Pension Committee report

Committee members

Stockwell Day (Chair) ✓
Ray Chan ✓
Lisa de Wilde ✓
John Manley ✓
100% independent ✓

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meetings in 2019
At each meeting, the Committee meets in-camera with the Senior Vice-President and Treasurer, and also in-camera without management present. The Committee also meets annually with Pension Plan auditors without management present.

2019 Committee highlights

Governance audit review

• An external governance audit review was conducted by Willis Towers Watson, which concluded that the standard of governance of the Pension Plans is high and is compliant with the Pension Benefits Standards Act (Canada) and the guidance provided by the Office of the Superintendent of Financial Institutions and the Canadian Association of Pension Supervisory Authorities
• Minor policy improvements were recommended.

Changes to the Defined Contribution Pension Plans

• Effective June 2019, a new record-keeper was selected and transitioned for the Defined Contribution Pension Plans
• In conjunction with the new record-keeper, better investment options and fee reductions were offered to members and implemented
• Over $1 billion in assets were transitioned, with a majority of investment allocated to the new Target Date Funds.

Governance and oversight of Pension Plans

In accordance with its mandate, the Committee approved the appointments of the auditor and actuary for certain of the Pension Plans. As well, the Committee received, reviewed or approved, as required, the following:
• The Defined Benefit Pension Plans’ investment goals and objectives and long-term asset mix policy
• An annual report, including annual financial statements and audit reports prepared by the external auditors, for each of the Defined Benefit Pension Plans
• An audit scope report
• An annual update on developments in pension law
• Reports from the actuary of the Pension Plans, including the assumptions and results
• Pension Plan budgets, including plan expenses and peer plan results
• Quarterly and annual investment results measured against plan benchmarks and liabilities and including an in-depth review of a feature asset class at each meeting
• Pension Plan insurance coverage
• Management’s self-assessment of internal controls
• Reports confirming compliance with Pension Plan ethical standards, investment policies and procedures, derivative policies and legislation
• Investment manager performance assessments
• Reports on the investment strategy and risk assessment
• Defined Contribution Pension Plan membership statistics, introduction of new plan administrator and active investment program
• A cost of living adjustment for the TELUS Corporation Pension Plan
• Management presentations on the topics of annuity purchases and private equity and infrastructure investments
• Presentation by service providers on governance trends, economic and capital market updates.

1 John left the Pension Committee and joined the Compensation Committee for the August 2019 meetings. On November 5, 2019, John became a member of the Pension Committee again and stepped down from the Compensation Committee.

Signed, the members of the Pension Committee

Stockwell Day (Chair)  
Ray Chan

Lisa de Wilde  
John Manley