

## ***Record of Advice***

### **Advisory Committee Meeting #42**

**2015 01 14**

*On a motion by Liz Thompson, seconded by Martin Hajek, the Canadian Blood Services Defined Contribution Pension Plan Advisory Committee recommended that the Canadian Blood Services Pension Committee approve and/or recommend that the Canadian Blood Services Board of Directors approve the plan amendments required to comply with statutory changes in Alberta and Ontario, effective March 31, 2015.*

### **Advisory Committee Meeting #43**

**2015 05 14**

*On a motion by James McCormick, seconded by Liz Thompson, the Advisory Committee, having considered the qualifications of and the number of members or potential members represented by the two nominees, recommended that Canadian Blood Services appoint Marc Payette to the Advisory Committee.*

*On a motion Liz Thompson, seconded Martin Hajek, the Advisory Committee recommended approval of a plan expense budget of \$903,837 for 2015.*

*On a motion by James McCormick, seconded by Liz Thompson, the Advisory Committee approved the Travel Expense Policy applicable to members of the Advisory Committee.*

*On a motion by Liz Thompson, seconded by Elaine Sibson, the Advisory Committee approved the Education Policy applicable to members of the Advisory Committee.*

*On a motion by Martin Hajek, seconded by James McCormick, the Advisory Committee recommended that compensation by Manulife related to a delay in investing cash within the BlackRock Long Bond fund be distributed to members of the CBS Defined Contribution Pension Plan who were members on November 17, 2014 and who continue to be members of the Plan, in proportion to their holdings in the BlackRock Long Bond Fund.*

*On a motion by Liz Thompson, seconded by Elaine Sibson, the Advisory Committee recommended that the audited Financial Statements for the year ending December 31, 2014 be approved as presented.*

*On a motion by Liz Thompson, seconded by Martin Hajek, the Advisory Committee recommended a two-month holiday from the fee paid to Canadian Blood Services in reimbursement of expenses paid on behalf of the Plan, which is \$10 per member per month for 2015.*

*On a motion by Liz Thompson, seconded by James McCormick, the Advisory Committee asked Morneau Shepell to provide a cost quote for an analysis of member investment returns by age and gender.*

*On a motion by Liz Thompson, seconded by James McCormick, the Advisory Committee recommended that Morneau Shepell be asked to analyze member investment allocation (equity/fixed income) and returns by age and gender at a cost of \$3,500 to \$4,000.*

**Advisory Committee Meeting #44**

**2015 11 26**

*On a motion by Liz Thompson, seconded by James McCormick, the Advisory Committee recommended that the Canadian Blood Services Defined Contribution Pension Plan Statement of Investment Policies and Procedures be amended by changing the title of Section 5 to “Performance Evaluation”; relocating Appendices C to G to a separate document of historical and other information; and by adding the following statement with respect to Environmental, Social and Governance factors:*

**Environmental, Social and Governance Factors**

The Employer is cognizant of its primary responsibility to make decisions in the best interests of the Plan’s beneficiaries. This responsibility requires that there be an appropriate balance between the need to seek long-term investment returns to help plan members build retirement income and the needs for those returns to be delivered in as stable a manner as possible to limit downward impact (given the nature and behaviour of the investment markets).

In keeping with the foregoing, the Employer does not actively take environmental, social or governance factors (“ESG factors”) into account when making investment decisions. The Employer searches and selects the best investment managers for investing the assets of the Plan considering factors including but not limited to business, staff, and investment process, since the Employer believes that those factors will contribute to higher investment returns in the long run and to the management of risk. The Employer neither favours nor avoids asset managers based on ESG integration in their management style. However, the Employer believes asset managers may take account of ESG factors to the extent that these are relevant in meeting the above goals or with the nature of their mandate.

*On a motion by Elaine Sibson, seconded by Marc Payette, the Advisory Committee recommended approval of a plan expense budget of \$1,032,000 for 2016.*

*On a motion by Liz Thompson, seconded by Elaine Sibson, the Advisory Committee recommended that Canadian Blood Services renew the service agreement with Morneau Shepell for a term ending January 31, 2019 with a fee of \$7.30 per member per month plus HST and the provision for fee adjustment based on changes in the number of plan members, and with the additional deliverables outlined in the Morneau Shepell proposal.*

*On a motion by Marc Payette, seconded by Martin Hajek, the Advisory Committee recommended extending the contract with Mercer for investment consulting services to December 31, 2017.*