



NOVA SCOTIA HEALTH EMPLOYEES' PENSION PLAN

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CEO's 2020 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. Completion for internal system in July and new website in October 2021.
- 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:
  - No new Employers joined the Plan in 2020.

- Financial metrics:
  - Healthy member demographics;
  - Scale – grew from 70<sup>th</sup> largest to 28<sup>th</sup> 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, 2020 (net of fees)

	1 Year	2 Years	3 Years	4 Years	5 Years	12.25* Years
<b>Canadian Median**</b>	8.8%	11.6%	6.6%	7.0%	7.2%	7.7%
<b>NSHEPP's benchmark</b>	12.6%	14.6%	8.9%	10.1%	9.4%	10.7%
<b>NSHEPP actual</b>	<b>12.6%</b>	<b>14.4%</b>	<b>9.2%</b>	<b>10.4%</b>	<b>9.8%</b>	<b>11.9%</b>

\* NSHEPP's interest rate hedges, and other significant revisions to the Investment Policy became effective October 2008, making 12.25 years a period of interest.

\*\*Source: Mercer median of balanced pooled funds universe, net of 30bps assumed investment management fees.

## Compliance with Investment Policies

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

## Changes to investment managers

- No changes to Investment Managers in 2020