



SHEPP

SASKATCHEWAN HEALTHCARE
EMPLOYEES' PENSION PLAN



2017 – 2021

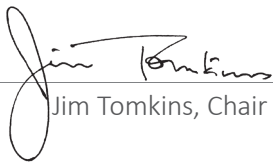
SASKATCHEWAN HEALTHCARE EMPLOYEES' PENSION PLAN

STRATEGIC PLAN




MESSAGE FROM THE CHAIR AND VICE-CHAIR

Strategic planning is an important process which helps set priorities and focuses energies on working together toward common goals. The Board of Trustees (Board) along with Plan Administration approached this process with a singular focus: successfully fulfilling our pension obligation. With that as our guide, this strategic plan builds upon the work that has been accomplished over the last 50 plus years to secure our members' retirement benefits while providing high-quality member-focused service. We take this responsibility seriously and the Board, Plan Administration and Partner Committees all work closely together to ensure we continue to serve the best interests of our members.



Jim Tomkins, Chair



Andrew Huculak, Vice-Chair

OUR HISTORY

The Saskatchewan Healthcare Employees' Pension Plan (SHEPP) is a jointly-sponsored multi-employer defined benefit pension plan providing retirement security for over 54,000 of the province's healthcare workers and their beneficiaries. Since 1962, SHEPP has continued to grow, serving the healthcare industry of Saskatchewan by providing financial security for our members at retirement.

PLAN GOVERNANCE

The Plan is governed by the Board made up of an equal number of employee and employer representatives. Health Shared Services Saskatchewan (3sHealth) appoints the employer Trustees and the employee Trustees are appointed by each of the following four healthcare unions:

- Canadian Union of Public Employees (CUPE);
- Health Sciences Association of Saskatchewan (HSAS);
- Saskatchewan Union of Nurses (SUN); and
- SEIU-West.

While the Board administers the Plan and the Fund, it is not responsible for Plan design changes.

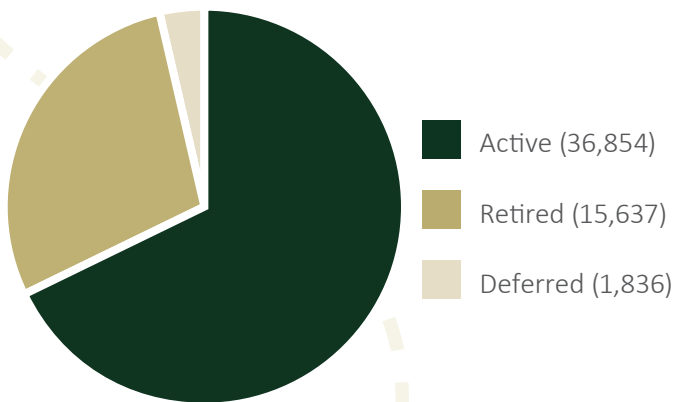
An Employer Partner Committee, appointed by 3sHealth, and a Union Partner Committee, appointed by the six healthcare unions, are responsible for the overall design of, and any fundamental changes to, the Plan.

SHEPP's Chief Executive Officer (CEO) and her employees are responsible for the day-to-day administration of the Plan and the Fund's diversified investment portfolio which has approximately \$6 billion in assets.

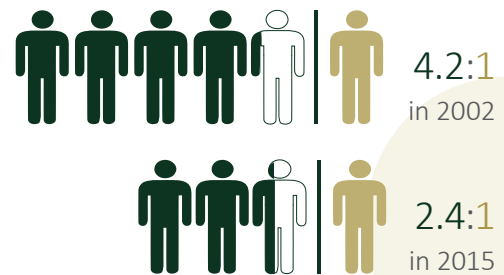
CURRENT PLAN STATISTICS

The Plan is proud to serve just over 54,000 members and their beneficiaries throughout the province. With over 36,800 active members, approximately one out of every 16 people working in Saskatchewan contributes to the Plan.

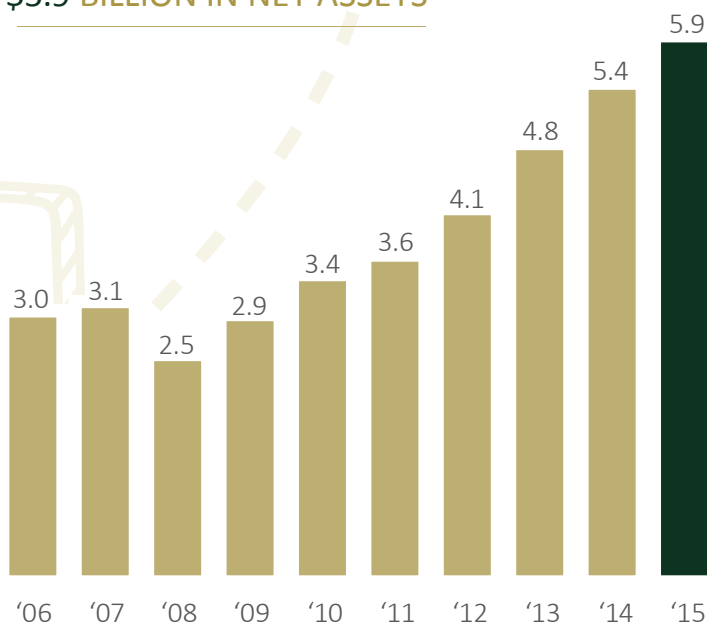
54,327 MEMBERS IN THE PLAN



RATIO OF ACTIVE TO RETIRED MEMBERS



\$5.9 BILLION IN NET ASSETS



1 IN 16 PEOPLE EMPLOYED IN SK IS A MEMBER OF SHEPP



THE SHEPP PROMISE

OUR MISSION

To serve the best interests of our members

Serving the best interests of our members is at the core of what we do. This is our promise and it requires the Board, the Partner Committees and Plan Administration to work together to ensure we successfully deliver on our promise; a responsibility that we all take very seriously.

OUR VISION

Excellence in pension plan administration, governance and the provision of benefits

We accomplish this mission by striving for excellence in pension plan administration and the provision of benefits. As the largest defined benefit pension plan in Saskatchewan, our ability to create a culture of excellence and service has made SHEPP an organisation that members trust and employees want to work for.

OUR VALUES

people. pensions. results.

We live and breathe our mission and vision through a set of shared beliefs that guide our actions and decision making, and influence our attitudes and behaviours. This is the foundation for the organisation's culture and demonstrates how we interact among ourselves and with other important organisational stakeholders.

Our values are brought to life through a series of statements that support and articulate how we live:

- We embrace quality and innovation
- We are passionate about pensions
- We are people driven and member focused

OUR STRATEGIC DIRECTION

SHEPP, like many defined benefit pension plans, is operating in an environment where the growth of Plan assets relative to the growth of pension liabilities is the fundamental driver of funding volatility. Expectations of modest market returns longer term and prolonged low interest rates, coupled with increasing retirement

longevity is making it increasingly more difficult to provide adequate benefits at reasonable costs. Evolving technology and the generational shift that is occurring both within our employee and membership bases requires new and divergent thinking. SHEPP will continue to work hard to remain relevant within the industry, trusted and respected by our stakeholder groups, and regarded as an employer of choice.

SHEPP

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STRATEGIC GOALS

Within this backdrop, the Board and Plan Administration have identified the following goals as priorities for the Plan over the next five-year planning cycle:

- ✓ **Enhance the long-term viability of the Plan by executing innovative strategies that protect the interests of the Plan and its members.**

We are operating in an environment where market volatility is high and economic climates are uncertain. Seeking efficiencies and balancing both risk and reward, in our decision making and implementation plans, will enable the Plan to persevere in ways that help secure members' benefits.

- ✓ **Strengthen the relationship with the Partner Committees by enhancing communications, striving to educate and inform while encouraging effectiveness that benefits all Plan members.**

The Partner Committees have an integral role to play in the overall governance of the Plan. Nurturing and building this relationship is extremely important to ensuring the Plan's success in supporting and fulfilling the pension obligation.

- ✓ **Maintain and enhance SHEPP's position as an industry leader by driving a culture of excellence and resilience.**

As the largest defined benefit pension plan in the province, SHEPP has a distinct voice that is well respected in the industry. Fostering an environment where employees develop both personally and professionally through shared goals and unique opportunities contributes to the overall success of the Plan.



MEASURING PERFORMANCE

Throughout this planning cycle, Plan Administration in conjunction with the Board will develop annual business plans that support successfully achieving the strategic direction of the Plan. A strategic plan monitor will be updated and available on our website for stakeholder review.

BOARD OF TRUSTEES

Chair: **DR. JIM TOMKINS**

Employer Trustee - Retired
University of Regina

Vice-Chair: **ANDREW HUCULAK**

Employee Trustee - Retired
Canadian Union of Public Employees (CUPE)

RUSSELL DOELL

Employee Trustee
SEIU-West

NATALIE HOREJDA

Employee Trustee
Health Sciences Association of Saskatchewan (HSAS)

MIKE NORTHCOTT

Employer Trustee
Saskatoon Health Region

MARG ROMANOW

Employee Trustee
Saskatchewan Union of Nurses (SUN)

JEFF STEPAN

Employer Trustee
SGI

TED WARAWA

Employer Trustee
3sHealth

PLAN ADMINISTRATION

SENIOR LEADERSHIP TEAM

ALISON MCKAY

Chief Executive Officer

CHELDON ANGUS

Chief Technology Officer

JANET JULÉ

Chief Investment Officer

DALE MARKEWICH

Chief Financial Officer

KELLEY ORBAN

Senior Director of Stakeholder Relations

PAULA POTTER

Senior Director of Pension Services



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201- 4581 Parliament Ave.
Regina, SK S4W 0G3
Phone 306.751.8300 (in Regina)
Toll-free 1.866.394.4440
Fax 306.751.8301
Email sheppinfo@shepp.ca
www.shepp.ca