

## Management Employees Pension Board Priorities and Activities

The Management Employees Pension Board (MEPB or the Board) provides quarterly updates for stakeholders. These updates are a snapshot of current activities related to the governance of the Management Employees Pension Plan (MEPP or the Plan).

The Board's role is to oversee the investment and administration management of the MEPP and to set investment and other general policies, such as the Funding Policy. The Board acts in an advisory capacity to the Minister (the Trustee) on MEPP-related matters.

As part of its work, the Board holds meetings at regular intervals throughout the year. Highlights from the meetings that took place in the third quarter (Q3) of 2024 are described as follows.

### Board Meetings

The Board held meetings on September 11, 12 and 30 to discuss:

- Topics for the 2024 Fall/Winter Member Newsletter;
- The 2025 Board-Specific Budgets for the MEPP and the Closed Plan; and
- Preliminary results of the actuarial valuation completed as at December 31, 2023.

The Board also met with representatives from:

- The Board's investment consultant to review:
  - The MEPP investment performance, including Q2 2024 results; and
  - The MEPP Investment Policy, including the asset mix.
- MEPP's investment manager, Alberta Investment Management Corporation (AIMCo), to receive:
  - The MEPP Quarterly Investment Performance Update (Q2 2024);
  - An update on AIMCo's Business Transformation Program; and
  - An update on AIMCo's Mortgages-related investments and strategy.
- The Plan administrator, Alberta Pensions Services Corporation (APS), to receive:
  - Results from the Q2 2024 Quarterly Services Report;
  - An overview of the Plan Financial Information and Statement of Financial Services Report for Q2 2024;
  - A presentation on APS' 2023 Risk Management Annual Report and Compliance Management Report; and
  - A proposal on the MEPB 2024-2026 Strategic Communications Plan.

### Investments — Market Value

Market values (unaudited) for Q3 2024, as well as the four previous quarters, follow:

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
<b>Beginning Market Value</b>	<b>\$6,375,325,639</b>	<b>\$6,276,580,757</b>	<b>\$6,497,185,422</b>	<b>\$6,706,817,932</b>	<b>\$6,864,065,167</b>
Net Cash Flow*	\$(29,000,000)	\$(30,000,000)	\$(33,000,000)	\$(29,000,000)	\$(27,000,000)
Investment Income	\$(69,744,882)	\$250,604,665	\$242,632,511	\$186,247,234	\$233,036,951
<b>Ending Market Value</b>	<b>\$6,276,580,757</b>	<b>\$6,497,185,422</b>	<b>\$6,706,817,932</b>	<b>\$6,864,065,167</b>	<b>\$7,070,102,117</b>

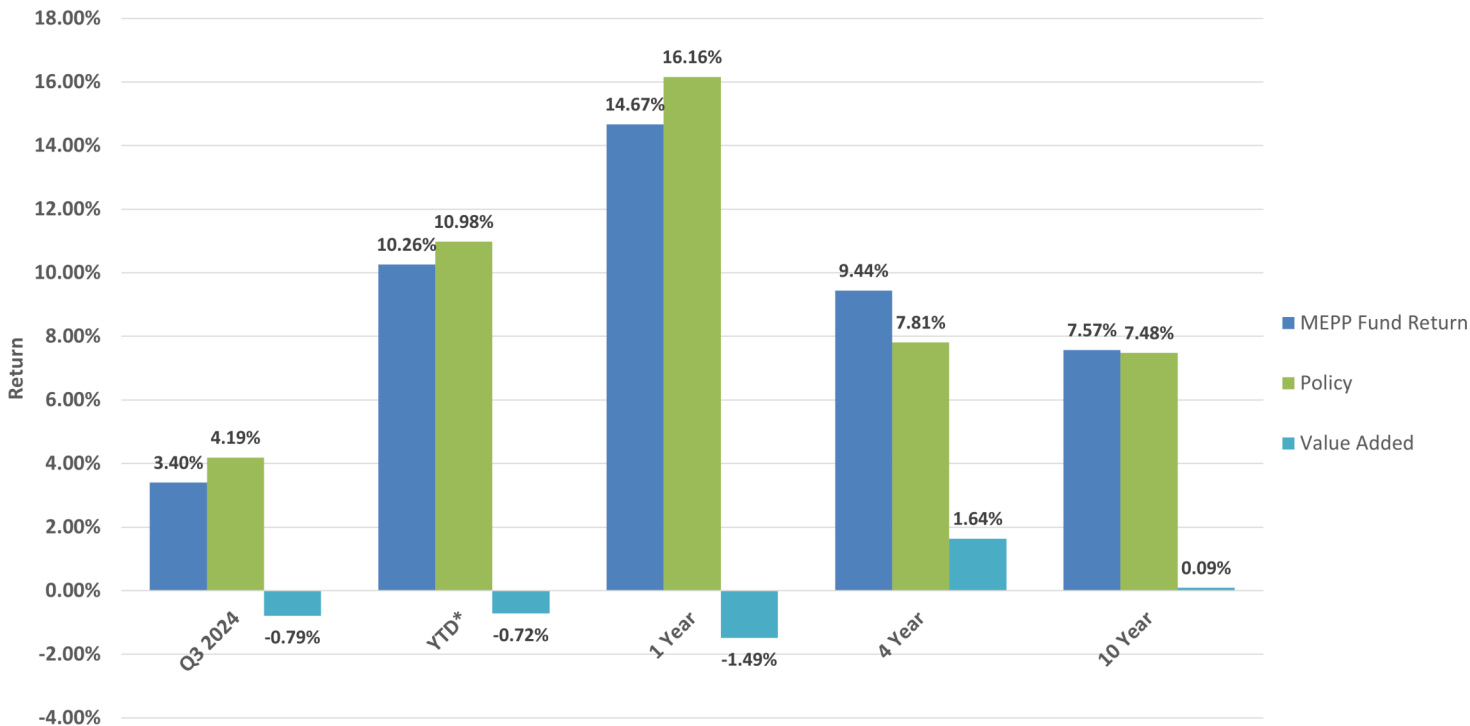
\*Due to backdates and timing of information, the quarterly cashflow values may not always add up to the ending market value.

## Investment Performance (Unaudited)

The investment performance is reviewed quarterly against the objectives set by the MEPP [Investment Policy](#).

In Q3 2024, the actual investment return for the MEPP Fund was 3.40%. Results for this quarter were below expected to meet the Policy requirement of 4.19%, yielding a negative return of -0.79%. The long term investment performance is depicted here:

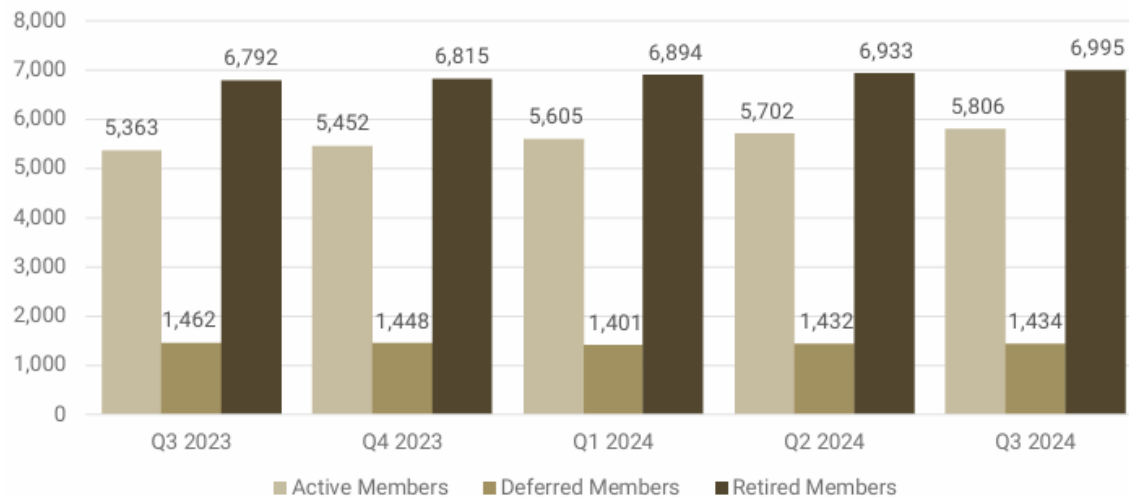
### Long Term Investment Performance



\*Annualized returns for YTD reflect the period ending September 30, 2024.

## Membership Trends

As part of its ongoing work, the Board monitors Plan membership data for trends that may affect the health of MEPP. APS provides this data in the Quarterly Services Reports (QSR). The MEPP membership highlights from the Q3 2024 QSR follow.



Year over year, the number of active members increased by 8.3% as at the end of Q3, and there was a 3.0% increase in the number of retired members.

Compared to Q2, the number of active members increased by 1.8%, and the number of retired members increased by 0.9%.

The number of deferred members decreased by 1.9% year over year and increased by 0.1% from Q2 2024.

The ratio of working-to-retired members increased to 0.83:1 in Q3 2024, up from 0.82:1 in Q2 2024.

The Board welcomes feedback about the information contained in these reports, as well as any questions regarding MEPP governance. Please e-mail comments to the Board at [board@mepp.ca](mailto:board@mepp.ca).