

Board Notes

December 2023



The **SHEPP Board of Trustees** (Board) met on December 6 & 7, 2023.

Investment Performance Review

The Board reviewed the investment performance of the Fund to September 30, 2023. The table below is a summary the total annual Fund return (net of investment manager fees) over the last quarter and one-year period.

September 30, 2023	Quarter	One-Year
Total Fund	(1.1%)	7.7%
Benchmark	(1.5%)	7.7%
Value Added*	0.4%	0.0%

*Figures may not total due to rounding.

Performance was negative for the quarter yet exceeded its benchmark. All major asset classes added value apart from equities.

Responsible Investment Annual Report

The Board received the annual Responsible Investment Report.

The 2023 Responsible Investment Report summarizes the actions taken by the Plan's investment managers to integrate Environmental, Social and Governance factors (ESG) into their investment processes, the review of proxy voting guideline changes, and industry engagement that occurred at the Plan level.

Meeting Highlights

The Board reviewed and approved the following:

- Funding Policy and compliance report;
- Governance Review Policy and annual confirmation report;
- Travel Policy;
- Ninth Trustee Appointment Policy;
- 2024 Operating Budget;

- Audit plan for the 2023 year end;
- Human Resources Committee Terms of Reference; and
- Annual Service Provider Reviews.

The Board also approved minor changes to the Statement of Investment Policies and Procedures, which can be found on SHEPP's website

www.shepp.ca.

As part of ongoing education and development, the Board received presentations regarding private markets legal due diligence and responsible investing.

The Board also:

- Received an Information Security update;
- Confirmed the Chair and Vice Chair for 2024, being Mr. Jeff Stepan as Chair and Mr. Andrew Huculak as Vice Chair;
- Received a Strategic Management update;
- Received the Governance and Administration report;
- Received the 2023 - 2025 Communications Strategy;
- Received the 2023 Q3 Financial Report and Q3 Funding Risk Management Report;
- Received the Investment Risk Management report; and
- Received an updated 2023 Board Work Plan.

Thank You

As another year comes to a close, SHEPP Administration wishes to thank our Trustees for their time, effort and dedication to the Plan and its members.

The next regular meeting of the Board of Trustees will be held on February 7, 2024.