Canada Post Pension Plan
2012 Report to members

Total compensation

Pension | Benefits | Pay and Incentives | Health and Well-Being

CANADA POSTES
POST CANADA

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Welcome to your new Report to members

Many members have told us that the pension plan Annual report is too long and complicated. In an Intrapost poll in 2012, most said that they don't read the whole report. Some said they don't read it at all.

We heard you – and we've made changes. The Pension team is pleased to introduce the new Report to members. It's much shorter than last year's Annual report and easier to read, but it's still packed with information about the Plan's financial situation, membership, investment performance, and services delivered to members. Plus we've reduced our printing costs and our impact on the environment.

As for the complete audited financial statements of the pension plan that used to be found in the Annual report, they are now available online at **cpcpension.com**. Members can request to have a copy mailed to them by calling the Pension Centre at 1-877-480-9220.

Tell us what you think

Take a few minutes to complete the survey card included with this report. We want to hear what you think. Please return your survey card or go online at **cpcpension.com** to fill out our survey by **July 31**.

Privacy of pension records
Canada Post is subject to the federal *Privacy Act* and complies with the *Canada Post Employee Privacy Policy*. Personal information, including pension information, is treated in a secure and confidential manner.

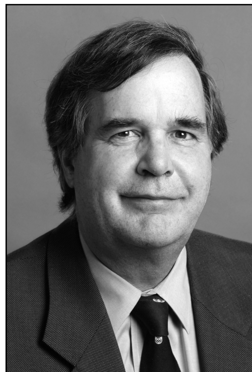
Notes: For the purposes of this report, "Plan" refers to the Defined Benefit component of the Canada Post Corporation Registered Pension Plan only, unless the Defined Contribution component is specified. Canada Post Corporation provides pension benefits to members through the Plan which is registered under the federal *Pension Benefits Standards Act, 1985* (PBSA).

This report presents the financial position and results of the operations of the Plan on an accrual basis. The financial information presented is an unaudited extract of the financial statements. The complete audited financial statements, including notes, are available on **cpcpension.com** or upon request.

Terms that appear in *italics*, except for the names of Acts and policies, are defined in the Glossary.

Messages from the Chairman of the Board and the President and CEO

Marc A. Courtois
Chairman of the Board



The Canada Post Corporation Registered Pension Plan is a large financial obligation for Canada Post, and the Board of Directors of Canada Post has a fiduciary responsibility to ensure that it is managed in the best interests of its members.

Canada Post faces significant challenges in this era of digital communication and declining mail volumes. The pension plan represents an additional challenge.

As you read this report, you will notice that the challenges facing our Plan are discussed in a frank and open manner. While our Plan's return in 2012 was an improvement over 2011 and it is benefiting from a robust governance framework, it continues to have a going-concern deficit and a significant solvency deficit to be funded. Discount rates remain low, which makes it harder to fund pension benefits.

As a result, like the other Canadian pension plans, our Plan must evolve so that Canada Post can fulfill its commitment to Plan members.

On behalf of the Board, I would like to thank A. Michel Lavigne for chairing the Board's Pension Committee; his predecessor Denyse Chicoyne; and the Pension team, Investment Advisory Committee of Canada Post and Pension Advisory Council for their work on behalf of Plan members.

Deepak Chopra
President and CEO

Defined benefit pension plans across Canada are facing unprecedented challenges. Canadians are living longer and retiring earlier; interest rates are low and are not expected to increase in the short term. This is creating a sizable gap (or solvency deficit) in the ability of defined benefit plans to fulfill the pension promise. The size of this demographic and economic shift can no longer be managed by investment returns alone. Even with a healthy Plan sponsor, in the absence of meaningful changes to the pension plan, the Corporation simply cannot sustain the Plan's funding requirements.

Our business continues to face serious challenges. The sharp decline in Lettermail volumes accelerated to an unprecedented extent, posing a serious threat to Canada Post's long-term sustainability. This decline confirms the need for Canada Post to keep transforming its business to prepare for a future with fewer letters and more parcels.

Yet, it was an encouraging year in some important ways: service performance was at record levels across the board, we became a more productive and efficient company and we confirmed our growth strategies for Parcels and Digital are sound.

We also continued to make changes in 2012 that improve the sustainability of our pension plan. This was reflected in our new collective agreement with the Canadian Union of Postal Workers and changes to the current cost sharing arrangement. There is no single or simple way to achieve a more sustainable Plan, and it is reasonable to expect more changes in the future. Plan members need to be informed and that is why this report presents the stark reality facing our pension plan.

I would like to thank Douglas Greaves, Vice-President Pension Fund and Chief Investment Officer; Brad Smith, Interim Lead Executive, Human Resources; and the Pension team for their hard work on behalf of the Plan and its members.

Pension plans in Canada – a changing picture

The last decades have seen significant changes in retirement. For example, Canadians are living longer and retiring earlier. In the 1960s, the average worker retired at age 65. He or she could expect to live for another 15 years. Now, the average worker retires at age 62 (age 58 at Canada Post). He or she can expect to live for another 23 years (27 years for Canada Post retirees).

Defined Benefit (DB) pension plans pay a pre-determined pension to retirees for as long as they live. With people living much longer, DB plans are paying pensions for **50 per cent** more years on average than they did in the 1960s.

A lot has changed since most pension plans in Canada were introduced. Pension plans need to adapt to these changes to stay relevant, sustainable and affordable.

Evolution of pension plans

Pension plans in Canada trace their roots back to the 19th century. Early plans had no employer contributions and no guarantee that pensions would be paid to retirees. After the Second World War, the economy was booming and new jobs were created. Employers were offering DB pension plans to attract and retain employees.

Many DB plans had a normal retirement age of 65 at the time, including the federal Public Service Pension Plan.

In the 1970s, baby boomers were entering the workforce. Employers made room for this new wave of workers by offering incentives to older employees to retire early.

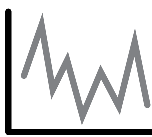
Into the 1980s, the country had periods when *inflation* was high. This *inflation* increased the cost of living and made it difficult for retirees living on a fixed income. Pensions were adjusted for *inflation*, usually with one-time increases in benefits.

Then there was a period when investment markets gave DB plans strong returns every year. Some DB pension plans had healthy surpluses: they had more money than they needed to pay benefits. Some plans used these surpluses to make protection from *inflation* a permanent feature of the plan.

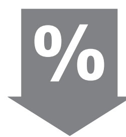
Why DB plans need to change today

Today is very different from previous decades. Birth rates are lower and the employment market is not as tight. People stay healthy and productive for longer. Early retirement incentives are not needed the same way as in the 1970s.

DB plans still exist, mainly in the public sector. In the private sector, where Canada Post has to compete for future business, the number of DB plans has fallen by more than 30 per cent in the last decade. DB plans are struggling with financial pressures due to factors beyond their control.



Investment markets have been unpredictable



Chronically low long-term interest rates have made it much harder to fund DB plans

People are living longer; pensions are being paid longer than ever before

Most DB plans are in a deficit. This means their *pension obligations* (what the plans owe) are greater than the value of their *assets*. These large pension deficits are a huge financial challenge to employers, and of concern to employees and governments. Changes to the structure of DB pension plans are needed.

Pension plan sponsors (such as Canada Post), pension experts and employee groups are all looking at ways to address the challenges facing pension plans. Many organizations have introduced changes, such as Ford, the Ontario Teachers Pension Plan and the Province of New Brunswick. The Canada Pension Plan (CPP) has changed by increasing the penalty for taking CPP early. The federal Public Service Pension Plan and the Old Age Security program introduced a later retirement age.

Pension plans have evolved in the past based on changing needs and conditions. Employees and employers need pension plans to be sustainable, relevant and affordable. To meet these shared goals, pension plans must adapt again, now and for the future.

What does this mean for Canada Post?

“Defined benefit pension plans across Canada are facing unprecedented challenges. The size of (the) demographic and economic shift can no longer be managed by investment returns alone. Even with a healthy Plan sponsor, in the absence of meaningful changes to the pension plan, the Corporation simply cannot sustain the Plan’s funding requirements.”

Deepak Chopra, President and CEO

Canada Post is transforming to adjust to the new business reality and to stay relevant to Canadians. The Canada Post pension plan must also transform and adapt to the new environment.

The status quo is not an option. Changes to the Plan’s structure must be made to remain sustainable and affordable for Plan members and the Corporation.

Solutions are being analyzed. Canada Post is committed to keeping everyone informed as changes occur.

The facts about Canada Post’s pension plan

The structural challenges

People are living longer.

Number of retired members compared to active members is growing every year. A sign that the Plan is getting more mature.

Chronically low long-term interest rates.

Gaps between investment returns and those needed to maintain the Plan’s affordability.

By law, Canada Post has five years to erase any solvency deficit.

The efforts

Canada Post has contributed $3 billion in regular contributions to the Plan since 2000. Over and above this amount, $1.5 billion in cash has been paid in special payments to cover deficits. That’s **50%** more in contributions from Canada Post.

We’re taking steps toward sustainability:

- 50/50 employee/employer cost-sharing
- Increased pensionable age for new employees represented by CUPW
- Investments in real estate, *infrastructure* and private *equity*, to help achieve the investment return objective

…but much more is needed to address the pension challenges.

The Board of Directors, senior management and the Pension team are dedicated to managing and administering the Plan prudently and effectively.

The gap

The **immediate issue** is that the Plan’s solvency deficit cannot be funded. It is disproportionately large compared to Canada Post’s size.

The solvency deficit to be funded continues to grow, from $4.7 billion in 2011 to **$5.9 billion** in 2012.

Since Canada Post must erase any solvency deficit in five years, the Corporation would have to make special payments of **more than $1 billion per year** in the absence of solvency relief.

The maximum amount available under the *solvency relief measures* is 15% of Plan *assets*. **Canada Post expects to reach that amount in early 2014**. At that point, Canada Post will need to start injecting large amounts of cash in the Plan each year in special payments.

Canada Post can’t afford to make special payments that large.

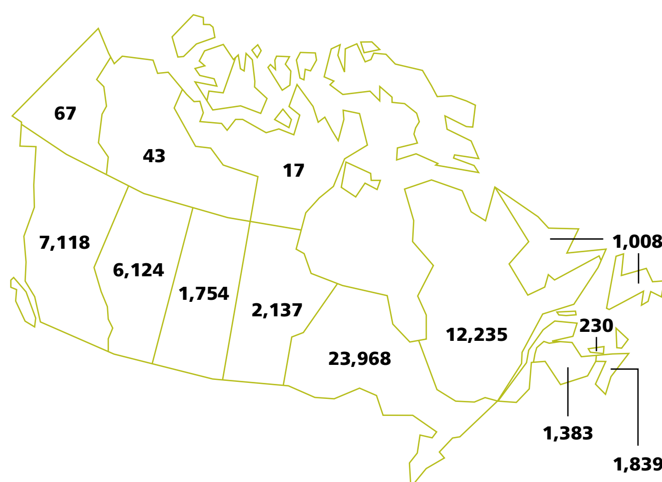
A snapshot of our members

Membership in the Plan continues to grow making it one of the largest single employer pension plans in Canada. The Plan has a total of 86,352 active members, retirees, deferred members, survivors and beneficiaries. The information below includes 85,935 members of the Defined Benefit (DB) component and 417 of the Defined Contribution (DC) component added in 2010.

	2008	2009	2010	2011	2012
Active members	63,239	61,755	59,942	59,228	57,923
% of active members	79.8%	76.6%	73.0%	69.8%	67.1%
Retirees	14,753	17,269	20,330	23,635	26,236
% of retirees	18.6%	21.4%	24.8%	27.8%	30.4%
Deferred members, survivors and beneficiaries	1,249	1,622	1,827	2,019	2,193
% of deferred members, survivors and beneficiaries	1.6%	2.0%	2.2%	2.4%	2.5%
Total	**79,241** **100%**	**80,646** **100%**	**82,099** **100%**	**84,882** **100%**	**86,352** **100%**

Total active members by province and territory

As of December 31, 2012, the 57,923 active members live in all regions of Canada.



Membership age distribution as of December 31, 2012

The Plan has 28,390 active members over age 50.
The average age of active DB members is 48.5 (48.2 years of age in 2011).
The average age of active DC members is 38 (36.9 years of age in 2011).
The average age of retirees is 63.2 (62.7 years of age in 2011).

Age	< 30	30-39	40-49	50-59	60-69	70-79	>79
Active members	1,840	9,951	17,742	22,821	5,458	111	0
Retirees	0	18	181	7,245	15,732	2,990	70

We’re here to help members

The Pension Centre staff is responsible for providing and administering Plan member services. They include processing of elective service purchases, pension estimates, retirements/terminations/deaths, replacement of personal identification numbers (PIN) to access the pension calculator on the website, updates to retirees’ life insurance beneficiaries, new retirees’ pension payments and the collection of employee contributions for leaves of absence.

The Plan began operations in 2000 with approximately 55,000 members. It has grown to more than 86,000 members by the end of 2012. The number of retirees increased by 2,601 in 2012, they now represent 30.4 per cent of the total.

The year in numbers

2012	2011	
52,687	48,561	Telephone calls incoming
4,274	5,925	Telephone calls RBC
8,917	9,109	Telephone calls outgoing
39,500	38,631	Service transactions
100,156	86,439	Visits to **cpcpension.com**
188,208	190,812	Pension estimates using the online Calculator
71	73	Pre-retirement seminars held
2,286	1,987*	Seminar participants (Plan members and their spouses or common-law partners)
386	329	One-on-one consultations
4.4/5.0	4.4/5.0	Member satisfaction score
4.3/5.0	4.3/5.0	Target score

*2011 adjusted to reflect the number of participants instead of registrations.

Pre-retirement seminars are provided, by invitation only, to Plan members who are within five years of an unreduced pension. Participants can learn more about retirement planning and their Plan. Topics include understanding the Canada Post pension plan, post-retirement benefits, government sponsored retirement programs, financial planning, wills and estate planning, and health and wellness. One-on-one consultations are available as part of the seminar. Feedback for the seminars and the one-on-one consultations has been consistently positive.

cpcpension.com has a variety of information about the Plan including copies of our publications and self-service tools to help you prepare for your retirement. For example, you can use the “Calculate my pension” tool to get personalized pension estimates using your own planned retirement date. In 2012, visits to the web site exceeded 100,000 for the first time.

We are committed to high quality and cost-effective service standards. Pension Services participates in the survey done by CEM Benchmarking Inc. CEM compares the administrative practices of similar public and private sector defined benefit pension plans and provides them with independent and objective results. We use the results to understand how we measure up to other plans on administration costs, service levels, and industry best practices.

Here are some results from the last survey**:

	Our Plan	Our peer group
Average administration cost per member (active members, retirees and survivors)	$133	$180
Investment costs (% of *assets*)	0.248%	0.329%
Service score	79	74

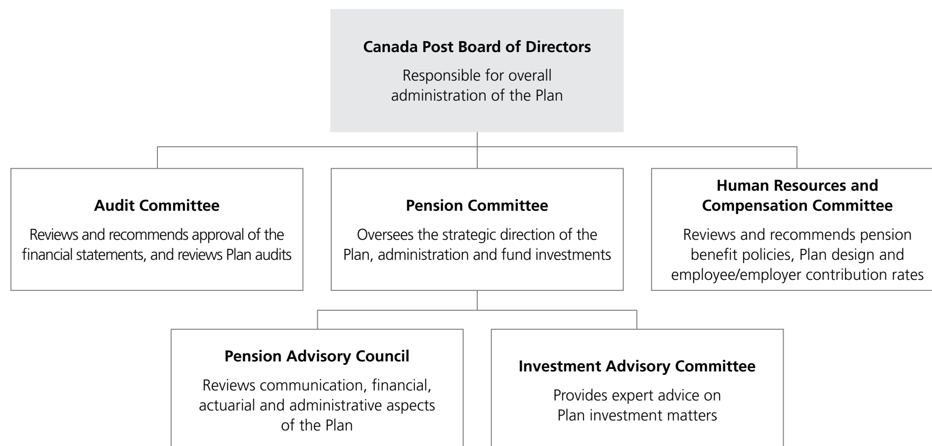
**2011 CEM Benchmarking survey

“Pension Services is committed to continuous improvement to provide high quality service for Plan members in a cost-effective way.”

Brad Smith
Interim Lead Executive
Human Resources

Plan governance

The Canada Post Board of Directors (the Board) ensures the Plan is administered responsibly, in the best interest of all Plan members and of the Corporation. The table below shows the governance structure of the Defined Benefit and Defined Contribution components of the Plan and the roles of the members of the Board and its committees. It describes the pension fiduciary responsibilities that ensure prudent investments are made to preserve the pension promise.



Management's responsibility of providing pension administration services to Plan members is delegated to Pension Services, while the day-to-day operations of Plan investments are performed by the Pension Investment Division.

In 2012, the fiduciary responsibility regarding communications was fulfilled through communications issued to members and included the Canada Post Pension Plan 2011 Annual Report, personalized pension statements, communiqués, and the Pension Plan News and Intouch newsletters. These publications, except for personalized statements, are available on **cpcpension.com**. The current 2012 Report to members replaces the Pension Plan Annual Report. The Plan's audited financial statements are published electronically on **cpcpension.com** and copies are available upon request.

The membership of the Board of Directors and committees as at December 31, 2012

Members of the Board of Directors and Board Committees

Marc A. Courtois (Chairman) ★ ▲ ●
Deepak Chopra
Thomas Cryer FCA ★ ▲
A. Michel Lavigne FCA ★ ▲
Siân M. Matthews ●
The Honourable Stewart McInnes Q.C. ●
Andrew B. Paterson ▲ ●
Iris Petten ●
Alain Sans Cartier ★ ▲
William H. Sheffield ★ ●
Donald Woodley ●

★ Member of the Pension Committee
▲ Member of the Audit Committee
● Member of the Human Resources and Compensation Committee

Members of the Investment Advisory Committee

J. Lorne Braithwaite BComm, MBA (Chairperson)
Isla Carmichael PhD, M.Ed, MA
Phillip H. Doherty BComm, MBA, CA
Douglas D. Greaves BA (Hons), CFA
Richard L. Knowles BA (Hons), CFA
A. Michel Lavigne FCA
Hugh Mackenzie MA

Members of the Pension Advisory Council

Representing Canada Post

Douglas D. Greaves BA (Hons), CFA (Chairperson)
Steven Galezowski MBA, CA, CBV, CFA
Sylvane Lacroix Fournier CA
Tim McGurrin
Brad Smith

Elected Members

Mary Bishop Representative of all retired members
Micki McCune Representative of all active members
John Polak Representative of management and exempt employees who are Plan members
Bill Price Representative of all retired members

Representing the Canadian Union of Postal Workers (CUPW)

Gayle Bossenberry
Madeleine Cléroux
George Kuehnbaum
Donald Lafleur

Representing the Association of Postal Officials of Canada (APOC)

Terry Cotton

Representing the Canadian Postmasters and Assistants Association (CPAA)

Daniel Maheux

Representing the Public Service Alliance of Canada (PSAC) / the Union of Postal Communications Employees (UPCE)

Daryl Bean

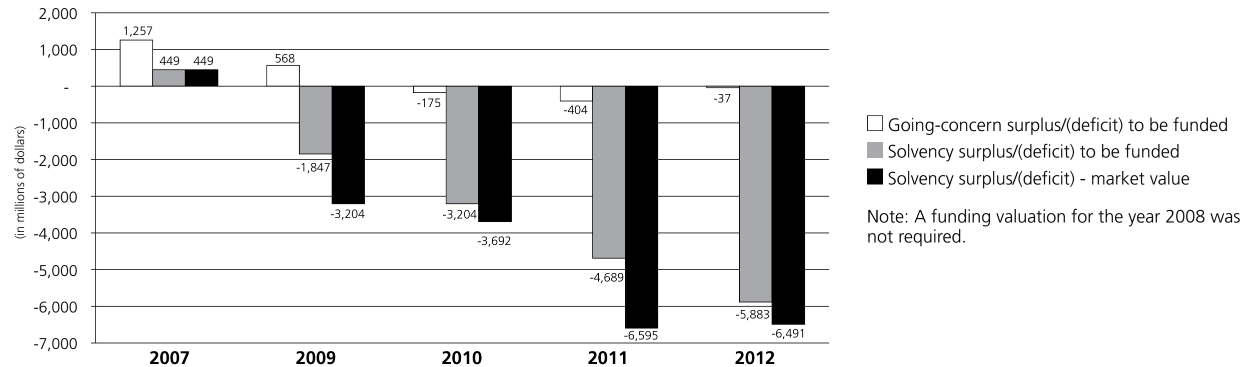
Representing PSAC / UPCE / APOC / CPAA

Mike Moeller

Financial and investment highlights

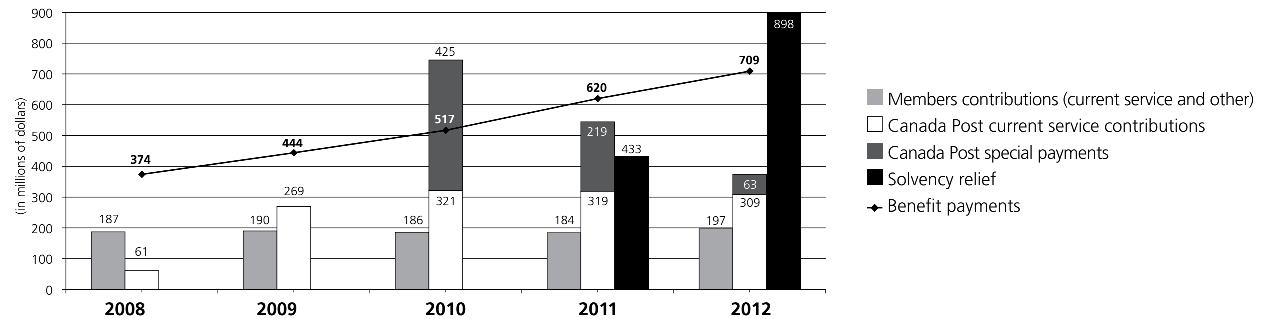
Plan funded status

In 2012, the Plan's going-concern deficit to be funded decreased to an estimated $37 million, an improvement due to changes in *actuarial assumptions* and good returns. The solvency deficit to be funded grew to an estimated $5.9 billion on account of a decrease in *discount rates* and averaging methods. See the Funding valuation summary for more information.



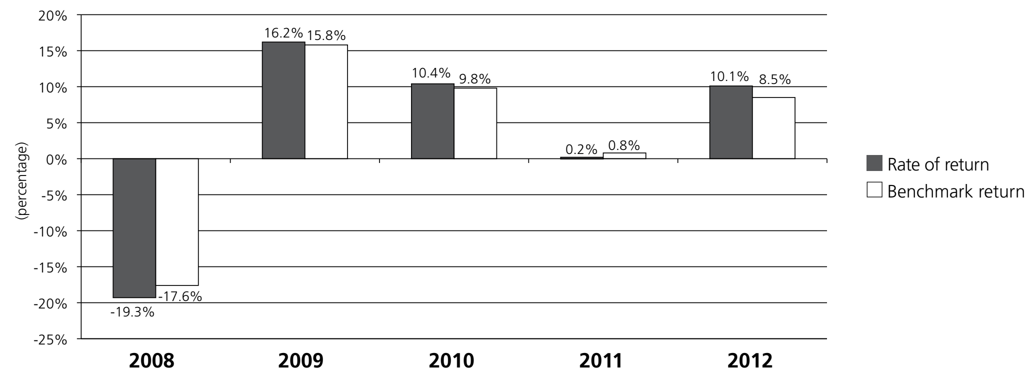
Contributions and benefit payments

The table below shows the contributions made by Canada Post and by Plan members, as well as the amount of solvency relief used by Canada Post. *Solvency relief measures* were introduced by the Federal government in 2011. The table also shows the total benefits paid to members. Pension benefit payments continue to increase as more members retire. Employer contributions vary from year to year because of the volatility of *discount rates* and economic markets. Employee contributions are more stable.



Actual fund rates of return vs. benchmarks

In 2012, the Plan recorded its fourth year of growth since the 2008 global credit crisis, ending the year with a *rate of return* of 10.1 per cent, compared to its *benchmark* return of 8.5 per cent.



Our investments in 2012

“The double-digit rate of return in 2012 demonstrates that our strategy to reallocate funds to new asset classes has had positive results and that we are well-positioned in the current markets, in Canada and abroad.”

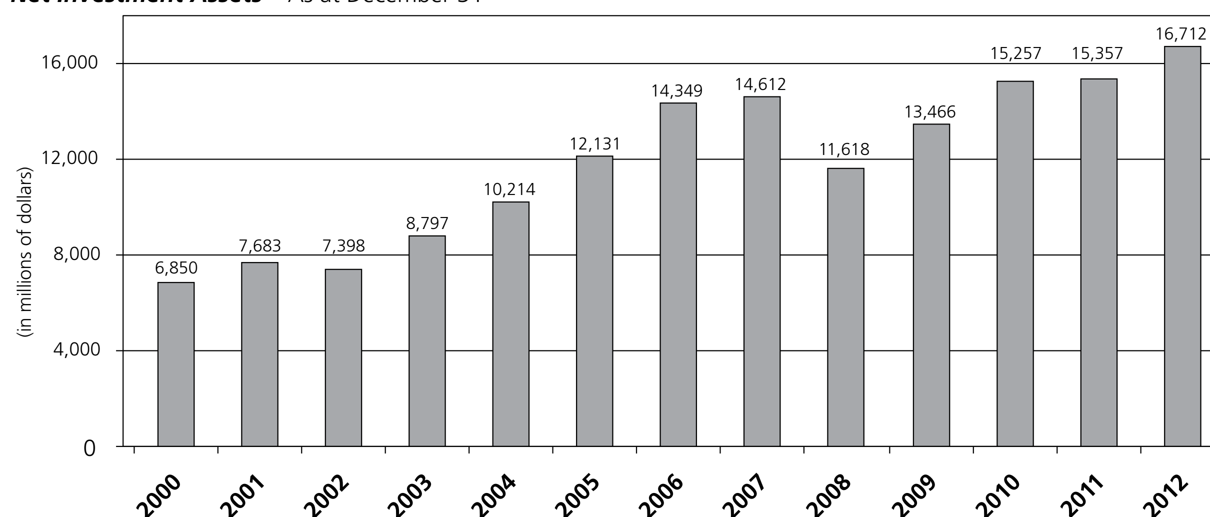
Douglas D. Greaves, Vice President, Pension Fund and Chief Investment Officer

Overview

The Canada Post Corporation Registered Pension Plan (the Plan) put in a strong performance in 2012 with a *rate of return* of 10.1 per cent, outperforming its *benchmark rate of return* of 8.5 per cent. The Plan has generated positive returns for the fourth consecutive year since the 2008 global credit crisis.

The Plan's *net investment assets* at the end of 2012 were $16,712 million, an increase of $1,355 million from the end of 2011. All *asset* classes had positive returns and outperformed their *benchmarks*, except for the real return *bonds* class.

Net Investment Assets – As at December 31



The following are some important initiatives carried out in 2012 that affected the Plan's *assets*:

- two high *yield bond* portfolios (U.S. and global) were added and funded
- *infrastructure* investment doubled in size from the initial commitments in 2011
- private *equity assets* doubled in size when compared to 2011
- funding of the emerging markets *equity* mandates was completed
- as part of the Plan's ongoing review of investment managers, the relationship with one Canadian *equity* manager was terminated

Investment objectives

The Plan's primary objective is to ensure that the pension promise is met at a reasonable cost.

Over the long term, investment performance is evaluated against the Plan's funding policy and also against the *rate of return* necessary for the Plan to meet its *pension obligations* to Plan members over time, as determined by the actuarial valuation. Over the short term, the Plan relies on a *benchmark* portfolio to evaluate investment performance. The Plan's *benchmark* portfolio represents the performance of the market index for each of the *asset* classes in the Plan.

	Since inception	In 2012
Our Plan's *rate of return*	5.4%	**10.1%**
Our *benchmark*	3.8%	**8.5%**
Our peer group *benchmark**	5.5%	**9.9%**
Our *rate of return* objective over time	6.75%	

* RBC Investor Services: based on large Canadian pension plans

Statement of Investment Policies and Procedures

Canada Post uses a Statement of Investment Policies and Procedures (SIPP) to effectively manage investment risk. It sets a target percentage for each *asset* class as well as minimum and maximum limits to allow flexibility when market conditions change. The SIPP ensures diversification by *asset* class and *asset* type, between industry sectors, geographic/economic areas and by management styles, liquidity and market capitalization.

The *asset* class mix is designed to provide the Plan with a long-term net *rate of return* of 4.5 per cent above the estimated *inflation* rate of 2.25 per cent, for a total of 6.75 per cent. Achieving this rate helps the Plan meet its funding objectives and the growth of its *pension obligations*.

To ensure the Plan's investment strategy remains appropriate in today's challenging environment, an asset-liability study was performed and its three-year transition plan began in 2011. The study reaffirmed the Plan's diversification strategy and identified investments expected to increase the fund's returns without increasing volatility and risk. In 2012 the following measures were taken:

- increased allocation to real estate, *infrastructure* and private *equity*
- completed allocation to international *equities* to include emerging markets *equities*
- added new *asset* classes to the SIPP: global small cap *equity* (developed economies, excluding U.S.), emerging markets *equity,* U.S. and global high *yield bonds*, and global *infrastructure*
- allocated funds to U.S. and global high *yield bonds* with a corresponding reduction in Canadian nominal *bonds*
- reduced U.S. *equities* and Canadian *equities*

Investment strategy

The Plan's investment objective remains to select the appropriate *asset* mix and risk level to achieve returns above the *benchmark* portfolio and meet the Plan's long-term funding needs.

The *rate of return* since the Plan's creation averages 5.4 per cent per year; this is less than the long-term objective of 6.75 per cent.

Risk management strategy

Funding risk

One of the main risks the Plan faces is funding risk, the risk that the Plan's investment *asset* growth and contribution rates will not be sufficient to cover the Plan's *pension obligations*, resulting in an unfunded liability. The most significant factors in funding risk are low *discount rates* and investments failing to achieve expected returns.

The Plan's net funded position can change relatively quickly if there are changes in the value of the Plan's *net investment assets* or *pension obligations*. Such changes can result in a mismatch between the Plan's *assets* and its obligations. The Plan's *pension obligations* are also affected by non-economic factors like changes in member demographics and longevity.

The Canada Post Board of Directors (the Board) manages funding risk by monitoring and reviewing the funded ratio on an ongoing basis to ensure the funding policy is suitable and that investment decisions are made in accordance with the SIPP.

Investment risk

The Plan is subject to a variety of investment risks that could adversely affect its cash flows, financial position, and income. Investment risks include credit risk and market risk (interest rate risk, currency risk, price risk and liquidity risk). Through investment risk management, measures are taken to minimize the potential adverse effect of these risks and to optimize the gains over the entire portfolio in order to secure the pension promise for Plan members.

The Board is ultimately responsible to ensure that the Plan is prudently administered and it oversees investment decisions. The Board has established an investment risk management framework, which defines the risk tolerance for the Plan and guides the development of investment strategies to meet the overall objectives. The Investment Management team administers the risk management framework, in compliance with the SIPP and approved processes and policies. In addition, limits are set on exposures, amounts, terms and counterparties.

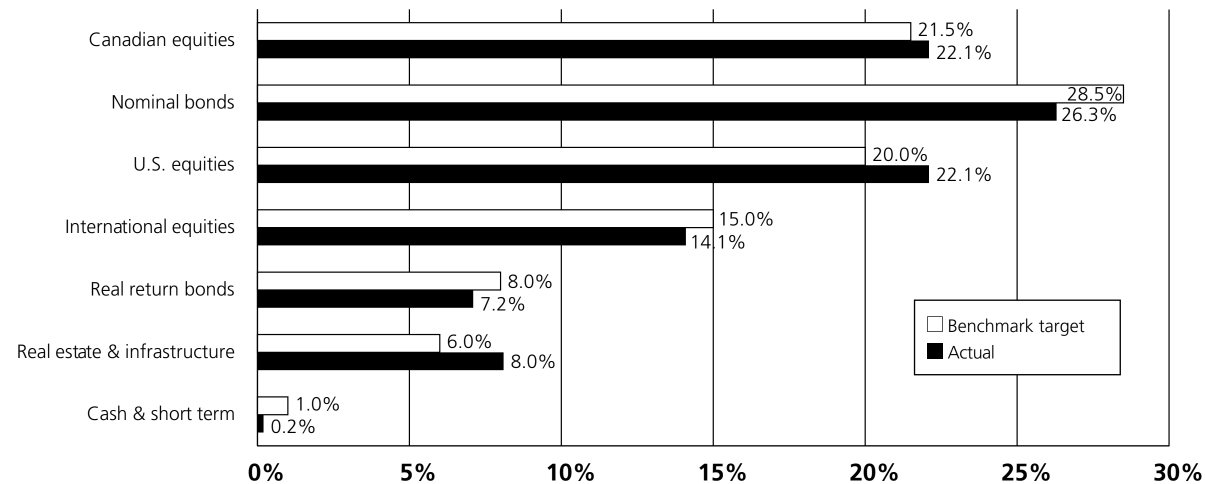
Each *asset* class has specific risks and limits associated with it. As part of the risk management framework, each of these *asset* classes and their associated risk exposures are closely monitored. Action is taken, when appropriate, according to the Plan's approved policies.

On a quarterly basis, investment risks are reviewed by the Pension Committee of the Board and the Investment Advisory Committee based on reports provided by the Investment Management team and third parties such as *actuaries* and fund managers.

Asset **mix**

The Plan currently maintains a long-term *asset* mix target of 62.5 per cent in *equities*, real estate and *infrastructure*, and 37.5 per cent in fixed income. The Plan's actual *asset* mix compared to the *benchmark* portfolio is shown in the following chart. The actual *asset* mix varies from the long-term targets as the SIPP has minimum and maximum limits to allow flexibility when market conditions change.

Actual percentage at December 31, 2012, versus benchmark target percentage

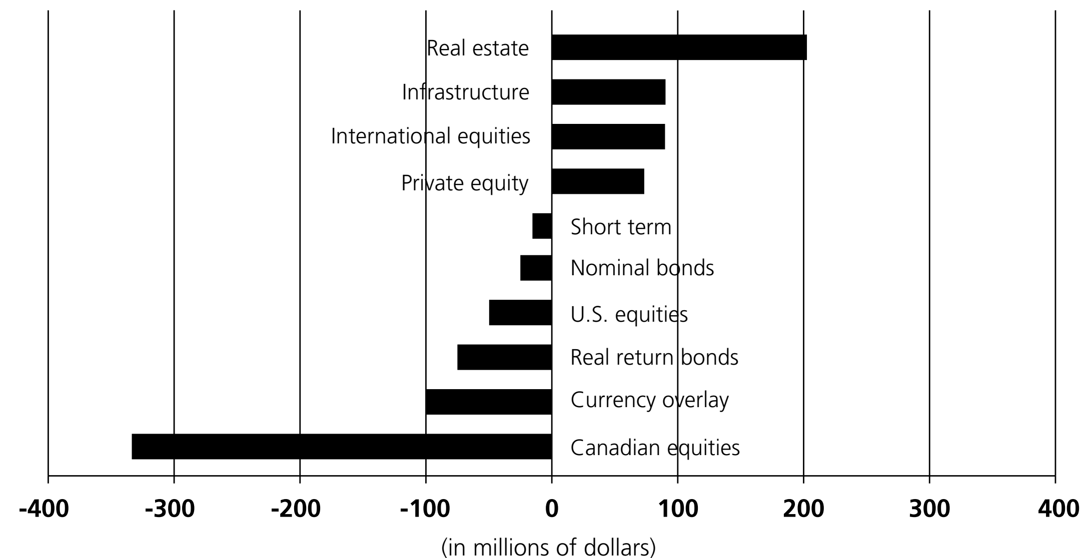


The Plan is positioned to take advantage of the future growth opportunities in the *equity* markets while holding an appropriate balance of fixed income *assets* based on the Plan's membership and long-term obligations.

Change in fund *assets* by *asset* class

In 2012 the Plan continued to increase its Canadian real estate, *infrastructure* and private *equity assets* and added to emerging markets *equities* and high *yield bonds*, while reducing Canadian *equities*, U.S. *equities* and Canadian nominal *bonds*, as illustrated in the following table.

January 1, 2012, to December 31, 2012



In the table above, international *equities* includes emerging markets. Currency overlay represents the currency hedging gains that were reinvested into other *asset* classes.

2012 Key events in review and financial market performance

After a year where financial markets were driven by headline-grabbing events, risks receded to some extent towards the close of 2012 and *equity* markets made a year-end rally. Here are some of the events that influenced the markets in 2012.

Timeline	Key events
1st Quarter	• U.S. economic indicators are positive, the American housing market appears to be improving • Economies deteriorate in several European countries • China faces a slowdown in its economic growth • Greek debt-restructuring deal struck
2nd Quarter	• World's major economies (Europe, Asia, North America) cool on fears about the future of the Euro zone's common currency • European debt crisis worsens amid doubts over Spain's banking system and unsuccessful attempts to form a coalition government in Greece • Key European Union (EU) summit drafts plan to save the Euro zone by increasing economic and fiscal integration
3rd Quarter	• European Central Bank (ECB) vows to do whatever it takes to save the Euro zone, including an unlimited sovereign *bond* buying program from struggling member states; markets go up immediately • U.S. Federal Reserve (Fed) announces commitment to extend and expand monetary stimulus until mid-2015 (Quantitative Easing 3)
4th Quarter	• U.S. unemployment rate falls below 8.0% for the first time in almost four years • Barack Obama elected for a second term as U.S. president • U.S. housing starts highest since 2008 • China's economy appears to be recovering, but at a slow rate, after its once-in-a-decade leadership change • The Fed provides unemployment and *inflation* targets for the first time • U.S. quantitative easing will continue as long as unemployment is above 6.5% and *inflation* is no more than 0.5% higher than its 2% long run goal • EU agrees to make the ECB its banking supervisor; a key step towards a banking union • Japan's stock market is boosted by election of new prime minister • U.S. averts fiscal cliff; tax changes remain, spending decisions to be deferred for two months to 2013

During the course of the year, the Canadian stock market had solid returns, though it lagged its international and U.S. counterparts because of negative returns in two of its largest sectors, energy and materials. These two sectors account for 43% of the S&P/TSX capped composite index.

International *equities* (developed and emerging markets) performed the best of all *asset* classes.

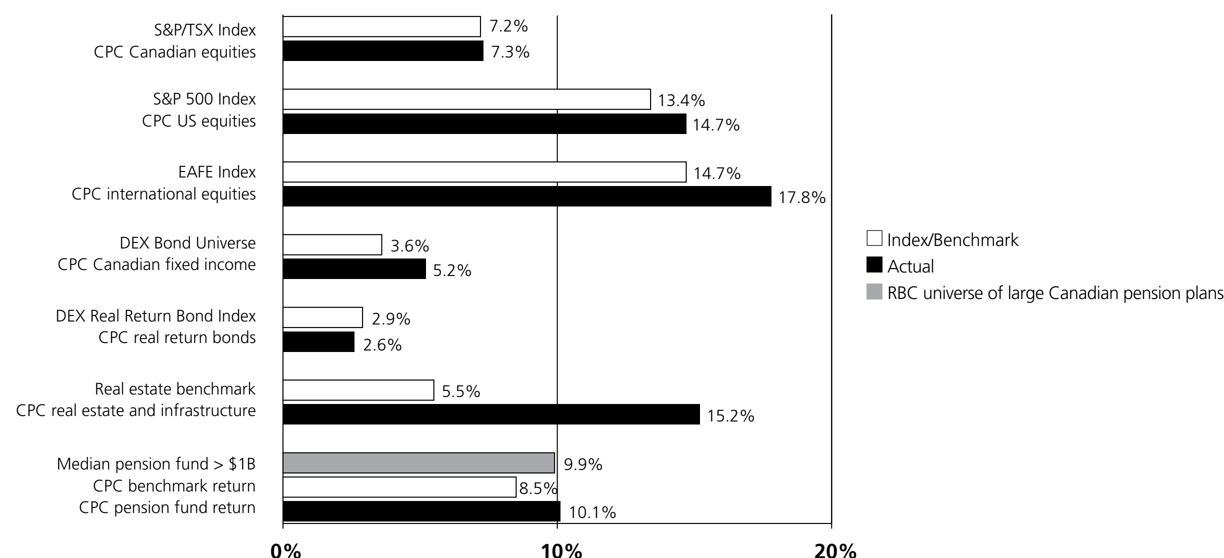
Real estate investments again benefited from increased demand and low interest rates. This *asset* class offers *inflation* protection and a predictable stream of income.

Nominal *bond* returns moderated from their strong returns in the years since the global credit crisis began in 2007-2008. However, U.S. and global high *yield bonds* and corporate *bonds* still offered good *yields*.

Fund performance

The Plan earned a *rate of return* of 10.1 per cent in 2012. This is above its *benchmark rate of return* of 8.5 per cent, and above the median gain of 9.9 per cent experienced by the RBC Investor Services universe of large Canadian pension plans.

1 Year return as of December 31, 2012 – by *asset* class and total plan



All *asset* classes had positive returns and exceeded their *benchmark* in 2012, except for real return *bonds*. The Plan's strongest performers generated double-digit returns, they were international *equities* (developed and emerging), Canadian real estate, and U.S. *equities*. Canadian *equities* had a positive year.

The Plan's Canadian real estate performance exceeded the median performance of the real estate holdings of other large pension plans as measured by RBC Investor Services.

Nominal *bond yields* remained at near-historic lows and returns moderated. Government and provincial *bond* returns were also modest. Corporate, and U.S. and global, high *yield bond* returns performed well. The Plan took some profits on its real return *bond* holdings and transitioned from Government *bonds* to Canadian corporate *bonds*.

The Plan's investment management costs of 0.248 per cent were less than industry peers at 0.329 per cent, as measured by the 2011 CEM Benchmarking Survey. The Plan's investments costs were $6.7 million lower than the CEM *benchmark* fee.

Looking forward to 2013

Activities for 2013 will include:

- the addition of an international small cap *equity* manager
- continued growth of the real estate, private *equity*, *infrastructure* holdings and *bond* portfolios, with an emphasis on Canadian corporate *bonds*.

The Plan will maintain its commitment to earning returns above the *benchmark* portfolio by selecting the appropriate *asset* mix and risk level to meet the Plan's long-term funding objectives.

The Plan will continue to implement strategies designed to increase returns without increasing risks.

The Pension Investment team aims to continue to provide investment management services at below median industry costs.

Equity holdings greater than 0.25 per cent of Plan _assets_

December 31, 2012 (in millions)

Royal Bank of Canada	$ 196	1.17%
Toronto Dominion Bank	191	1.14%
Bank of Nova Scotia	155	0.93%
Apple Inc.	128	0.77%
Suncor Energy Inc.	125	0.75%
BCE Inc.	98	0.59%
Bank of Montreal	93	0.56%
Canadian National Railway Co.	92	0.55%
Exxon Mobil Corporation	90	0.54%
Canadian Natural Resources Ltd.	82	0.49%
Google Inc.	77	0.46%
Telus Corp.	73	0.44%
Manulife Financial Corp	73	0.44%
Potash Corp. of Saskatchewan	68	0.41%
Cenovus Energy Inc.	68	0.41%
Rogers Communication Inc.	67	0.40%
Enbridge Inc.	67	0.40%
Qualcomm Inc.	66	0.39%
TransCanada Corp.	60	0.36%
Canadian Imperial Bank of Commerce	57	0.34%
Schlumberger Ltd.	52	0.31%
American Tower Corp.	51	0.31%
Agrium Inc.	51	0.31%
Talisman Energy Inc.	50	0.30%
Chevron Corporation	50	0.30%
JP Morgan Chase & Co.	48	0.29%
Thomson Reuters Corp.	48	0.29%
Pfizer Inc.	48	0.29%
Wells Fargo & Co.	46	0.28%
Procter & Gamble Co.	46	0.28%
AT&T Inc.	44	0.26%
Nexen Inc.	43	0.26%
General Electric Co.	43	0.26%
Barrick Gold Corp.	42	0.25%
Magna International Inc.	42	0.25%
	$ 2,630	**15.78%**

Summary of financial statements

Plan *assets*

$16.8 billion

Defined contribution component:
$5 million

Net *assets* available for benefits

The Canada Post Corporation Registered Pension Plan (the Plan) posted a 10.1 per cent return in 2012 and ended the year with net *assets* available for benefits of $16,775 million, an increase of $1,344 million from $15,431 million at the end of 2011.

Changes in net *assets* available for benefits

The $1,344 million increase in the net *assets* available for benefits represents investment income of $1,556 million and contributions of $569 million offset by pension benefit payments of $709 million and administration expenses of $72 million.

Investment income, which is comprised of interest, dividend, realized and unrealized gains and losses, was $1,556 million for 2012 compared to $32 million for 2011. The return of 10.1 per cent represents solid results in 2012, the Plan outperformed its *benchmark rate of return* of 8.5 per cent and its 2011 return of 0.2 per cent.

During 2012, Plan contributions were $569 million compared to $722 million in 2011, a decrease of $153 million. The decrease is mainly due to lower special payments based on the use of *solvency relief measures* permitted by legislation. Canada Post obtained the approval from the Minister of Finance and the Minister of Transport, Infrastructure and Community to use *solvency relief measures* from January 1, 2011, to June 30, 2013.The total amount of the relief as of December 31, 2012, is $1.3 billion.

Contributions to Plan *(in millions)*	**2012**	**2011**
Members	$197	$184
Canada Post current service	309	319
Canada Post special payments	63	219
Total contributions	**$569**	**$722**

Pension benefit payments for 2012 were $709 million compared to $620 million in 2011, an increase of $89 million. This is mostly the result of an 11 per cent increase in the number of retirees over last year.

Benefit payments *(in millions)*	**2012**	**2011**
Total benefits paid	**$709**	**$620**

Changes in *pension obligations*

Pension obligations were $16,461 million compared to $16,570 million in 2011, a decrease of $109 million. The decrease is largely due to the change in long-term economic *assumptions* and benefits paid during 2012, partially offset by the interest accrued on the *pension obligations* plus new benefits accrued during the year.

The *actuarial assumptions* used in determining the *pension obligations* reflect management's best estimate of future events and involve both economic and demographic *assumptions*. They are reviewed annually with the Plan *actuaries* and approved by the Board of Directors of Canada Post. In 2012, the economic *assumptions* were adjusted, the main ones being the *inflation* rate and salary escalation rate *assumptions*. The estimated financial impact of the *actuarial assumption* changes on the Plan is a $704 million decrease in *pension obligations*.

Surplus/Deficit

The difference between the *assets* available for benefits and the *pension obligations* as at December 31, 2012, results in a surplus of $314 million as disclosed in the financial statements, based on the Canadian Institute of Chartered Accountants (CICA) Standards. The going-concern deficit to be funded as of the same date is estimated at $37 million. The difference between the accounting surplus of $314 million and the estimated going-concern deficit of $37 million is an *actuarial asset value adjustment* of $351 million. This actuarial adjustment is no longer permitted as a valuation methodology for accounting purposes under CICA Section 4600 since January 1, 2011.

The full set of audited financial statements, including notes, is available at **cpcpension.com** or by request.

Five-year financial review

Financial position *(in millions of dollars)*	**2012**	**2011**	**2010**[1]	**2009**[2]	**2008**
Assets					
Investments	$ 16,690	$ 15,283	$ 15,200	$ 13,399	$ 11,676
Investment related receivables	173	118	103	144	82
Contribution / other receivables	108	107	123	130	109
Total assets	**16,971**	**15,508**	**15,426**	**13,673**	**11,867**
Liabilities					
Investment related liabilities	151	44	46	77	140
Accounts payable and accrued liabilities	45	33	22	20	18
Total liabilities	**196**	**77**	**68**	**97**	**158**
Net assets available for benefits	**16,775**	**15,431**	**15,358**	**13,576**	**11,709**
Actuarial asset value adjustment	–	–	–	1,344	1,171
Actuarial value of net assets available for benefits	**$ 16,775**	**$ 15,431**	**$ 15,358**	**$ 14,920**	**$ 12,880**
Pension obligations and surplus/(deficit)					
Pension obligations	$ 16,461	$ 16,570	$ 16,038	$ 14,367	$ 14,107
Surplus/(deficit)	314	(1,139)	(680)	553	(1,227)
Total pension obligatons and surplus/(deficit)	**$ 16,775**	**$ 15,431**	**$ 15,358**	**$ 14,920**	**$ 12,880**

Changes in net assets available for benefits *(in millions of dollars)*	**2012**	**2011**	**2010**[1]	**2009**[2]	**2008**
Investment income/(losses)	**$ 1,556**	**$ 32**	**$ 1,444**	**$ 1,882**	**$ (2,778)**
Contributions - sponsor					
Current service	309	319	321	269	61
Special payments	63	219	425	–	–
Contributions - members					
Current service	190	177	177	184	181
Past service & other	7	7	9	6	6
Total contributions	**569**	**722**	**932**	**459**	**248**
Less					
Benefits					
Retirement and survivor pensions	624	554	466	392	325
Commuted value transfers and other	85	66	51	52	49
Total benefits	**709**	**620**	**517**	**444**	**374**
Administration expenses					
Plan administration	16	15	13	4	13
Investment fees	56	46	41	26	40
Total administration expense	**72**	**61**	**54**	**30**	**53**
Increase/(decrease) in net *assets*	**$ 1,344**	**$ 73**	**$ 1,805**	**$ 1,867**	**$ (2,957)**

Changes in pension obligations *(in millions of dollars)*	**2012**	**2011**	**2010**[1]	**2009**[2]	**2008**
Interest on pension obligations	$ 954	$ 928	$ 890	$ 850	$ 792
Benefits accrued	507	533	497	560	527
Changes in actuarial assumptions	(704)	(397)	853	(596)	70
Changes in plan provisions	–	67	–	–	–
Net experience losses /(gains)	(157)	21	(52)	(110)	21
Benefits paid	(709)	(620)	(517)	(444)	(374)
Net increase/(decrease) in pension obligations	**$ (109)**	**$ 532**	**$ 1,671**	**$ 260**	**$ 1,036**

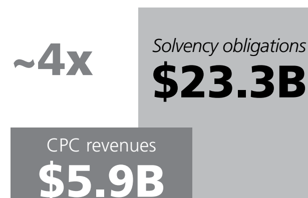
[1] In preparing its first financial statements in accordance with CICA Section 4600 and IFRS, the Plan has adjusted amounts reported in 2010 in accordance with CICA Section 4100

[2] In 2010, the Plan changed its accounting policy for determining the actuarial asset value adjustment and 2009 has been restated for comparability

Funding valuation summary

The Plan is currently required to file annual actuarial funding valuations with the pension regulator, the Office of the Superintendent of Financial Institutions (OSFI). Valuations are required to set out the funded status of the Plan on a going-concern and solvency basis at a specific date.*

Solvency obligations compared to Canada Post's estimated revenues.



OSFI estimates that approximately 92 per cent of the roughly 400 defined benefit plans it oversees were underfunded on a solvency basis at June 2012; 68 per cent of plans had an estimated solvency ratio of less than 80 per cent, up from 25 per cent at June 2011. The Canada Post pension plan is one of these plans. Lower *discount rates* and longer life expectancies of Plan members make pension benefits more costly.

A small change in *discount rates* can have a significant impact on *pension obligations*. A *discount rate* **decrease of 0.5 per cent** would result in approximately **$1.2 billion increase** of *pension obligations*, showing how volatile the funding requirements can be.

The Plan's *solvency obligations* are almost four times the Corporation's revenues, many times earnings and growing. Canada Post needs to be profitable and generate enough cash to meet future *pension obligations*. The ability to pay benefits is directly tied to Canada Post's capacity to fund the Plan. For example, if Canada Post earned profits of $100 million per year and contributed all those profits to the Plan, it would take 60 years to cover the current solvency deficit.

December 31, 2011, actuarial valuation

In June 2012, the Plan filed an actuarial valuation as at December 31, 2011, with OSFI showing a going-concern deficit of $404 million, for a funded ratio of 98 per cent.

The solvency deficit to be funded based on the average of the last three years' solvency ratios was $4,689 million, for an average solvency ratio of 79 per cent.

However based on market value, the deficit was $6,595 million, for a solvency ratio of 70 per cent.

Estimated actuarial valuation as at December 31, 2012

The current estimate of the financial position of the Plan, as at December 31, 2012, is a going-concern deficit to be funded of approximately $37 million, for a funded ratio of 99.8 per cent.

The solvency deficit to be funded, using the three-year average solvency ratio method, is estimated at $5,883 million, for an average solvency ratio of 75 per cent.

Estimated deficits as at December 31, 2012

Solvency (to be funded):
$5.9 billion – 75% funded

Solvency (market value):
$6.5 billion – 72% funded

Going-concern (to be funded):
$37 million – 99.8% funded

The solvency deficit using market value of Plan *assets* is estimated at $6,491 million, for a solvency ratio of 72 per cent.

The going-concern deficit improved during the year mainly as a result of lower *assumptions* for the *inflation* and salary escalation rates coupled with a strong *rate of return*.

The solvency deficit deteriorated due to a decrease in the average solvency ratio over the three-year period used for this valuation (2010, 2011 and 2012) compared to the previous one (2009, 2010 and 2011).

It is important to note that, even though the Plan's financial statements report a surplus based on accounting standards, the funding requirements are based on the solvency and going-concern results. Funding requirements dictate how much money must be contributed to the Plan by Canada Post.

*Definitions of these terms and answers to other questions about actuarial valuations can be found at the end of this report.

2012 and estimated 2013 contributions

Employee contributions in 2012 amounted to $197 million and are estimated at $211 million for 2013. This estimate reflects the changes to the employee contribution rate in 2013. In 2012, employees contributed 39 per cent of the *current service cost* and Canada Post contributed 61 per cent, in addition to special payments.

Contributions to Plan *(in millions)*	2012	2013*
Members	$197	$211
Canada Post current service	309	269
Canada Post special payments	63	28
Total contributions	**$569**	**$508**

Current service cost **sharing**	2012	2013*
Members	39%	44%
Canada Post	61%	56%

* Estimated

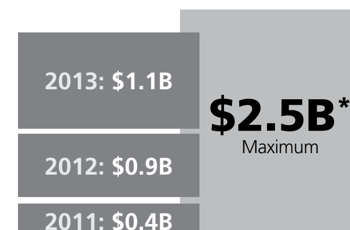
Employer current service contributions in 2012 amounted to $309 million. For 2013, employer current service contributions are estimated at $269 million. The estimated decrease reflects the lower *assumptions* for the *inflation* and salary escalation rates.

After applying *solvency relief measures*, employer special payments of $63 million were made in 2012 and are estimated at $28 million for 2013. Canada Post obtained approval from the Minister of Finance and the Minister of Transport, Infrastructure and Communities to use *solvency relief measures* from January 1, 2011, to June 30, 2013. The total amount of the relief as at December 31, 2012, is $1,300 million.

Based on the expected actuarial valuation, special payments for going-concern and solvency deficits are estimated at $1,200 million in 2013. Canada Post intends to request permission to use *solvency relief measures* for the remaining months of 2013.

The maximum amount available under these measures is $2,516 million, 15 per cent of Plan *assets*, an amount that Canada Post expects to reach in early 2014, if factors such as *discount rates* remain unchanged.

Solvency relief



* As at December 31, 2012

Funding valuation history

Funding valuations must be filed with the Office of the Superintendent of Financial Institutions (OSFI). OSFI requires that the funding valuation be done on both a going-concern and solvency basis. Prior to 2010, mandatory funding valuations had to be filed every three years unless the plan was in a solvency deficit position. However plan sponsors could voluntarily file earlier, if desired. Since 2010, funding valuations must be filed every year unless the solvency funded status is greater than 120 per cent. The 2012 funding valuation will be filed by June 2013.

	Estimated	Filed funding valuations*									
(in millions of dollars)	**2012**	**2011**	**2010**	**2009**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**	**2001**
Going concern - assumed the Plan continues in operation											
Market value of assets	$ 16,775	$ 15,431	$ 15,376	$ 13,576	$ 14,666	$ 14,430	$ 12,211	$ 10,307	$ 8,918	$ 7,500	$ 7,756
Asset smoothing adjustment	(351)	716	488	1,357	(266)	(1,340)	(715)	(103)	325	974	113
Smoothed value of assets	16,424	16,147	15,864	14,933	14,400	13,090	11,496	10,204	9,243	8,474	7,869
Funding target	16,461	16,551	16,039	14,365	13,143	12,097	11,145	10,108	9,359	8,446	7,762
Funding surplus (deficit)	$ (37)	$ (404)	$ (175)	$ 568	$ 1,257	$ 993	$ 351	$ 96	$ (116)	$ 28	$ 107
Funded ratio	99.8%	97.6%	98.9%	104.0%	109.6%	108.2%	103.1%	100.9%	98.8%	100.3%	101.4%
Assumptions used for going-concern valuations											
Discount rate	5.8%	5.8%	5.8%	6.2%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Inflation rate	2.25%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Solvency - assumed the Plan is terminated on the date of valuation											
Market value of assets (net of termination fees)	$ 16,763	$ 15,419	$ 15,364	$ 13,573	$ 14,664	$ 14,428	$ 12,209	$ 10,305	$ 8,916	$ 7,481	$ 7,737
Solvency obligations	23,254	22,014	19,056	16,777	14,215	14,145	13,410	11,338	9,425	7,940	6,933
Solvency – market value											
Excess (deficit)	$ (6,491)	$ (6,595)	$ (3,692)	$ (3,204)	$ 449	$ 283	$ (1,201)	$ (1,033)	$ (509)	$ (459)	$ 804
Solvency ratio	72.1%	70.0%	80.6%	80.9%	103.2%	102.0%	91.0%	90.9%	94.6%	94.2%	111.6%
Solvency – to be funded											
Excess (deficit)	$ (5,883)	$ (4,689)	$ (3,204)	$ (1,847)	$ 449	$ 283	$ (1,201)	$ (1,136)	$ (184)	$ (459)	$ 804
Solvency ratio	75.0%	78.7%	83.2%	89.0%	103.2%	102.0%	91.0%	90.0%	98.0%	94.2%	111.6%
Assumptions used for solvency valuations											
Discount rate (real return rates, net of inflation)											
For commuted values											
Rate for first 10 years**	1.10%	1.30%	1.70%	2.10%	2.50%	2.25%	2.00%	2.50%	3.25%	3.75%	4.00%
Rate after 10 years**	1.30%	1.60%	2.30%	2.70%	2.50%	2.25%	2.25%	3.25%	3.25%	3.25%	3.25%
For annuities	1.50%	1.60%	2.20%	2.70%	3.00%	2.50%	2.25%	2.50%	2.90%	n/a	n/a

* A funding valuation for the year 2008 was not required by OSFI
** 15 years before 2005

Questions and answers about actuarial valuations

What is an actuarial valuation and what does it determine?

An actuarial valuation is like a report card for the long-term financial health of a pension plan as of a specific date. An independent *actuary* is hired by the Canada Post Board of Directors to conduct an actuarial valuation. The valuation compares the plan *assets* to *pension obligations* to see whether there is a surplus or a deficit of funds to cover the value of accumulated pension benefits.

The *pension obligations* represent the cost of future pension benefits, based on Plan members' pensionable earnings and pensionable service earned to the date of the calculation. To calculate the *pension obligations*, the *actuary* makes *assumptions* about the future such as expected *inflation, rates of return* on invested *assets*, salary increases, retirement age, life expectancy and other factors.

OSFI requires that the actuarial valuation be done on both a going-concern and solvency basis. These valuations assess the health of a pension plan in hypothetical situations, in order to protect the interests of plan members.

What is a going-concern valuation?

The going-concern valuation assumes that the Plan continues in operation and is longer term in focus. It determines if there are enough *assets* in the Plan for pension benefits to be paid in the future for accumulated service to date. It also assesses whether the level of contributions made by Plan members and Canada Post is enough to cover the *current service cost*.

What is a solvency valuation?

The solvency valuation assumes the Plan is terminated on the date of valuation. This test exists so pension regulators can verify that, in such an unlikely situation, Plan members would be paid the benefits fully owed to them to that point. It has a short-term view and the results are strongly affected by the market interest rate on that date.

What happens if there are deficits?

If an actuarial valuation reports a solvency deficit – a shortfall of solvency Plan assets to *solvency obligations* – Canada Post, as the Plan sponsor, is required to make special payments to the Plan over five years or less to eliminate the deficit. Canada Post may also request permission to use *solvency relief measures.*

If an actuarial valuation reports a going-concern deficit – a shortfall of going-concern Plan assets to going-concern obligations – Canada Post is required to make special payments to the Plan over 15 years or less to eliminate the deficit.

In a given year, plan sponsors must pay the amount necessary to cover the ongoing *current service cost* in excess of the employee contributions. If there are deficits, the sponsor must also make special payments to reduce the deficits, over the appropriate time period as described above, unless *solvency relief measures* have been approved by the Federal government.

What are *solvency relief measures?*

Solvency relief measures were put in place by the Federal government in 2011. They are available to all defined benefit pension plans subject to the *Pension Benefits Standards Act, 1985*, including Crown corporations like Canada Post. They help pension plan sponsors meet their funding obligations with less sensitivity to short-term economic conditions. The maximum amount of relief available under these measures cannot exceed 15 per cent of the market value of the Plan's *assets* at the end of the most recent Plan year.

The relief measures are based on the solvency position of the Plan which changes depending on investment returns and *discount rates*. At this time, *discount rates* remain at historically low levels, increasing *pension obligations*. This situation can change rapidly depending on the movement of *discount rates*.

To use the relief measures, Canada Post must obtain approval each year from the Minister of Finance and the Minister of Transport, Infrastructure and Communities. Canada Post remains responsible for funding any deficits. The relief measures do not reduce or eliminate Canada Post's obligation to fully fund the Plan.

Glossary

Actuarial asset value adjustment: Represents the difference between the actual return and the *actuarial assumption* for return on a plan's *assets* which is then amortized over five years.

Actuary(ies): A professional who is responsible for calculating the liabilities of pension plans and the costs of providing pension plan benefits. Under the *Pension Benefits Standards Act, 1985* (PBSA) all actuarial reports must be prepared by a person who is a Fellow of the Canadian Institute of Actuaries.

Asset(s): Items with monetary value such as cash, stocks, *bonds*, and real estate.

Assumptions (actuarial assumptions): Factors used by an *actuary* in forecasting uncertain future events affecting pension cost. They involve such things as estimating interest and investment earnings, *inflation*, mortality rates and retirement patterns.

Benchmark: A point of reference used as a basis for evaluation or comparison. An index can be used as a *benchmark* against which the performance of a group of similar *assets* can be measured or compared.

Bond(s): Debt issued by a corporation or government, which provides a promise to the holder that the principal and a specified amount of interest will be repaid within a specific period of time. Investing in a *bond* is like lending money to a government or organization.

Commuted value: The value as of the date of calculation of a future pension benefits expressed as a lump sum in today's dollars. It is calculated by the Plan administrator using *assumptions* set out in the laws governing pension plans.

Current service cost: The additional *pension obligation* to be created over the coming year, as another year of credited service is added for current employees contributing to the Plan.

Discount rate(s): Long-term interest rates used to calculate *pension obligations.*

Equity(ies): Common and preferred stock that represent a share in the ownership rights of a company and the right to collect dividends from profits. Private *equities are equities* that are not publicly traded.

Inflation: Occurs when purchasing power declines due to increase in the prices of goods and services based on a percentage change in the Consumer Price Index.

Infrastructure: an *asset* or resource of value to the community or society. Examples include roads, bridges and electrical facilities.

Net investment assets: Are Investments and investment related receivables minus investment related liabilities.

Pension obligations: The actuarial present value of pension benefits for service completed up to a particular date, calculated using best estimate *assumptions.*

Rate of return: The amount gained or lost on an investment over a period of time, normally as a percentage of initial investment. Real return is a return that has been adjusted for *inflation*. Net return is a return that has been adjusted for expenses.

Solvency obligations: The actuarial present value of pension benefits for service completed up to a particular date, calculated using prescribed *assumptions.*

Solvency relief measures: Measures put in place by the Federal government to help pension plan sponsors meet their funding obligations with less sensitivity to short-term economic conditions. See page 19 for more information about *solvency relief measures*.

Yield(s): Interest (adjusted for amortization of discount or premium) or dividend income as related to the cost of an investment in *bonds* or shares.

Contact Information

Pension Services
Questions about the pension plan:

1-877-480-9220
1-866-370-2725 (TTY)
613-683-5908 (Outside North America)

8 a.m. to 6 p.m. (Eastern Time)
Monday to Friday

cpcpension.com

RBC Investor Services
Questions about pension payments:

1-800-876-4498

8 a.m. to 8 p.m. (Eastern Time)
Monday to Friday

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