



ANNUAL
REPORT

2023

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DAVE LAWSON

In 2023, PIAC achieved remarkable success in all of our core areas of focus.

The flagship PIAC investment conferences were held in person in Quebec City and Halifax with strong attendance and excellent feedback on the programs. The in-person events were a great success, however we realize that not all members can attend these events and it is important that we continue to offer ways to connect and exchange knowledge in interactive formats. We have done this through regional lunches, webinars, and the PIAC Exchange - our online forum for members.

Facilitating this sharing of knowledge on sound investment practices and good governance remains the core of our mission. The PIAC strategic plan focuses on the following priorities:

MEMBER ENGAGEMENT

In recent years, we revised PIAC's membership rules to allow more staff at member organizations to get involved. This has had a noticeable impact, with our membership recently surpassing 1,100 individuals - up from roughly 700 in 2019. We appreciate that many of our members may not have the opportunity to attend a conference, so the Board has prioritized finding new ways to engage members. This includes our new web based Member Forums, which are facilitated discussions on topics of interest to members. In 2023 we held 7 of these events with total attendance above 180 members.

ADVOCACY

PIAC's efforts to engage with regulators and government representatives consistently rank in member surveys as being highly important to members. The PIAC Government Relations Committee that leads our advocacy efforts had a very busy year in

2023. Notable efforts were made by the committee to respond to the Government on its cessation of issuing Real Return Bonds, note PIAC opposition to amending Bill C-228, provide feedback on CAPSA's Draft Strategic Plan, the Dept of Finance's consultation draft regulations on Negotiated Contribution Plans and Unclaimed Balances, and respond to the Fall Economic Statement among many other advocacy activities. As always, we welcome feedback from members on our advocacy priorities.

RESOURCING

PIAC's success is the direct result of our passionate volunteers and the exemplary staff in the PIAC office. 2023 was an important year for succession and ensuring continuity and continued flawless execution by the PIAC office. The recruitment of our incoming Executive Director was completed in early 2023, and the Board is pleased to have welcomed Don Andrews as PIAC's new Deputy Executive Director. Later in 2023, we recruited to fill the new position of Manager, Government and External Relations and welcomed Romina Cortina to the PIAC family. As we look further into 2024 we are ready for the extremely well planned retirement of our longtime Executive Director, Peter Waite.

On behalf of the Board, I extend my thanks to the staff in the PIAC office and our over 150 volunteers for their continued commitment to serving the PIAC membership. Thanks to their efforts, PIAC remains as vibrant as ever and is well positioned to further build on our main successes. I would also thank retiring directors Sean Hewitt, Katherine Preston and Francois Quinty for their many contributions to PIAC over the years. And I am pleased to welcome Alison Gould, Sean Kulik, and Ying Wu to the board. The board continues to reflect our diverse membership, including pension professionals from both large and small organizations across the country.

MESSAGE FROM THE EXECUTIVE DIRECTOR



PETER WAITE

As I prepare my 20th and final Annual Report as Executive Director, I am struck by how much has changed over the past two decades and how much remains the same.

WHAT HAS CHANGED?

- When I started PIAC had about 140 individual members... and kept track of them on an excel spreadsheet. Now we have over 1,100 members and utilize a sophisticated association management platform to track your preferences and engagement with your association.
- Each year PIAC was sending two or three letters to a limited number of regulators on a rather narrow range of pension investment issues. Now we are making around twenty submissions per year to every jurisdiction in the country on a wide array of pension management topics.
- PIAC was a very Toronto-centric organization despite its national scope. Outside of the conferences, the luncheon and social events were all in Toronto. Those committees that met in person, did so in Toronto. That ended within a year as I insisted on broadening our focus.
- Regional meetings were a Quebec thing... now they are a coast-to-coast thing.
- Our educational offerings were limited to the Spring and Fall conferences and the occasional seminar. These events all had an investment focus that would now be considered very outdated. While the Spring and Fall conferences continue with an investment focus, the topics are much more diverse. We also now have a specialized Tax Conference and utilizing new technologies, we have expanded our methods for bringing members together and sharing information through webinars, members forums and virtual conferences.

AND WHAT IS THE SAME?

- PIAC remains resolutely “Member Driven”. Our members create or curate the content of programming, newsletters and the website. Members provide the direction on all advocacy matters.

- Volunteers continue to create real member value and we went from 40 to 157 volunteers.
- PIAC remains resolutely a buy side only organization of pension funds.
- PIAC remains focussed on the needs of sponsors, members and beneficiaries.
- There is a striking lack of internal politics on the board and committees... as an Executive Director, that is such a very, very good thing!
- PIAC’s external image continues to be non-partisan with a robust technical focus.
- Given the importance of fiduciary duty, we have a frugal approach to all we do.
- Members pay the freight, including volunteers paying for registration fees for the conferences they help plan.
- Too much of our economy remains short term focussed - at the mercy of the tyranny of quarterly earnings reports which drives short term thinking; the quick buck artists; the flippers; the asset strippers. Pension plans were and are the best antidote to this. Greed may indeed be good for some, but pensions are good for many, many more.

I want to single out the following individuals who were volunteers when I started and who, twenty years later, are still active volunteers! This is what dedication, purpose and PIAC’s self help ethos looks like.

Pierre Drolet, Kevin Fahey, Emilian Groch, Algis Janusauskas, Brenda King, Dave Lawson, Brenda Mcinnes, Betsy Springer, Gretchen Van Riesen

Thank you for your guidance, support and being on this journey with me.

Let me conclude by thanking PIAC’s Officers: Dave Lawson, Antonietta Cicerone, Asif Haque and Graeme Hay, as well as the Directors and volunteers for being so supportive of PIAC’s staff and generous with their time and energy.

I am so grateful to our staff team who make everything I do possible. Thank you, Faith Featherstone, for standing by my side for the past decade. Thank you to Chris Dawkins, Chona Cataquiz and Wil deGast who made a great many things happen. Welcome to Romina Cortina, our new Manager of Government and External Relations and of course to Don Andrews who will succeed me in this role and who has been a delight to work with over the past year.

We are in good hands.



OBJECTIVES

To communicate pension investment and management information to and among PIAC members.

The Communique Committee (the “Committee”) sees the

newsletter as an important extension of PIAC’s “mutual help” mandate in sourcing articles that provide unique approaches, insights, tools, or otherwise expand the readers’ understanding of challenges and opportunities that the Canadian pension sector faces.

The Committee’s articles originate from a broad range of sources including PIAC members, other PIAC committees, and industry partners, in addition to the Committee itself. Four issues of the Communique newsletter were made available online in 2023. In addition to going directly to the PIAC website, members can locate the newsletter through PIAC generated email and LinkedIn links. Website functionality also allows for the Newsletter to be downloaded in pdf format and printed.

HIGHLIGHTS

The Committee was very active in 2023 and delivered a broad range of articles covering major themes, asset classes, and PIAC events. Unsurprisingly, ESG was a constant feature over the year including the controversial aspect of greenwashing and a focus on “E” of ESG. The roundtable fireside discussions with recently retired stalwarts of our industry proved to be popular. Highlights included fireside chats with Julie Cays and Jai Parihar. Member profiles included profiling Marlene Puffer from AIMCO. There was also a special feature titled “Getting to know Don Andrews”, PIAC’s incoming Executive Director. In addition, there was strong coverage of private markets including private credit and how to access the private infrastructure asset class in a rapidly changing environment. Other notable features included a discussion on risk models, the phasing out of inflation-protected bonds and the ushering in of a new era for inflation hedging in Canada. Regular features included Asset & Returns Survey results, committee profiles, feedback from conferences, a summary of submissions and notification of events.

CONCLUDING REMARKS

The Committee will continue to source a diverse range of articles and make sure that the Communique remains a useful communications and information tool.

On behalf of the Communique Committee, I would like to express my gratitude to PIAC committee members and other members and volunteers who have contributed to the newsletter in 2023. Special thanks to the PIAC office staff for their kind support thus enabling the newsletter to achieve its objectives and meet its deadlines.

MEMBERS

Marion Boddy, BCI

Sean Hewitt, VESTCOR

Steve Mahoney, NOVA SCOTIA
PENSION PLAN

Yashnita Naicker, UNIVERSITY
PENSION PLAN

Emma Radloff, OMERS

Betsy Springer,
PIAC HONOURARY MEMBER

Colette Wagner,
SASKATCHEWAN HEALTHCARE EMPLOYEES
PENSION PLAN

DEFINED CONTRIBUTION COMMITTEE

CHAIR • CHERYL SHEA, CANADIAN PACIFIC KANSAS CITY LIMITED



The DC Committee would like to thank Martin Belanger for his many years of service, including acting as Chair for many years and being one of the key founding members of the original working group that eventually became the Committee.

OBJECTIVES

- To promote sound standards and practices for defined contribution plans and other capital accumulation plans (collectively “the plans”) in the areas of investment, governance and related member communication.
- To compile and present in-depth research on existing and emerging investment products and strategies in order to assist members and their beneficiaries in their investment activities.
- To compile and present in-depth research related to the management of the plans, including member communication, education, advice, plan and investment option design and plan administration. This is delivered through various methods including papers, seminars, Communiqué articles, conferences, databases and tools.
- To regularly solicit and review feedback received through various means to identify issues relevant to members.
- To monitor the regulatory environment affecting the plans.

The Committee worked on four main initiatives in 2023:

- 1** Identifying and influencing best practices with respect to DC plan governance. The Committee continues to be actively involved with CAPSA and represents DC members in annual meetings alongside the Government Relations Committee. Members of the Committee participated in an Industry Working Group that was tasked with providing input to CAPSA on updates to the CAP guidelines. CAPSA recently re-engaged

with the IWG given significant feedback on the draft guidelines and the Committee is hoping to see some of the recommended changes incorporated into the final version. The Committee also engaged with Finance Canada on capital gains tax on target date funds in non-registered plans.

- 2** Reviewing retirement planning tools, with the goals of providing guidance on best practices, assumption reviews and influencing regulation. The Committee is currently monitoring three new retirement planning tools recently released to share new insights and innovations with the membership. Two such tools were featured in a member forum/webinar where providers analyzed a retirement planning case study. Additional webinars and articles are under consideration.
- 3** Continue to monitor and advocate for the development of lifetime income solutions including Advanced Life Deferred Annuities (ALDA) and Variable Payment Life Annuities (VPLA). The Committee recently engaged with the BC Ministry of Finance on new legislation allowing VPLA’s in the Province and discussed the product further with Canada’s Ministry of Finance. The DC Committee was invited and provided testimony for the Standing Senate Committee on Banking, Commerce and the Economy on VPLA provisions of amendments to the Pension Benefits Standards Act and the Pooled Registered Pension Plan Act. The testimony can be viewed under the DC/CAP section of the Resources tab on the PIAC website under Regulatory Issues.
- 4** The Triennial Survey of Operational Costs for DC Plans was completed and results were published under the DC/CAP section of the Resources tab on the PIAC Website.

EDUCATION

The DC Committee has continued its education efforts by contributing DC related articles, webinars and conference sessions during the year. Topics included: Modeling Target Date Glide Paths, DEI in DC Plan Investment Options, Shariah Investments, a Member Forum/Webinar Featuring Two Newly Released Retirement Planning Tools, Short-Term Investment Options for CAP Plans as well as Conference Sessions on Innovation in Saskatchewan DC Plans and Flexibility in CAP Plans.

MEMBERS

Tahir Aziz, UNIVERSITY OF WESTERN ONTARIO

Kamila Giesbrecht, UBC FACULTY PENSION PLAN

Gaelan Hanlon, SOBEYS

Nikki Keating, BIMCOR

Roman Kosarenko, LOBLAW

Martin McInnis, CSS PENSION PLAN

John Nielsen, IBM CANADA

Michelle Peshko, GLENCORE

Toza Siriski, RBC

François Villeneuve, EDC

GOVERNANCE AND NOMINATING COMMITTEE

CHAIR • GRAEME HAY, TEACHERS' RETIREMENT ALLOWANCES FUND



OBJECTIVES

- To solicit volunteers as nominees for Directors for consideration by the Membership.
- To nominate Officers for consideration by the Board.
- To monitor and propose amendments

to the Bylaws and governance practices for consideration by the Board.

- To conduct a formal annual review of the governance process and report to the Membership through the Board.
- To conduct an annual survey of Directors and Committee chairs to assist in the performance evaluation of the management company.
- To regularly solicit and review feedback received through various means to identify issues relevant to members.

The Governance and Nominating Committee (GNC) is one of two Standing Committees established in the Bylaws and comprises the four most recent past Chairs of the PIAC Board. All responsibilities that touch on PIAC governance fall under the GNC mandate.

Every year GNC activities include:

- Overseeing the call for new Director nominations and proposing candidates for consideration to the membership.
- Recommending Officers to the Board (Secretary/Treasurer, Vice-Chair and Chair).
- A review of the governance processes of the association and results of the self-evaluations completed by Directors and committee volunteers.
- Overseeing the call for nominations for the Terry Staples Volunteer of the Year Award and the Chuck Harvie Distinguished Service Award.
- Recommending award recipients to the Board.

MEMBERS

Simon Fréchet, PIAC HONOURARY MEMBER

Sean Hewitt, VESTCOR

Natasha Trainor, NAV CANADA

GOVERNMENT RELATIONS COMMITTEE

CHAIR • DAVID GORDON, CAAT PENSION PLAN



OBJECTIVES

- Monitor and evaluate laws and regulations pertaining to the investment of pension assets and funding of pension plans.
- Consult with, recommend, and effectively promote the prudent investment

of pension assets to government representatives and regulatory authorities.

- Maintain an ongoing liaison with federal and provincial officials.
- Undertake advocacy campaigns when appropriate.
- Solicit and review feedback received through various means to identify issues relevant to members.
- Conduct regular meetings with government(s) and prepare submissions both proactively and in response to government consultation.

In 2023, the GRC prioritized and advocated for the following issues:

- Funding reform and harmonization among all regulated jurisdictions,
- Creation of VPLA standards within all regulated pension jurisdictions,
- Mitigation of risks prompted the Pension Protection Act, 2023, and
- The immediate reissuance of Real Return Bonds.

In 2023, the GRC continued to advocate for funding reform: one funding rule, as opposed to both a going-concern funding rule and a plan termination (solvency) funding rule. We emphasized the need for regulatory harmonization across all jurisdictions: a unified funding rule that can be designed to meet the needs of beneficiaries and plan

sponsors, balancing the need for benefit security and plan sustainability. Pension plans are inherently long-term obligations. Only long-term going concern funding policies can support the fulfillment of these important obligations.

The committee also continued to push for regulatory framework harmonization for Variable Payment Lifetime Annuities (VPLAs). VPLAs offer essential decumulation options for defined contribution arrangements, addressing a vital element of retirement planning that is often overlooked. We advocated for broadening access to VPLAs beyond members of registered pension plans and PRPPs by expanding their availability to Registered Retirement Savings Plans (RRSPs) and diversifying the types of entities that can offer VPLAs.

PIAC continued to urge the federal government to monitor and review the significant and unintended consequences of Pension Protection Act, 2023 within the mandated four-year transition window for provision acclimation. By granting super-priority status to pension plan deficits, the Pension Protection Act has created an increasingly challenging pension regulatory and funding environment for DB plan sponsors across the country, risking reduced workplace pension coverage.

Finally, PIAC continues to advocate for the restoration of RRB issuance, which has the potential to enhance domestic investment in Canada. PIAC urged the government to reopen consultations on the termination of RRBs and to reinstate the program.

Romina Cortina, PIAC's new Manager of Government & External Relations, joined the organization in November of 2023. Romina supports PIAC's advocacy goals and strategies, drafting submissions and attending meetings with government officials.

The GRC is the beneficiary of strong support by PIAC members across the country, lending their expertise and time to PIAC's advocacy efforts. Anyone interested in joining is invited to contact the PIAC office.

MEMBERS

Julie Belair, OPTRUST

Eric De Roos, ONTARIO TEACHERS' PENSION PLAN

Tim Downing, CPPIB

Emilian Groch, PIAC HONOURARY MEMBER

Alyx Holland, SUN LIFE

Dan Hudgin, EMERA

Nasser Jamal, UNIVERSITY PENSION PLAN

Algis Janusausakas, PIAC HONOURARY MEMBER

Dave Lawson, TELUS

Rod Matheson, ALBERTA TEACHERS' RETIREMENT FUND

Brenda McInnes, PIAC HONOURARY MEMBER

Joanne McNamara, IMCO

Chris Morley, OMERS

Denes Nemeth, AIMCO

Jean-Yves Paquette, SOCIETE DE TRANSPORT DE MONTREAL

Gretchen Van Riesen, PIAC HONOURARY MEMBER

INVESTMENT PRACTICES COMMITTEE

CHAIR • ROBERT FIELD, BCI



OBJECTIVES

- To promote sound pension investment standards and practices
- To compile and present in-depth research on existing and emerging investment products and strategies in order to assist members in their investment activities. This is delivered through various methods including papers, seminars, Communiqué articles, conferences, databases and tools.
- To regularly solicit and review feedback received through various means to identify issues relevant to members.

COMMITTEE STRUCTURE

This past year was one of transformation for the Committee as two new Working Groups were formed while refining our focus on investment strategies and governance. Joining the long-standing Alternatives Working Group, we welcomed the Fixed Income Working Group and the Public Equities Working Group which expanded opportunities for members to contribute with a combined 17 member volunteers participating and room to welcome more. Our expanded structure provides greater flexibility for both specialists and generalists to contribute and benefit.

ACTIVITIES & HIGHLIGHTS

- In March, the Committee hosted an *Investment Outlook Member Forum* that touched on lessons learned from 2022 and member funds' investment strategies 2023.

- Also in March, the Alternative Working Group, hosted the *Approaches to Public/Private Equity Risk Member Forum* that will allow members to exchange perspectives and approaches on investing in companies, be it through public or private markets.
- In October, the Alternatives Working Group organized an article, titled *Accessing the Private Infrastructure Asset Class in a Rapidly Changing Environment*, for the Fall Communiqué. The article highlighted the growth in open-ended funds that members can use to help achieve their desired Infrastructure exposure targets.
- In October, the Committee hosted a *Negotiating Investment Management Fees Best Practices Member Forum*, that over 30 members participated in. 18 attendees completed a survey in advance of the Forum and the results were shared during the event. After a general discussion and overview on negotiating tactics, attendees participated in three smaller breakout sessions and the collective suggestions on best practices were shared with the broader PIAC membership.
- In July, the Fixed Income Working Group hosted a member forum on "*Alternatives to Real Return Bonds*" that 17 people attended.
- The Public Equities Working Group began work on a Due Diligence Questionnaire to provide as a download on the website for members.
- For the Spring Conference in Toronto, the Committee and Working Groups will be hosting (hosted) a Member's Open House Forum Reception on Day 1. On Day 2, the Alternatives Working Group organized a conference session titled "Overview of the ESG Data Convergence Initiative (EDCI)" while the Committee will be presenting (presented?) a conference session titled "*Lessons in Managing Reputational Risk.*"

MEMBERS

Martin Belanger, UNIVERSITY OF WESTERN ONTARIO

Darin Eddy, HALIFAX REGIONAL MUNICIPALITY PENSION PLAN

Ahren Estabrooks, PIAC SUBSCRIBING MEMBER

Dan Goguen, VESTCOR

Graeme Hay, TEACHERS' RETIREMENT ALLOWANCES FUND

Jason Lau, CAAT PENSION PLAN

Stephen Marcotte, BRUCE POWER

Hugo Robert, UNIVERSITY OF LAVAL

Graham Sheppard, UBC IMANT

Angela Wang, BANK OF CANADA

NAME	FUND
ALTERNATIVES WORKING GROUP	
Christiana Aolaritei	Oxford Properties
Tahir Aziz	University of Western Ontario
Martin Belanger	University of Western Ontario
Vincent Chang	HOOPP
Pierre-Michel Edmond	TELUS
Kevin Fahey	CAAT Pension Plan
Himani Gambhir	BCI
Dan Goguen, CHAIR	Vestcor
Sean Kulik	Nunavut Trust
Graeme Hay	Teachers' Retirement Allowances Fund
Josée Mondoux	Canadian Medical Protective Agency
Kartik Parameswaran	Saskatchewan Teachers' Pension Plan
Iva Parisi	IMCO
Carolyn Tsen	Hydro One

FIXED INCOME WORKING GROUP	
John Kwan	IMCO
Richard Howard	Ontario Teachers' Pension Plan
Matt Merriam	Emera
Nicolas Pallaris	TELUS
Mathieu Pineau-Pelletier, CHAIR	Societe de Transport de Montreal
Jan-Hendrik Roske	NAV Canada
Taylor Sockett	Saskatchewan Healthcare Employees' Pension Plan
Tony Treier	TELUS
Angela Wang	Bank of Canada
Joy Yang	OMERS

NAME	FUND
PUBLIC EQUITY MARKETS WORKING GROUP	
Tahir Aziz	University of Western Ontario
Darin Eddy	Regional Municipality of Halifax Pension Plan
Richard Fenrich	Societe de Transport de Montreal
Dave Finstad	PIAC Retired Member
Aymeric Graindorge	VIA Rail
John Harvey, CHAIR	Nunavut Trust
Jeremy Klein	University of Ottawa
Jean Lavigueur	Ontario Teachers' Pension Plan
Jason Lau	CAAT Pension Plan
Simon Mitchell	NAV Canada
Jessie Shao	Scotiabank
Brett Tessler	Teachers' Retirement Allowances Fund
Lu Yao	UTAM
Ram Zilka	TELUS

INVESTMENT STEWARDSHIP COMMITTEE

CHAIR • CARMEN VELASQUEZ, AIMCO



OBJECTIVES

- To develop, monitor, and promote robust standards and best practices for investor stewardship of pensions in Canada. Investor stewardship is commonly referred to as responsible

investing, sustainable investing, or environmental, social, and governance (ESG) investing, with particular focus on corporate governance. It is the responsible management and prudent investment of capital for pension plan beneficiaries. It may include, but is not limited to the following activities: proxy voting, corporate engagement, corporate governance, the integration of ESG factors into the investment process, and advocacy with public policy makers and standard setters on matters deemed relevant by the ISC

- To research and monitor investor stewardship issues to determine any significant potential impact on members
- To monitor and respond to anticipated changes in the regulatory environment which may impact activities associated with investor stewardship
- To provide appropriate and timely information to members on relevant issues, and offer support when requested
- To develop, maintain and update official PIAC materials related to investor stewardship

In 2023, the committee agreed to focus on 3 key areas in the Sustainable Investing space, including ESG and external manager selection, biodiversity and regulation.

- We hosted a member forum Monitoring ESG Integration with External Managers at the end of October. We had a moderated panel with representation from BCI, PSP and UTAM. Overall, we had great participation from plans of all sizes with a lot of opportunity for discussion during breakout sessions. We also published a Communique article on this topic.

We prepared submissions to regulators and other industry bodies addressing ESG issues including:

- Submitted a letter to the CSA encouraging Canadian securities regulators to consider consistency with other international proposals on climate disclosure, specifically SEC and ISSB
- Responded to a consultation from the CSA on proposed changes regarding diversity disclosure and director nomination practices
- Responded to a consultation from BCFSFA on Natural Catastrophes and Climate-Related Risks
- Prepared a response to OSFI's Standardized Climate Scenario Exercise

UPCOMING

For 2024 and beyond, the committee will be looking at ways to provide continued support to members and deliver information about the topics of greatest interest, including a planned series of webinars and/or conference sessions on the rapidly changing regulatory environment and climate scenario analysis.

MEMBERS

Meyer Aaron, PIAC HONOURARY MEMBER

Samantha Cameron, HOOPP

Clare Devlin, CPPIB

Susan Golyak, BCI

Brendan Hart, OMERS

Catherine Isabelle, PSP INVESTMENTS

Joseph Kurukulasuriya, IMCO

Nikki Kwan, UTAM

Karen Lockridge, CAAT PENSION

Graham Sheppard, UBC IMANT

Miekela Singh, ONTARIO TEACHERS' PENSION PLAN

Laura Song, OPTRUST

Moin Syed, OMERS

Angela Winder, CARLETON UNIVERSITY

Lu Yao, UTAM

Clara Zhang, CN INVESTMENT DIVISION

MEMBER SERVICES COMMITTEE

CHAIR • LISA JANKOV, HONOURARY MEMBER

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OBJECTIVES

- Promote a high level of Member professional awareness and competence through appropriate programs and services by:

- > Recommending membership criteria and approving new member applications,
- > Approving and implementing new member services,
- > Overseeing the development and rollout of events for members,
- > Reviewing feedback from PIAC events to identify opportunities for improvement and/or new events,
- > Encouraging / monitoring member discussions through PIAC Exchange, and
- > Overseeing the annual Asset and Returns Survey.

Highlights of the committee's work during 2023 included the following:

- Oversaw the PIAC office for the 2 pension investment conferences and the tax conference,
- Conducted the Annual Asset & Return Survey,
- Completed groundwork for a new Mentorship Program. A soft launch will begin in Q1 2024,
- Launched the new PIAC Job Board with communication via e-mail and at the fall conference,
- Created a new-member check-in email to be distributed after 6 months of membership,
- PIAC announced our 150th volunteer, and
- PIAC announced our 1,100th member.

UPCOMING

- Continue moving forward on Strategic plan deliverables.
- Combine the external investment manager survey with the annual asset and returns survey. A new survey focusing on pension operations/administration providers will be created.
- Monitor the PIAC mentoring program soft launch and review for updates/changes prior to full program launch.
- Review PIAC Job Board usage for adjustments as needed to increase usage/postings.
- New member webinar scheduled for Q2 2024.

APPRECIATION

- The MSC extends its thanks to Asif Haque, who stepped down from the Committee in 2023.

MEMBERS

Alison Gould, SASKATCHEWAN
TEACHERS' PENSION PLAN

Brenda King, PIAC HONOURARY MEMBER
Sean Kulik, NUNAVUT TRUST

Michael Kurtas, TEACHERS' RETIREMENT
ALLOWANCES FUND

RISK MANAGEMENT COMMITTEE

CHAIR • EDMOND ASSAL, CDPQ

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OBJECTIVES

- To promote sound risk management standards and practices.
- To compile and present in-depth research on existing and emerging risk management products and strategies for PIAC members.
- To compile and present in-depth research related to risk management practices. This is delivered through various methods including papers, seminars, Communiqué articles, conferences, databases and tools.
- To regularly solicit and review feedback received through various means to identify issues relevant to members.
- To monitor relevant regulatory matters affecting members.

The RMC continues its collective efforts to advance risk management knowledge and resources for the PIAC membership. The RMC's key activities in 2023 included:

- Published an article on the results of the Risk Management Survey (Spring 2023)
- Published an article on Model Risk Management (Summer 2023)
- Reviewed and modified the Risk Management content on the website
- Provided a submission on CAPSA's Risk Management Guideline

CURRENT PROJECTS

- Survey on 2024 Top Risks
- Planning Member forum on geopolitical considerations
- Planning Member forum or webinar on liquidity risk
- Planning member forum or webinar on counterparty risk
- Topics for a Risk Webinar during 2024 being evaluated

MEMBERS

Oussama Chakroun, BCI
Vincent Chang, HOOPP
Jing-Yi Chen, OPTRUST
Peng Du, AIMCO

Serge Germain, UNIVERSITY OF
SHERBROOKE
Pierre Gilbert, BIMCOR
Yen Lam, SASKATCHEWAN TEACHERS'
RETIREMENT PLAN
Iva Parisi, IMCO

Katharine Preston, OMERS
Graham Sheppard, UBC IMANT
Paul Van Zyl, CANADIAN MEDICAL
PROTECTIVE ASSOCIATION
Ying Wu, VESTCOR

INVESTMENT OPERATIONS TASK FORCE

CHAIR • AFRODITE KARAFOTIAS, NAV CANADA

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OBJECTIVE

The Task Force was established in 2023 to recommend a path for providing PIAC members with tools and resources to assist them in achieving excellence in investment operations.

ACTIVITIES

- Convened for its first meeting in May 2023.
- Defined the scope of the Task Force as encompassing pre-trade activities supporting investment decision-making and execution, and post-trade activities such as performance measurement and compliance monitoring.
- Established focus areas: Examined the breadth of investment operations activities and selected the following priorities for developing tools and resources such as articles, surveys or training.
 - > Talent Management - talent acquisition, training & development, succession planning, retention & compensation.
 - > Vendor Management - vendor engagement, assessment and monitoring, including third party risk management.
 - > Technology - data management, including insourcing / outsourcing decisions and the implications for talent management, cybersecurity.

- Identified information to be collected via the upcoming triennial member survey about key operations functions, including whether they are performed inhouse or outsourced, systems and third party vendors used, assurance obtained for third party services, and related training. The Task Force members are in the process of testing the questionnaire.
- Brainstormed ideas with members of the Communiqué Committee for a series of articles to be published by the Committee on the topic of pension fund custodians. Starting in late spring 2024, the articles will address the principal challenges faced by custodians, with commentary from representatives of vendors serving the Canadian market.

UPCOMING

- Testing and launching the upcoming triennial External Manager Survey
- Developing a committee charter

MEMBERS

Mike Bothamley, OMERS
Kenny Cheng, OPTRUST

Antonietta Cicerone, CN INVESTMENT
DIVISION

Pierre-Michel Edmond, TELUS

Jeremy Tataryn, TEACHERS'
RETIREMENT ALLOWANCES FUND

NAME	FUND
LEGAL WORKING GROUP	
Stéphane Caïdi	SP Investments
Karry Cheang	HOOPP
Trevor Noronha	HOOPP
Blessing Okhiria	CMHC
Emily O'Donohue	Ontario Teachers' Pension Plan
Beverly Stone	HOOPP
Brad Tate	OMERS
Andrew Wang	HOOPP
Kaely Zettel	Teachers' Retirement Allowances Fund

TAX WORKING GROUP	
Gail Anthony-Hokororo	QuadReal
Nyomi Beatty	BCI
Louise Charbonneau	Canada Post
Karry Cheang	HOOPP
Antonietta Cicerone	CN Investment Division
Mimi Duong	University Pension Plan
Pedro Galego	Ontario Teachers'
Nathalie Kassar	University of Montreal
Matt Leonard	Halifax Regional Municipality Pension Plan
Maya Loufti	Hydro Quebec
Nima Nouri	Oxford Properties
Melania Paraschiv, CHAIR	Ivanhoe Cambridge
Sky Schapiro	OPTrust
Heidi Staub	AIMCo
Angela Winder	Carleton University

SUBMISSION TO CSA ON DISCLOSURE OF CLIMATE-RELATED MATTERS

On January 10, 2023, PIAC made a submission to encourage the Canadian Securities Administrators to revisit its proposed rules in National Instrument 51-107 in view of attaining globally consistent climate reporting regulation. PIAC asked the CSA to closely consider incorporating the SEC's recent proposed climate related disclosure regulation, which is more rigorous than the CSA's, and the new ISSB set of global standards that may allow rules in different jurisdictions to be reconciled.

SUBMISSION TO FINANCE CANADA ON REAL RETURN BONDS

On January 13, 2023, PIAC called on Finance Canada to reverse its decision to abruptly cease the issuance of Real Return Bonds (RRBs). PIAC noted the decision was made without consultation or warning and makes Canada an outlier in the G7. The end of RRBs as an inflation-protected liability hedge will force pension plans to look to alternative inflation sensitive investments in markets outside of Canada, which are more complex, administratively expensive, illiquid and potentially riskier. The end of RRB issuance also harms the secondary market by leading to even more unreliable market information.

SUBMISSION ON FINANCE CANADA'S 2023 PRE-BUDGET CONSULTATIONS

On February 8, 2023 PIAC responded to Finance Canada's 2023 pre-budget consultations by highlighting four substantive issues:

1. Funding Reform to a going concern plus funding model consistent with other Canadian jurisdictions,
2. Continued facilitation of the implementation of Variable Pay Life Annuities,
3. Review of the implications of Bill C-228 on Canadian corporations and the pension plans they sponsor, and
4. The decision to cease issuing Real Return Bonds.

PIAC CALLS ON SENATE FOR SOBER SECOND THOUGHT ON C-228

On February 10, 2023, PIAC called on members of the Standing Senate Committee on Banking, Commerce and the Economy to carefully consider the repercussions of Bill C-228. PIAC strongly disagrees that pension security will be achieved by the Bill's proposal to adopt a super-priority for unfunded pension liabilities and employee retirement benefits in insolvency situations. PIAC highlighted the harmful impact on the pension and business environment and several unintended adverse consequences for those this Bill aims to assist, including a threat to the sustainability of DB pension plans.

SUBMISSION TO CAPSA ON ITS DRAFT STRATEGIC PLAN 2023 - 2026

On March 16, 2023, PIAC provided comments on the consultation of CAPSA's Draft Strategic Plan for 2023-2026. The submission focused on two overarching themes: harmonizing regulatory expectations and consistency in approach to supervision of pension plans across Canada. PIAC also commended CAPSA for prioritizing the *CAPSA Guideline: ESG Considerations in Pension Plan Management* to be published in 2023.

SUBMISSION TO FINANCE ON THE PROPOSAL TO CONSOLIDATE CANADA MORTGAGE BONDS

On July 14, PIAC responded to Department of Finance Canada’s consultation on the Proposal to Consolidate Canada Mortgage Bonds (CMBs). PIAC raised concerns about this proposed change, noting CMBs have long been a prevalent investment vehicle for pension funds that offers attractive benefits such as diversification, capital preservation, and appealing return profiles. The role of CMBs in diversifying pension fund portfolios is significant. If CMBs are discontinued, investors would face a difficult choice between accepting lower yields with GoC regular bonds or assuming potentially higher risks with alternative securities that trade at higher yields. Additionally, it remains uncertain whether the significant share of foreign investors in CMBs would transition to other Canadian fixed income investments, which could lead to a loss of liquidity in the Canadian fixed income market and undermine the market’s existing credibility with global investors. PIAC made several recommendations to the government if it proceeds with the consolidation, including the resumption of Canadian Real Return Bonds.

SUBMISSION ON CAPSA GUIDELINE NO. 3 - GUIDELINES FOR CAPITAL ACCUMULATION PLANS

On July 21, 2023, PIAC responded to a consultation on CAPSA’s Draft Guideline No. 3 - Guidelines for Capital Accumulation Plans (CAPs). PIAC stated that both the document and the process are flawed. CAPSA did not accept recommendations from the Industry Working Group, to which PIAC and other key stakeholders devoted significant time, thought and effort. PIAC referenced its August 2022 submission, including its support of decumulation and automatic and default features and areas of concern that were not addressed. PIAC is not supportive of CAPSA’s apparent shift to a highly prescriptive approach. PIAC has consistently supported principles-based guidelines that are flexible enough to be implemented in an ever-evolving sector and that do not discourage employers from offering CAPs. PIAC urged CAPSA to reconvene the IWG forum but if CAPSA chooses to continue its less-optimal approach, PIAC asked the consultation period be extended until September 30, 2023.

SUBMISSION TO FINANCE ON NEGOTIATED CONTRIBUTION PLANS AND UNCLAIMED PENSION BALANCES

On July 24, 2023, PIAC provided input to the Department of Finance on proposed Regulatory Changes to the Pension Benefits Standards Regulations, 1985. PIAC noted that exempting negotiated contribution plans from pension solvency requirements is an appropriate change. PIAC also supported the revised framework for terminated federally regulated plans, but strongly encouraged the government to facilitate similar changes in ongoing plans with unlocatable beneficiaries. PIAC has been seeking support from all levels of government in the process of locating missing plan beneficiaries. This is a long-standing frustration for pension plan sponsors who have retained liabilities in the plan for members who have left the plan, not just for terminated plans.

JOINT STATEMENT ON CAPSA CAP GUIDELINE

On August 4, 2023, PIAC joined with the Canadian Life and Health Insurance Association (CLHIA), the Association of Canadian Pension Management (ACPM) along with the members of CAPSA’s Industry Working Group (IWG) to strongly encourage the Canadian Association of Pension Supervisory Authorities (CAPSA) to re-engage the IWG in CAPSA’s review process. In its current form, the Guideline can create adverse outcomes for Canadians. In particular, increased burden may lead to less plan sponsors offering CAPs, ultimately harming the ability of Canadians to save for retirement.

SUBMISSION TO THE CANADIAN INVESTMENT REGULATORY ORGANIZATION (CSA) ON AMENDMENTS TO CORPORATE GOVERNANCE GUIDELINES AND DIVERSITY

On September 18, 2023, PIAC responded to the CSA consultation on proposed amendments to Form 58-101F1 *Corporate Governance Disclosure* and National Policy 58-201 *Corporate Governance Guidelines*. PIAC supported Form B, primarily because of the importance of standardized and comparable disclosures across different issuers in relation to the representation of women and historically underrepresented groups on boards and in executive officer positions. Form A would leave discretion for issuers to disclose no diversity information beyond gender, so would not be a substantive improvement over the status quo. Form B would provide both certainty to issuers in terms of what needs to be disclosed, as well as useful and comparable information for making investing and voting decisions. The disclosure required in Form B should be paralleled in relation to executive officer positions so that shareholders can understand where progress is being made on diversity. PIAC requested that the terminology be harmonized with other Canadian regulation and legislation, such as the *Canada Business Corporations Act* and *Employment Equity Act* to minimize confusion and ensure comparable and consistent disclosure.

SUBMISSION ON CANADIAN ASSOCIATION OF PENSION SUPERVISORY AUTHORITIES (CAPSA) DRAFT GUIDELINE ON PENSION PLAN RISK MANAGEMENT

On September 29, 2023, PIAC provided comments on CAPSA's Draft Guideline on Pension Plan Risk Management. PIAC emphasized the need for a principles-based approach to accommodate diverse plan sizes and levels of sophistication. PIAC raised 11 areas for improvement, with key concerns focusing on clarifying inconsistent language and definitions, reducing prescriptive elements, and establishing clear expectations between plan administrators and third-party asset managers. PIAC suggested adding a step in risk reporting to guide resource allocation for risk framework implementation, including non-sophisticated models for tracking risk. PIAC recommended incorporating rebalancing constraints for illiquid

assets in risk-based sensitivity limits and distinguishing expectations for plan administrators and third-party asset managers. PIAC called for changes in language and definitions, consistency in ESG terminology, and simplification of risk-related terms. Lastly, PIAC proposed clarifying the difference between "investment risk governance" and "investment risk management" and streamlining the Guideline by removing redundancies from merged guidelines on topics like leverage, ESG, and cyber risks.

SUBMISSION TO FINANCE CANADA REQUESTING CONSULTATION ON REAL RETURN BONDS

On November 1, 2023, PIAC called on Finance Canada to open a consultation on its abrupt decision to stop issuing RRBs. As stated in its submission in January 2023, PIAC believes the decision was based on narrow consultations that did not include the primary purchasers of RRBs and incorrect assumptions about the level of demand. For many sponsors with pension plans indexed to inflation, RRBs provide the most direct and cost-effective inflation hedge. Particularly in the current inflationary environment, the abrupt end to RRB issuance forces pension plans to look to alternative markets outside of Canada, and to more complex, administratively expensive and less liquid real assets, to manage inflation risk. With this sudden decision, Canada is now an outlier in the developed world and the government has removed a valuable investment tool for pension funds in the country.

SUBMISSION TO BCFSFA ON NATURAL CATASTROPHES AND CLIMATE-RELATED RISKS

On November 30, 2023, PIAC responded to the British Columbia Financial Services Authority (BCFSFA) consultation on Natural Catastrophes and Climate-Related Risks. PIAC welcomed the work of BCFSFA, recognizing the utility of conducting climate scenario analysis and stress testing for the appropriately sized pension plan. PIAC asserted that these analyses require a commitment of resources that may be unsustainable for plans with a small asset base and limited staff. PIAC also acknowledged existing data transparency issues related to external portfolio management and to the quality of data available based on disclosures from the entities in which our members invest. PIAC would support an expectation for plan managers to discuss their approach to climate risk management with their beneficiaries and asset managers. This disclosure is also in line with TCFD. PIAC stated any BCFSFA requirements for pension plans related to climate risk should remain principles-based.

SUBMISSION TO FINANCE ON CMB DECISION AND RRB CESSATION

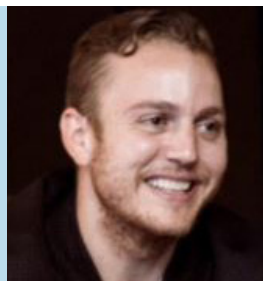
On December 18, PIAC sent a response to the Department of Finance Canada in appreciation of the decision in its Fall Economic Statement to maintain the Canada Mortgage Bond (CMB) program. The role of CMBs in pension fund portfolios is significant and removing any ambiguities with regards to the program's future will further solidify the reputation of the Canadian fixed income market on the global stage. The PIAC letter also recommends that the Government reopen consultations and reconsider discontinuing Real Return Bonds (RRBs). Canadian pension plans have been natural buyers of RRBs and their abrupt cessation has removed an essential investment vehicle for Canadian pension plans.

SUBMISSION TO OSFI REGARDING SCSE CONSULTATION

On December 21, PIAC sent a response to the Office of the Superintendent of Financial Institutions (OSFI) regarding its consultation on the draft Standardized Climate Scenario Exercise (SCSE) methodology. While recognizing the value of the SCSE on assessing the potential impact of climate change on the financial sector, PIAC will look for further technical details expected to be in 2024 to provide more comprehensive feedback on the methodology. PIAC noted that member funds vary in size and not all have the administrative breadth for this substantial undertaking. PIAC encouraged OSFI to prioritize accessibility and efficiency.



CHAIR
Dan Goguen
VESTCOR
Atlantic Regional Council
The Atlantic Regional Council met on June 5 and November 22, 2023



CHAIR
Andrew Urquhart
NAV CANADA
Ottawa Regional Council
The Ottawa Regional Council met on June 14 and December 12, 2023



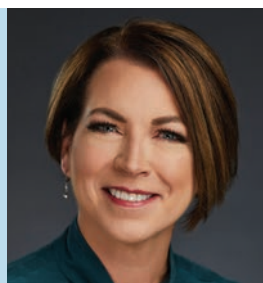
CHAIR
Michael Goon
WORKSAFE BC
BC Regional Council
The BC Regional Council met on May 31 and November 20, 2023



CHAIR
Serge Germain
UNIVERSITÉ DE SHERBROOKE
Quebec Regional Council
The Quebec Regional Council met on January 25, 2023



CHAIR
Jeff Kim
ENBRIDGE INC.
Calgary Regional Council
The Calgary Regional Council met on May 30, 2023



CHAIR
Janet Jule
SASKATCHEWAN HEALTHCARE EMPLOYEES' PENSION PLAN
Saskatchewan Regional Council
The Saskatchewan Regional Council met on June 5 and November 22, 2023



CHAIR
Andrew Davis
AIMCO
Edmonton Regional Council
The Edmonton Regional Council met on May 31 and December 5, 2023



CHAIR
Iva Parisi
IMCO
Toronto Regional Council
The Toronto Regional Council met on June 21 and November 27, 2023



CHAIR
Glenn Bunston
MANITOBA PUBLIC INSURANCE
Manitoba Regional Council
The Manitoba Regional Council met on June 14 and November 17, 2023

PIAC delegates convened for an in-person conference in Quebec City on May 10-12. Speakers ranged from high profile practitioners, such as Vincent Delisle from CDPQ and Barb Zvan from UPP to international thought-leaders such as Francois Trahan of Trahan Macro Research. The conference served as a platform for insightful discussions, sharing of best practices, and networking opportunities. Attendees actively participated in engaging Q&A sessions, and valuable networking breaks, fostering collaboration and knowledge exchange.

WELCOME DINNER & KEYNOTE PRESENTATION: GENERATING RETURNS AMIDST EXTREME VOLATILITY

**Vincent Delisle, Senior Vice-President and Head of
Liquid Markets, CDPQ**

Moderator: Gilles Horrobin, CIO, STM

After a delightful welcome reception and dinner, PIAC delegates had the pleasure of hearing from Vincent Delisle, EVP and Head of Liquid Markets, CDPQ in a fireside chat with Conference Chair and CIO of STM Gilles Horrobin. Vincent spoke to the decline of capital markets in 2022, volatility and CDPQ's approach to navigating today's market environment.

THE JOURNEY OF UPP

Barb Zvan, President and CEO, University Pension Plan (UPP)

Barb Zvan, President and CEO of the University Pension Plan (UPP) presented on the origins and formation of the newest JSPP in the first session on Thursday morning. She shared her insights and key learnings from building a new pension plan, including bringing together a dynamic investment team, combining pre-existing investment programs into one cohesive fund, engaging members, and embedding ESG approaches into the foundation of an organization—and putting them into practice.

LATEST TRENDS IN TALENT MANAGEMENT

**Shawna Carter, Consultant, Egon Zehnder
Jennifer Devereux, Director Global Talent Acquisition,
OMERS**

Gordon Frost, Partner, Mercer

*Moderator: Sébastien Chabot, Directeur, Placements
Chief Investment Officer, Bureau de la retraite de
l'Université Laval*

Three expert panelists joined the stage to speak about workforce challenges in the current complex economic environment. Shawna Carter, a consultant with Egon-Zehnder, Jennifer Devereux, Director of Global Talent Acquisition, at OMERS, and Gordon Frost, Partner at Mercer Canada - spoke on talent management and tools for retaining staff in the post-covid work environment.





US DIRECT LENDING: OPPORTUNITIES AND RISKS FOR LONG-TERM INVESTORS.

Susan Kasser, Managing Director, Neuberger Berman
Moderator: Bruno Roy, Interim President and Chief Executive Officer, CN Investment Division

Allocations and interest in US Direct Lending continues to grow. Susan Kasser, Head, Neuberger Berman Private Debt presented on topics that are top of mind for many investors. The opportunity set for direct lending, the comparison of direct lending to public market debt investments, and expectations for the future of the asset class.

OVERALLOCATION AND LIQUIDITY ISSUES

Lusac Coleon, Managing Director, Ardian
George Long, Head of Private Equity, Vestcor
David Markson, Managing Director, Evercore

This session explored how LPs are navigating the denominator effect, and how they are thinking about a challenging valuation environment. Lucas Coleon, Managing Director, Ardian; George Long, Head of Private Equity, Vestcor; and David Markson, Managing Director, Evercore explored key themes and ideas across different markets.

BREAKOUT SESSIONS:

DC: DC PENSION INNOVATION

Martin McInnis, Executive Director, CSS Pension Plan
Shannan Corey, Executive Director, Saskatchewan Pension Plan
Jeremy Philips, Assistant Deputy Minister, Public Employees Benefit Agency

Leaders at three innovative DC pension plans participated in a panel discussion. Shannon Corey, Director, SPP; Martin McInnes, Executive Director, CSS; and Jeremy Philips, ADM, PEBA spoke to the history and challenges faced by DC plan sponsors including: decumulation, lifetime income solutions, communication and engagement and offering simple yet sophisticated investment options. While most DC pension plans in Canada are still relatively young and few allow members to draw retirement income, these plans have retired members and are able to assess the effectiveness of their plans in meeting the ultimate objective.

DB: UK GILT CRISES

Patrick Duplessis, Senior Director & Assistant Portfolio Manager, Fixed Income, Trans-Canada Capital Inc.
Markus Reuhkala, Senior Manager, Investment Strategy & Risk, BCI
Clay Lambiotte, Partner & Head of Investment, Lane Clark & Peacock

The dramatic increase in interest rates coupled with a fiscal faux pas by the government put UK pension plans under great stress in the Fall of 2022, especially those following liability-driven investment strategies. Patrick Duplessis, Senior Director, Fixed Income, Trans-Canada Capital Inc.; Markus Reuhkala, Senior Manager, Investment Strategy & Risk, BCI; and Clay Lambiotte, Partner & Head of Investment, Lane Clark & Peacock Ireland spoke to what led to this meltdown and what lessons can be learned from this liquidity crisis.

IMPLEMENTING BEST PRACTICES IN DIVERSITY AND INCLUSION PROGRAMS

Sarah Cavanagh, Manager, Equity, Inclusion and Diversity, PSP Investments
Kathleen Pabla, Portfolio Manager, Public Markets, CAAT Pension Plan

Moderator: by Stéphane Caïdi Senior Director, Legal Affairs, PSP Investments

The panel discussed strategies to promote diversity and implement an inclusive work environment, and how to set measurable and achievable D&I objectives within your organizations.



PIAC EXCHANGE

The conference closed with the traditional confidential members-only PIAC Exchange session which flew by with lively discussion on a broad range of topics.

Thank you to the Spring Conference Committee: Edmond Assal, Darin Eddy, Sebastien Naud, Michelle Ostermann and Bruno Roy and Chair, Gilles Horrobin.



PIAC FALL 2023 CONFERENCE BRINGS TOGETHER ALMOST 100 PENSION INDUSTRY PROFESSIONALS

The 2023 PIAC Fall Conference in Halifax featured informative sessions and presenters on a variety of topics that touched many different areas applicable to pension investment professionals – from ESG to Infrastructure Investment and from Cyber Security Risk to AI. The event also served as a platform for getting together with old friends and meeting new faces for discussions on the latest trends in pension and investment management.

WELCOME DINNER & KEYNOTE PRESENTATION - ACHIEVING STRONG RETURNS WITH AN EFFECTIVE GOVERNANCE MODEL

Steve Saldanha, Senior Managing Director, Portfolio Management & Asset Allocation, Ontario Teachers' Pension Plan

Moderator: Steve Mahoney, CIO, Nova Scotia Pension Services Corporation

Steve Saldanha sat down with Steve Mahoney and discussed the governance model that Ontario Teachers operates within and how they achieved strong positive +4% return in 2022 while the average pension plans were down -8% in the year. OTPP manages their plan with an all-weather portfolio approach and a keen eye on inflation, not just inflation protection, but on assets that drive returns during inflation stress. The team is able to tactically adjust the portfolio according to market views and made some strong moves on fixed income (reduced) as well as natural resources (increased) during

the couple years prior to 2022. Steve discussed how they have bands on all asset classes within which they can operate in a speedy and efficient manner to exercise their viewpoints, typically through derivatives as they offer liquidity and good execution. Steve shared how the team arrives at decisions, allocates capital to the various portfolio management functions and also how broadly major decisions are made from a team and operations perspective. Finally, Steve outlined their current thoughts on the market and how they are positioning the portfolio today based on the market movements that occurred over the last couple of years.

ENERGY INNOVATION

Mila Milojevic, Vice President, Corporate Strategy, Emera Inc.

Jehangir Vevaina, Managing Partner, Renewable Power & Transition, Brookfield

Moderator: Darin Eddy, Director, Public Markets, Halifax Regional Municipality Pension Plan

Darin Eddy moderated a panel of experts on energy innovation and transition. Mila Milojevic, Vice President, Corporate Strategy Emera, and Jehangir Veviana, Brookfield talked about the challenges and opportunities with the energy transition to a cleaner economy. The global energy transition is well underway and represents a massive undertaking from governments, individuals and investors. The panel discussed innovation in carbon capture technologies, decentralized power solutions in new communities and future expected energy needs.





INTEGRATING ESG IN EMERGING MARKETS INVESTMENT PROCESSES

Selwyn Yuen, Head of Research, Senior Portfolio Manager, Hillsdale

Tassos Stassopoulos, Managing Partner & CIO, Trinetra
Moderator: Ying Wu, Risk Manager and Chief Compliance Officer, Vestcor

The importance of integrating ESG analysis into investment decision making is widely recognized. However, challenges remain in finding the right process for particular assets around the globe. One such area are the emerging markets. Selwyn Yuen, Head of Research and Senior Portfolio Manager at Hillsdale, and Tassos Stassopoulos, Managing Partner & CIO at Trinetra provided their insights on ESG and EM in a conversation with moderator Ying Wu, Risk Manager and Chief Compliance Officer at Vestcor. One issue in EM is that of data quality including the lack of depth in available data and variations in data quality. It was noted that multiple sources of data should be used, and that it is important to look for trends in improvement in ESG factors over time. Also noted was the importance of clarifying the differences between financial value and social value, both of which are important but have distinct investment and impact horizons. Looking ahead, the next big development for ESG in EM will be regulatory and efforts to improve the data.

INVESTING IN INFRASTRUCTURE - EVOLUTION OF THE CATEGORY OR A SLOW DRIFT TO PRIVATE EQUITY?

Michael Rose, Managing Director, GCM Grosvenor
Andrew Peisch, Managing Director, Infrastructure, KKR & Co.

Moderator: Isaac Hashem, Portfolio Manager, Infrastructure, Nova Scotia Pension Services Corporation

Isaac Hashem, PM Infrastructure, NS Pension Services, started off the discussion comparing infrastructure characteristics as described in manager pitch books from 2009 & 2014 to 2022. Isaac discussed assets from infrastructure fund managers that have been pitched or invested in recently that have drifted away from what would typically be considered infrastructure, e.g. toll roads vs. contract bottling plant. Michael and Andrew discussed the change in what is considered essential, and how what is essential changes over time while highlighting what is essential to individuals vs. what is essential to society. Discussion was focused on when does infrastructure drift into PE. If the investment case relies on a future trend or technology, or if there is a substantial portion of future cash flows that are not contracted that makes the investment viable, then it drifts towards PE instead of Infrastructure.

EVOLVING CYBER SECURITY CONSIDERATIONS: DUE DILIGENCE PROCESSES FOR ASSET MANAGERS AND INTERNAL IT PREPAREDNESS

Lori Barton, Principal, Beaumont Advisors Limited
Thomas Keating, Director, Information Technology, Vestcor

Mike Krygier, Founder and CEO, Deep Cove Cybersecurity

Moderator: Jessie Zheng, Senior Investment Associate, Halifax Regional Municipality Pension Plan

Jessie Zheng, Senior Investment Associate at Halifax Regional Municipality Pension Plan moderated a comprehensive discussion about cybersecurity risks and preparedness for pension plans. The panel included Lori Barton, Principal at Beaumont Advisors Limited, Thomas Keating, Director, Information Technology at Vestcor, and Mike Krygier, Founder and CEO of Deep Cove Cybersecurity. Among the many topics covered were sources of information on cybersecurity risk (ex. SEC, investment managers), governance structures to develop policies and assess implementation of same, varying degrees of cybersecurity resources at investment managers of different size, the need to assess risks and possible avenues for breaches from third party vendors and the cloud, and operational controls such as a secure data site, continual monitoring, an incident response plan, an annual audit of all users of the organization's systems, and insurance. It was also noted that remote work has increased the imperative to have controls in place.

AI IN PENSION PLANS

Brad Betts, Managing Director, BlackRock

Brad Betts, Managing Director, BlackRock started off the discussion with Artificial intelligence (AI) in investments, a little history and how their team uses AI. He focused in on the big benefit of AI being scale more than quality. AI can review data faster and in far greater volume than a human, or a small team of people could but he felt that their team could probably do a better job on any one task. He also discussed what their team saw as the important characteristics for a factor in their model, that it was sensible, predictive, and additive. As we turned



to the audience for questions discussions shifted to the significant concerns around artificial intelligence, he took a more optimistic tone and said that he doesn't worry about the computers taking over, or people losing jobs; he does however have significant concerns about misinformation campaigns, and cyber crime both benefiting greatly from AI.

BREAKOUT SESSIONS:

DC: SHOULD YOUR DC PLAN DESIGN CHANGE TO MEET TODAY'S NEEDS?

Janis Holman, Principal, Eckler

Janice Holman, Principal at Eckler, discussed the current economic environment highlighting an increase in financial pressures and the diverse financial needs of Canadian employees. Some employers are considering adding products and/or funds to their company funded savings plans to address those diverse needs including student debt and mortgage repayments, registered education savings plans, decumulation products and Shariah compliant investment options. Record keepers have been adding capabilities in response but challenges remain for plan sponsors wanting to offer some of the solutions. The added flexibility is aimed at reducing barriers and encouraging more employees to participate while also increasing their level of engagement with the plan.

DB: ASSET ALLOCATION: CAN WE COUNT ON BONDS TO PLAY DEFENSE?

Lisa Hornby, Head of US Multi-Sector Fixed Income, Schroders

Heather Mason-Wood, President, Chief Strategy Officer, Canso

Moderator: Dan Hudgin, Director, Pension Investments, Emera

Dan Hudgin, Director Pension Investments at Emera moderated a panel discussion with Lisa Hornby, Portfolio Manager Schroders and Heather Mason-Wood, President, Chief Strategy Officer on the role of bonds in DB pension plans' asset allocation. After a challenging 2022 for fixed income investments the panel provided a view on bonds moving forward in this higher yielding environment.

PERSPECTIVES ON INVESTMENT MANAGER SELECTION

Dan Goguen, Vice President, Real Assets, Vestcor

Nikki Keating, Director Investments, Bimcor Inc.

Natasha Trainor, Assistant Vice President, Pension Investments, NAV CANADA

Three PIAC members provided their insights on selection of investment managers. Dan Goguen, Vice President, Real Assets at Vestcor moderated. Nikki Keating, Director Investments at Bimcor Inc., and Natasha Trainor, Assistant Vice President, Pension Investments at NAV CANADA were panelists.

The panel discussed a number of issues relevant to the selection of investment managers, including the internal frameworks that they use for evaluation and the challenges of finding the right managers in various asset classes. Due diligence was discussed including the question of relying on the due diligence work of other institutional investors, and the need for extensive operational due diligence, including cybersecurity preparedness, to ensure that risks are managed appropriately. The panel also talked about the evaluation of managers during difficult market cycles, including the current market.

PIAC EXCHANGE

The conference closed with the traditional confidential members-only PIAC Exchange session which flew by with lively discussion on a broad range of topics including; bond allocation and duration, advocacy topics, ESG challenges including climate change, best practices for benchmark reviews and DC/CAP 'white labelled funds' among others.

Thank you to everyone who participated. Special thank you to the PIAC Conference Committee, who came together to provide a world-class conference program:

Darin Eddy, CFA, Halifax Regional Municipality

Gaelan Hanlon, Sobeys

Daniel Hudgin, Emera

Chad King, Nova Scotia Pension Services Corporation

Steve Mahoney, Nova Scotia Pension Services Corporation

Ying Wu, Vestcor

Jessie Zheng, Halifax Regional Municipality



Members from coast to coast gathered at the Humaniti Hotel in Montreal for two days of networking, educational content, and member only discussions of current tax issues impacting the pension sector. Experts from around the world provided important updates on a wide variety of issues throughout the program.

PENSION PLANS - PRACTICAL CONSIDERATIONS FOR CANADIAN INDIRECT TAX

Jadys Bourdelais, Partner, Ernst & Young
Jasmine Jolin, Senior Manager, Tax Services, Ernst & Young

The first session of the conference focused on the annual milestones for pension funds' indirect tax compliance obligations, as well as the opportunities that may be available to pension funds from a GST/HST perspective. The final part of the session focused on the indirect tax rules applicable to investment limited partnerships and addressed a number of related practical issues.

LEVERAGING TECHNOLOGY IN THE TAX FUNCTION

Frankie Llewellyn-Thomas, Partner, Tax Transformation, KPMG Canada
Gagandeep Singh, Associate Partner, Tax Technology & Transformation, Ernst & Young

This session provided a comprehensive overview of current technologies and use cases and gave participants insights of Artificial Intelligence and Machine Learning potential uses in the context of the tax function. The panelists spoke about how the technology transforms the tax function and how the pension funds could spot the opportunities to use technology solutions to reduce potential inefficiencies.



FUND INVESTMENTS: ECI, FDAP, FIRPTA AND OTHER U.S. TAX CONSIDERATIONS FOR CANADIAN PENSION FUNDS

Elizabeth Adams, Associate Corporate & Finance, Hogan Lovells US
Cristina Arumi, Partner, Hogan Lovells US
Wesley Riley, Tax Director, Ivanhoe Cambridge
Moderator: Neil Marcowitz, Vice President, Tax, Finance, BCI

This session was a very interesting discussion and sharing of opinions and experience between the presenters from Hogan Lovells, Neil Marcowitz, and Wesley Riley about the U.S. tax concepts that influence the U.S. fund structures and are of particular interest to Canadian pension funds. While Elizabeth Adams and Cristina Arumi from Hogan Lovells presented the key U.S. tax considerations for Canadian pension funds investing in U.S. funds, Neil Marcowitz and Wesley Riley shared the pension funds perspective and takeaways based on their fund experience.



FIRESIDE CHAT WITH THE CRA

Chantal Beaudry, Manager, Digital Services Communication Section, Canada Revenue Agency
Philip Echlin, Programs Officer, Authorizations and Business Number Strategy Section, Canada Revenue Agency

Moderator : Randy Schwartz, Partner, Tax, McCarthy Tétrault

This session featured a discussion with Chantal Beaudry, Manager of the Digital Services Communication Section at the Canada Revenue Agency (CRA) and Philip Echlin, Strategic Program Advisor for the Business Number and Authorizations Division at the CRA and was moderated by Randy Schwartz of McCarthy Tétrault LLP. The discussions focused on questions the members raised on “My Business Account” and “Represent a Client” portals, new CRA communications and digital services initiatives, and updates on existing programs and initiatives. The CRA representatives also answered questions that have been provided ahead of time, as well as some questions from the participants who shared their experience with the CRA panelists. Participants also had the opportunity to speak with the CRA panelists after the session during informal discussions.

PENSION PLAN STRUCTURES: A PRIMER

Scott Bell, Geneviève Favreau, Christian Meighen, Susan Nickerson; McCarthy Tétrault

The first session on Day 2 outlined the registration requirements necessary to comply with the Income Tax Act and pension standards legislation. Various tax structures are permissible but compliance with the ITA and pension regulations must be adhered to. This session provided guidance on how best to structure a pension scheme and provided examples of Canadian success stories. The panel provided robust discussion on tax issues that could arise under different tax structure scenarios and how best to mitigate those issues.

EUROPEAN TAX UPDATE

Rob Mazur, Charles Parker, Joe Sheldrake; Deloitte LLP

This detailed presentation introduced the numerous recent developments in the European tax environment impacting the Canadian investor. For plans currently invested in Europe, risk arising from overdue tax system, and policy overhauls directly targeting the tax status of the pension investor was presented. Tax options for Canadian funds considering new European investments - including real estate and infrastructure projects were provided. The practical considerations for structuring direct investments, and associated regimes, LPA's and side-letter considerations were also outlined.



PARTICIPANT DISCUSSION FORUM - PIAC MEMBERS ONLY SESSION

This session, a hallmark of all PIAC conferences was an opportunity for participants to ask questions of their pension peers and receive answers and advice. There were many lively discussions ranging in topics and we thank all participants for their incredible engagement.

US TAX UPDATE FOR CANADIAN PENSION FUNDS: WHAT'S NEW AND WHAT TO LOOK OUT FOR

Jennifer Lee, Davies, New York and Daniel Winnick, KPMG

This US tax session included practical takeaways from updates on: Corporate Alternative Minimum Tax (CAMT) and Pillar 2; Branch Profits Tax (BPT) in non-U.S. reverse hybrid entities; new developments with FIRPTA, including publicly traded exception rules, DC REIT determination and structuring, and the controlled commercial entity, Qualified Foreign Pension Fund (QFPF) regulations, including exemptions; withholding on transfers of partnership interests under the Section 1446(f) Regulations, including 10% gross ECI exception rule and Partnership requirements; and court challenges to Tax Cuts and the Jobs Act (TCJA) provisions.

RECENT CANADIAN INCOME TAX DEVELOPMENTS

Julia Qian Wang, Partner, Bennett Jones LLP and Lara Friedlander, Senior Tax Partner, Blake, Cassels & Graydon LLP

This presentation provided an update on Global Minimum Tax (Pillar 2) and focused on excluded entities, partnerships, Globe information return and the new budget 2022 proposition to eliminate the 90-day exception on borrowing restrictions. There was also discussion on GAAR (General anti-avoidance rule), Mandatory disclosure rules namely the CRA guidance of July 6, 2023, AMT (Alternative Minimum Tax) and EIFEL (Excessive interest and financing expenses limitation) that is not applicable for tax exempt entities.

MOBILITY IN 2023 - HOW HAVE WE SHIFTED THE WAY WE WORK AND HOW CAN WE LEVERAGE NEW WORK MODELS WHILE STILL PROTECTING OUR ORGANIZATIONS?

Josée Bennett, Associate Partner and John Sherry, Senior Manager, Senior Associate Attorney, Ernst & Young

This presentation addressed the greater responsibility that goes with managing the mobility of workers. Risks of mobile workforce employment tax could be one of the most sizeable risk. The discussion focused also on reputational risk, increasing permanent establishment risk and other risks of mobility programs that can attract talented professionals. The mitigation of risks addressed, namely the centralized responsibility assigned, policies to implement, issues of system and safety. They also discuss about possible tax disputes in the coming 2 years considering the complexity of professionals working from anywhere.

Congratulations and thanks to PIAC's Tax Working Group who put together a fantastic program: Chair Melania Paraschiv, Gail Anthony-Hokororo, Karry Cheang, Antonietta Cicerone, Mimi Duong, Pedro Galego, Nathalie Kassar, Matt Leonard, Maya Loufti, Neil Marcovitz, Nima Nouri, Angela Winder, and Sky Schapiro.



PIAC HELD 6 MEMBER FORUMS AND 4 WEBINARS DURING 2023

NOVEMBER 9, 2023

DC RETIREMENT PLANNING TOOLS: A CASE STUDY - PIAC MEMBER FORUM

Can Mary achieve her goals and still retire comfortably? Members participating in this member forum discussed how to help Mary address these questions with the help of two different retirement planning tools. Janice Holman from Eckler used Eckler's Guided Outcome tool and Tawnya Duxbury from Sun Life used their One Plan tool to analyze Mary's situation and address some important considerations to help Mary make this important decision. A member only discussion followed the provider presentations. The session was moderated by DC Committee Chair, Cheryl Shea (Director, Pension Assets & Operations, CP Rail) and DC Committee member Kamila Giesbrecht (Executive Director, Investments, UBC Faculty Pension Plan).

OCTOBER 25, 2023

MONITORING ESG INTEGRATION WITH INVESTMENT MANAGERS - PIAC MEMBER FORUM

Plan sponsors from BCI, AIMCo, PSP Investment Board and UTAM shared best practices on how to better engage with managers on how they are integrating ESG into their investments. Some firms are developing (or refining) external manager ESG assessment frameworks and creating scorecards to ensure consistency across strategies and asset classes. They discussed details on active ownership activities, engagement with holding companies, proxy voting and advocacy work. The group was broken into breakout rooms for further discussion of others; approaches and issues plans are facing. Key takeaways are available on the past events pages of the website.

OCTOBER 17, 2023

NEGOTIATING INVESTMENT MANAGER FEES BEST PRACTICES - PIAC MEMBER FORUM

Negotiating investment fees with investment managers is a critical step in plans' due diligence and implementation processes. More than 30 members representing funds of all sizes across the country

attended a member forum to share their insights on best practices in negotiating investment management fees. The presenters discussed their philosophy and strategies in different asset classes and how they address the challenge of negotiating lower costs while building strong partnerships with investment managers. The group then broke up into breakout rooms for further discussion. The forum was not recorded to protect confidentiality, but a summary of key take-aways and the results of a member survey are provided on the past events pages of the website.

SEPTEMBER 14, 2023

UPDATES ON REASSESSMENTS OF DUTCH ECJ RECLAIMS - PIAC WEBINAR

Jeroen van der Wal of Taxology Global discussed developments with respect to ECJ reclaim reassessments in the Netherlands since February 10, 2023. The reassessments seem to revolve around circle of beneficiaries and lump sum benefits payments as part of the "objective comparability" test that is at the core of ECJ reclaims. Some of the responses received from the Dutch tax authorities to objection letters filed or to reassessment announcements provide some insight into the Dutch tax authorities' reasoning why differences in the circle of beneficiaries or lump sum benefits payments would result in incompatibility and, consequently, ineligibility for ECJ reclaims. The session was moderated by Neil Marcowitz, Vice President, Tax at BCI.

JULY 25, 2023

ALTERNATIVES TO REAL RETURN BONDS - PIAC MEMBER FORUM

In light of the Federal Government's decision to cease the issuance of Real Return Bonds (RRBs) in Canada, many pension plans and other investors are now faced with the challenge of finding another source of inflation protection. Members participated in a discussion on how different plans are approaching this challenge, and the various alternatives to RRBs that are available to Canadian investors.

APRIL 13, 2023

THE TRANSITION TO A T+1 SETTLEMENT CYCLE: WHAT IT MEANS FOR PENSION PLANS - PIAC WEBINAR

This webinar outlined why, how and what plans need to do in order to be ready for the transition to a T+1 settlement cycle in Canada and the US.

MARCH 28, 2023

APPROACHES TO PUBLIC / PRIVATE EQUITY RISK - PIAC MEMBER FORUM

DISCUSSION HIGHLIGHTS

Members from Nova Scotia to BC participated in the PIAC Investment Outlook Roundtable on March 9, 2023 to discuss plans' total fund strategies and allocations to fixed income, public equities and alternatives, including private markets. Moderator Rob Field, Chair of PIAC's Investment Practices Committee, provided a broad retrospective on 2022 and the key questions going into 2023. Participants broke into groups, then came back to the general session to report on lessons learned in 2022 and what is top of mind for their investment strategies going forward.

OVERVIEW

2022 proved to be a difficult year for investors as the trusted diversification benefits of government bonds were nowhere to be seen and interest rates jetted higher as central banks took dramatic steps to combat alarming inflation levels. Public equity valuations suffered as well with the repricing of risk and higher discount rates on future earnings. While some private market strategies like real estate and infrastructure with inflation hedging properties may have fared better last year, informed investors are cautiously waiting to see how the valuation lag plays out in 2023 and positioning their portfolio for the eventual recovery rally.

MARCH 9, 2023

INVESTMENT OUTLOOK - PIAC MEMBER FORUM

This roundtable discussion kicked off with a broad retrospective on 2022 and the outlook for 2023 and beyond. Overall, 2022 proved to be a difficult year for investors. The trusted diversification benefits of

government bonds were nowhere to be seen and interest rates jetted higher as central banks took dramatic steps to combat alarming inflation levels. Public equity valuations suffered as well with the repricing of risk and higher discount rates on future earnings. While some private market strategies like real estate and infrastructure with inflation hedging properties may have fared better last year, informed investors are cautiously waiting to see how the valuation lag plays out in 2023 and positioning their portfolio for the eventual recovery rally. Members broke out into rooms focused on Fixed Income, Public Equities and Alternatives. The forum was unrecorded to maintain confidentiality but high-level highlights will be shared with members shortly.

FEBRUARY 2, 2023

TRANSITIONING CANADIAN FINANCIAL MARKETS FROM CDOR TO CORRA - PIAC WEBINAR

The co-chairs of the Canadian Alternative Reference Rate working group (CARR) discussed CARR's two-staged transition path from CDOR to CORRA, including relevant transition milestones that could impact CBIA members. Refinitiv Benchmark Services (UK) Ltd announced on May 16 that they will cease publishing CDOR after June 28, 2024.

JANUARY 20, 2023

FORMAL LAW AND SUBSTANTIVE LAW ASPECTS OF REASSESSMENTS OF DUTCH ECJ RECLAIMS - PIAC WEBINAR

This webinar focused on formal law and substantive law aspects to consider when confronted with reassessments of Dutch ECJ reclaims, including the statute of limitations for reassessments, formal requirements of valid reassessments and general principles of good governance (e.g. principle of good faith, principle of proper defense). Aspects of material law were discussed, including ECJ case law on objective comparability and the Dutch conditions for comparability of foreign pension funds with Dutch pension funds.

1,684

Followers
on LinkedIn

1,108

Individual
members

82

Members
attended Spring
2023 Conference

132

Member
Funds

PIAC
by the
Numbers

150

Volunteers

301

Members
attended
webinars

90

Board, Committee
and Working Group
meetings

81

Members attended
Fall 2023 Conference

53

Members attended
Tax Conference

16

Regional
Council
meetings

15

Advocacy
submissions

5

Meetings with regulators

10

Webinars

PIAC'S OBJECTIVES AND SUCCESSES WOULD NOT BE ACHIEVED WITHOUT THE DEDICATION AND COMMITMENT OF ITS VOLUNTEERS

PIAC recognizes the loyalty and diligence of volunteers, especially those who have excelled in contributing to PIAC's objectives, who are seen by peers to be role models and who contribute to a positive public and industry perception of PIAC.

TERRY STAPLES AWARD FOR 2022 AND 2023 PRESENTED

PIAC is a volunteer driven self-help organization where the efforts of PIAC members have made a real difference to how the pension sector has grown and succeeded in Canada. Membership consists of over 1,000 individuals from 130 of Canada's largest pension funds. Of those 1,000 individuals, over 150 are active in the life of the association by serving on a committee, speaking at a conference or webinar, writing articles for the newsletter or helping prepare an advocacy submission. That is an enviable record of involvement.

Each year, one of those volunteers is singled out for special recognition - the Terry Staples Volunteer of the Year Award. Terry Staples was an executive with Ontario Hydro and a member of the group that founded PIAC in 1977. Terry served as PIAC's second President in 1978 and, throughout the time he was a member, was also a Director of PIAC. Terry's greatest contribution to PIAC was the work he invested in the development of PIAC's first Constitution. His tireless devotion was recognized by PIAC naming the Volunteer of the Year after him. During 2023, two awards were presented.

Melania Paraschiv RECEIVES 2023 VOLUNTEER OF THE YEAR AWARD

At the 2023 Tax Conference, the 2023 Terry Staples Volunteer of the Year Award was presented to Chair of the PIAC Tax Working Group Melania Paraschiv, who is Director, Taxation at Ivanhoe Cambridge, the real estate arm of CDPQ.

Under her leadership, the Tax Working Group has evolved from planning the annual Tax Conference to a year-round mandate of running webinars, exploring specific issues such as with respect to Netherlands Tax Refunds and preparing resources for the website. She has cultivated a strong participatory team which stretches from Halifax to Victoria.

PIAC is a volunteer driven self-help organization where the efforts of PIAC members have made a real difference to how the pension sector has grown and succeeded in Canada. Membership consists of over 1,100 individuals from 130 of Canada's largest pension funds. Of those 1,000 individuals, over 150 are active in the life of the association by serving on a committee, speaking at a conference or webinar, writing articles for the newsletter or helping prepare an advocacy submission. That is an enviable record of involvement and each year, one of those volunteers is singled out for special recognition and presented with the Terry Staples Volunteer of the Year Award.





2022 TERRY STAPLES VOLUNTEER OF THE YEAR AWARD

Presented to Dan Goguen at the Fall 2023 Conference in Halifax

Dan Goguen, Vice President, Real Assets at Vestcor, was presented the Terry Staples Volunteer of the Year Award for 2022 at the PIAC

Fall Conference in Halifax. Dan has served on numerous committees and working groups, starting with the

2021 group that put on the previous conference held in Halifax in 2012. He also helped with the 2013 conference in Boston and Chaired the 2015 conference in Moncton. In 2012 Dan joined the Investment Practices Committee and went on to serve two terms as its Chair. He now leads the Alternatives Working Group and is also Chair of the Atlantic Regional Council, which meets every Spring and Fall. Dan served on the Board of Directors from 2012 to 2017 and as Chair of the Board in 2015.

THE PIAC CHUCK HARVIE DISTINGUISHED SERVICE AWARD

Presented to John Sinclair, Betsy Springer, Lisa Jankov and Simon Frechet in Halifax

At the Fall 2023 Conference, PIAC Chair Graeme Hay presented the Chuck Harvie Distinguished Service Award to four individuals, all of whom are past Chairs of the PIAC Board with an impressive history of involvement in various committees, working groups and planning committees. From left to right: John Sinclair, Betsy Springer, Lisa Jankov and Simon Frechet. Not pictured here is Algis Janusauskas, who will be presented with the award at the Spring 2024 Conference in Toronto.

The Chuck Harvie Distinguished Service Award was established by the Board of Directors in recognition of Chuck Harvie's long commitment to PIAC. Chuck was a member of the group that founded PIAC back in 1977

and he served on the Board for many years where his advice and counsel were carefully heeded. Chuck will also be remembered as PIAC's only Director Emeritus. His dedication to PIAC was obvious to everyone and he exemplified the model volunteer.

The Chuck Harvie Distinguished Service Award is PIAC's most prestigious honour, granted to members at the time of their retirement to those who have made a significant contribution to PIAC and pension management over the course of their career.



PAST WINNERS CHUCK HARVIE AWARD

- 2022 Betsy Springer
- 2021 Julie Cays
- 2020 Brenda King
- 2019 Russ Hiscock
- 2018 Barbara Miazga, Brenda McInnes

- 2015 Roger Robineau
- 2014 Emilian Groch, Doug Pearce
- 2011 Claire Kyle
- 2010 Rick Abbott
- 2009 Robert Bertram

- 2008 Gretchen Van Riesen
- 2005 Harry Gibbs, Peter Hellyer
- 2004 Don Walcot
- 2002 David French, Ian McKinnon



OBJECTIVES

- Recommend to the Board the appointment of the external auditor;
- Review the basis and amount of the external auditor's fee;
- Review the draft audited financial statements and discuss them with

the Executive Director and the external auditor to obtain reasonable assurance that:

- > the statements are fairly presented in all material respects in accordance with generally accepted accounting principles;
 - > the selection of accounting policies is appropriate;
 - > the external audit function has been effectively carried out and any matter that the external auditors wish to bring to the attention of the Board has been given adequate attention;
- Submit the draft audited financial statements to the Board for review and approval;
 - Obtain reasonable assurance from Association & Events Management International (the "Management Company") and the external auditor that the Management Company has in place appropriate systems of internal control and that these systems are operating effectively to ensure compliance with legal and regulatory requirements, and with the financial policies of PIAC;
 - Review the draft annual operating budget of PIAC and recommend its approval by the Board;
 - Monitor interim financial results prepared by the Management Company and provide appropriate information and input to the Board with respect to the financial health of PIAC;
 - Recommend financial policies to the Board, including the Financial Reserve Policy and the Banking and Investment Policy;

- Monitor the size of PIAC's surplus and reserves;
- Review exceptional items to the approved conference budgets from the Member Services Committee Chair;
- Select and review investment funds;
- Inquire into any other matters referred to it by the Board.

At Dec 31, 2023, the balance in PIAC's General Fund was \$519,097. The Financial Reserve Policy requires a minimum balance in the Fund of \$400,000.00. Fund reserves were deliberately built up to cover the added expenses of the Executive Director transition.

In 2023, the annual operating budget was set to generate a planned deficit of approximately \$79,000, but due to lower expenses and higher revenues in key areas, this was reduced to approximately \$15,620. This deficit was planned in conjunction with a higher amount in PIAC reserve funds to account for the onboarding of the Deputy Executive Director who will step into the role of the current Executive Director after the 2024 AGM at the PIAC Spring Investment Conference. We have also hired a Government & External Relations Manager.

Regarding the annual audit, the Committee met twice with our external auditor to review the process and results. We are pleased to have received an unqualified audit opinion once again.

The approved budget for 2024 has an expected deficit of approximately \$36,000. The budget reflects the planned transition of the current Executive Director who will retire from PIAC in May 2024.

MEMBERS

Dan Hudgin, EMERA

Grace Wong, CANADA POST

Ying Wu, VESTCOR

BALANCE SHEET	YEAR ENDED DECEMBER 31, 2023	
	2023	2022
ASSETS		
Current assets		
Cash	\$ 113,239	\$ 84,976
Short term investments	393,373	394,485
Accounts receivable	3,878	-
HST receivable	29,337	14,111
Prepaid expenses	42,817	57,000
	582,644	550,572
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	58,047	11,355
Deferred revenue	5,500	4,500
	63,547	15,855
NET ASSETS		
General operating fund	519,097	534,717
	582,644	550,572
STATEMENT OF REVENUES, EXPENSES & NET ASSETS	YEAR ENDED DECEMBER 31, 2023	
	2023	2022
REVENUES		
Membership fees	\$ 514,625	\$ 485,450
Spring conference fees	109,174	32,250
Fall conference fees	99,000	78,025
Tax conference fees	55,770	35,150
Interest income	23,888	6,703
	802,457	637,578
EXPENSES		
Management services	406,964	285,370
Spring conference	88,871	45,950
Fall conference	91,949	79,899
Tax conference	52,934	46,013
Regional councils and webinars	6,467	3,187
Bank and credit card charges	18,691	12,109
Audit and legal	7,860	7,000
Technology	23,339	16,885
Board and committees	86,605	53,172
Insurance	2,536	2,430
Office and administration	31,861	22,270
	818,077	574,285
Excess (deficiency) of revenues over expenses for the year	(15,620)	63,293
General operating fund - at beginning of year	534,717	471,424
General operating fund - at end of year	519,097	534,717

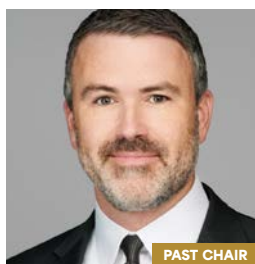


VICE CHAIR

Antonietta Cicerone
CN INVESTMENT DIVISION

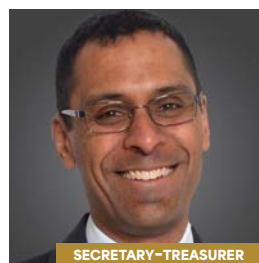


Susan Golyak
BCI



PAST CHAIR

Graeme Hay
TEACHERS' RETIREMENT
ALLOWANCES FUND



SECRETARY-TREASURER

Asif Haque
CAAT PENSION PLAN



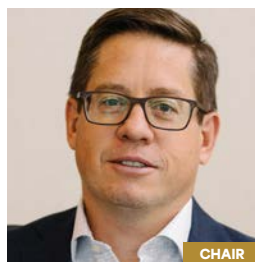
Alison Gould
SASKATCHEWAN TEACHERS
RETIREMENT PLAN



Dan Hudgin
EMERA INC.

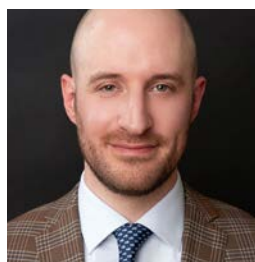


Roman Kosarenko
LOBLAW COMPANIES LIMITED



CHAIR

Dave Lawson
TELUS



Sean Kulik
NUNAVUT TRUST



Ying Wu
VESTCOR



Cheryl Shea
CANADIAN PACIFIC KANSAS
CITY LIMITED



Grace Wong
CANADA POST

PAST BOARD CHAIRS

2023	Graeme Hay
2022	Sean Hewitt
2021	Natasha Trainor
2020	Simon Fréchet
2019	Deanne Allen
2018	Brenda King
2017	Kevin Fahey
2016	Lisa Jankov
2015	Dan Goguen
2014	Michael Keenan
2013	Brenda McInnes
2012	Julie Cays
2011	Barbara Miazga
2010	Algis Janusauskas
2009	Gayle McDade
2008	Roger Robineau
2007	Terri Troy
2006	Pierre Drolet
2005	Gretchen Van Riesen
2004	Rick Abbott
2003	Tom Gunn
2002	Claire O. Kyle
2001	Rudy R. Dabideen
2000	Donald T. Walcot
1999	Douglas G. Pearce
1998	Neil A. Jacoby
1997	Robert G. Bertram
1996	Russell J. Hiscock
1995	Robert L. Sillcox
1993-94	David A. French
1992	Charles Dillingham
1991	Peter Hellyer
1990	Phil Jenkinson
1989	Ian McKinnon
1988	Watson Ogilvie
1987	Roger Porretti
1986	Watson Ogilvie
1985	Roger Fisher
1984	Dennis Beggs
1983	Wilson Barbour
1982	Chuck A. Harvie
1981	Wilson Barbour
1980	David MacMahon
1978-79	Terrance Staples
1977	Dennis McGee

PIAC has been the national voice for Canadian pension funds since 1977. Senior pension professionals employed by PIAC's member funds are responsible for the oversight and management of over \$2.8 trillion in assets on behalf of millions of Canadians. PIAC's mission is to promote sound investment practices and good governance for the benefit of pension plan sponsors and beneficiaries.



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Pension Investment
Association of Canada
Association canadienne des
gestionnaires de caisses de retraite

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