

CANADIAN BAPTIST PENSION PLAN

Stakeholder Report 2024

Canadian Baptist Ministries (CBM), in partnership with the Conventions and Unions, sponsors the Canadian Baptist Pension Plan. The Plan, a defined contribution pension plan, is offered as part of the overall compensation program to assist Canadian Baptist pastors and other ministry and support staff save for retirement.

The **National Pension and Insurance Committee (P&I Committee)**, with representatives from CBM and the Conventions and Unions, oversees the management of the Canadian Baptist Pension Plan. To ensure members of the Plan are aware of the Plan governance process utilized by the organization, annually this Committee provides members of the Pension Plan with a copy of the Canadian Baptist Pension Plan Stakeholder Report.

What is a Stakeholder Report? A Stakeholder Report is a summary of the retirement income program review process that helps ensure the Committee and the program suppliers (such as record-keepers, investment managers, consultants, and auditors) continue to meet the needs of the organization and the plan members.

Are you a Stakeholder? As a member of the Canadian Baptist Pension Plan, you are a stakeholder. Since your employer contributes funds to the Plan on your behalf, your employer is a stakeholder as well. Employers and plan members invest a significant amount of time and money into this valuable program.

Governance Review

The governance review process covers the following:

Record keeping » The Canada Life Assurance Company (Canada Life) handles the day-to-day administration and record-keeping for the Plan. The P&I Committee reviews Canada Life service standards, communication support, reporting, processing, documentation, and new services.

Fund Management » The assets of the Plan are invested by Fidelity Investments Canada ULC. The P&I Committee reviews all the fund managers on an ongoing basis to ensure a diversified pool of investment options is offered and that fund choices remain appropriate for the program.

Consulting » Eckler Ltd. provides the P&I Committee with an independent look at Fidelity's fund performance and provides ongoing advice on regulatory matters and legislation.

Auditing » The Plan is externally audited every year. The audit firm is appointed by the P&I Committee and the audited financial statements are approved by the CBM Board of Directors before they are filed with the Financial Services Regulatory Authority of Ontario (FSRA), the Plan regulator.

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Pricing » All investments have an underlying investment management fee which is negotiated and monitored by the organization on a regular basis to ensure it remains competitive.

Legislation and documentation » As pension programs are subject to legislative and regulatory requirements, they are monitored for plan design, reporting and documentation needs. Significant amount of time and money into this valuable program.

Plan Member Responsibilities

Contributions to the Plan » You and your employer are each contributing 6% of your earnings (12% in total) to your pension account. Your contributions to the Plan are tax deductible. These contributions and those made on your behalf by your employer accumulate with investment earnings as savings pool for your retirement income. The amount contributed to your pension account has a direct impact on the ultimate level of savings you accumulate for retirement.

The Plan allows for Additional Voluntary Contributions (AVCs) which are not matched by your employer. Your employer will deduct the additional amount from your pay and remit it to Canada Life along with the regular monthly remittances.

Investment Fund Choice » As a member of the Plan, you should review the investment funds available to Canadian Baptist Pension Plan members. The investment earnings from your account are very important as they may account for a significant portion of your retirement assets over time. Due to the unique nature of the Target Date funds, your age and age 65 (the age the majority of members choose to retire) is used to determine the appropriate Target Date fund to be applied as the default investment option. The Plan communication materials regarding the section and ongoing monitoring of your investment mix should be reviewed at least annually.

Canada Life Retirement Planning Tools » Use the tools available online to determine the required level of savings needed to meet your expected retirement income needs.

Retirement Income » When you retire, you will convert your Canadian Baptist Pension account into a taxable monthly pension. This is in addition to your benefits from the Canada/Quebec Pension Plan and the Old Age Security (OAS) and any RRSPs or other retirement savings you may have.

Canada Life website address: www.mycanadalifeatwork.com | Telephone number: 1.833.900.3583
