
Summary

Regular and Annual Board Meeting

June 21, 2012

Investment Presentation

The Board received a presentation from one of SHEPP's investment managers; MFS Institutional Advisors who manage an active global large cap equity mandate. At May 31, 2012 MFS had \$284.3 million under the firm's management.

The manager:

- reviewed their investment results;
- discussed how conditions in their respective markets affected their investment strategies; and
- outlined their economic and market expectations.

Audited Financial Statements

The Board reviewed and approved the 2011 audited financial statements for release.

The audited statements are one of the tools used by the Board to monitor the Plan's financial health. The statements help the Board, and SHEPP stakeholders, understand SHEPP's financial performance during 2011 and where it stands at the end of the year.

Copies of SHEPP's 2011 audited financial statements are included in the 2011 Annual report available online at www.shepp.ca.

Annual Report

The 2011 annual report was also approved by the Board. The report summarizes SHEPP's operational, investment and financial results for 2011.

Highlights of the report include:

- Messages from the Board and the CEO;
- 2011 financial highlights;
- Summary of service to Plan members; and
- Investment details.

You can download the report online at www.shepp.ca.

Investment Manager Search

The Board met with the investment consultant and the Administration to prepare for the next step in the search for a new investment manager. The new manager will be responsible for investing a specific percentage of the Fund in an asset class specified by the Board.

The Board will conduct interviews with each of the short-listed managers in this next step.

The investment of the SHEPP Fund is conducted under the Board's Statement of Investment Policies and Procedures and the Board's Investment Manager Selection and Monitoring Policy.

Meeting with Partner Committees

After finishing its regular business, the Board met with members of the two partner committees representing employers and employees.

Under the terms of the SHEPP trust agreement, the Board must meet with the partner committees at least once a year to report on the Plan's operations and finances. The annual meeting also provides an opportunity for the partner committees to meet and ask questions of the Board of Trustees and SHEPP staff.

50th Anniversary Celebration

The Board, along with representatives from the partner committees, SHEPP staff and other stakeholders shared some cake in celebration of SHEPP's 50th Anniversary.