

Pension Plan News

TOTAL COMPENSATION **Pension** | Benefits | Pay and Incentives | Health and Well-Being

Retirement readiness



As a Plan member, you're responsible for providing us with information and changes that are relevant to your pension. Keeping your address and marital status up-to-date in the Employee Self Service (ESS) on Intrapost means you will be kept informed of matters related to the Plan. Waiting to update this information at the time of your retirement will delay the time for us to process and for you to receive your pension benefits.

Designating beneficiaries is also important to ensure your pension benefits go to the right people when you die and avoid any conflict among survivors. You must not name your spouse or common-law partner as your

beneficiary, since this person is automatically your survivor at the time of your retirement. If you do not have eligible survivors or a designated beneficiary and your children are no longer eligible as dependents at the time of death, your estate automatically receives your survivor benefits. For your children to receive the maximum allowable survivor benefits under the Plan, you should designate them as beneficiaries, whether they are dependent children or not.

It's never a bad time to think about your pension and how you can make your retirement easier. Here is a checklist to help you get started.

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Note: In this publication, "Plan" refers to the Canada Post Corporation Registered Pension Plan, "DB" refers to the defined benefit component and "DC" to the defined contribution component.

Disclaimer: The official Plan text governs your actual benefits from the Plan and is the final authority in any case of dispute. For more information, visit cpcpension.com.

IF YOU'RE A DB PLAN MEMBER

- ✓ Update your address and marital status on Intrapost in ESS.
- ✓ Designate or change your beneficiaries by completing the form at **cpcpension.com**, click on Defined Benefit (DB) > Forms > Designation or change of beneficiaries > Pension Plan or contact the Pension Centre, which will mail you one (make sure your home address is up to date in ESS). Once completed, return the form to the Pension Centre.
- ✓ Mail your proof-of-marital-status change to the Pension Centre. For example, a marriage certificate, letter with the name and date of birth of your new common-law spouse, separation documents, a divorce certificate, letter to inform the Pension Centre of the separation date from your common-law spouse. Please include your employee number on all documents.

PENSION CENTRE
PO BOX 2073
MISSISSAUGA ON L5B 3C6

IF YOU'RE A DC PLAN MEMBER

- ✓ Update your address and marital status on Intrapost in ESS.
- ✓ Designate or change your beneficiaries by completing the form available at **cpcpension.com**, click on Defined Contribution (DC) > Forms > Beneficiary designation form or contact Sun Life Financial, which will mail you one (make sure your home address is up to date in ESS). Once completed, return the form to Sun Life Financial.
- ✓ Mail your proof-of-marital-status change to Sun Life Financial. For example, a marriage certificate, letter with the name of your new common-law spouse, separation documents, a divorce certificate, letter to inform Sun Life Financial of the separation date from your common-law spouse. Please include your employee number on all documents.

SUN LIFE FINANCIAL
GROUP RETIREMENT SERVICES
PO BOX 2025 STN WATERLOO
WATERLOO ON N2J 0B4

Tools

There are a number of tools on **cpcpension.com** to help you start planning your retirement today:

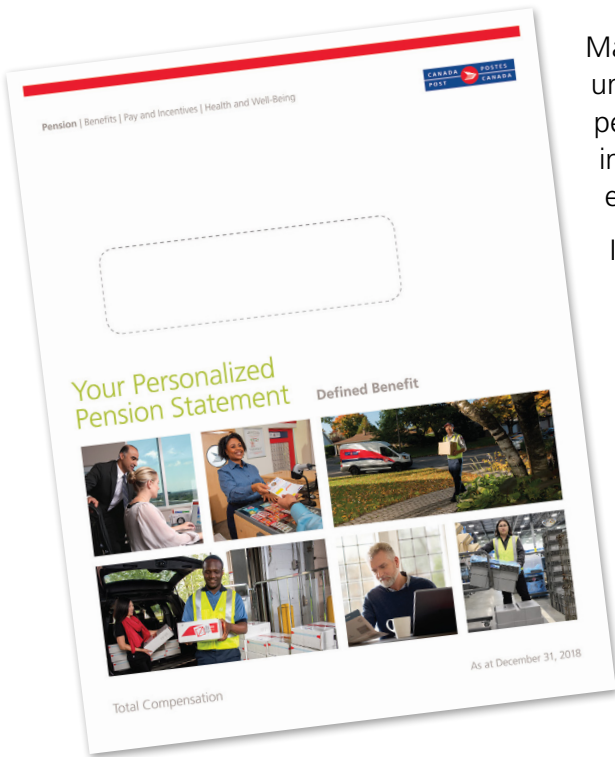
- The **convenient e-learning module** offers information anytime on the Canada Post Pension Plan. It explains government pension programs and the importance of estate and retirement planning.
- Use the **pension calculator** to produce personalized estimates of your pension benefits.
- **Your information booklet** helps you understand your Canada Post Pension Plan.
- There are other resources available to you such as an income and expenses worksheet, a brochure on financial and retirement planning tools as well as a list of federal and provincial resources.

Tools

- To learn more about the Plan, listen to the **webinar Understanding your DC component of the Plan** at **cpcpension.com** under Defined Contribution > Retirement > Seminars and webinars.
- Get to know the Sun Life Financial member website, **mysunlife.ca** and the resources it offers you.
- Set realistic goals and refer to the **retirement planner**. The planner helps you determine how much you need to save now to provide you with your desired income level at retirement. It will show you if you are on track to reach your retirement income, based on the information you enter about your current income, additional savings and investment risk tolerance. The information you enter will be saved each time you visit the planner, helping you track your progress. Find the planner and other tools at **mysunlife.ca** > My financial centre > Resource centre > My money tools.
- Contribute and save as early as you can. Maximize your contributions to ensure that you take advantage of Canada Post's matching contributions. Consider complementing your pension savings with the **Voluntary Savings Plan (VSP)**.
- Review your investment choices regularly.

DB members

Your Personalized Pension Statement provides you with an estimated projection of your monthly benefit at retirement



Mailed to you every April, this statement helps you better understand your Plan and prepare your retirement. It contains personal information used to calculate your retirement benefits, including your pensionable earnings as well as your years of eligible and pensionable service.

It also includes estimates of your accrued and projected pension benefits, as applicable. In addition, the statement contains information regarding your survivors and designated beneficiaries as well as an overview of the year's events summarizing Plan amendments and the financial status of the Plan.

Take the time to review the information in your statement to ensure the accuracy of your personal situation. By law, your statement should also be available to your spouse or common-law partner, if applicable. We encourage you to share this booklet with this person and to keep it with your important documents.

DC members

My Sun Life financial member statement helps you keep track of your retirement goal

Your member statement also known as **my statement** is mailed to you every January. A mid-year statement is also available online in July. This statement helps you better understand your Plan and prepare your retirement. It contains personal information such as the value of your account, personal rates of return, your designated beneficiaries, your investments and an estimate of your income at retirement. By law, your statement is also made available to your spouse or common-law partner, if applicable. We encourage you to share your statement with this person and to keep it with your important documents.



DB members

Did you know?

Paying your pension contributions while on leave without pay

When a leave without pay is authorized and contributions are fully paid for that period, that leave of absence then counts as pensionable service, which is added to the calculation of your pension benefits.

As a rule, you have twice the amount of time that you were on an authorized leave to repay your pension contributions for this period. These payroll deductions start automatically when you return to work.

However, you may be able to pay your contributions during your leave of absence. These payments made while on leave must be for a minimum of \$500. To estimate owed contributions, refer to your regular pay statement. The amount showing on the "Pension" line is the amount that you contributed for that two-week period. Cheques should be made payable to RBC Investor Services Trust. Please include your employee number and send the cheques to the Canada Post Pension Centre.

When you return to work or retire, the outstanding balance will be made available to you.

DB members

2019 tax receipt: Cheque deadline is December 16

If you wish to make a payment toward your leave without pay or elective service balance to appear on your 2019 tax receipt, please send your cheque by December 16. If your cheque isn't recorded by the Pension Centre by that date, a tax receipt for that payment will not be issued for 2019. It will be included with your 2020 tax receipt.

Send us your feedback

Do you have a topic in mind for our next *Pension Plan News* bulletin? **Submit your comments in writing to**

pension.services@canadapost.ca

or

CANADA POST PENSION SERVICES
2701 RIVERSIDE DRIVE
SUITE N0660
OTTAWA ON K1A 0B1



DB members

Plan's short-term solvency relief options: Update

In keeping with Canada Post's commitment to inform, a letter was sent to all DB Plan members in August to explain Canada Post's intention to begin discussions with Government of Canada officials on short-term solvency funding options. Thank you to those who provided comments. We have presented the feedback we received to government officials and are seeking short-term solutions to the upcoming solvency payments. The outcome of this process will be shared with you.



2018 Summary Report to Members

We've heard from you

Thanks to all of you who completed the survey on the new 2018 Summary Report to Members and sent comments! Your feedback is very important to us as we continue to improve future reports. Over 90% of respondents favoured the new look version of the Report. Survey participants were instantly entered in a draw for a framed stamp collection. Congratulations to our lucky winner, Victor Amatruda, a delivery agent in the Brampton area.



DC members

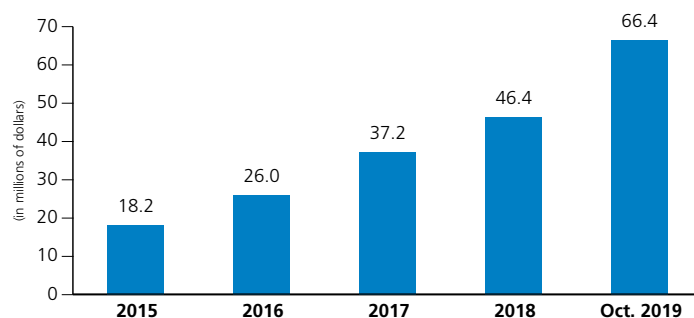
Investment results as at October 31, 2019

Market conditions

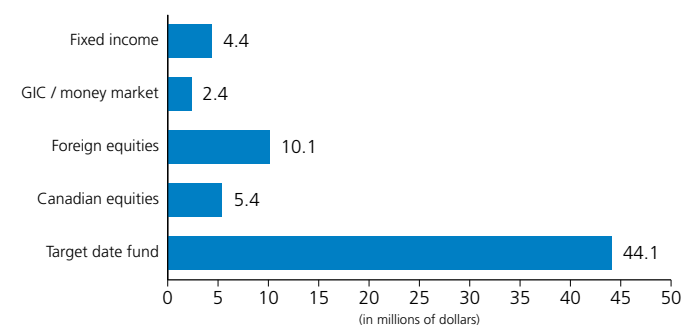
Within the Plan, infrastructure was the best performer in the third quarter, returning 4.90%. S&P/TSX Composite Index was up 2.48%. S&P 500 index was up 3.04%. MSCI EAFE Index was up 0.23%. FTSE Canada Universe Bond Index was up 1.19%.

Fund	1 year	3 years	5 years	10 years
BlackRock LifePath® Index 2020	10.6%	5.5%	6.1%	7.5%
BlackRock LifePath® Index 2025	11.5%	6.1%	6.8%	8.1%
BlackRock LifePath® Index 2030	12.3%	6.7%	7.2%	8.4%
BlackRock LifePath® Index 2035	13.0%	7.3%	7.7%	8.8%
BlackRock LifePath® Index 2040	13.7%	7.8%	8.2%	9.1%
BlackRock LifePath® Index 2045	14.2%	8.3%	8.6%	9.4%
BlackRock LifePath® Index 2050	14.5%	8.5%	8.8%	N/A
BlackRock LifePath® Index 2055	14.5%	8.5%	N/A	N/A
BlackRock LifePath® Index 2060	14.4%	N/A	N/A	N/A
BlackRock LifePath® Index Retirement	10.4%	4.9%	5.2%	6.3%
BlackRock U.S. Equity Index	16.8%	13.6%	14.6%	15.6%
CC&L Group Canadian Equity	20.1%	6.9%	6.1%	8.5%
MFS Global Equity	18.7%	11.9%	12.9%	13.5%
MFS International Equity	14.5%	10.8%	9.8%	9.7%
Sun Life Financial Money Market	1.4%	1.3%	1.1%	1.0%
TDAM Canadian Bond Index	7.7%	2.6%	3.8%	4.3%
TDAM Canadian Equity Index	19.1%	7.4%	5.3%	6.9%

Investment assets



Asset mix



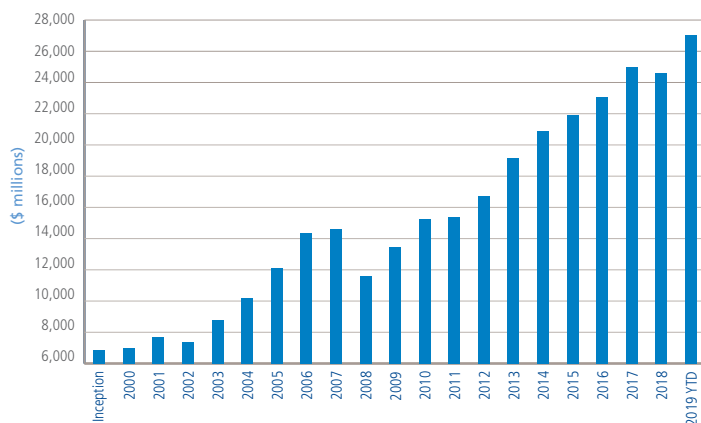
Investment results from July 1 to September 30, 2019

Market conditions

Within the Plan, infrastructure was the best performer in the third quarter, returning 4.90%. S&P/TSX Composite Index was up 2.48%. S&P 500 index was up 3.04%. MSCI EAFE Index was up 0.23%. FTSE Canada Universe Bond Index was up 1.19%.

Asset class	Market value (\$ millions)	2019 Q3 (%)	2019 YTD (%)	2018 Annual (%)	2017 Annual (%)	2016 Annual (%)	2015 Annual (%)	2014 Annual (%)
Fixed income								
Cash and short-term	69.4	0.4	1.2	1.3	0.7	0.7	0.8	1.1
Bonds	11,207.4	1.9	11.8	0.5	3.4	3.2	3.1	8.3
Equities								
Canadian equities	3,666.0	2.1	16.8	-8.3	9.3	21.5	-4.0	11.6
U.S. equities	3,684.2	1.3	16.1	3.0	14.1	6.3	21.8	22.3
International equities	3,131.0	-0.6	9.5	-8.1	25.4	3.7	16.3	3.9
Real estate, private equity and infrastructure	5,301.8	2.7	6.5	17.4	13.1	10.0	16.6	8.3
Currency overlay	-5.7							
Total Registered Pension Plan¹	27,054.2	1.60	11.74	0.89	10.42	7.93	7.27	10.86
Benchmark		1.89	13.75	-1.94	8.59	6.72	5.12	10.99

Investment highlights



- The fund's third quarter return was 1.60%.
- As of September 30, 2019, the fund held assets of \$27.1 billion.
- The fund had net cash outflows of \$104.2 million in the third quarter, net outflows of \$356.1 million in 2019 YTD.
- We added \$15.5 million to private debt, \$31.5 million to private equity and \$5.6 million to Infrastructure.
- We withdrew \$50.3 million from U.S. equities, \$66.5 million from real estate and \$40.0 million from transition bonds.

1. Numbers may not add up due to rounding.

Asset mix highlights

- As at September 30, 2018, 58.3% of assets were invested in equities and alternative investments compared to the asset mix target of 56%. These investments were within the allowable range and were made up of 13.6% Canadian equities, 13.6% U.S. equities, 11.6% international equities, 11.3% real estate, 4.4% of private equity and 3.8% infrastructure.
- 41.7% of assets were invested in bonds and short-term investments, compared to an asset mix target of 44%. This included 11% real return bonds, 30.4% nominal bonds and private debt and 0.3% in cash and short-term investments and currency overlay.

Asset mix¹

