



### Investment Performance Review

The Board of Trustees reviewed the investment performance of the Fund to December 31, 2014. The table below summarises the total annualised Fund return over the last one, four and ten year time periods.

	Quarter	One Year	Four Year	Ten Year
Total Fund	3.4%	12.5%	10.7%	7.4%
Benchmark	3.1%	12.5%	9.3%	6.8%
Value Added	0.3%	0.0%	1.4%	0.6%

The total one year Fund return of 12.5% reflects strong performance in the U.S. equity markets. The total Fund was up \$646.4 million in the year with \$56.3 million in net contributions supplemented by \$590.1 million in investments gains.

### Trustees' Needs and Self-Assessment

At the end of each year, the Board of Trustees are required to assess their individual knowledge in 10 areas related to pension administration and pension fund investments. Based on the combined assessments, Trustee education and development are targeted towards the applicable areas.

The Board of Trustees received and discussed a report on the results of the 2014 assessment.

### Governance and Administration Report

The Board of Trustees reviewed and discussed a report outlining the governance and administration activities undertaken by the Plan's Administration from January 1, 2015. This report included an update on the scheduled member presentations, an update on the planned Plan communications and an update on membership and pension statistics.

### Investment Presentations

The Board of Trustees received presentations from two of SHEPP's investment managers – Greystone Managed Investments and Wellington Management Company, LLP. Greystone manages a pooled real estate mandate and Wellington manages an active global small cap mandate for the Plan. At December 31, 2014, the SHEPP assets managed by Greystone totaled \$256.1 million and the total asset managed by Wellington was \$297.7 million.

The two managers:

- Reviewed their investment results;
- Discussed how conditions in their respective markets affected their investment strategies; and
- Outlined their economic and market expectations.

### Other Items

The Board also:

- Reviewed the fourth quarter 2014 financial report for the Plan;
- Reviewed the Plan's HR Strategy;
- Reviewed and updated the Plan's Pension Administration Benchmarking Policy;
- Reviewed and discussed potential membership in Environmental Social and Governance (ESG) organisations;
- Received an updated 2014 Board Work Plan report;
- Reviewed and discussed a proposed infrastructure pacing strategy; and
- Reviewed and discussed a mortgage mandate for the Plan.