

**2021/01/27-03**

**WORKERS' COMPENSATION BOARD  
("WorkSafeBC")**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RE: WorkSafeBC Pension Plan Governance Policy, Pension Committee Terms of Reference and Dispute Resolution Process - Amendments**

**WHEREAS:**

Pursuant to section 331 of the *Workers Compensation Act*, RSBC 2019, chapter 1 and amendments thereto, the Board of Directors ("BOD") established the Workers' Compensation Board Superannuation Plan, renamed the WorkSafeBC Pension Plan (the "Plan") through the adoption of new Plan Rules on July 13, 2016;

**AND WHEREAS:**

The BOD is the administrator of the Plan within the meaning set out in the Pension Benefits Standards Act, SBC 2012 chapter 30 ("PBSA");

**AND WHEREAS:**

Pursuant to section 42 of the PBSA, the Plan administrator must adopt a governance policy setting out the overarching direction for pension plan oversight, management and administration that meets the criteria prescribed in section 50 of the PBSA Regulation;

**AND WHEREAS:**

The Governance Policy adopted by the BOD on October 21, 2016 establishes a Pension Committee with the Terms of Reference setting out the administrative and investment related duties to be performed by the Pension Committee approved by the BOD on October 21, 2016;

**AND WHEREAS:**

The BOD has delegated to Pension Management and BC Pension Corporation ("BCPC") responsibility for the day-to-day administration of the Plan, including resolving issues raised by Plan members who has a concern with respect to the administration of the Plan by applying the dispute resolution process established under the Governance Policy;

**AND WHEREAS:**

The BOD established a Dispute Resolution Process for Plan members, BCPC and Pension Management for the purpose of resolving disputes issues raised by Plan members who have a concern with respect to BCPC's administration of the Plan;

**AND WHEREAS:**

Pension Management is recommending the BOD approve the amendments to the Governance Policy, the Pension Committee Terms of Reference and Dispute Resolution Process to streamline the dispute resolution process and to make certain housekeeping amendments, all as set out in Appendices A, B and C.

**THE BOARD OF DIRECTORS RESOLVES THAT:**

1. The Governance Policy is amended as attached hereto as Appendix A with an effective date of January 27, 2021.
2. The Pension Committee Terms of Reference is amended as attached hereto as Appendix B with an effective date of January 27, 2021.
3. The Dispute Resolution Process is amended as attached hereto as Appendix C with an effective date of January 27, 2021.

I, Jeff Parr, hereby certify for and on behalf of the Board of Directors of WorkSafeBC that the above resolution was duly passed at a meeting of the Board of Directors held in Richmond, British Columbia on January 27, 2021.



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Jeff Parr  
Chair, Board of Directors  
Workers' Compensation Board

## **Appendix A**

The Governance Policy is amended as follows with all additions to the Policy underlined in red and all deletions in red strike-out:

# **WorkSafeBC Pension Plan (the “Plan”)**

## **GOVERNANCE POLICY**

Effective October 21, 2016

Revised January 27, 2021

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1. **~~BACKGROUND AND SCOPE~~WORKSAFEBC PENSION PLAN GOVERNANCE POLICY**

The Plan was established to provide pension benefits to employees of the Workers' Compensation Board, a corporation established under the *Workers Compensation Act* (B.C.) and operating under the name "WorkSafeBC" ("WSBC"). The Plan is sponsored and administered by WSBC and is registered in British Columbia (Registration #85663-1) pursuant to the *Pension Benefits Standards Act* (the "PBSA"). The Plan is also registered pursuant to the *Income Tax Act* (Canada).

This Policy is intended to constitute the "governance policy" as contemplated in section 42 of the PBSA and section 50 of the regulations under the PBSA.

WSBC maintains several other documents that govern the Plan, including a plan text document, a funding policy and a statement of investment policies and procedures, all as contemplated by the PBSA. WSBC also maintains a terms of reference for the WSBC's pension committee (the "PC").

**Nothing in this Policy is intended to be construed or to impose on WSBC, any director or employee of WSBC or any person or entity providing services in respect of the Plan, a standard or duty (fiduciary or otherwise) that exceeds the standard or duty under the applicable law at the applicable time.**

2. **PLAN OVERSIGHT, MANAGEMENT AND ADMINISTRATION**

(a) WSBC's Role as Administrator of the Plan

WSBC is the "administrator" of the Plan as that term is used in the PBSA. As administrator, WSBC will perform each of the duties assigned to it under the PBSA and in so doing shall:

- (i) act honestly, in good faith and in the best interest of the members of the Plan and of others entitled to benefits from the Plan;
- (ii) exercise the care, diligence and skill that a person of ordinary prudence would exercise when dealing with the property of another person; and
- (iii) avoid knowingly allowing the interests of WSBC to conflict with its powers and duties as administrator.

(b) Governance Structures

The day to day administration of the Plan is conducted in part by employees of WSBC engaged in pension related positions ("**Pension Management**") reporting ultimately to the Chief Executive Officer of WSBC who in turn is accountable to the Board. Other aspects of day to day Plan administration, including those related to benefit payments and associated record keeping and reporting, are

conducted by the British Columbia Pension Corporation (“**BCPC**”), which is under contract to WSBC as its plan administrative agent.

The Board of Directors of WSBC (the “**Board**”) has established the PC for the purposes of assisting WSBC in certain tasks relating to the Plan’s administration and the investment of the Plan’s assets. These responsibilities are set out in a Terms of Reference document adopted by the Board, as it may be amended from time to time.

Pursuant to the PC’s Terms of Reference, the Board appoints the three members of the PC. The Board may amend the Terms of Reference as it deems appropriate from time to time.

(c) **Goals of Governance Structures**

The goals of the structures set out in subsection 2(b) are to:

- (i) help ensure governance of the Plan that complies with the PBSA and any other applicable law;
- (ii) identify the specific roles and obligations for each person and entity involved in the administration of the Plan;
- (iii) help ensure accountability of those involved in the administration of the Plan;
- (iv) minimize risks associated with poorly defined governance; and
- (v) promote effective decision making with decisions being made by the person or entity with the most appropriate knowledge or perspective.

(d) **Duties of the PC and Pension Management**

The PC has the responsibilities, powers and duties with respect to the Plan that are set out in its Terms of Reference document adopted by the Board, as it may be amended from time to time. Pension Management and BCPC have all other pension administrative duties related to the Plan.

### **3. PERFORMANCE MEASURES**

(a) **Third Party Service Providers**

WSBC requires the services of third party service providers in the administration of the Plan. Before appointing a service provider and on a regular basis while a service provider is retained, Pension Management shall consider the service provider’s:

- (i) training, skill, specialization and experience;
- (ii) cost;
- (iii) quality and consistency of work
- (iv) references provided by other clients of the provider;
- (v) the presence of any conflicts of interest relevant to the provider's services;  
and
- (vi) any other factors that may be relevant.

Pension Management will be responsible for approving a service provider or recommending a service provider to the Board if appropriate.

At regular intervals and any time that is warranted by the circumstances, Pension Management will assess the performance of the service provider and will use the factors outlined above to assess the provider's performance. If, at any time, Pension Management has a concern about the activities of a service provider, it may seek an explanation or a report from the service provider, provide further clarification on the expectations of the provider or may terminate a service provider's services in accordance with the terms of the agreement with that service provider. If appropriate given the nature of the service provider, Pension Management may engage in a formal request for proposal to replace or choose a service provider. Pension Management will, as appropriate, seek advice and input from the PC on service provider issues.

**(b) Pension Management**

All WSBC employees, including the members of Pension Management, have their performance assessed in accordance with WSBC's policies and procedures for assessing employee performance. Each of the duties set out herein forms part of the employment obligations of the members of Pension Management and their obligations as set out in this Policy will be reviewed in accordance with WSBC's employment assessment policies and practices.

**(c) The Pension Committee**

The Board will periodically assess the performance of the PC members having regard to such factors as it considers appropriate.

**4. PROCEDURES TO ENSURE TIMELY ACCESS TO RELEVANT PLAN INFORMATION**

Information relevant to the Plan and its administration is always available to members of Pension Management, the PC and the Board, including copies of the Plan text, all amendments to the Plan text, all policies adopted in respect of the Plan, all valuation reports and any significant agreements entered into in respect of the Plan.

When amendments are made to significant Plan related documents, they will be made available to all persons who have decision-making power with respect to the Plan and will be provided to third party service providers if appropriate.

**5. CODE OF CONDUCT AND CONFLICT OF INTEREST PROCEDURES**

The members of Pension Management and the Board are bound by any Code of Conduct established by WSBC which is designed to apply to them except as modified by the rules set out below. Any such Code of Conduct will, with any necessary modifications, also apply to the PC members

There may also be times where Pension Management will be acting on behalf of WSBC in its capacity as sponsor and not administrator and in such circumstances they will comply with this Policy, any conflict of interest rules adopted by WSBC in respect of that dual role and the applicable law.

**6. EDUCATIONAL AND OTHER REQUIREMENTS FOR DECISION MAKERS**

In addition to their own professional and managerial experience, members of Pension Management and PC should strive to obtain and maintain general understanding of the following:

- (a) pension and tax legislation that impacts the Plan;
- (b) actuarial principles and liability management;
- (c) fiduciary duties and trust principles;
- (d) financial markets;
- (e) pension risk management; and
- (f) the terms of the Plan.

Members of Pension Management and PC will be encouraged to attend educational seminars to further their understanding of the issues that relate to the Plan and its administration. Any costs incurred attending seminars must be approved by WSBC, and if approved, will be paid for from the Plan assets.

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## **7. RISK MANAGEMENT**

### **(a) Identification of Specific Plan Management Risks**

There are a number of risks that apply to any defined benefit pension plan, including the Plan. Some key plan management risks are:

- (i) Strategic risk: the risk that the Plan does not support workforce attraction, retention, and renewal.
- (ii) Financial risk: the risk that the Plan assets will not be sufficient to meet liabilities.
- (iii) Operational risk: the risk that deficiencies or breakdowns in internal controls or processes, human errors or fraud will negatively affect Plan administration.
- (iv) Legal and regulatory risk: the risk that the Plan will not be administered in accordance with the applicable law.

### **(b) Management of Specific Plan Management Risks**

- (i) Strategic risk will be managed through:
  - A. the Plan's integration into the overall workforce management and total rewards strategy;
  - B. communication of the Plan's value to employees.
- (ii) Financial risk will be managed through:
  - A. the valuation of the Plan's assets and liabilities and ensuring compliance with the legislative requirements and the professional standards of the Canadian Institute of Actuaries in respect of such valuations. It also encompasses any advice, analysis, testing or special reports which may be provided by the actuary at the request of WSBC;
  - B. the retention and oversight of qualified investment managers, the establishment and adherence to an appropriate Statement of Investment Policies and Principles (SIPP) and implementation of a well-diversified portfolio that is consistent with the plan liabilities, investment objectives and beliefs of the Plan;
  - C. the establishment of and adherence to an appropriate funding policy;



- D. regular monitoring of Plan costs.
- (iii) Operational or administration risk will be managed by having Pension Management:
  - A. follow an appropriate process for retaining, monitoring and terminating service providers, maintaining formal contracts where appropriate that detail the roles and responsibilities of the provider and having a process by which the service provider's performance can be measured;
  - B. regularly review all of the policies relevant to the Plan at appropriate intervals;
  - C. with BCPC's assistance, maintain benefit calculation procedures that address data collection and the method of calculating the benefit and consistency of calculations;
  - D. with BCPC's assistance, maintain procedures for verifying that contributions and special payments are made as required in accordance with applicable law;
  - E. with BCPC's assistance, maintain procedures related to recordkeeping, storage, privacy protection and data retention; and
  - F. with BCPC's assistance, assess the appropriateness of Plan amendments and ensure that the full effect of an amendment is understood before being introduced.
- (iv) Legal and regulatory risk will be managed by maintaining a good relationship with the regulator for the Plan and working with legal counsel to help ensure that statutory and other legal requirements are met.

## **8. DISPUTE RESOLUTION**

Plan members are encouraged to contact WSBC if they have any concerns about the administration of the Plan or their entitlement to benefits from the Plan. WSBC (through Pension Management or the PC) will respond to the inquiry or complaint and may involve any third party service providers to the extent required to do so. Persons directly affected by a decision of BCPC in the application of the Plan terms may appeal all or part of that decision to ~~Pension Management~~the PC.

~~If a concern, including a concern considered by Pension Management, cannot be resolved by Pension Management, Plan members shall have the ability to appeal to the Board, and failing a satisfactory outcome at that level, to the satisfaction of the person affected by a decision of BCPC in the application of the Plan~~

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~~*terms, the person affected shall have access to any other dispute resolution mechanisms permitted by law, including making inquiries or a complaint to the pension regulator or commencing a claim against WSBC in respect of its administration of the Plan.*~~

**9. NO INCORPORATION BY REFERENCE**

For greater certainty, it is confirmed that despite the references herein to the PC's Terms of Reference, that document, and any other policy or other document referred to in this Policy, is not incorporated by reference into this Policy, nor do the terms of any such document form part of this Policy.

## **Appendix B**

The Pension Committee Terms of Reference is amended as follows with all additions to the Terms of Reference underlined in red and all deletions in red strike-out:

### **WorkSafeBC Pension Plan**

#### **Pension Committee Terms of Reference**

Effective October 21, 2016

Revised January 27, 2021

## **TABLE OF CONTENTS**

<b>1.</b>	<b>THE WORKSAFEBC PENSION PLAN .....</b>	<b>1</b>
<b>2.</b>	<b>CREATION OF THE PENSION COMMITTEE.....</b>	<b>1</b>
<b>3.</b>	<b>OTHER PARTIES INVOLVED IN PLAN ADMINISTRATION, FUND HOLDING AND INVESTMENT .....</b>	<b>1</b>
<b>4.</b>	<b>WSBC’S ROLE AS ADMINISTRATOR AND THE PENSION COMMITTEE.....</b>	<b>1</b>
<b>5.</b>	<b>COMPOSITION OF PENSION COMMITTEE .....</b>	<b>2</b>
<b>6.</b>	<b>DUTIES AND POWERS OF THE PENSION COMMITTEE.....</b>	<b>4</b>
<b>7.</b>	<b>LIMITATION OF LIABILITY.....</b>	<b>5</b>
<b>8.</b>	<b>INDEMNIFICATION .....</b>	<b>5</b>
<b>9.</b>	<b>ANNUAL REPORT TO BOARD OF DIRECTORS.....</b>	<b>5</b>
<b>10.</b>	<b>HANDLING OF PLAN DOCUMENTS AND RECORDS .....</b>	<b>5</b>
	<b><u>APPENDIX A AGENDA CALENDAR.....</u></b>	<b><u>7</u></b>

## 1. The WorkSafeBC Pension Plan

The Workers' Compensation Board, a corporation established under the *Workers Compensation Act*, R.S.B.C. 1996, c. 492 (the "WCA") and operating under the name "WorkSafeBC" ("WSBC"), is the sponsor and administrator of the WorkSafeBC Pension Plan (the "Plan"), a pension plan created by WSBC pursuant to s. ~~86(3)~~331 of the WCA. Effective September 30, 2015 the board of directors of WSBC (the "Board of Directors") amended and restated the Plan text in its entirety to bring it into compliance with the *Pension Benefits Standards Act*, S.B.C. 2012 c. 30 (the "PBSA").

## 2. Creation of the Pension Committee

Prior to the Plan text's restatement as of September 30, 2015 the Plan text contemplated that three individuals styled "Trustees" had certain powers and duties in respect of the Plan. Pursuant to section 112 of the Plan text's restatement as of September 30, 2015, the Trustees previously appointed under the Plan text were restyled as "Pension Committee Members" and were constituted as the Plan's "Pension Committee". ~~While the Plan text was restated as of September 30, 2015, during the interval between that date and the date as of which the restated Plan text was adopted by WSBC, the Trustees appointed under the Plan text continued to be styled as "Trustees" and were subject to the terms of the Plan text in effect prior to the restated Plan text. These Terms of Reference take effect as of the date the restated Plan text was adopted by WSBC.~~ The Pension Committee shall perform certain administrative and investment related duties relating to the Plan on WSBC's behalf in accordance with these Terms of Reference. These Terms of Reference are adopted on WSBC's behalf by the Board of Directors, who can amend them at any time.

## 3. Other Parties Involved in Plan Administration, Fund Holding and Investment

WSBC employs individuals ("Pension Management") to perform day-to-day management of the Plan and to work with and assist the Board of Directors and the Pension Committee. WSBC has entered into a Pension Plan Administration Services Agreement with the British Columbia Pension Corporation ("BCPC") pursuant to which BCPC provides certain plan administration services, serves as WSBC's "plan administrative agent", as that term is defined in the Plan text, and serves as the fundholder of the Plan's pension fund. The British Columbia Investment Management Corporation ("~~beIMC~~BCI") has been retained as the investment manager for the Plan, whose responsibilities are principally set out in the Statement of Investment Policies and Procedures for the Plan (the "SIPP") and in a Funds Management Agreement between WSBC and ~~beIMC~~BCI.

## 4. WSBC's Role as Administrator and the Pension Committee

WSBC is the "administrator" of the Plan as that term is defined in the PBSA and the *Income Tax Act* (Canada). Each of these Acts prescribes certain functions that must be performed or supervised by the administrator of a pension plan. In particular, the

administrator is responsible for managing the day-to-day operations of the Plan, including the supervision of fund holders, actuaries, investment managers and advisors, legal counsel and other service providers, the maintenance of Plan documents and records, communication with Plan members and regulatory authorities, and overall good management and governance of the Plan. Consequently, WSBC, acting through Pension Management and BCPC as its plan administrative agent, shall perform all the duties of an administrator in respect of the Plan, except those duties described in these Terms of Reference as being the responsibility of the Pension Committee. While acting in the capacity of administrator of the Plan, WSBC stands in a fiduciary capacity in relation to the Plan's members and others entitled to benefits from the Plan. While carrying out its duties described in these Terms of Reference which form part of the duties of the administrator of the Plan the Pension Committee stands in a fiduciary capacity in relation to the Plan's members and others entitled to benefits from the Plan.

## 5. Composition of Pension Committee

### (a) Constitution of Pension Committee

The Pension Committee consists of three members ("**Pension Committee Members**"), each appointed by the Board of Directors. One Pension Committee Member shall be appointed to represent WSBC. One Pension Committee Member shall be appointed after consultation with the Compensation Employees' Union to represent the employees of WSBC. The third Pension Committee Member shall be an individual selected by the other two Pension Committee Members and subsequently appointed to the Pension Committee by the Board of Directors.

### (b) Ceasing to be a Pension Committee Member

A Pension Committee Member ceases to be a Pension Committee Member in any of the following circumstances:

- (i) upon removal as a Pension Committee Member by the Board of Directors;
- (ii) upon ~~his or her~~ Pension Committee Member's resignation being received by the remaining Pension Committee Members or by the Board of Directors;
- (iii) if the Pension Committee Member was appointed for a term, when ~~his or her~~ their term of office expires;
- (iv) if ~~he or she~~ Pension Committee Member is unable or unavailable, as determined by the remaining Pension Committee Members or by the Board of Directors, to carry out ~~his or her~~ their duties by reason of illness or other cause for four consecutive months or more; or
- (v) upon death.

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(c) Vacancies and Interim Appointments

- (i) If there is a vacancy on the Pension Committee, the remaining Pension Committee Members shall promptly notify the Board of Directors of the vacancy. The Board of Directors will endeavor to appoint another person to fill the vacancy on the Pension Committee in a timely manner.
- (ii) If there is a vacancy on the Pension Committee the remaining Pension Committee Members will have the full power to act and carry out the duties and obligations of the Pension Committee.

(d) Meetings of the Pension Committee

- (i) Regular meetings of the Pension Committee shall be held at least four times per year and may be called at any time by any two Pension Committee Members.
- (ii) Written or electronic notice of each regular or special meeting shall be provided to each Pension Committee Member by or on behalf of the convenor of the meeting not less than 24 hours before the meetingtime.
- (iii) An agenda shall be prepared and distributed prior to each regular meeting.
- (iv) A quorum for a meeting shall consist of two Pension Committee Members. Presence for quorum purposes may be satisfied by attendance in person, by telephone or live audio internet participation.
- (v) Attendance at and minutes of all meetings shall be taken by the Pension Committee Members or by a member of Pension Management invited to participate in the meeting for such purpose.
- (vi) Subject to the requirements set out in these Terms of Reference, the Pension Committee may establish additional rules, policies and procedures for its meetings.
- (vii) The Pension Committee may invite from time to time such persons as it sees fit to attend meetings and take part in discussions.
- (viii) The Pension Committee will address the topics set out in Appendix A in its meetings in the frequency set out therein, as well as such other matters as the Pension Committee Members consider appropriate.

(e) Decision Making

Each Pension Committee Member in attendance at a meeting shall have one vote on matters voted on by the Pension Committee at that meeting. The Pension

Committee shall decide matters by a majority of Pension Committee members in attendance and voting on the matter in question.

## **6. Duties and Powers of the Pension Committee**

The Pension Committee has the following duties and powers:

- (a) On WSBC's behalf, annually review the SIPP and make recommendations to the Board of Directors as necessary with respect to amendments to the policy asset mix as set out in the SIPP, and to otherwise make amendments to the SIPP as necessary. In deciding whether to recommend any amendments to the policy asset mix specified in the SIPP, or to otherwise amend the SIPP, the Pension Committee shall have regard to such factors as it considers appropriate, including policy asset mix recommendations received from ~~beIMCBCI~~, and any recommendations received from ~~beIMCBCI~~ or the Plan actuary as a result of asset liability studies prepared in respect of the Plan.
- (b) On WSBC's behalf, supervise ~~beIMCBCI~~'s implementation of the SIPP, and provide ~~beIMCBCI~~ with such specific instructions and approvals as are necessary to carry out the day-to-day investment of the Plan's pension fund. Without limiting the generality of the foregoing, the Pension Committee may approve recommendations from ~~beIMCBCI~~ to participate in specific funds and to amend the benchmarks for specific funds.
- (c) Review with the Plan actuary draft actuarial valuations of the Plan and, as appropriate, provide comments on any draft actuarial valuation to the Board of Directors.
- (d) On WSBC's behalf, determine the amount of the cost of living benefits to be granted in accordance with section 73 of the Plan text.
- (e) Review and comment on BCPC service delivery plans and reports with a member centric focus.
- (f) Receive and review reports from BCPC on proposed changes to the Plan text.
- (g) Provide input to and approval of BCPC's communication work plans, the Report to Members and the Annual Report (content and layout of reports).
- (h) On WSBC's behalf, approve the annual Audit Representation Letter and the Plan's audited Financial Statements.
- (i) Prepare responses to Plan member inquiries as they arise.
- (j) Maintain current knowledge of pension legislation and trends by participating in pension industry organizations and educational events.
- (k) Make recommendations to the Board of Directors regarding transfers to the Plan's inflation adjustment account pursuant to paragraph 75(3)(e) of the Plan text.



- (l) Consult with and provide input to WSBC on any matter relating to the Plan on which WSBC seeks their views.
- (m) On WSBC's behalf, receive and decide appeals from persons directly affected by a BCPC final decision in the application of the Plan terms.

## **7. Limitation of Liability**

No Pension Committee Member shall be liable to any person whatsoever for anything done or omitted to be done in respect of the administration of the Plan, except where the act or omission was fraudulent or in bad faith.

## **8. Indemnification**

WSBC shall indemnify and save harmless the Pension Committee Members from the effects and consequences of their acts, omissions and conduct in their formal capacity to the extent permitted by law except for their own wilful and intentional malfeasance or misconduct. No part of the Plan funds shall be used for indemnification payments.

## **9. Annual Report to Board of Directors**

The Pension Committee shall provide a written report to the Board of Directors at least once per calendar year on its activities during the preceding year. This report shall address compliance with these Terms of Reference, the Plan's investment and funds management performance, ~~beIMCBCI~~'s compliance with the SIPP, and such other topics as the Pension Committee wishes to address or the Board of Directors requests be addressed.

## **10. Handling of Plan Documents and Records**

### **(a) Confidential Information**

For the purposes of these Terms of Reference, confidential information is information relating to the Plan that is not within the public domain.

### **(b) Use of Confidential Information**

No member of the Pension Committee may disclose any confidential information acquired in the course of carrying out such person's office or powers, unless such disclosure is expressly consented to by the person to whom the confidential information relates, or such disclosure is authorized by law. No person shall use any confidential information ~~he or she~~they acquired in the course of carrying out ~~his or her~~their office or powers for the personal benefit of that person or the personal benefit of a friend, associate or relative of that person.

### **(c) Safeguarding of Confidential Information**

Each member of the Pension Committee shall exercise due diligence in the protection of confidential information and in so doing shall make use of appropriate methods and technologies.

(d) Records and Destruction Policy

If WSBC's records retention and destruction policy contains standards applicable to pension records, such standards shall be considered incorporated into these Terms of Reference.

**APPENDIX A**  
**AGENDA CALENDAR**

	<b>TASK</b>	<b>MINIMUM FREQUENCY</b>
1.	Meet with or receive reports from BCPC	Four times per year
2.	Review and if necessary make amendments to the SIPP	Once per year
3.	Meet with or receive report from <del>beIMC</del> <u>BCCI</u>	Four times per year
4.	Consultation with Actuary	Once per year
5.	Annual Report to the Board of Directors	Once per year

## Appendix C

The WorkSafeBC Pension Plan Dispute Resolution Process is amended as follows with all additions to the Dispute Resolution Process underlined in red and all deletions in red strike-out:

# WorkSafeBC Pension Plan Dispute Resolution Process

**Applies to: All WorkSafeBC Pension Plan Members**

<b>Administered by</b>	Pension Management
<b>Authorization</b>	Board of Directors
<b>Effective date</b>	<del>October 18, 2017</del> <u>January 27, 2021</u>
<b><del>Revision date</del></b>	

## Background

WorkSafeBC Pension Plan (the “**Plan**”) members are encouraged to contact WorkSafeBC if they have any concerns with the administration of the Plan or their entitlement to benefits under the Plan.

In the event of a concern, Section 8 of the WorkSafeBC Pension Plan Governance Policy confirms the availability of dispute resolution processes for Plan members:

- A) Pension Management or the Pension Committee will respond to Plan member general inquiries or concerns, and may involve external third parties to assist if required.
- B) If the concern is regarding a decision made by BC Pension Corporation in applying the Plan rules, that decision may be appealed to the Pension Management Committee.
- ~~C) If the concern in B) is not resolved by Pension Management to the Plan member's satisfaction, the Plan member may appeal to the WorkSafeBC Board of Directors.~~

~~If after accessing the processes set out above the concern is not resolved to the Plan member's satisfaction, the Plan member may use other dispute resolution mechanisms available at law.~~

The “**Pension Committee**” is appointed by the Board of Directors and consists of representatives for the employer, the employees, and an independent member ~~appointed by the Board of Directors~~. The independent member is appointed on the recommendation of the employer and employee representatives.

For the purpose of this dispute resolution process, “**Pension Management**” consists of the Director, ~~Compensation, Benefits~~Total Rewards & HRIS<sup>1</sup>, the Manager, Employee Benefits and other senior management as may be required.

Under this dispute resolution process, “**Plan member**” is a person directly affected by a

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<sup>1</sup> Including any successor position or title to the Director, Total Rewards & HRIS or Manager, Employee Benefits.

decision of BC Pension Corporation in the application of the Plan terms.

## Process

### **A. General Inquiries or Concerns**

Plan members should direct any inquiries/concerns with respect to the administration of the Plan to the Manager, Employee Benefits. Depending on the nature of the inquiry/concern, either Pension Management or the Pension Committee will provide the Plan Member with a written response within 60 days of receiving the inquiry/concern. The Manager, Employee Benefits will acknowledge receipt of the inquiry/concern within five days.

### **B. Concerns about a BC Pension Corporation Decision in Applying the Plan Rules**

~~If a Plan member has a concern about a BC Pension Corporation decision in applying the Plan rules, the Plan member must do the following:~~

- ~~• Ensure that the Plan member has first used all of BC Pension Corporation's internal processes for reviewing the decision made by it in applying the Plan rules;~~
- ~~• Obtain the final decision from BC Pension Corporation in writing. The BC Pension Corporation final decision is the decision of a director at BC Pension Corporation following the director's review of the issue that is confirmed in writing by the director; and~~
- ~~• Submit to the Manager, Employee Benefits no later than six months after receiving BC Pension Corporation's final decision in writing:
  - ~~○ A written request to appeal the BC Pension Corporation decision that includes sufficient information to identify the issue and the Plan member's concerns or position; and~~
  - ~~○ A copy of the BC Pension Corporation final decision.~~~~

~~When the Manager, Employee Benefits has received the written request to appeal the BC Pension Corporation final decision and a copy of the Pension Corporation final decision from a Plan member:~~

- ~~• Pension Management will review the Plan member's written request to appeal BC Pension Corporation's final decision to ensure that there is sufficient information to identify and understand the issue. Pension Management may request the Plan member to provide additional information to clarify the issue or concern;~~
- ~~• When Pension Management is satisfied that there is sufficient information to identify the issue and the Plan member's concerns or position, Pension Management will write to the Pension Corporation and include a copy of the written request to appeal the BC Pension Corporation final decision and the BC Pension Corporation final decision letter;~~
- ~~• Within 30 days of receiving the request from Pension Management, BC Pension Corporation will provide Pension Management with the reasons for the final decision made by BC Pension Corporation and any additional information and documents that Pension Management may have requested;~~
- ~~• Pension Management will then consider the Plan member's written request to appeal the BC Pension Corporation final decision, along with the reasons and documentation from BC Pension Corporation and may do any of the following:
  - ~~○ Request further information from the Plan member or from BC Pension Corporation before making any decision;~~~~

- Confirm the decision made by BC Pension Corporation;
- Request BC Pension Corporation to reconsider the issue and provide direction to BC Pension Corporation for the purpose of the reconsideration;
- Overturn the BC Pension Corporation decision and provide alternative direction to BC Pension Corporation as Pension Management may see fit;
- Pension Management will communicate its decision in writing to both the Plan member and to BC Pension Corporation within 30 days of receiving BC Pension Corporation's reasons for its final decision and any additional information and documents requested by Pension Management; and
- Pension Management will advise the Plan member that if the Plan member is not satisfied with the Pension Management decision, the Plan member may appeal the Pension Management decision to the Board of Directors and that the appeal must be made within 60 days of receiving the Pension Management decision.

### **C. ~~Appealing a Pension Management Decision to the Board of Directors~~**

If a Plan member is not satisfied with the decision of Pension Management under section B above, the Plan member may appeal to the Board of Directors.

To initiate an appeal to the Board of Directors, the Plan member must provide the following to the Manager, Employee Benefits within 60 days of receiving the Pension Management decision being appealed:

- A written request to appeal the Pension Management decision that includes sufficient information to identify the Plan member's concerns or position with respect to the Pension Management decision; and
- If applicable, any new information relevant to the Pension Management decision that was not available to Pension Management at the time the Pension Management decision was made.

If the Plan member does not provide any new information, then the Manager, Employee Benefits will prepare the appeal for a decision by the Board of Directors at the next regularly scheduled board meeting that is not an annual or special meeting.

If the Plan member provides new information relevant to the Pension Management decision, the Manager, Employee Benefits may:

- include the new information in the written request to appeal the Pension Management decision and proceed to schedule the appeal at the next regularly scheduled board meeting that is not an annual or special meeting; or
- provide the new information to BC Pension Corporation for written comment to be provided to Pension Management within 30 days. If BC Pension Corporation provides written comment with respect to the new information, the Manager, Employee Benefits will provide the Plan member with a copy of the written comments and allow the Plan member to provide a response to the BC Pension Corporation written comments within 60 days. When the Plan member has provided a response or the 60 days have elapsed, the Manager, Employee Benefits will proceed to submit the appeal at the next regularly scheduled board meeting that is not an annual or special meeting;

When the Manager, Employee Benefits prepares the appeal to be considered by the Board of Directors, the Manager, Employee Benefits will provide the Board of Directors with the following appeal documentation:

- a copy of the Pension Management decision being appealed;

- ~~the written request to appeal the Pension Management decision;~~
- ~~if applicable, any new information received from the Plan member, any written comments from BC Pension Corporation in response to the new information and any response by the Plan member to the written comments from BC Pension Corporation; and~~
- ~~the relevant Plan Rules, legislation, policies and any applicable contractual terms with BC Pension Corporation.~~

~~The Board of Directors will review the appeal documentation and render a decision. The Manager, Employee Benefits will advise the Plan member and, if the appeal involves an issue affecting BC Pension Corporation, BC Pension Corporation will apply the Board of Directors' decision within 60 days of receiving the Board of Directors' decision.~~

~~At any time before the board meeting is held, Pension Management and the Plan member may resolve the issue, in which case the appeal will be removed from the board meeting agenda.~~

1. If a Plan member has a concern about a BC Pension Corporation decision in applying the Plan rules, the Plan member must first use all of BC Pension Corporation's internal processes for reviewing the decision made by it in applying the Plan rules, up to and including the final level of review by the BC Pension Corporation Director of Pension Operations.
2. If the BC Pension Corporation Director of Pension Operations reviews the decision, the Director of Pension Operations will provide to the Plan member a written decision with respect to the concern raised by the Plan member. This decision will be the final decision of BC Pension Corporation.
3. If the Plan member is not satisfied with the final decision of BC Pension Corporation, the Plan member must **within six months** of receiving the BC Pension Corporation final decision submit to the Manager, Employee Benefits:
  - a copy of the BC Pension Corporation final decision;
  - a written request to appeal the BC Pension Corporation final decision that includes sufficient information to identify the issue and the Plan member's concerns or position; and
  - if applicable, any new information relevant to the BC Pension Corporation final decision that was not available to BC Pension Corporation when it made its final decision.
4. When the Manager, Employee Benefits has received all of the above materials from a Plan member, the Manager, Employee Benefits will prepare the materials for submission to the Pension Committee. The Manager, Employee Benefits will:
  - review the Plan member's written request to appeal the BC Pension Corporation final decision to ensure that there is sufficient information to identify the issue and understand the concern;
  - within five days, acknowledge receipt of the appeal and may request the Plan member provide additional information to identify the issue and understand the concern;
  - obtain from BC Pension Corporation a copy of all materials and information provided by the Plan member to BC Pension Corporation with respect to the Plan member's concern;

- refer any additional information received from the Plan member to BC Pension Corporation for its consideration and response.
5. If additional information is received from that Plan member and referred to BC Pension Corporation, BC Pension Corporation will, within 30 days of the receipt of the additional information, either:
    - render a revised decision to the Plan member if the BC Pension Corporation concurs with the Plan member as a result of the additional information; or
    - provide the Manager, Employee Benefits with written comments on the additional information.
  6. If the Manager, Employee Benefits receives written comments from BC Pension Corporation regarding the Plan member's additional information, the Manager, Employee Benefits will provide the Plan member with a copy of the comments and ask the Plan member to either provide a response to the comments or confirm the Plan member has no additional comments within 60 days of receipt of the additional information.
  7. When the Manager, Employee Benefits has received the Plan member's response or confirmation, or the 60 days has expired, the Manager, Employee Benefits will provide the Pension Committee with the following:
    - a copy of the BC Pension Corporation final decision;
    - the written request to appeal the BC Pension Corporation final decision;
    - if applicable, any new information received from the Plan member;
    - the written comments on the additional information provided by the BC Pension Corporation;
    - if applicable, any response from the Plan member to BC Pension Corporation's comments on the additional information; and
    - the relevant Plan Rules, legislation, and policies.
  8. The Pension Committee will, at its next regularly scheduled meeting after its receipt of the foregoing materials, review the materials and do any of the following:
    - Request further information from the Plan member, the BC Pension Corporation or Pension Management before making any decision;
    - Confirm the decision made by BC Pension Corporation;
    - Request BC Pension Corporation to reconsider the issue and provide direction to BC Pension Corporation for the purpose of the reconsideration;
    - Overturn the BC Pension Corporation decision and provide alternative direction to BC Pension Corporation.

The Pension Committee will prepare written reasons for its disposition of the Plan member's appeal.

The Manager, Employee Benefits will provide the Plan member and BC Pension Corporation with the Pension Committee's decision. If applicable, BC Pension Corporation will apply the decision within 60 days of receiving this correspondence from the Manager, Employee Benefits.

At any time before the Pension Committee considers an appeal, Pension Management and the Plan member may resolve the issue. In that event, the appeal will be removed from the Pension Committee meeting agenda. The Plan member may withdraw an appeal at any time.