

2016

CANADIAN BLOOD SERVICES
DEFINED BENEFIT PENSION PLAN 2016


Canadian Blood Services
it's in you to give

Year in Review



Brendan Dick, Director of Pension and Benefits, B.C. Hospital Employees' Union, Member Co-Chair, Board of Trustees



Pauline Port, Chief Financial Officer and Vice-President, Corporate Services, Canadian Blood Services, Employer Co-Chair, Board of Trustees

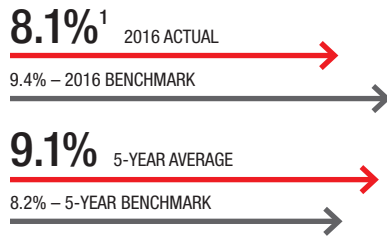
A REPORT TO OUR MEMBERS

Message from the Co-Chairs of the Defined Benefit Pension Plan Board of Trustees

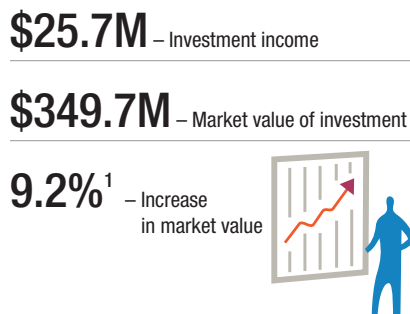
We are committed to keep members informed of the health of the plan and consequently we are pleased to present the results of our plan's performance. In order to pay lifetime pensions, and as a young pension plan with a high ratio of active employees to pensioners, we must continue to balance the need to generate strong investment returns with the risk of a major investment loss. In 2016, we experienced increased investments and positive returns while maintaining a healthy asset to liability ratio. We hope you find our report informative and if you have questions contact our plan administrator, Morneau Shepell, using the contact information on the next page.

INVESTMENT RESULTS

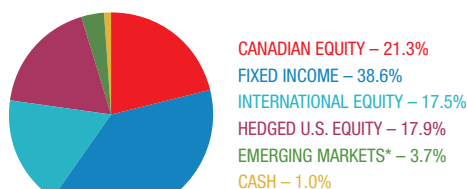
RETURNS



INVESTMENT INCOME AND VALUE



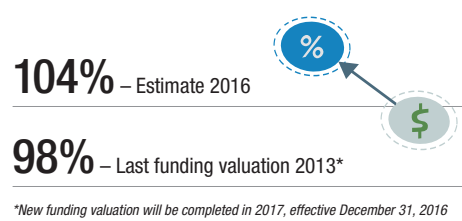
INVESTMENT ALLOCATION (ACTUAL, TARGET)



*New in 2016

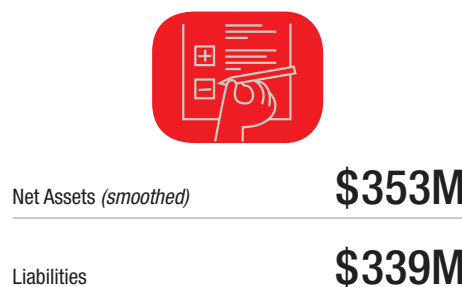
PLAN FUNDING

FUNDING STATUS ON GOING CONCERN BASIS

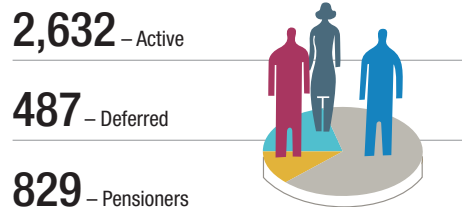


*New funding valuation will be completed in 2017, effective December 31, 2016

2016 ESTIMATED FUNDED STATUS



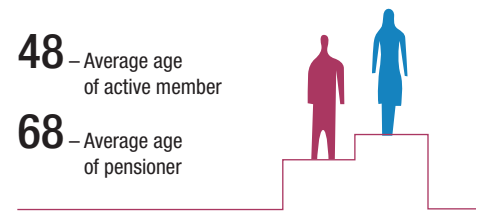
ACTIVE MEMBERS AND PENSIONERS



MEMBER SERVICES

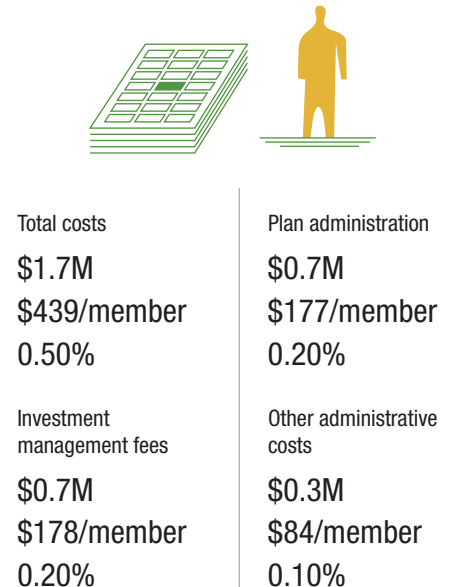
MEMBERSHIP STATUS AND AVERAGE AGE

(as at December 31, 2016)



2016 ANNUAL COST OF PLAN

(Total, Cost per member, and as a percentage of net assets at December 31, 2016)



1. The returns of 8.1% reflects total investment income over the average investment market value. The 9.2% increase in the investment market value represents the year of year percentage change that is impacted by investment income, contributions, termination benefit payments and plan expenses.



“Check out Trustee Talk on cbsdbpension.hroffice.com for information on the role of the Trustees, the audited financial statements, Investment Policy, Funding Policy, Records of Decision and more.”

“We are focused on investing in assets that generate the returns required to pay our future obligations.”

2016 HIGHLIGHTS

In 2015, as a result of the Board’s review of the plan’s investments and liabilities and with the objective of continued asset optimization while balancing risks, the Board approved a new investment policy which expands our investment options to include emerging markets and real estate. During 2016, the transition to this new policy has commenced reflecting a decrease in our Canadian equity holdings and an increase in our emerging market holdings. We will continue to implement our new investment policy. In 2017, that consists of further decreasing our Canadian equity holdings and investing in real estate to a target holding of 6% of total investments.



EMPLOYER REPRESENTATIVES

NAME	TRUSTEE/ALTERNATE
Pauline Port (co-chair)	Trustee
Watson Gale	Trustee
Elaine Sibson	Trustee
Andrew Pateman	Alternate



MEMBER REPRESENTATIVES

NAME	UNION	TRUSTEE/ ALTERNATE
Brendan Dick (co-chair)	Hospital Employees’ Union	Trustee
Cheri Hearty	Ontario Public Service Employees Union	Trustee
Fil Falbo	Ontario Nurses’ Association	Trustee
Debra Ducharme	British Columbia Nurses’ Union	Alternate



YOUR BOARD OF TRUSTEES

As the plan is jointly sponsored, trustees are appointed to the board by each of Canadian Blood Services (the Employer) and the Participating Unions. A total of six trustees and two alternates are appointed. Canadian Blood Services appoints three trustees and one alternate to the board as the Employer representatives, and the Participating Unions appoint three trustees and one alternate as Member representatives.

YOUR ANNUAL PENSION STATEMENT



Your annual pension statement showing your service and pensionable earnings to Dec. 31, 2016 is enclosed. Your pension statement provides you a picture of the income you can expect from the pension plan and government plans at retirement. Please review the spousal and beneficiary designation portions of the statement and return the enclosed form to Morneau Shepell if any changes are necessary. This statement is also posted on-line at <http://cbsdbpension.hroffice.com>

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FOR MORE INFORMATION

Attend our “Retirement Planning Sessions” scheduled for 2017.

Visit our Canadian Blood Services Defined Benefit Pension Plan Website: cbsdbpension.hroffice.com

Call our Canadian Blood Services’ Pension Call Centre (operated by plan administrator Morneau Shepell) **1-877-252-4442**

Find a wealth of information about the pension plan, including a summary of the plan, a pension forecast tool, a member booklet, forms and documents, a copy of your annual statement, valuation reports, audited financial statements and much more.