



SHEPP

SASKATCHEWAN HEALTHCARE
EMPLOYEES' PENSION PLAN

BOARD MEETING SUMMARY

September 19 & 20, 2018

Investment Performance Review

The Board of Trustees (Board) reviewed the investment performance of the Fund to June 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	2.5%	11.0%
Benchmark	2.2%	7.7%
Value Added	0.3%	3.3%

The quarterly return of 2.5% was due to strong returns in Canadian and Global large cap equities. The total Fund was up \$740 million year-over-year bringing the total value of the Fund to \$7.5 billion as of June 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 – IFM Investors who manage infrastructure mandates, and Unigestion who manage a global equity mandate.

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.

Pension Investment and Administration Benchmarking

The Board received a presentation from CEM Benchmarking Inc. (CEM). CEM is a consulting firm that conducts annual surveys of defined benefit pension plans for the purpose of providing relevant plan comparisons on investment performance and costs, as well as administrative costs and service levels.

Other Items

The Board also:

- Received the 2018 Enterprise Risk Management Report;
- Received the Service Strategy;
- Reviewed the results of the Asset Liability Study;
- Reviewed the second quarter 2018 financial report for the Plan;
- Received an update on the 2017-2021 Strategic Plan for the second quarter of the year;
- Received the 2019 & 2020 Schedule for Board of Trustee meetings; and
- Received an updated 2018 Board Work Plan.

The next regular meeting of the Board will be held on December 5 & 6, 2018.

people. pensions. results.