



NOVA SCOTIA HEALTH EMPLOYEES' PENSION PLAN

CEO's 2021 Report
Annual General Meeting

Presenter: Stefan Cowell

This presentation is not complete without the presenter's commentary.

- Board that is experienced, engaged and collegial.
- Potential Data Breach:
 - All stakeholders informed in February 2021 on potential data breach. Provided all members Equifax coverage. Still no evidence any data was taken.
- Systems Modernization Project:
 - To improve customer service to members and employers. Enhanced security and user experience. Completed internal system in 2021. New website rollout expected in late 2022.
- Member administration:
 - Service standards stretched due to COVID; Focused on getting new pensioners registered and monthly payments set up.
 - Expenses that are well below size-adjusted median.
- Employer administration:
 - Two new Employers joined the Plan in 2021.

- Financial metrics:
 - Healthy member demographics;
 - Scale – grew from 70th largest to 28th largest pension plan in Canada since 2005; (Benefits Canada rankings)
 - Enviable investment track-record; Top Quartile Investment Performance;
 - Funded ratios are stable.
- Internal staff who are engaged; exceptionally low staff turn-over.
- Support by external providers:
 - EY – Audit;
 - Eckler – Pension Administration and Plan website;
 - Mercer – Investments and Actuarial.

CEO Report

Investment returns to Dec. 31, 2021 (net of fees)

	1 Year	2 Years	3 Years	4 Years	5 Years	13.25* Years
NSHEPP actual	4.7%	8.6%	11.0%	8.0%	9.2%	11.4%
Liability benchmark	1.4%	7.0%	7.4%	5.5%	4.7%	5.5%
NSHEPP's benchmark	5.0%	8.7%	11.3%	7.9%	9.1%	10.3%

* NSHEPP's interest rate hedges, and other significant revisions to the Investment Policy became effective October 2008, making 13.25 years a period of interest.

Compliance with Investment Policies

- Risk Budget
- Target Asset Allocation
- Rebalancing Policy
- Liquidity Policy

Changes to investment managers

- Added a \$380 million CDN commitment to a Global Real Estate Manager
- Added a \$250 million CDN commitment to a Global Private Equity Manager