | | | | | | | | |
| Architecture | Closed architecture (uses only in-house funds) | Open architecture (can select external managers) | | | | | | | | | | | | | | | | | | | | |
| ESG Strategy | Strong ESG positioning; uses ESG-optimized indices and controversy screening | Less emphasis highlighted | | | | | | | | | | | | | | | | | | | | |
| Use of Alternatives | Limited | Greater use of alternatives | | | | | | | | | | | | | | | | | | | | |
| Customization | Custom portfolios available but come with higher cost and governance complexity | Similar open-architecture approach to current setup | | | | | | | | | | | | | | | | | | | | |

b. Targeted campaign completed to members with potential fund misalignment (Meghan)

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| Targeted email campaign completed to members under age 50 who are in the TDF Retirement Portfolio and TDF 2025. | Actionable Items: |
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3. Review of the Pension Committee Financial Report and Sun Life slides (Matthew)

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| Matthew shares the Financial Report on screen as he reviews the report. | Actionable Items: |
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4. New Business

a. Review of the Investment Monitoring Report (Jonathan)

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| <p>Jonathan presented the Mercer annual quantitative and qualitative investment analysis of the pension plan's funds, which covers the period up to March 2025. Target Date Fund Portfolios represent 81% of plan assets. They follow a custom glidepath that is overseen by this committee.</p> <p>There are two Funds in our portfolio whose scores have been recently downgraded:</p> <ul style="list-style-type: none"> • AB Canada Core Plus Bond Fund: Downgraded to B • CC&L Canadian Equity Fund: Downgraded to B <p>The Investment Subcommittee (ISC) is evaluating possible replacements for the downgraded funds.</p> <p>Jonathan provided an update on Market volatility, current trends, and emerging issues impacting investment strategy.</p> | Actionable Items: The ISC is currently looking at potential replacements for the downgraded funds. |
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5. Subcommittee Updates

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| Investment (Christine) | Provided an update in 4(a). | Actionable Items: |
| Internal (Todd) | No updates. | Actionable Items: Liliane to fill the vacant spot on the Internal Agents subcommittee. |
| External (Florian) | No updates. | |
| Education (Mark) | The Education Subcommittee got together last week to review the fall Financial Literacy session plans. A poll was sent out to members, | Actionable Items: |

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| | and will remain open for one week. The topic with the most votes will be selected and presented by Sun Life in November (virtual). | Sent invitations to members for the Fall Financial Literacy session. |
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6. Pension Committee Macro-agenda (Meghan)

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| Meghan quickly reviewed the upcoming items on the Pension Committee Macro-agenda. Matthew confirms the AIR has been filed. | <p>Actionable Items: Only book first two meetings in 2026 based on the teaching schedule of the Faculty members.</p> |
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There was a table discussion about the preference of meeting types, and whether they should be in-person or virtual moving forward. Due to the importance of the topic of the next meeting (December 17th), it was decided that the next meeting will be in-person. Moving forward, the meetings will be a mix of in-person and virtual (in-person during class sessions, and virtual during the summer). Without further business to address, the meeting is adjourned at 2:49pm.

Respectfully submitted,

Meghan Thorpe
Benefits & Pension Consultant
People and Culture