

# Report to Members



Learn more about the plan: [pspp.pensionsbc.ca](https://pspp.pensionsbc.ca)

## Your pension is secure

### MESSAGE FROM THE TRUSTEES

THE PAST YEAR HAS BEEN REMARKABLE IN THE NUMBER OF POLITICAL, ECONOMIC AND COVID-19-RELATED EVENTS THAT HAVE OCCURRED ACROSS THE WORLD. YOU MAY BE WONDERING, *WHAT DOES THIS MEAN FOR MY FUTURE PENSION?*

**A**s your Public Service Pension Board of Trustees, we want to reassure you that your pension remains secure. You have a defined benefit pension, and this means the amount of your monthly pension payment does not depend on investment performance. You can be confident your pension will be there for you when you retire.

#### Changes to the plan's investment mix

The board periodically reviews the pension plan's assets and liabilities, projected over a long time horizon, and adjusts the asset mix based on the results of the review. Effective February 1, 2020, we approved changes to the asset mix for pension fund investments. The changes increased allocations to fixed income and real assets, and decreased allocations to public equities. We also approved the British Columbia Investment Management Corporation (BCI) taking advantage of favourable borrowing costs to invest in assets that diversify the portfolio and provide downside protection. These changes help the plan stay well positioned to withstand market downturns.

#### Investment principles get a boost

In June 2019, we joined a United Nations–supported organization called Principles for Responsible Investment (PRI). We are committed to upholding the principles of this organization and are developing guidelines for how we will participate in future PRI initiatives. For more information, please visit the plan's website.

#### Ensuring health benefits remain sustainable

We recognize that retirement health benefits are important to all members. Although these benefits are not guaranteed, our goal is to ensure they remain valuable and sustainable for the long term. To meet this goal, we will review the design of these health benefits and conduct research with members, reporting on findings in 2021. Please visit the plan website to watch our new video on health benefits funding, and check back often for updates about the review.

#### Year at a glance (\$ millions)

$$\begin{array}{ccccccc}
 \mathbf{33,072} & + & \mathbf{1,094} & + & \mathbf{802} & - & \mathbf{1,256} & - & \mathbf{89} & = & \mathbf{33,623} \\
 \text{Net assets} & & \text{Investment income} & & \text{Contributions} & & \text{Benefits} & & \text{Investment and} & & \text{Net assets} \\
 \text{April 1, 2019} & & & & & & \text{payments} & & \text{administration} & & \text{March 31, 2020}
 \end{array}$$

## Ambulance paramedics plan design changes

PLAN RULE AMENDMENT NO. 51  
—EFFECTIVE APRIL 1, 2020

This amendment introduced plan design changes for ambulance paramedics in the Canadian Union of Public Employees Local 873.

## Temporary annuity pension options, *Employment Standards Act* leaves of absence, and housekeeping updates

PLAN RULE AMENDMENT NO. 52  
—VARIOUS EFFECTIVE DATES

- **Temporary annuity pension options:**  
NOVEMBER 10, 2019  
This amendment clarified that retiring members are able to choose either a half temporary annuity or a full temporary annuity at retirement.
- ***Employment Standards Act* leaves of absence:**  
MAY 30, 2019  
This amendment added two new leaves of absence to the plan rules:
  - Critical illness or injury leave—when an employee is providing care or support to a family member experiencing life-threatening illness or injury. This leave requires a separate certificate from a medical or nurse practitioner for each maximum entitlement of 52 weeks.

- Domestic or sexual violence leave—when an employee or eligible person (e.g., a child or other dependant in the daily care of the employee) has experienced or is experiencing domestic or sexual violence. The maximum entitlement is 17 weeks per calendar year.
- **Housekeeping updates:** DECEMBER 17, 2019  
This amendment updates language, the table of contents and defined terms, and removes various outdated references.

## New purchase option for *Employment Standards Act*–related leaves of absence

PLAN RULE AMENDMENT NO. 53  
—EFFECTIVE MAY 1, 2020

This amendment updates the plan rules to allow plan members to make continuous contributions to the plan while on an *Employment Standards Act*–related leave.

## More info online

We have simplified the print version of *Report to Members* as we develop more news and updates on the plan website. Visit us online now for all the latest pension information.

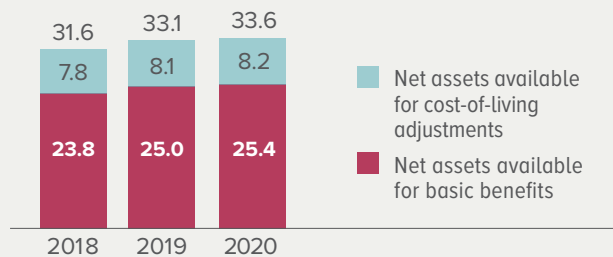


## PLAN PERFORMANCE

These highlights are unaudited. The *2020 Annual Report* with financial statements will be posted to the plan website in fall 2020.

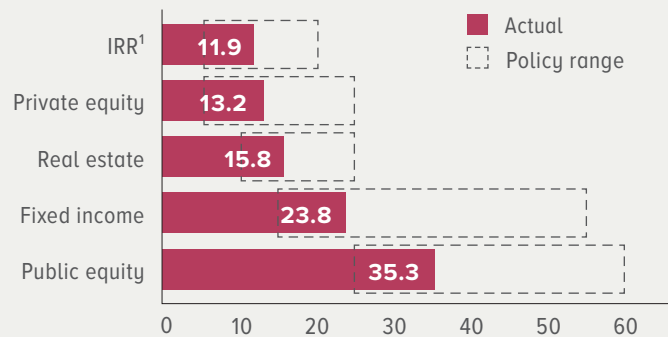
### Net assets available for benefits

(\$ billions)



### Asset allocation (%)

as at March 31, 2020



<sup>1</sup> Infrastructure and renewable resources