Board Notes

September 2026



The **SHEPP Board of Trustees** (Board) met on September 16 & 17, 2026.

The next meeting of the Board is December 2 & 3, 2026.

Investment Performance Review

The Board reviewed the investment performance of the Fund to June 30, 2026.

The table below is a summary of the total annual Fund return (net of investment manager fees) over the last quarter and one-year period.

June 30, 2026	Quarter	One-Year
Total Fund	**6.6%**	**16.6%**
Benchmark	7.0%	15.3%
Value Added*	**-0.4%**	**1.2%**

*Figures may not total due to rounding.

The Total Fund ended the second quarter posting strong performance of 6.6%, underperforming the benchmark by 40 basis points. Q2 performance was impacted by strong returns from risk assets due to investor confidence in corporate earnings and some inflation relief from falling energy prices.

Meeting Highlights

The Board reviewed and approved:

- Updates to five policies;
- Board meeting schedules for 2027 and 2028;
- A 2027 Governance Review project to ensure SHEPP's internal governance processes align with industry best practices;
- A new Real Estate manager;
- The incorporation of secondary investment benchmarks into quarterly investment reporting;
- A new investment in the Opportunistic asset class;
- A revised investment portfolio as recommended through the Plan's most recent Asset-Liability study; and
- The filing of the December 31, 2025 Actuarial Valuation results with Saskatchewan and Federal pension regulators.

The Board also:

- Received Q2 financial results; Q2 Information Security dashboard report; Q2 Balanced Scorecard results; an update to the Annual Board Workplan, and the Q2 Investment Risk Management report;
- Discussed surplus utilization options based on the surplus identified in the December 31, 2025 valuation results;
- Reviewed new proposed 2027 Balanced Scorecard measures;
- Met with one investment manager; and
- Received a report outlining recommendations from the recently completed Trustee Remuneration review.

As part of ongoing Trustee training and development, the Board continued education on Contingent COLA Funds.

The Trustees also held their annual in-camera session with the Plan's solicitor.