



October 24, 2014

Pension Policy Branch
Ministry of Finance
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Toronto Ontario
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Email: pension.feedback@ontario.ca

To Whom It May Concern

Re: Proposed Amendments to Regulation 909 under the Pension Benefits Act regarding: (A) Statements of Investment Policies and Procedures and (B) Statements to Retirees and Former Members.

This submission sets forth the comments of the Association of Canadian Pension Management (“ACPM”) on the recent consultation drafts related to the proposed amendments to Regulation 909 under the Ontario Pension Benefits Act in respect of (A) disclosure of environmental, social and governance factors in statements of investment policies and procedures (the “Proposed SIPP Amendments”) and (b) statements to retirees and former members (the “Proposed Statement Amendments”).

ACPM is a national, non-profit organization acting as the informed voice of plan sponsors, administrators and their service providers in advocating for improvement to the Canadian retirement income system. Our membership represents over 400 retirement income plans consisting of more than 3 million plan members, with assets under management in excess of \$330 billion.

ACPM is in support of the effort to require administrators to both inform plan members that a statement of investment policies and procedures (“SIPP”) must be established and include within the SIPP whether environmental, social and governance (“ESG”) factors are taken into account for investment purposes. These Proposed SIPP Amendments are in line with ACPM’s pursuit of an effective and sustainable Canadian retirement income system.

In regards to the timing of the filing of the SIPP, we suggest requiring the filing to be made at the same time as the plan administrator submits its Annual Information Return to FSCO, instead of within a prescribed period of time of the Proposed Amendments coming into force (60 days in the Proposed SIPP Amendments). The filing of amendments to the SIPP, if any, should be included in the Annual Information Return filing process as well. Allowing for the timing of these processes to be coordinated would decrease the administrative burden without negatively impacting plan members.

The other concern that ACPM has with the Proposed SIPP Amendments and the Proposed Statement Amendments is the use of language in section 40(1)(v) of the Proposed SIPP Amendments and sections 40.1(1)(s) and 40.1(2)(r) of the Proposed Statement Amendments, relating to the disclosure in member statements of the administrator’s obligation to maintain a SIPP. The ACPM understands the intention of this language to be to require pension plan administrators to include a statement in the annual statement to members that the plan is required to have a SIPP and in such SIPP it is required to disclose whether ESG factors are taken into consideration for investment purposes. However, these sections could potentially be



misinterpreted as requiring the annual statement to include information on how ESG factors were taken into account. If the Proposed Amendments are interpreted this way or if this is in fact the way in which they were intended to be interpreted, this could be problematic as information about ESG factors would be out of context without the full SIPP and would add unnecessary length to the member annual statement since the SIPP containing ESG information can be obtained elsewhere.

Accordingly we ask that these sections be clarified as to prevent any such misinterpretation.

ACPM appreciates the opportunity to comment on the Consultation Draft. If you would like to discuss the contents of this letter further, please feel free to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bryan D. Hocking".

Bryan D. Hocking
Chief Executive Officer