



Management Employees Pension Board Polices

MEPB Board Diversity Policy

Purpose

This policy sets out the philosophy of the Management Employees Pension Board (MEPB or “the Board”) with regard to effective and prudent governance of the Management Employees Pension Plan (MEPP) as it relates to the Board and board diversity.

This policy aligns with best practices in good Governance, and supports the philosophies of the Canadian Coalition of Good Governance (CCGG), Canadian Securities Commission and Regulators (CSC), Canadian Society of Corporate Secretaries (CSCS), the International Chartered Secretaries Association (iCSA), and the Institute of Corporate Directors (ICD).

Effective: May 11, 2016 (**M 16:05:11**)

Revised:

Application of the Policy

This policy applies to the Board and does not apply to diversity with respect to the employees of the MEPB or of Alberta Pensions Services Corporation (APS) directed to provide support to the Board.

Policy Statement

The Board recognizes that diversity is important to ensuring its members as a whole possess the qualities, attributes, experience and skills required to effectively govern the MEPP and oversee the strategic priorities of the Board.

The Board recognizes the benefits of having a diverse composition, and has identified diversity as an essential element in attracting a diverse and competent mix of board members while maintaining a high-functioning and prudent board.

The Board will consider diversity in determining the optimum composition of the Board and its committees. To the extent possible through the democratic process, the Board will take steps to ensure its membership is balanced appropriately.

Recommendations for candidates or appointees to the Board will be based on the abilities, skills and experience the Board as a whole determines it requires from the Board’s skills matrices to effectively mitigate risks to the Plan and its’ stakeholders; while recognizing that a diverse complement can result in a more effective board. Where at all possible, the Board will consider diversity, while placing risks to the Plan as the top priority.

For the Purpose of Definition

The term diversity includes, but is not limited to: Gender; Ethnicity/Culture; Geography, Age and Career stages.

Nominations/Recruitment Committee

The Nominations/Recruitment Committee consist of representation from Alberta Treasury Board and Finance (ATBF) Pension Policy staff, Corporate Human Resources (CHR) Executive Search and MEPB. The Committee is responsible for endorsing qualified candidates for recommendation to the Board



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based on the requirements outlined in the MEPB skills matrices and plays an integral role in seeking candidates who bring diverse perspectives to the Board.

In identifying suitable candidates for election/appointment to the Board, the Nominations Committee will consider candidates on merit against objective criteria, risks to the Plan and with due regard for the benefits of diversity in the Board's.

Board responsibilities

The Board is responsible for:

- Ensuring this policy is consistently applied to all Board recruitment and election processes;
- Developing specific action plans from time to time, as deemed necessary to achieve the optimum level of diversity on the Board;
- Approving changes to this policy if required; and
- Ensuring that the President of Treasury Board and Minister of Finance (the Minister) and ATBF receive any changes to this policy.

Composition to Achieve Diversity

The following outlines what the MEPB considers ideal composition with respect to diversity dimensions the Board has identified as material to its success in maintaining diversity.

Dimension	Why it matters	Ideal composition
Gender	Studies show boards with a good gender mix make better decisions, consider issues differently and operate more effectively.	Target of one-half (½) female Board members including the non-voting member appointed by CHR.
Geography	Local economies, politics and needs of the stakeholders differ; these points of view should be represented at the Board table.	Representation from each, the employer (three) and employees (three), and one non-voting member from CHR, as established in legislation, and ideally from the province of Alberta.
Ethnicity/ Culture	Canada is multi-cultural and MEPP stakeholders (employers and employees) come from a variety of ethnicities and cultures; it is important to include representation from a diverse cultural group.	Where and when available, a diverse mix of ethnicities should be considered.
Age	Each generation approaches problems and issues differently in all life and career stages; it is important to include a broad mix of ages and career stages on the Board.	Target – a balance in age and career stages is sought. It is suggested a balance of no more than one-third of directors in each age and career stage.

Related Polices

- MEPB Mandate and Roles Document
- MEPB Code of Conduct and Appendix; Charter of Culture of Expectation
- MEPB General Board Policy

Policy Review This policy will be reviewed at least every three years, in accordance with the MEPB Policy Governance Schedule, or at the request of the Government of Alberta or the Minister.