

Board Notes

Meeting Summary: February 9, 2022



Pension Plan Governance and Prudent Investment Practices

The Board completed the Canadian Association of Pension Supervisory Authorities (CAPSA) Pension Plan Governance and Prudent Investment Practices self-assessment questionnaires in 2021.

The Pension Plan Governance (Guideline No. 4) self-assessment questionnaire is completed annually and is designed to help plan administrators assess how successfully they follow effective governance principles. The assessment has shown that the Plan's governance remains strong in all respects remaining true to our vision.

The Pension Plan Prudent Investment Practices (Guideline No. 6) self-assessment questionnaire is completed annually and is designed to help plan administrators demonstrate the application of prudence to the investment of pension plan assets. The assessment has shown that the Plan's investment practices have met the prudent person standard.

Legislative and Policy Compliance

Annually, the Board receives a report on legislative and policy compliance which:

- Identifies the specific legislative and policy sources governing the administration of the Plan and the investment of the Fund;
- Summarises the relevant items set out by each source; and
- Confirms whether SHEPP complied with the governing legislation and policies in the year.

The 2021 Legislative and Policy Compliance Report Card confirmed that the Plan was compliant, or taking corrective action to ensure

compliance, with all legislation and SHEPP policies and procedures.

Code of Conduct and Conflict of Interest Procedures

Annually, the Board reviews the Code of Conduct and Conflict of Interest Procedures and receives a report on the application of the policy and procedures.

The 2021 Report confirmed that the Board and Administration conducted business in 2021 in accordance with the established Code of Conduct and Conflict of Interest Procedures.

Trustees' Needs and Self-Assessment

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

The Board received and discussed a report on the results of the 2021 assessments.

Other Items

The Board also:

- approved the 2022 Annual Work Plan;
- received a consolidated Governance and Administration Report; and
- received a report on the Plan's cyber maturity assessment.

The next regular meeting of the Board of Trustees will be held March 16 & 17, 2022.