

**SHEPP**SASKATCHEWAN HEALTHCARE  
EMPLOYEES' PENSION PLAN

## BOARD MEETING SUMMARY

December 5 &amp; 6, 2018

### Investment Performance Review

The Board of Trustees (Board) reviewed the investment performance of the Fund to September 30, 2018. The table below summarises the total Fund return (net of investment manager fees) over the last quarter and one-year periods.

	Quarter	One-Year
Total Fund	0.4%	9.3%
Benchmark	0.5%	7.3%
Value Added	-0.1%	2.0%

The quarterly return of 0.4% was due to strong returns in Global large cap equities and Canadian real estate. The total Fund increased by \$636 million year-over-year bringing the total value of the Fund to \$7.5 billion as of September 30, 2018.

### Governance and Administration Report

The Board reviewed and discussed a report outlining the governance and administration activities undertaken by the Plan's Administration since the last meeting. This report included an update on the scheduled member presentations, an update on upcoming Plan communications and an update on membership and pension statistics.

### Investment Presentations

The Board received presentations from two of SHEPP's investment managers – Causeway Capital Management LLC and Baillie Gifford, both of whom manage segregated global large cap equity mandates.

The two managers:

- Reviewed their investment results;
- Discussed how conditions in their respective markets affected their investment strategies;
- Outlined their economic and market expectations; and
- Reported on how ESG factors are integrated into the investment decision making process.

### Other Items

The Board also:

- Reviewed and approved the:
  - 2019 operating budget; and
  - 2018 audit plan.
- Received:
  - the Funding Policy Compliance Report;
  - the third quarter 2018 financial report for the Plan;
  - an update on the implementation of the 2017-2021 Strategic Plan; and
  - an updated 2018 Board Work Plan report.
- Reviewed the following five policies:
  - Governance Review Policy;
  - Pension Administration Benchmarking Policy;
  - Ninth Trustee Appointment Policy;
  - Statement of Investment Policies and Procedures; and
  - Investment Manager Selection and Monitoring Policy.
- Reviewed the results of the Asset Liability Study;
- Completed the Tier 1 and Tier 2 service provider evaluations; and
- Confirmed the Chair and Vice-Chair for 2019.

The next regular meeting of the board will be held on February 12, 2019.

people. pensions. results.