
Report of the Pension Advisory Council (PAC) September 19, 2018

PAC members reviewed and discussed the following items:

- Historical funding with and without solvency cash management scenario demonstrating what the pension fund may look like if Canada Post had not used any of the solvency options granted by the government.
- Improvements to the solvency ratio as at July 31, 2018 were mostly driven by the rate of return.
- Outlook on solvency payments – Under the new legislation, where the amount of relief is limited to 15% of the Plan's solvency liabilities, it is unlikely that CPC will need to make special payments in 2019.
- Update on communication activities, including website updates and statistics, were presented. Live presentations on the Defined Contribution (DC) component were recently held in major cities. The *Pension Plan News* and *Intouch* bulletins are scheduled for release in the fall.
- Update on the Canada Post pre-retirement seminars – Management is looking into more sophisticated pension-related communication tools with external partners.
- Update on the Q2, 2018 Capital Accumulation Plans (CAP) activities and communications.
- Pension Services and Investment Division Q2, 2018 operating expenses along with variance explanations.
- Pension Investment Reports
 - Investment Division Report as at July 31, 2018
 - Total Assets Report as at August 15, 2018
 - Investment Performance Summary Report – RBC Investor & Treasury Services (RBC) – as at June 30, 2018
 - Report on Equity Holdings as at June 30, 2018
 - Update on De-risking Glidepath
- Summary Report for 2018 on the pension plan's proxy voting.
- 2017 Cost Effectiveness Management (CEM) Benchmarking Inc. on Pension Investments demonstrated that the CPC pension plan ranked well in the positive value added / low cost quadrant of the cost effectiveness chart.
- Performance report on services to Canada Post pensioners – as at August 31, 2018
- Performance report on the Canada Post Pension Centre – as at August 31, 2018
- Update on the Communications and Consultation Group (CCG). The main focus of the CCG meeting on September 20, 2018 was to review the results of the survey about the future direction of the CCG, and to obtain consensus before involving other stakeholders.
- Update on the 2018 All Active PAC election – There were 38 candidates and voters could vote online, by telephone or by mail. Electronic voting (e-voting) services and oversight of the manual processing of the mailed ballots were provided by third parties.
- In 2019, PAC events will be scheduled during the weeks of April 15, June 17 and September 16.
- The next meeting is scheduled for April 2019.