



CEO MESSAGE

The pandemic has impacted all of us and our **Canadian Forces Non-Public Funds Employees Pension Plan** investments were no exception as investment markets around the world faced disruptions.

Although pension investments were affected early in the pandemic, our Pension Board and Pension Investment Committee diligently monitored and in the end maintained our pension plan's investment strategy which is long term in nature and takes into consideration occasional market upheavals.

As a result, I am pleased to report that our funds are invested safely and they continue to increase in value. By the end of 2020, our pension fund market values had recovered and exceeded the year-end 2019 values.

This is good news for all of us, especially given the decisions taken in 2019 to modify the plan which ensured that employee pension contributions would not increase and that the plan remained a defined benefit plan.

Looking to 2021, despite the need for ongoing special solvency payments, our plan remains healthy over the long term. We will continue to communicate with employees and retirees to ensure that you are aware of, and know how to access, Pension Plan information and resources.



Sean N. Cantelon

CEO, Staff of the Non-Public Funds, Canadian Forces

GETTING TO KNOW YOUR PLAN

It is not too early to start planning

Curious about your pension? There are many resources available to help you understand your pension plan and how it is managed. Visit our new home:

New employee intranet, CORE: cfmws-sbmf.com (Employee Essentials > My Career > My Pension)

New retiree site: www.cafconnection.ca/cfmwspension

Are you preparing for retirement?

Your primary planning tool is the Pension Estimator available on CORE under My Pension (Members > Your Pension Tools > Tools and Resources for Members).

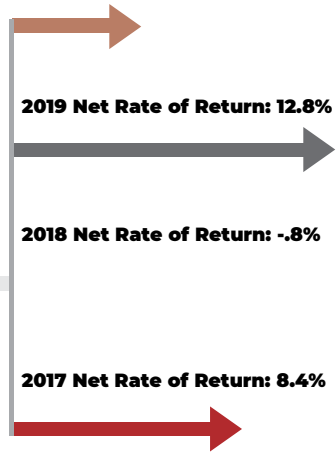
If you have lost or forgotten your portal access code or password, just contact Coughlin at nfpension@coughlin.ca.

Does something look odd on your annual pension statement? If so, contact Coughlin and Associates immediately by email at nfpension@coughlin.ca or call toll-free at **1-888-613-1234**.

For general questions contact your local HR representative or email pensionplan@cfmws.com.

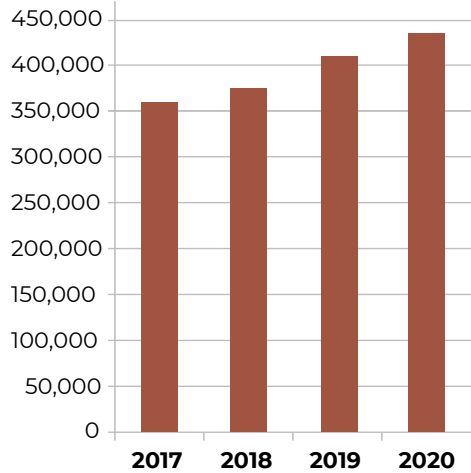
INVESTMENT RESULTS

2020 NET RATE OF RETURN: 5.2%



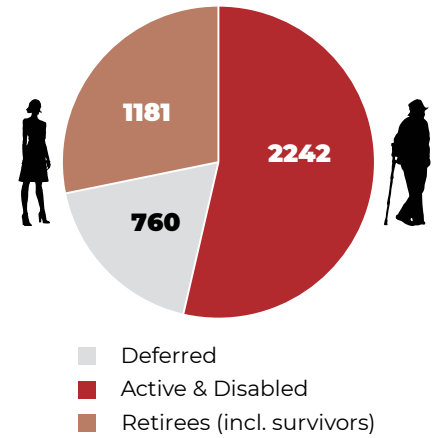
PLAN FUNDING

\$'000 Net Assets

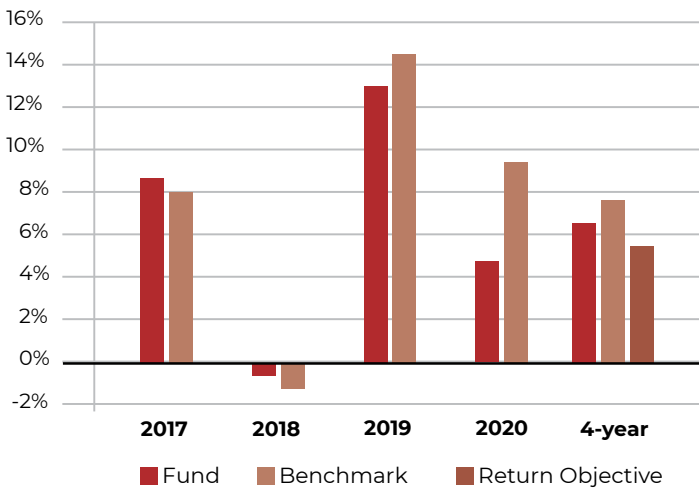


MEMBERSHIP

Average age of active member = 44.3 yrs
Average age of retiree = 72.3 yrs



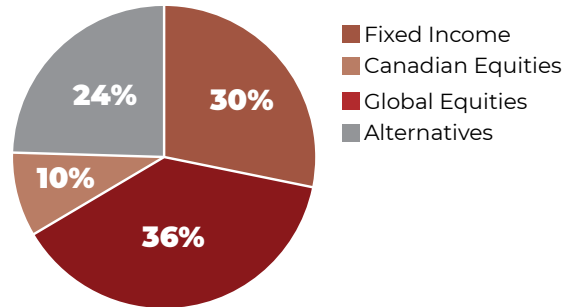
PENSION INVESTMENT PERFORMANCE



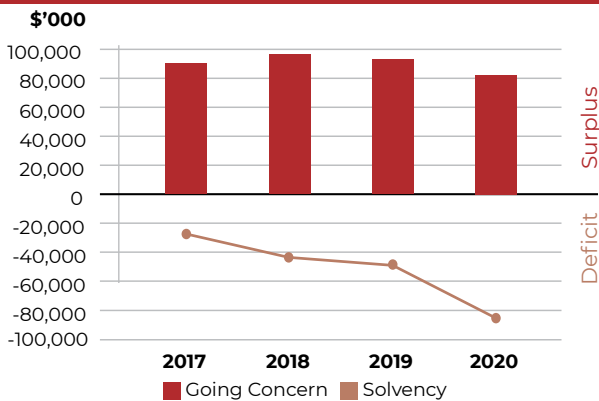
INVESTMENT ALLOCATION

(current as of end 2020) in percentage

The Pension Board determines the Investment Policy allocations, which are implemented by the Pension Investment Committee.



ANNUAL VALUATION



GOING CONCERN EXPLAINED:

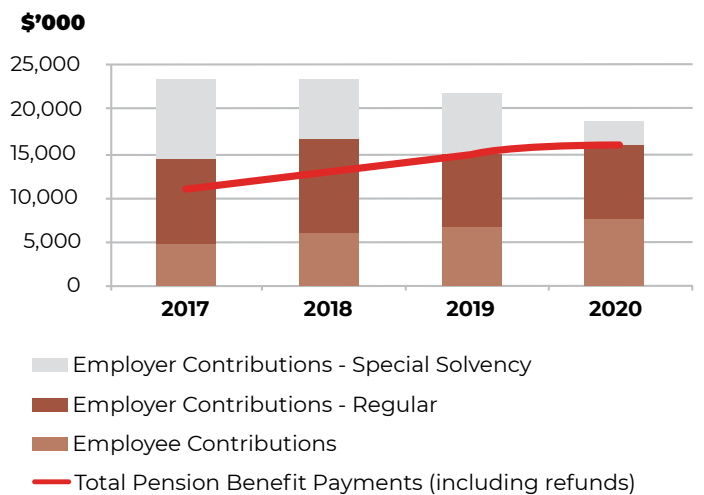
Going Concern ratio for 2020 was down from 2019, but the decrease did not impact the plan's overall health.

SOLVENCY DEFICIT EXPLAINED:

Solvency ratio for 2020 was down, mainly due to a decrease in interest rates.

CONTRIBUTION VS PENSION BENEFIT PAYMENTS

Employer special solvency payments were reduced by the federal government as a pandemic-relief measure.



STAY IN TOUCH

To ensure you're receiving information about your Pension Plan, it's very important to keep your contact information up to date with your employer or Coughlin. Employees can contact their local HR representative. Retirees can contact Coughlin and Associates by email at nfpension@coughlin.ca or call toll-free at 1-888-613-1234.