



International Centre for  
Pension Management

a new way to think | pension management

## Building a Sustainable and Vibrant Network

2014 | 2015 ANNUAL REPORT



Rotman School of Management  
UNIVERSITY OF TORONTO

The Rotman **International Centre for Pension Management** is a global, research-based network of pension delivery 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 academic researchers 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 and investment 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 – the Board Effectiveness Program – for board members of international pension and long-horizon investment institutions.

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**BARBARA ZVAN**

Chair, Rotman ICPM

Chief Investment Risk  
Officer, SVP Asset Mix  
& Risk, Ontario  
Teachers' Pension Plan  
(Canada)

*"Our collective vision is that if the top leaders of the world's pre-eminent pension plans had to choose to actively participate in just one pension network organization, it will be ICPM."*

## MESSAGE FROM THE BOARD CHAIR AND EXECUTIVE DIRECTOR

The Rotman International Centre for Pension Management has a lot to be proud of after its first 10 years. Unique in the pension landscape the world over, ICPM represents an impressive, international network of leading professionals from high-quality pension delivery organizations – our Research Partners.

ICPM is respected as the world's leading voice on best practices influencing global pension design and management. It attracts prominent thinkers to its popular Discussion Forums, and consistently brings innovative insights to Research Partners through a community of cutting-edge researchers at Rotman and internationally. On top of these accomplishments, it is known for delivering the globe's #1 pension governance education program – a great example of our advantageous affiliation with Rotman.

We cannot begin this annual report without recognizing the immensely positive impact that ICPM's inaugural executive director, Keith Ambachtsheer, has had over the Centre's first decade. Keith's leadership, enthusiasm and unrivaled credibility on pension and investment issues are legendary, and his contribution to building ICPM into a world-class organization unquestionable. We express our sincere appreciation to Keith for his commitment on behalf of our Research Partners and the international pension community.

With the change in leadership announced earlier in 2014, ICPM faced a central question: Where do we go from here? The answer lies in a new five-year strategic plan that we are excited to introduce in this report.

### 2015-2020 STRATEGIC PLAN

Our 2015-2020 strategic plan, *Building a Sustainable and Vibrant Network*, begins with an ambitious vision for ICPM: **to be regarded as the preferred network for the highest calibre pension delivery organizations globally.**

The emphasis on building a vibrant ICPM network is deliberate: Our collective vision is that if the top leaders of the world's pre-eminent pension plans had to choose to actively participate in just one pension network organization, it will be ICPM.

Our top priority is to more actively engage our Research Partners in ICPM's network, creating a vital community where Research Partners can meet their international peers and learn from each other about global best practices.

We plan to revitalize our services and communications to enrich the ICPM experience, and expand our research mandate. In addition to funding relevant research, we plan to put a proactive research scanning program in place to bring compelling new findings forward to Research Partners from high-quality institutions, organizations and research centres around the world.



**ROB BAUER**

Executive Director,  
Rotman ICPM

Professor of Finance,  
Chair Institutional  
Investors, Maastricht  
University School  
of Business and  
Economics  
(Netherlands)



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### TIFF MACKLEM

Dean, Rotman School of Management,  
University of Toronto  
(Canada)

*"Working with ICPM and its Board since arriving as Rotman's Dean has been an exciting and rewarding experience. Through my involvement in strategic discussions and at the board level, I can see the depth of commitment that people have to ICPM's future and the momentum that is building for the next five years. The cutting-edge research at the Rotman School and the connectivity to world-class pension funds are important ingredients in ICPM's success. I look forward to working together."*

ICPM has access to respected researchers through extensive connections with international pension institutes, academic institutions and like-minded organizations focused on pension and investment issues. We will pursue increased opportunities for collaboration on topics of common interest in order to deliver meaningful research and insights to Research Partners through our research program.

ICPM's long-standing relationship with Rotman – a globally top-ranked institution – has contributed greatly to the Centre's development and achievements. Not surprisingly, harnessing the potential of our joint relationship is a key aspect of our plan. We are excited that the School's new Dean, Tiff Macklem, has joined ICPM's board. Dean Macklem has been very supportive throughout our planning process and has signalled an intention to increase the level of involvement of Rotman's faculty in ICPM's Discussion Forums and Research. We look forward to working more closely with Rotman to serve our partner organizations.

Successful strategic plans depend largely on having the right governance and internal structures in place to support them. We are working to strengthen ICPM's governance model and build a strong organizational foundation supporting ICPM's strategic goals, sustainability and future success.

### THANK YOU FOR YOUR CONTRIBUTION

The active participation of our Research Partners and members, through interviews, surveys and feedback, has been invaluable in setting our new direction. We offer a huge thanks to everyone who helped us create a plan that will position ICPM as a global forerunner among pension organizations.

We look forward to working together to build a vibrant network.

**Barbara Zvan**  
ICPM Chair of the Board

**Rob Bauer**  
Executive Director

### Strategic Plan Highlights

- **Creating an engaged, global network of high-calibre pension organizations**
- **Delivering highly relevant services and research for Research Partners**
- **Building a strong foundation for the ICPM organization**
- **Harnessing the potential of our joint ICPM/Rotman relationship**

More details available on page 10-13.

## GOVERNANCE

Rotman ICPM has grown and developed over the last 10 years. With the development of a new strategic plan in 2014, board members reviewed internal structures and worked to strengthen a governance model in support of ICPM's strategic goals, ongoing sustainability and effective operation.



Under the direction of Barbara Zvan, Chair, and Tim Jones, Vice-Chair, the ICPM Board participated in numerous special meetings over the last year with a goal of building a vibrant network for its members. Included in this goal is forging a stronger link to the Rotman School of Management. Tiff Macklem was named Rotman's Dean in mid-2014, became actively involved in ICPM Board meetings and has joined ICPM's Board. As Rotman and ICPM seek to strengthen their joint relationship, Don Raymond, a founding ICPM board member and former chair, has been appointed as Special Advisor to the Dean and Chair Emeritus of Rotman ICPM.

Throughout the year, the Board worked to create appropriate structures to support ICPM's financial and operational sustainability, consistent with the Centre's strategic plan. Rotman ICPM has a unique governance structure owing to its existence as a research centre run out of the Rotman School of Management at the University of Toronto. The governance structure and Board involves three parties: the Governing Council of the University of Toronto through the Rotman School of Management; the ICPM organization; and, a new corporation established to handle ICPM's staffing and operational budget.

Board members established a new entity (8734283 Canada Centre) in 2014 under the Canadian Not-For-Profit Corporations Act. This corporation provides the payroll for ICPM's Executive Director and support staff. By law, the corporation requires a Board of Directors responsible for board elections, appointment of an auditor, approval of financial statements, and amendment of by-laws<sup>1</sup>. Because the corporation's budget supports ICPM's payroll and operation, the board members for this entity are the same as ICPM's board members for ease of reporting. The ICPM board is not governed by the Canada Not-For-Profit Act.

Following the creation of this new entity, ICPM's Board began working with Rotman on a tripartite governance agreement that will clarify each party's role and responsibilities and create a strong foundation for ICPM's future success. Work on the agreement will continue in 2015/2016.

<sup>1</sup> WeirFoulds acts as general counsel for 8734283 Canada Centre and Clarke Henning was appointed as the auditor. The audited financial statements for 8734283 Canada Centre include only those costs associated with payroll, Directors and Officers Insurance, bookkeeper, legal and auditing services.



# ICPM Board of DIRECTORS

The Rotman ICPM Board includes eight members appointed from among our Research Partners and two from the Rotman School of Management. ICPM continues to attract high-calibre board members from around the world, allowing for continuous board renewal that is an important practice for effective governance.



**Chair: Barbara Zvan**, Chief Investment Risk Officer, Senior Vice-President Asset Mix & Risk, Ontario Teachers' Pension Plan (Canada)



**Theresa Whitmarsh**, Executive Director, Washington State Investment Board (United States)



**Vice-Chair: Tim Jones**, Chief Executive Officer, National Employment Savings Trust (United Kingdom)



**Glen Whyte**, Desautels Chair in Integrative Thinking and Professor of Organizational Behaviour and Human Resource Management, Rotman School of Management (Canada)



**Else Bos**, Chief Executive Officer, PGGM (Netherlands)

## Joined the Board Mid-Term



**Marcie Frost**, Director, Washington State Department of Retirement Systems (United States)



**Alexander Dyck**, Professor of Finance and Business Economics, Rotman School of Management (Canada)



**David Russell**, Co-Head Responsible Investment, USS Investment Management (United Kingdom)



**Tony Lally**, formerly CEO, SunSuper (Australia)



**Rosemary Vilgan**, Chief Executive Officer, QSuper (Australia)



**Sudhir Rajkumar**, Head of Pension Advisory, World Bank (Worldwide)

## Joining the Board in 2015/2016



**Ole Beier Sorensen**, Chief Pension Researcher, ATP (Denmark)



**Tiff Macklem**, Dean of the Rotman School of Management (Canada)

We would like to thank outgoing board members Tony Lally, Theresa Whitmarsh and Glen Whyte for their years of service and welcome Marcie Frost, Tiff Macklem, David Russell and Rosemary Vilgan to the Board. Tim Jones has notified the Board that he will be leaving NEST December 2015 and will be stepping down from the Board at that time. A new Vice-Chair will be determined during FY 2015/2016.





# ICPM Research COMMITTEE

The Rotman ICPM Research Committee includes appointees from among our Research Partners and two from the Rotman faculty. It evaluates proposals resulting from calls for research and monitors progress to completion on projects that receive funding. The Committee meets twice yearly and attends ICPM's semi-annual Discussion Forums where selected researchers are invited to present their findings.



**Research Committee Co-Chair:**

**Onno Steenbeek**, Managing Director  
ALM & Client Risk Management, Algemene  
Pensioen Groep and Professor of Finance,  
Erasmus University (Netherlands)



**Research Committee Co-Chair:**

**Susan Christoffersen**, Associate  
Professor Finance, Rotman School  
of Management (Canada)



**Jaap van Dam**, Chief Strategist &  
Managing Director, PGGM  
(Netherlands)



**James Davis**, Vice-President Strategy &  
Asset Mix and Chief Economist, Ontario  
Teachers' Pension Plan (Canada)



**Jack Gray**, Adjunct Professor, Centre  
for Capital Market Dysfunctionality,  
Sydney University of Technology  
(Australia)



**Gordon Hagart**, Chief Executive Officer,  
Australian Council of Superannuation  
Investors and formerly Head of ESG  
Risk Management, Australian  
Government Future Fund (Australia)



**Bing Han**, Professor of Finance,  
Rotman School of Management  
(Canada)



**Steven Lerch**, Chief Economist,  
State of Washington (United States)



**Catherine Lubochinsky**, formerly  
Managing Director Research,  
Global Risk Institute (Worldwide)



**David P. Richardson**, Senior Economist,  
TIAA-CREF (United States)



**Will Sandbrook**, Executive Director of  
Strategy, National Employment Savings  
Trust (United Kingdom)

## Joining the Research Committee in 2015/2016



**Omneia Ismail**, Research Associate,  
Global Risk Institute (Worldwide)  
(interim member)

*Rob Bauer will join the Research Committee as requested by the Board. We would like to thank Catherine Lubochinsky for her contribution to the committee and look forward to having Omneia Ismail as her interim replacement until such time as a new Managing Director Research at Global Risk Institute is named.*

Consistent with ICPM's strategic plan, we are updating the mandate, composition, and governance of the Research Committee and will report our progress next year. Preliminary details can be found on page 20.



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# ICPM RESEARCH PARTNERS

Rotman ICPM has a goal to work with 40-50 thought-leading Research Partners from around the globe on a long-term basis. Each Research Partner makes a financial commitment on an annual basis to further pension research, as well as to fund the organization and execution of the Discussion Forums.

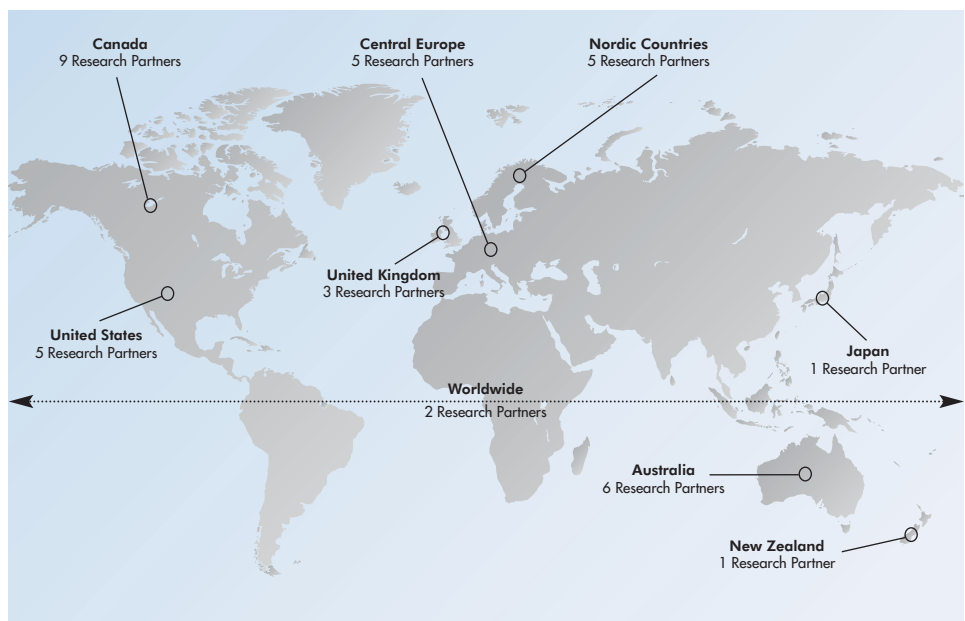
The financial commitment for fiscal year 2014/2015 was C\$25,000 and has remained unchanged since 2007. The Board has decided that this fee will increase by 2% to C\$25,500 for fiscal year 2015/2016. Financial commitments are renewed annually at the option of each organization.



## JAAKKO KIANDER

Senior Vice President, Finance and Pension Policy, Ilmarinen (Finland)

*"Being an ICPM Research Partner gives Ilmarinen access to a high-level network of global pension organizations. This network connects us to peer institutions for important discussions on topics that are relevant across the industry, and offers a valuable forum for major pension funds to think about their increasing role in the global economy."*





# ICPM RESEARCH PARTNERS

2014/2015

## Worldwide

- Global Risk Institute
- World Bank

## Australia

- Australia Future Fund
- Australian Super
- QSuper
- Queensland Investment Corporation
- SunSuper
- UniSuper

## Canada

- Alberta Investment Management Corp.
- Alberta Local Authorities Pension Plan
- British Columbia Investment Management Corp.
- Caisse de dépôt et placement du Québec
- Canada Pension Plan Investment Board
- Healthcare of Ontario Pension Plan
- Ontario Municipal Employees Retirement System
- Ontario Teachers' Pension Plan
- Public Sector Pension Investment Board

## Denmark

- Danish Labour Market Supplementary Pension
- Pensionskassernes Administrations (PKA Ltd.)

## Finland

- Finland State Pension Fund
- Ilmarinen

## France

- Etablissement de Retraite Additionnelle de la Fonction Publique

## Japan

- Nomura Research Institute

## Netherlands

- Algemene Pensioen Groep
- De Nederlandsche Bank
- MN
- PGGM

## New Zealand

- New Zealand Superannuation Fund

## Sweden

- Forsta Ap-Fonden (AP 1)

## United Kingdom

- National Employment Savings Trust
- Railways Pension Trustee Company Ltd.
- Universities Superannuation Scheme

## United States

- California Public Employee Retirement System
- California State Teachers' Retirement System
- State Board of Florida Administration
- TIAA-CREF
- Washington State Department of Retirement Systems



# 2015 – 2020 Strategic Plan: BUILDING A SUSTAINABLE AND VIBRANT NETWORK

ICPM has a robust strategic plan designed to continue building ICPM as a vibrant and world-leading network for pension industry professionals and academics pursuing pension-related research.

The Rotman International Centre for Pension Management is a global, research-based network of pension delivery organizations that stimulates leading-edge thinking and practice about pension design and management. A change in leadership and the passing of our 10th anniversary in 2014 created an ideal opportunity to take new directions that build on ICPM's success and achievements since its formation in 2005.

The plan is based on a thorough analysis of ICPM's operating environment and strategic issues, as well as significant input from our Research Partners through feedback, one-on-one interviews and various surveys. We thank Research Partners for their thoughtful insights and contributions to the plan's development.



## ROSEMARY VILGAN

Chief Executive Officer, QSuper and  
ICPM Board Member (Australia)

*"As a newcomer to the ICPM Board, I have found the recent strategy review process engaging. ICPM focus is on strengthening itself as a vibrant and relevant organization which provides opportunities for high level pension professionals to network and challenge each other."*



# STRATEGIC FRAMEWORK

## 2015 – 2020

<b>MISSION</b>					<i>Our core reason for being</i>
ICPM is a global, research-based network to stimulate leading-edge thinking and practice about pension management.					
<b>VISION</b>					<i>Stretch goal to achieve by 2020</i>
ICPM will be the preferred network for the highest calibre pension organizations globally.					
<b>5-YEAR OBJECTIVES</b>					<i>What we will achieve by 2020, with associated measures and targets</i>
<ul style="list-style-type: none"><li>• Build and sustain a high calibre global network with engaged, top-class research partners</li><li>• Ensure ICPM services are highly relevant to the Research Partners</li><li>• Achieve long-term financial and organizational sustainability</li><li>• Harness the potential of our joint ICPM/Rotman relationship</li></ul>					
<b>CORE STRATEGIES</b>					<i>How we will achieve our objectives</i>
Research Partner Engagement	Service Revitalization	Proactive Scanning & Research	Financial Sustainability	Organization Effectiveness	

### MISSION

Our core mandate is to ensure that ICPM is a network of the highest-calibre, not-for-profit pension providers who are actively engaged in ICPM's activities. ICPM brings a community of leading practitioners and academics together to share knowledge and exchange experience on strategic pension and investment-related topics (i.e., long-horizon investing), including the alignment of asset owners and their financial service providers. This mind power will ultimately benefit the members of the ICPM Research Partner organizations.

### VISION

Our goal by 2020 is to ensure that ICPM is regarded as the network of choice by the leadership of high-calibre pension organizations globally.

### 5-YEAR OBJECTIVES AND STRATEGIES

Priorities and appropriate supporting strategies have been identified to achieve ICPM's mission and vision and build on its successful foundation. We will focus on engaging Research Partners in a vibrant network; delivering high-quality services and relevant research; ensuring the ICPM organization is strong and sustainable for the future; and harnessing the combined strengths of Rotman and ICPM to benefit our partner organizations.

With 37 Research Partners representing 11 countries at the end of 2014/2015, we aim to expand our global reach by growing to between 40 and 50 high-quality pension organizations by 2020.







## *What can Research Partners* **EXPECT FROM THE FIVE-YEAR PLAN?**



### **SUDHIR RAJKUMAR**

Head of Pension Advisory, World Bank  
Treasury and ICPM Board Member  
(Worldwide)

*"Our new five-year strategic plan, developed after intensive consultations with all stakeholders, aims to position ICPM as the pre-eminent global network of pension funds, with a vibrant menu of services focused on improving pension design, fostering long-horizon investing, and strengthening the governance of pension investments."*

### **VIBRANT NETWORK AND HIGH-QUALITY SERVICES**

We will more actively engage and involve our Research Partners in increased networking opportunities and discussions, revitalize our services and continue our highly successful Board Effectiveness Program in partnership with Rotman Executive Programs.

Research Partners will continue to have opportunities to take part in two Discussion Forums each year. These events will be held more frequently outside the Toronto area to increase international participation, while still occurring in Toronto every few years. We will seek to attract more senior leaders to our flagship Discussion Forums to encourage vibrant conversations among those who are influencing pension issues worldwide. To keep those unable to attend involved in continuing discussions, we will explore new ways to support high participation across our network.





## RELEVANT RESEARCH AND PROACTIVE RESEARCH SCANNING

We will expand our research function by proactively scanning new research and practices to bring compelling new information to the attention of our Research Partners from a variety of sources. While this program will take some time to initiate, we believe it will help Research Partners stay on top of the latest research and practices.

We are changing how we fund research to ensure research is relevant and high quality for our Research Partners (details on page 20), and will establish relationships with top international pension research institutes, think-tanks and like-minded pension and investment organizations to broaden the sources of research and insights on a range of applicable pension and investment topics.

## IMPROVED COMMUNICATION

After much consideration and based on input from our Research Partners, we have decided to discontinue publishing the *Rotman International Journal of Pension Management* and find new ways to disseminate research. A communications strategy will be developed with new channels and tools to share up-to-date research and create a global network of people that can interact regularly on key issues.

## STRONG ICPM/ROTMAN PARTNERSHIP

There will be a strong focus on continuing to build the relationship between Rotman and ICPM, bringing the advantage of Rotman's network and collaboration opportunities to Research Partners. Rotman is seeking a candidate to fulfil the role of a part-time Associate Director Research to manage the new research and scanning program and co-chair ICPM's Research Committee. Rotman's faculty will be more actively involved to support excellence in ICPM's services, Discussion Forum content and research.

## GOOD GOVERNANCE AND ORGANIZATIONAL EFFECTIVENESS

ICPM is an independent research centre run out of the Rotman School of Management at the University of Toronto. Work on a new agreement has begun to clarify governance roles and responsibilities, which will support the Centre's ongoing sustainability, effective management and future success. In conjunction, we will review spending to ensure the organization is well run and resources are allocated to the highest impact activities for our partner organizations. While these efforts will be largely invisible to Research Partners, they are fundamental to delivering excellent programs and research now and in future.



# Rotman-ICPM Board EFFECTIVENESS PROGRAM

Rotman ICPM and Rotman Executive Programs have been offering the Board Effectiveness Program (BEP) since 2011. The Program supports the boards of pension and other long-horizon investment institutions in clarifying their role in addressing key strategic issues:

- Organization Mission
- Fiduciary Duties
- Board Dynamics
- Roles of Boards vs. Management
- Investment Beliefs
- Risk Management
- Organization Design
- HR Management/Compensation
- Member Communications



**SHARON HENDRICKS**

Vice Board Chair, CalSTRS  
(United States)



**HARRY M. KEILEY**

Board Chair, CalSTRS  
(United States)

*"Board Chair, Harry M. Keiley, and I truly enjoyed the Board Effectiveness Program. It was one of the best educational courses we have participated in thus far. We look forward to sending other CalSTRS Board members in the future."*

## Program Dates

**BEP 7: Nov. 30 – Dec. 4, 2015**

**BEP 8: Apr. 4 – 8, 2016**

**Program Fees \$6,950 + tax**







## Who Should ATTEND?

The Program has been developed specifically for board members of ICPM Research Partners. BEP is a unique pension governance program that focuses on global pension perspectives and attracts international participants. It builds relevant skills and knowledge for existing board members and supports ongoing board renewal by helping to prepare new board members to fulfil their responsibilities.

Sessions are limited to 35 people with priority given to our partner organizations. However, the BEP Admissions Committee will consider applications from members of non-Research Partner organizations to the degree that there is room in the BEP offering, the applicant has a relevant skill/experience set, and the applicant's organization is a substantial participant in the pensions world.

### ACADEMIC DIRECTOR

Keith Ambachtsheer has been the Academic Director of the Board Effectiveness Program since inception in 2011. He recently advised the Board that he will be stepping down from that role over a transition period.

The ICPM Board and leadership recognize the importance of the Academic Director to the program's long-term success. The transition period allows time to find the right successor to lead the program and effect a smooth transition. Rob Bauer, ICPM Executive Director and Michele Milan, CEO of Rotman Executive Programs are seeking the best candidate for the position with support from Barbara Zvan, ICPM Chair, Tiff Macklem, Dean of the Rotman School of Management, and Don Raymond, Special Advisor to the Dean.



### MARIETTE DOORNEKAMP

Board Member, ABP (Netherlands)

*"The Board Effectiveness Program is what we need in the pension world. I especially liked the professors' input and challenging interaction that opens minds to different systems and practices. I strongly advise board members to participate in the Program."*



Board Effectiveness  
**PROGRAM (BEP)**  
[www.rotman.utoronto.ca/icpm](http://www.rotman.utoronto.ca/icpm)

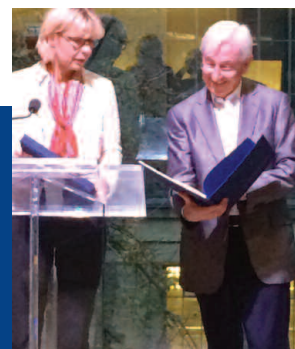
# ICPM DISCUSSION FORUMS

L to R: Lisa Brügger, Assistant Professor of Finance/Marketing, Maastricht University School of Business and Economics (Netherlands) and Julie Agnew, Associate Professor of Finance and Economics, The Mason School of Business, The College of William and Mary (United States)

## 2014 DISCUSSION FORUMS

The **June 2014 Discussion Forum** was held in partnership with the OECD in Paris. In addition to Research Partner representatives, the event focused on **Pension Design and Implementation**, and **Long Horizon Investing** and featured Gabriel Bernardino (EIOPA), Paul Druckman (International Integrated Reporting Council), Samuel Berger (Albright Stonebridge Group) and Campbell Harvey (Duke University) along with Pablo Antolin and Juan Yermo from OECD. Immediately following the Discussion Forum at the OECD, Rotman ICPM and Netspar hosted a joint event in Rotterdam.

The **October 2014 Discussion Forum** was held in Toronto in partnership with the Rotman School of Management, University of Toronto. The event focused on the three key themes in the first decade of ICPM: **Pension Design, Pension Fund Governance and Long Horizon Investing**. Special attention was given to a new topic: **Pension Communication and Awareness** and based on collective Research Partner feedback will be a big topic going forward. Signature speakers included Alicia Munnell (Boston College Center for Retirement Research), Jim Leech (formerly with Ontario Teachers' Pension Plan), Dilip Somon (Rotman School of Management) and Hazel Bateman (University of New South Wales). During that event we also paid tribute to Keith Ambachtsheer who stepped down as the Founding Director after ten years at the helm. Keith was named Director Emeritus at that event.



Else Bos, CEO at PGGM (Netherlands) and ICPM Board Member presents Keith Ambachtsheer with a gift in recognition of his 10 years as Founding Director of ICPM.

### CAMPBELL R. HARVEY

Professor, Duke University (United States)

*"A unique gathering of unprecedented global pension AUM with the participants freely exchanging ideas of best practice. The synergies are electric making the whole much greater than the sum of the parts."*





# 2015 Discussion FORUMS

Ad-hoc Committee Members, Sudhir Rajkumar from World Bank and James Davis from Ontario Teachers' Pension Plan, have been working with Rob Bauer to develop the agenda for the **June 2015 Discussion Forum** to be held in partnership with the Rotman School of Management, University of Toronto. The event will focus on **Long-Horizon Investing** featuring representatives from our Research Partners, including Mark Wiseman, head of CPPIB and Co-Chair of Focusing Capital on the Long Term, and Carsten Stendevad, ATP along with a great line-up of academics including Luis Viceira (Harvard), Roger Ibbotson (Yale), Jeffrey Gordon, (Columbia), Martijn Cremers (Notre Dame), and Frédéric Blanc-Brude (ED-HEC Singapore). The agenda is available online.

Ad-hoc Committee Members, Tiina Tarma from Finish State Pension Fund, Jaakko Kiander from Ilmarinen, and Will Sandbrook from NEST are currently working with Rob Bauer to develop the agenda for the **October 2015 Discussion Forum** to be held in Helsinki, Finland in partnership with the Finnish Centre for Pensions. The event will focus on **Pension Reform**, the **Design and Governance of Defaults in DC Pension Plans**, and it will extend our discussion on **Pension Communication** and related topics. Confirmed academics and speakers include Mark Fawcett (NEST), Jukka Rantala and Mikko Kauto both with the Finish Centre for Pensions, Caspar van Ewijk (Netspar), Yvonne Sin (Towers Watson) and Andries de Grip (Maastricht University). There are a number of other conversations underway. The preliminary agenda will be made available mid-summer.

## Upcoming DISCUSSION FORUMS

**June 8-9-10, 2015** (Toronto, Canada, Rotman School of Management)

**October 5-6-7, 2015** (Helsinki, Finland, The Old Student House)

**June 6-7-8, 2016** (Boston, United States, Boston Harbor Hotel)

**October 10-11-12, 2016** (Asia, final date and location pending)

**June 5-6-7, 2017** (Toronto, Canada, Rotman School of Management)

**October 2-3-4, 2017** (Netherlands, location pending)



### ERIC M. WETLAUFER

Senior Managing Director & Global Head of Public Market Investments, Canada Pension Plan Investment Board (Canada)

*"ICPM Discussion Forums play a critical role facilitating knowledge sharing amongst pension industry peers in a focused setting. Their current focus on the importance of long-term investing and putting this on the agenda of investment leaders globally is crucially important."*



### MARCIE FROST

Director, Washington State Department of Retirement Systems (United States)

*"ICPM Discussion Forums are consistently high value for many reasons, including the breadth and caliber of the people who are at the table. It's energizing to engage with decision-makers who represent pension systems from around the world. The international perspective is invaluable as we talk about innovative approaches to the challenges we all share."*



**DISCUSSION FORUMS**  
[www.rotman.utoronto.ca/icpm](http://www.rotman.utoronto.ca/icpm)

# ICPM Discussion Forum Attendees

## RESEARCH PARTNERS

### WORLDWIDE

**World Bank**  
Krishnan Chandrasekhar  
John Gandolfo  
Sudhir Rajkumar

**Global Risk Institute (GRI)**  
Omneia Ismail  
Catherine Lubochinsky

### AUSTRALIA

**Australia Future Fund**  
David Neal

**Queensland Investment Corporation (QIC)**  
Tony MacKenzie

**QSuper**  
Joseph Cole  
Rosemary Vilgan

**SunSuper**  
John Battams  
Scott Hartley  
Robert Hutchinson  
Ron Monaghan  
Jason Sommer  
Steven Travis

**Alberta Local Authorities Pension Plan Corp (ALAPP)**  
Laurence Waring

**Caisse de dépôt et placement du Québec**  
Maxime Aucoin  
Bernard Morency

**CPP Investment Board (CPPIB)**  
Geoffrey Rubin  
Eric Wetlaufer

**Healthcare of Ontario Pension Plan (HOOPP)**  
Jim Walker  
Jim Keohane  
David Long  
Jeff Wendling

**Ontario Municipal Employees' Retirement System (OMERS)**  
Blair Cowper-Smith  
Graham Pugh

**Ontario Teachers' Pension Plan Board (OTPP)**  
Tracy Abel  
James Davis  
Jim Leech  
Deborah Ng  
Barbara Zvan

**Public Sector Pension Investment Board (PSP)**  
Martin Leroux

### DENMARK

**Danish Labour Market Supplementary Pension (ATP)**  
Ole Beier Sørensen  
Chresten Dengsøe

**PKA**  
Peter Melchior

### FINLAND

**Finland State Pension Fund (VER)**  
Tiina Tarma  
Timo Löytyniemi

**Ilmarinen**  
Jaakko Kiander  
Timo Ritakallio

### FRANCE

**Retraite Additionnelle de la Fonction Publique (ERAFFP)**  
Philippe Desfosses  
Alain Dorison  
Eric Loiselet  
Philippe Soubirous

### JAPAN

**Nomura Research Institute**  
Sadayuki Horie

### NETHERLANDS

**Algemene Pensioen Groep (APG)**  
Angeliem Kemna  
Els Knoope  
Onno Steenbeek  
Celine van Asselt  
Michiel van Leuvensteijn

**De Nederlandsche Bank (DNB)**  
Dirk Broeders

**MN**  
Harry Corbijn  
Hein Stam  
Benne van Popta

**PGGM / PFZW**  
Ruulke Bagijn  
Peter Borgdorff  
Else Bos  
Jeroen de Munnik  
Marcel Jeucken  
Jaap van Dam

### NEW ZEALAND

**New Zealand Superannuation Fund**  
Craig Ansley  
Tim Mitchell  
Mark Tume

### SWEDEN

**AP 1**  
Mikael Angberg  
Johan Magnusson

### UNITED KINGDOM

**National Employment Savings Trust (NEST)**  
Mark Fawcett  
Tim Jones  
Will Sandbrook

**Railways Pension Trustee Company**  
Paul Bishop  
Chris Hitchen  
Paul Trickett  
Richard Williams

**Universities Superannuation Scheme (USS)**  
Liz Fernando  
Bill Galvin  
Roger Gray  
Brendan Mulkern  
Mike Powell  
David Russell

### UNITED STATES

**State Board of Administration of Florida**  
Ash Williams

**Washington State**  
Marcie Frost  
Steve Lerch  
Theresa Whitmarsh





# ICPM Discussion Forum Attendees

## ACADEMICS and THINK-TANK REPRESENTATIVES

### AUSTRALIA

University of New  
South Wales  
Hazel Bateman

### CANADA

Dalhousie University  
Bonnie-Jeanne MacDonald

Simon Fraser University  
Barbara Sanders

Rotman School of  
Management  
Craig Doidge  
Alexander Dyck  
Roger Martin  
Dilip Soman

### FRANCE

OECD  
Pablo Antolin  
Mats Isaksson  
Rintaro Tamaki  
Juan Yermo  
Robert Youngman

### NETHERLANDS

Maastricht University  
School of Business  
and Economics  
Lisa Brüggem  
Piet Eichholtz

Erasmus University  
Rotterdam  
Aleksandar Andonov

University of Tilburg /  
NETSPAR  
Lans Bovenberg  
Arthur van Soest

### SWITZERLAND

Université de Lausanne  
Amit Goyal

### UNITED STATES

Boston College Center for  
Retirement Research  
Alicia Munnell

College of William & Mary  
Julie Agnew

Duke University  
Campbell R. Harvey

## INVITED GUESTS

### CANADA

CEM Benchmarking  
Mike Heale  
Jody MacIntosh  
Tom Scheibelhut  
John McLaughlin

Don Ezra Consulting  
Services  
Don Ezra

Mercer  
Jane Ambachtsheer

Ontario Ministry  
of Finance  
Christine Anderson

### GERMANY

EIOPA  
Gabriel Bernardino

### ITALY

Covip  
Ambrogio Rinaldi

### NETHERLANDS

Cardano  
Theo Kocken  
Marja Koolschijn  
Stefan Lundbergh

ORTEC Finance  
Fred Heemskerk

Robeco  
Roderick Munsters  
Tom Steenkamp

### NORWAY

Ministry of Finance  
Norway  
Eivind Øy

### SOUTH AFRICA

Government Employees  
Pension Fund  
Prabir Badal  
Joelene Moodley

### SWEDEN

Alecta  
Per Frennberg

Swedish Pension Authority  
Ole Settergren

### UNITED KINGDOM

Borealis Infrastructure  
John McManus

Hermes Equity Ownership  
Colin Melvin  
Inderst Advisory  
Georg Inderst

Institutional Investors  
Roundtable (IIR)  
Tom Rotherham-Winqvist

International Integrated  
Reporting Council (IIRC)  
Paul Druckman

Principles for Responsible  
Investment (PRI)  
Helene Winch

Towers Watson  
Roger Urwin

### UNITED STATES

Albright Capital  
Management  
Samuel Berger  
Greg Bowes  
Theodore Waddelow

Blitzstein Consulting  
David Blitzstein

MSCI Barra  
Brett Hammond

Pew Charitable Trusts  
Greg Mennis

World Economic Forum  
Michael Drexler  
Alice Heathcote



# ICPM RESEARCH

Since inception, ICPM has invested C\$1.35M million to produce 29 high-impact research projects and 6 'live' case studies about strategic pension industry issues. Research findings are presented at Discussion Forums and completed papers can be accessed on the ICPM website.



ICPM reviewed its research mandate as part of its 2014 strategic planning process. ICPM's Research Committee will continue to fund and disseminate relevant research, and will take new approaches.

## NEW RESEARCH FUNDING MODEL

Rather than providing large grants for a limited number of projects as in the past, the Research Committee will award modest funding for up to five papers each year (up to \$10K, plus travel) to attract fresh research. Additionally the Committee will fund a major, early-stage project (up to \$50K) identified as being of high interest to Research Partners. If warranted, the Committee may have an opportunity to select more than one major project per year, depending on funding availability and proposals. The Committee also funds new case studies and covers costs for invited researchers to participate in Discussion Forums.

## EXPANDED RESEARCH MANDATE

A proactive monitoring program will be initiated to alert Research Partners to compelling research and best practices from a range of sources. A new role for a part-time Associate Director, Research responsible for the scanning and research function under the direction of ICPM's Executive Director will be filled by Rotman. The Research Committee will seek to build collaborative relationships with international pension research institutes to broaden research sources and topics, and will participate in developing content for ICPM's Discussion Forums. In response to feedback, the *Rotman International Journal of Pension Management* will be replaced by new channels that are better suited to our members' current uses and needs.



### TIM JONES

Chief Executive Officer,  
NEST Corporation (United Kingdom)

*"The Pension Communication day was illuminating and thought provoking. It was great to hear about research from Australia, the United States and Europe that can help guide our thoughts and actions as we create our own communications and engagement approach at NEST. Having Dilip Soman from the Rotman school add his perspective brought insights from other industries to stretch our thinking even further!"*



### PROFESSOR HAZEL BATEMAN

Head, School of Risk and Actuarial Studies  
University of New South Wales,  
Australia Business School (Australia)

*"Presenting at the ICPM Discussion Forum in October 2014 provided a terrific opportunity to share my research with senior participants in the pension industry. The interaction between academics and industry over the three days of the Discussion Forum fostered significant conversations about the application of research to industry and ideas for future research."*





# 2014/2015 RESEARCH

Status	Research Paper	Authors / Affiliation
Completed	A Value-Based Approach to the Redesign of US State Pension Plans	<ul style="list-style-type: none"> <li>• Zina Leknieute, APG and University of Amsterdam</li> <li>• Roel Beetsma, University of Amsterdam</li> <li>• Eduard Ponds, APG and Tilburg University and Netspar</li> </ul>
Completed	Asset Allocation and Bad Habits	<ul style="list-style-type: none"> <li>• Andrew Ang, Columbia Business School</li> <li>• Amit Goyal, Université de Lausanne</li> <li>• Antti Ilmanen, AQR Capital Management</li> </ul>
Completed	Emerging Fiduciary Duties of Major Institutional Investors	<ul style="list-style-type: none"> <li>• James Hawley, St. Mary's College</li> <li>• Keith L. Johnson, International Corporate Governance Initiative and Reinhart Institutional Investor Services</li> <li>• Edward J. Waitzer, York University and Stikeman Elliott</li> </ul>
Completed	A Protocol for Factor Identification	<ul style="list-style-type: none"> <li>• Kuntara Pukthuanthong, University of Missouri</li> <li>• Richard Roll, California Institute of Technology</li> </ul>
Completed	Can Institutional Investors Improve Corporate Governance Through Collective Action?	<ul style="list-style-type: none"> <li>• Craig Doidge, University of Toronto</li> <li>• Alexander Dyck, University of Toronto</li> <li>• Hamed Mahmudi, University of Oklahoma</li> <li>• Aazam Virani, University of Arizona</li> </ul>
In Progress	Comparative Risk Management Performance of Australian Superannuation Funds	<ul style="list-style-type: none"> <li>• Hazel Bateman, University of New South Wales</li> <li>• Nicholas Morris, University of New South Wales</li> </ul>
In Progress	Health Risk and the Annuitization Puzzle	<ul style="list-style-type: none"> <li>• Andries de Grip, Maastricht University School of Business and Economics</li> <li>• David Richardson, TIAA-CREF</li> <li>• Nicolas Salamanca, Melbourne Institute of Applied Economic and Social Research</li> <li>• Rob Bauer, Maastricht University School of Business and Economics</li> </ul>



Since its inception, the *Rotman International Journal of Pension Management* published 11 issues featuring 92 articles on pension design, investing, governance and management.

To meet the changing needs of our partner organizations, the Journal will no longer be published and its budget reallocated to new communication tools that will keep our Research Partners well informed and engaged. Research Partners will continue to have access to previously published articles on the ICPM website.

We'll keep you up to date when more information is available.

## JUAN YERMO



Deputy Chief of Staff to the Secretary-General, OECD (Worldwide)

*"To better deal with complexity and uncertainty, policymakers need to get their ear to the ground. By reaching out to centres of research with strong links to both practitioners and academics, such as ICPM, we can learn better from experience and provide more effective and valuable advice to our members."*

## ALICIA MUNNELL



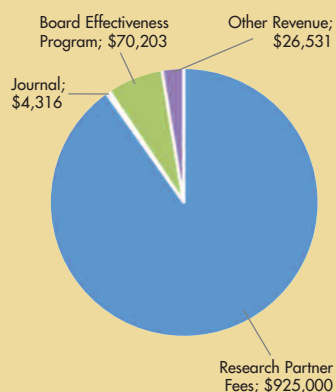
Director, Center for Retirement Research at Boston College (United States)

*"We are delighted to have an opportunity to collaborate with ICPM. Connecting with the best researchers from other countries broadens our perspective and helps us stay on top of our game."*

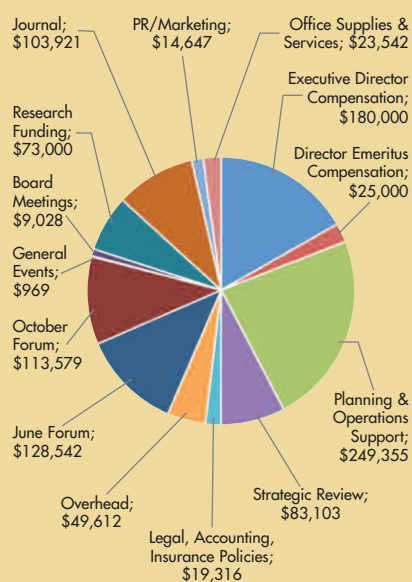


**RESEARCH PAPERS**  
[www.rotman.utoronto.ca/icpm](http://www.rotman.utoronto.ca/icpm)

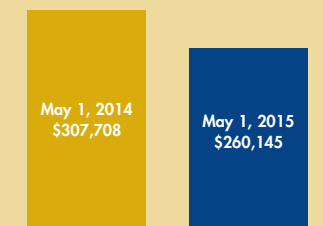
## REVENUE



## EXPENDITURES



## ACCUMULATED SURPLUS REVENUE



## FINANCIAL SUMMARY FY 2014/2015

(all in Canadian Dollars)

## ICPM OPERATING REVENUE

Research Partner Fees	\$ 925,000
Journal	4,316
Board Effectiveness Program	70,203
Other Revenue <sup>1</sup>	26,531
	<b>\$ 1,026,050</b>

## ICPM OPERATING EXPENDITURES

Executive Director Compensation	\$ 180,000
Director Emeritus Compensation	25,000
Planning and Operations Support	249,355
Strategic Review	83,103
Legal, Accounting, Insurance Policies	19,316
Overhead	49,612
June Forum	128,542
October Forum	113,579
General Events	969
Board Meetings	9,028
Research Funding	73,000
Journal	103,921
PR/Marketing	14,647
Office Supplies and Services	23,542
	<b>\$ 1,073,614</b>

## ACCUMULATED SURPLUS REVENUE

May 1, 2014	\$ 307,708
May 1, 2015	\$ 260,145

<sup>1</sup> includes F/X gains and other research funding

*Top Right: Dilip Soman, Professor of Marketing, Rotman School of Management, University of Toronto (Canada)*

*Middle: Rosemary Vilgan, CEO QSuper (Australia) and ICPM Board Member*

*Bottom Left: Amit Goyal, Director, Department of Finance, Faculty of Business and Economics, University of Lausanne (Switzerland)*



# ROTMAN ICPM

*Building a vibrant  
network of international  
pension organizations*



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Pension Management

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Rotman School of Management, University of Toronto CANADA

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