



2019 Annual Report

Governance and Financial Update

September 2020



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The International Centre for Pension Management (ICPM) is a global network of pension organizations that stimulates leading-edge thinking and practice about pension design and management. ICPM brings together an influential community of pension industry professionals to share knowledge and interact with academics pursuing pension-related research.

ICPM organizes interactive Discussion Forums involving practitioners and researchers, and provides funding for objective and transformative research to support effective management and innovation in pension organizations. With its partner, the Rotman School of Management at the University of Toronto, ICPM is proud to offer a highly respected Pension Governance Education Program (PGEP) – for board members of pension and long-horizon investment institutions from around the globe.



2019 Highlights



44 Research Partners from **12** countries

- ✓ Awarded two research papers with CAD\$20,000 each in funding
- ✓ Welcomed new board and committee members and began organizational strategy review and policy refresh



Discussion Forums

- Events held in Vancouver, Canada and Sydney, Australia brought together more than 145 global pension leaders, academics and think-tank authorities.
- Tailored a 2-day program specific to DC topics for Discussion Forum attendees



Pension Education Programs

- The Pension Governance Education Program (PGEP) is a unique global governance program designed exclusively for pension fund board members, trustees and long-horizon investors
 - Organized by ICPM and Rotman Executive Programs at the University of Toronto
- Expanded the pension education programs to develop new communications-focused program
 - First session to be organized with UMIO|Maastricht University, the executive education department of the School of Business and Economics
- ICPM also held a tailored program for the Dutch pension administrator MN:
 - Due to increasing interest in tailored programs, ICPM is further exploring these types of offerings.

Visit icpmnetwork.com for online offerings, including webinars, Virtual Forums, pension education programs, and more.

Let us know what you think
icpm@icpmnetwork.com



Message from the Chair



I first became involved with ICPM at its inception 15 years ago, when ICPM was still under the leadership of its founder Keith Ambachtsheer. ICPM began with 13 Research Partners. Since then, I have seen ICPM flourish into an impressive network of more than 40 of the leading pension funds around the globe.

As my tenure as Board Chair ends in 2020, I look back at the many changes that ICPM has seen over the years. There were the internal transitions: key leadership change from Keith Ambachtsheer to Executive Director Rob Bauer, creating a supporting management team, forming a Board of Directors, as well as developing a strategic plan that included refreshing existing programs, creating new offerings for Research Partners, as well as hiring association management firms that would strengthen our organizational effectiveness.

But more importantly, ICPM has tackled an array of new challenges, trends and issues that touched the pension industry. ICPM has been at the forefront of the conversation on sustainable investing, examined pension design and reform in various countries, and dove into research on effective member engagement. During our 2019 Discussion Forums in Vancouver, Canada and Sydney, Australia, we explored the gender gap, examined the Australian pension system and looked at long-term perspectives on investing in China, among other trending topics.

Though the topics of discussion changed through the years, one core component remained: the need for pension sector leaders to share ideas and best practices. As new challenges faced the industry, what was communicated to us consistently was that Research Partners continued to yearn for opportunities to connect with each other. This was only reinforced as the global COVID-19 pandemic, arguably our ultimate challenge, took hold of the world in 2020.

Though we could not meet physically as before, ICPM quickly pivoted online with offerings such as webinars, virtual conferences, exclusive Research Partner networking opportunities and more. This could not have been achieved without our dedicated and hands-on Board of Directors, a strong management team, as well as our core partnership with the Rotman School of Management. We worked together tirelessly to uphold the key value of ICPM – keeping Research Partners connected, even if only by virtual means.

The positive feedback we have gathered on our latest efforts – and even farther back – will feed into ICPM's strategic planning initiatives as we enter the 2020-2025 period. Congratulations to Sudhir Rajkumar who is taking on the Chair role, as well as Michelle Ostermann who will be the new Vice-Chair. Under their leadership, and with the dedication of the Board of Directors and hard work of management, I look forward to seeing ICPM reach new heights.

Barbara Zvan
Chair, ICPM Board of Directors



Message from the Executive Director



In 2019, our network of pension sector leaders gathered from all around the world to discuss top-of-mind issues in the industry. We also welcomed several new Research Partners, all who contributed to thoughtful and engaging dialogue at our Discussion Forums in Vancouver, Canada and Sydney, Australia.

In Vancouver, we discussed topics such as gender gap, diversity, integrated reporting, and investing in China. Based on Research Partner feedback, we also organized an additional two-day program tailored specifically to defined contribution topics. In Sydney, we explored the Australian pension system and examined research on improving member engagement. ICPM also organized a personalized pension education session for MN, one of our Dutch Research Partners.

In addition to the Pension Governance Education Program (formerly known as the Board Effectiveness Program), ICPM decided to expand its education offerings with a pension communications program. This will be introduced with its first session in the Netherlands in 2021. Our annual Call for Research also garnered several quality submissions, with two awarded CAD\$20,000.

We are looking forward to continuing to build on our initiatives next year, especially as ICPM refreshes and updates its strategic plan for the next few years.

Sincerely,

Rob Bauer















Executive Director, ICPM

Professor of Finance, Chair Institutional Investors, Maastricht University School of Business and Economics | **Netherlands**



Board of Directors

The Board of Directors approves and oversees the implementation of ICPM’s strategic and operating plans. Twelve members are appointed from among ICPM’s Research Partners and two from the Rotman School of Management.

- | | | | |
|---|--|---|--|
|  | Chair: Barbara Zvan
Ontario Teachers' Pension Plan Canada |  | Vice-Chair: Sudhir Rajkumar
United Nations Joint Staff Pension Plan Worldwide |
|  | Laurence Booth
Rotman School of Management Canada |  | Tiff Macklem
Rotman School of Management Canada |
|  | Stewart Brentnall
TCorp Australia |  | Bernard Morency
Caisse de dépôt et placement du Québec Canada |
|  | Jeroen de munnik
PGGM Netherlands |  | Michelle Ostermann
Railpen United Kingdom |
|  | Marcie Frost
Washington State Department of Retirement Systems U.S. |  | Sarah Owen
New Zealand Superannuation Fund New Zealand |
|  | Chris Hitchen
Border to Coast Pensions Partnership U.K. |  | David Russell
Universities Superannuation Scheme U.K. |
|  | Fernando Larrain
AAFP Chile |  | Céline van Asselt
APG Netherlands |

Research Committee

The Research Committee oversees ICPM's research funding program and involves leading academics and practitioners from around the world. Members are appointed from among Research Partners and ICPM's Executive Director, Rob Bauer, participates as a non-voting member. The committee issues Calls for Research, conducts rigorous peer reviews and awards funding to innovative researchers. As members of this committee, Research Partners have an opportunity to shape ICPM's research agenda and influence the investment of research funding on innovative research featured at ICPM Discussion Forums. The Research Committee also works with partner organizations that co-fund research initiatives.



Co-Chair: Mike Simutin
Rotman School of
Management | **Canada**



Co-Chair: Onno Steenbeek
Algemene Pensioen Groep
Management | **Canada**



Susan Banta
The PEW Charitable
Trusts | **U.S.**



Michael Preisel
Danish Labour Market Supplementary
(APG) | **Netherlands**



Bing Han
Rotman School of
Management | **Canada**



David Richardson
TIAA-CREF Investment
Management | **U.S.**



Rob Bauer
ICPM | **Netherlands**



Will Sandbrook
NEST | **U.K.**



Jaap van Dam
PGGM | **Netherlands**



Sally Shen
Global Risk Institute | **Canada**



James Davis
OPTrust | **Canada**

ICPM Research Activities

- Two research papers were awarded CAD\$20,000 in funding
 - **Retirement Savings Adequacy in the U.S.: Evidence from Micro-data in DC and DB Plans**
Francisco Gomes, London Business School; Enrichetta Ravina, Kellogg School of Management
 - **How Alternative Are Private Markets?**
William Goetzmann, Yale; Elise Gourier, ESSEC; Ludovic Phalippou, Oxford
- Global Research Scanning Service is comprised of more than 50 summaries of relevant research papers.
- A Working Group was formed leading up to the Sydney Discussion Forum to analyze the Australian pension system and provide an international perspective.



Board Committees

Audit & Governance Committee

- The committee oversaw the election of new Board members. It also focused on the transition to a new association management firm, as well as a review of various policies. Committee members include Barbara Zvan, Ontario Teachers' Pension Plan (Canada); Michelle Ostermann, Railpen (United Kingdom), Chris Hitchen, Independent (United Kingdom), Sudhir Rajkumar, UNJSPF (Worldwide) and ICPM management.

Discussion Forum Committees

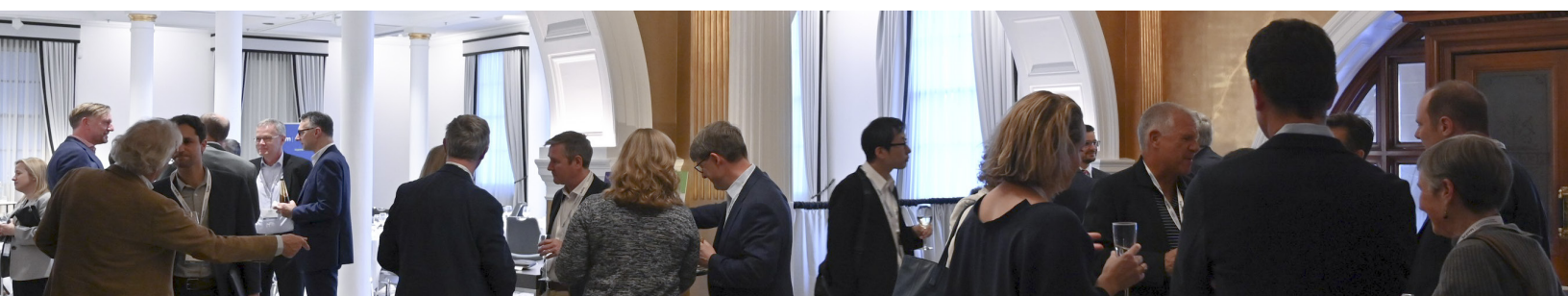
- Organizing committees with ad-hoc Research Partner representatives assisted in delivering engaging Discussion Forums with relevant and topical agendas.
 - Vancouver 2019: David Russell, USS (United Kingdom), Michelle Ostermann, Railpen (United Kingdom), Jennifer Coulson, BCI (Canada), Samir Ben Tekaya, BCI (Canada), Mark Prefontaine, AIMCo (Canada) and ICPM management.
 - Sydney 2019: David Russell, USS (United Kingdom), Stewart Brentnall, TCorp (Australia), Mark Fawcett, Nest (United Kingdom), Scott Hartley, SunSuper (Australia), Mike Simutin, Rotman School of Management (Canada) and ICPM management.

Pension Education Committee

- This Working Group was formalized as a Board Committee and is exploring an expansion of pension education programs, in addition to its flagship Pension Governance Education Program for Board members. Committee members include Bernard Morency, Independent (Canada), Mel Duffield, USS (United Kingdom), Marcie Frost, CalPERS (United States), Fernando Larrain, AAFP Chile (Chile), Sarah Owen, NZSuperFund (New Zealand) and ICPM Management.

Research Partner Committee

- The committee has begun to evaluate ICPM's value proposition to Research Partners as it measures Research Partner satisfaction. It has also overseen the transition to a new website and database. Committee members include Chris Hitchen, Independent (United Kingdom), Michelle Ostermann, Railpen (United Kingdom), Stewart Brentnall, TCorp (Australia), Jeroen de Munnik, PGGM (Netherlands) and ICPM management.



ICPM Research Partners (2019)

ICPM is a global network of pension organizations that stimulates leading-edge thinking and practice about pension management. It brings together prominent pension organizations, known as ICPM Research Partners, from around the world. ICPM global network at December 31, 2019:



Worldwide

- Global Risk Institute (GRI)
- World Bank
- United Nations Joint Staff Pension Fund



Australia

- AustralianSuper
- New South Wales Treasury Corporation (TCorp)



Brazil

- ABRAPP



Canada

- Alberta Investment Management Corp. (AIMCo)
- Alberta Local Authorities Pension Plan (ALAPP)
- British Columbia Investment Management Corp. (BCI)
- Caisse de dépôt et placement du Québec
- Canada Pension Plan Investment Board (CPPIB)
- Healthcare of Ontario Pension Plan (HOOPP)
- Investment Management Corporation of Ontario
- Ontario Municipal Employees Retirement System (OMERS)
- Ontario Teachers' Pension Plan
- OPTrust
- Public Sector Pension Investment Board (PSP)



Chile

- AAFP Chile
- AFP Cuprum
- AFP Habitat



Denmark

- Danish Labour Market Supplementary Pension (ATP)



Japan

- Nomura Securities Co., Ltd.



Netherlands

- ABP
- Algemene Pensioen Groep (APG)
- De Nederlandsche Bank (DNB)
- MN
- Pensioenfonds Detailhandel
- PGGM
- Philips Pensioenfonds



New Zealand

- New Zealand Superannuation Fund



South Africa

- Government Employees Pension Fund (GEPF)
- FirstRand



United Kingdom

- National Employment Savings Trust (NEST)
- National Grid UK Pension Scheme Trustee Executive (NGUKPS)
- Railpen Pension Trustee Company Ltd.
- Unilever
- Universities Superannuation Scheme (USS)



United States

- California Public Employees' Retirement System (CalPERS)
- New York State Teachers' Retirement System
- Oregon Investment Council
- The PEW Charitable Trusts
- TIAA-CREF
- Virginia Retirement Systems
- Washington State Investment Board (WSIB)

We also welcome Cbus and Ontario Power Generation who joined us in 2020.

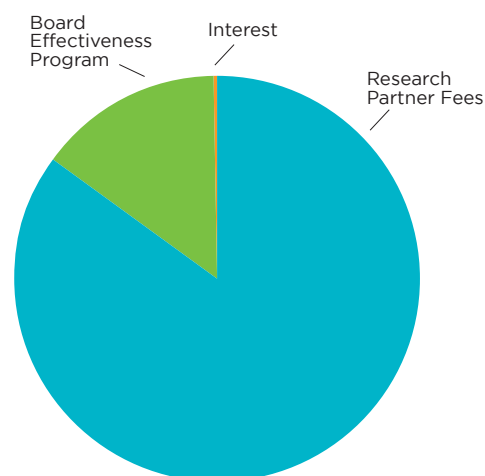


Financial Summary

For the period January 1, 2019 to December 31, 2019.
All figures are in Canadian dollars:

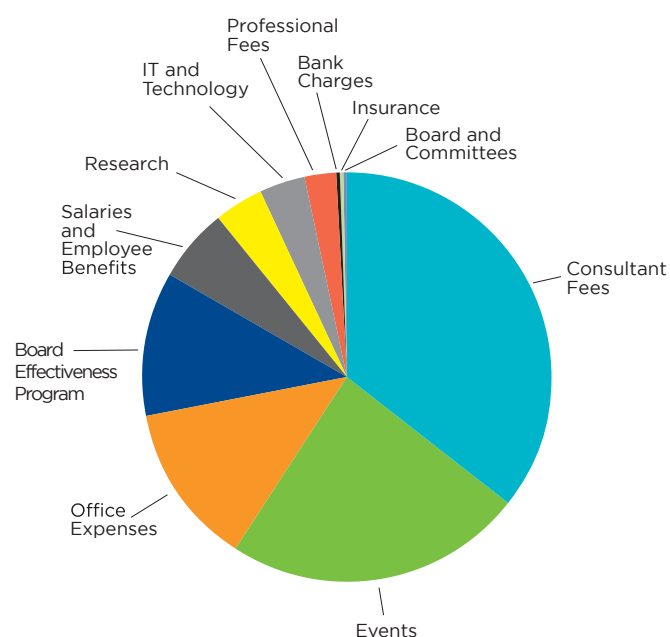
Operating Revenue

Research Partner Fees	\$1,181,861
Board Effectiveness Program	\$200,951
Interest	\$3,553
Total	\$1,386,365



Operating Expenses

Consultant Fees	\$408,826
Events	\$269,718
Office Expenses	\$147,310
Board Effectiveness Program	\$127,868
Salaries and Employee Benefits	\$67,724
Research	\$43,497
IT and Technology	\$40,755
Professional Fees	\$29,600
Bank Charges	\$4,666
Insurance	\$2,043
Board and Committees	\$1,780
Total	\$1,143,787



Accumulated Surplus

December 31, 2019 \$242,578



Visit www.icpmnetwork.com for pension research resources, ICPM news and events.

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Pension Management**

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