



## Investment Performance Review

The Board of Trustees (Board) reviewed the investment performance of the Fund to June 30, 2019. The table below summarises the total annualised Fund return (net of investment manager fees) over the last quarter and one-year periods.

	Quarter	One-Year
Total Fund	1.5%	3.5%
Benchmark	1.8%	5.3%
Value Added	-0.3%	-1.8%

The underperformance over the quarter was largely driven by weak performance from the equity mandates. The total Fund was up \$247 million year-over-year bringing the total value of the Fund to \$7.7 billion as of June 30, 2019.

## 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 statistics.

## Investment Presentations

The Board received presentations from two of SHEPP's investment managers – Aeolus Capital Management, Ltd. and Nephila Capital Ltd. Both firms manage insurance linked securities mandates.

The two managers:

- Reviewed their investment results;
- Explained how insurance linked securities work as an investment strategy;
- Outlined their economic and market expectations; and
- Reported on how ESG factors are integrated into the investment decision making process.

## Pension Administration Benchmarking

The Board received the CEM Benchmarking Inc. Pension Administration Benchmarking Report. CEM is a consulting firm that conducts annual surveys of defined benefit pension plans for the purpose of providing relevant plan comparisons on administrative costs and service levels.

## Other Items

The Board also:

- Reviewed and approved its Procurement Policy;
- Received:
  - the second quarter 2019 Financial Report for the Plan;
  - an update on the implementation of the 2017-2021 Strategic Plan;
  - the Responsible Investing Workshop Report;
  - the 2020 & 2021 Schedule for Board meetings; and
  - an updated 2019 Board Work Plan.