

# Newfoundland and Labrador Pooled Pension Fund

## Quarterly Update – Second Quarter Ended June 30, 2017



### Pension Reform

- On September 2, 2014, the Provincial Government and the five largest unions (AAHP, CUPE, IBEW, NAPE AND NLNU) representing employees of the Public Service Pension Plan (PSPP) signed a joint sponsorship agreement designed to ensure the sustainability of the PSPP. For regulatory reasons, the assets of the PSPP were carved out of the Newfoundland and Labrador Pooled Pension Fund (NLPPF) on March 31, 2015.
- Continuing with its pension reform initiative, Government entered into a similar agreement with the Newfoundland and Labrador Teachers' Association on June 15, 2015. Assets of the Teachers' Pension Plan (TPP) were separated from the NLPPF as of August 31, 2016.
- Effective September 1, 2016, the NLPPF included the Uniformed Services Pension Plan, Members of the House of Assembly Pension Plan and the Provincial Court Judges' Pension Plan.
- As such, this is the first quarterly update for the NLPPF as it existed subsequent to Pension Reform.

### Asset Breakdown by Pension Plan

As of June 30, 2017, net assets in the three plans participating in the Province of Newfoundland and Labrador Pooled Pension Fund were as follows:

Pension Plan	Net Assets (\$M)
Uniformed Services Pension Plan	174.6
Members of the House of Assembly Pension Plan	29.5
Provincial Court Judges' Pension Plan	10.0
<b>Total Assets</b>	<b>214.1</b>

### Fund Performance and Market Index Returns at June 30, 2017 (\$CAD)

The primary objective of the Plan's investment portfolio is to maximize returns in order to secure the promised pension benefits of the Fund.

	Quarter	YTD	Annualized Returns to June 30, 2017 (%)		
			1 Year	5 year	10 year
<b>NL Pooled Pension Fund</b>	<b>1.5</b>	<b>6.3</b>	<b>14.0</b>	<b>12.5</b>	<b>6.4</b>
<i>Policy Benchmark Return</i>	<i>0.6</i>	<i>4.8</i>	<i>12.9</i>	<i>11.0</i>	<i>5.6</i>
S&P / TSX Composite Index	-1.6	0.7	11.1	8.7	3.9
MSCI All Country World Index	1.7	8.3	19.4	16.7	6.4
FTSE TMX Canada Universe Bond Index	1.1	2.4	0.0	3.3	5.1

Note: The Policy Benchmark Return is defined as the return that would have been achieved had each individual asset allocation earned a return equivalent to their respective benchmark.

### Asset Mix

Current

