

The Power Corporation Superannuation Plan PENSION UPDATE

June 2022

Superannuates

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The Power Corporation Superannuation Board

Grant Ring, Chair
Rachelle Verret Morphy
Kerry Friesen
Troy King
Maria McCullough
Ken Pielak
Kathy Zwick

Power Corporation Superannuation Board Mission Statement

To provide continuous pension benefits for Plan members through:

- careful stewardship of assets and liabilities
- effective plan administration under current legislation

SUPERANNUATES

Pension Indexing

The cost of living increase effective April 1, 2022 was 1.84%, representing 70% of the change in the average 2021 Consumer Price Index for Saskatchewan. The Public Employees Benefits Agency (PEBA) included the increase in your April 2022 pension payment.

The full rate of increase was applied for those in receipt of a pension before April 1, 2021. The increase was pro-rated for those who retired after April 1, 2021.

Recipient Confirmation Letters

Early in the fall of 2022, PEBA will be initiating a Recipient Confirmation campaign. The purpose of this campaign is to ensure that the person entitled to the pension payment is the person receiving the payment.

Letters will be sent to all superannuates and survivors asking them to confirm they are receiving their pension payments. These letters must be signed by the pensioner or their legal representative and returned in the provided envelope. Only letters with original signatures will be accepted as confirmation.

If no response is received by the date specified in the letter, the pension of the non-responder will be suspended until confirmation is received by PEBA. **Please contact PEBA Pensioner Services at 306-787-3988 or toll-free at 1-877-374-1147 with any questions/concerns.**

Power Corporation Superannuation Plan (PCSP) 2021 Annual Report

The PCSP annual report is now available on the SaskPower website, www.saskpower.com. Select 'About Us' at the top, in the Our Company section select 'Current Reports' and then select 'Superannuation Plan Annual Report'.

Members can request a copy of the PCSP 2021 Annual Report by contacting Tanya Romanow.

By email: tromanow@saskpower.com

By phone: 306-566-2177

SUPERANNUATES (continued)

2021 Financial Highlights

The following information is a summary of the Plan's financial position. For more details, refer to the Power Corporation Superannuation Plan 2021 Annual Report.

Actuarial funding valuation deficit (in millions, at December 31)	2021 estimated	2020 estimated	2019	2018 estimated	2017
Actuarial value of assets	\$ 660	\$ 675	\$ 695	\$ 715	\$ 738
Liabilities	628	696	696	706	730
Surplus (deficit)	\$ 32	\$ (21)	\$ (1)	\$ 9	\$ 8
Funded status	105%	97%	100%	101%	101%

Actuarial accounting valuation deficit (in millions, at December 31)	2021	2020	2019	2018	2017
Net assets available for benefits	\$ 683	\$ 677	\$ 723	\$ 691	\$ 759
Pension obligations	814	907	882	843	922
Deficit	\$ (131)	\$ (230)	\$ (159)	\$ (152)	\$ (163)
Four year rolling average return (annualized)	6.8%	6.9%	7.7%	5.5%	7.7%
Benchmark	8.6%	8.7%	7.4%	5.5%	8.6%

The investment objective of the Plan is to meet current and future pension payment obligations. The assets of the Plan are invested in a diversified portfolio that should generate adequate and consistent returns to meet both current and future financial obligations. The funds are placed with a number of investment managers who then invest in a variety of asset classes. This diversification helps secure the Plan's ability to provide a steady stream of retirement income for approximately 1,550 active and retired members.

The Plan's estimated funded status at December 31, 2021 is 105%. The funding valuation is used to determine whether SaskPower needs to make any contributions into the Plan whereas the accounting valuation is included in the Plan's financial statements in accordance with accounting standards.

While the Plan's investment objective is to meet obligations, the risk of not meeting this objective rests with SaskPower rather than members. Regardless of the return on Plan assets, legislation specifies that if assets are not sufficient to provide pension benefits, the payments will be made from SaskPower revenues.

Change of Address, Bank Accounts or Financial Institutions

Contact PEBA Pensioner Services if you have a change of address or need to make banking changes.

By email: pensioner.services@peba.gov.sk.ca
By phone: 306-787-3988 or toll-free 1-877-374-1147

Reporting the Death of a Superannuate/Spouse

To report the death of a superannuate/spouse, contact PEBA Pensioner Services as follows:

By email: pensioner.services@peba.gov.sk.ca
By phone: 306-787-3988 or toll-free 1-877-374-1147

Lost or Misplaced T4A Information Slips

If you require a replacement T4A, you can request a copy by contacting PEBA Pensioner Services as follows:

By email: pensioner.services@peba.gov.sk.ca
By phone: 306-787-3988 or toll-free 1-877-374-1147

SUPERANNUATES (continued)

Updating your Beneficiary(ies)

It is important to keep your beneficiary(ies) current so the paid-up Life Insurance Policy and/or Group Term Life Insurance to age 65 or 75, if applicable, are distributed according to your wishes. To update your beneficiary(ies), please contact PEBA Benefit Programs as follows:

By email: benefits@peba.gov.sk.ca

By phone: 306-787-3440

We Need Your Help

The Power Corporation Superannuation Plan is trying to locate the following pensioners. Please contact **PEBA Pensioner Services by phone at 306-787-3988 / toll-free 1-877-374-1147 or by email at pensioner.services@peba.gov.sk.ca** if you have a contact address, phone number or any other information about these individuals.

- **Theresa Black**
- **Sandra Pratt**
- **Lawrence Smart**

ACTIVE MEMBERS

Retiring soon?

Take time to plan for your life in retirement. PEBA provides free *individual consultations* with their Retirement Information Consultants who are either Certified Financial Planners™ or Qualified Associate Financial Planners™. Individual consultations provide an opportunity for employees to ask questions about their whole financial situation.

Prior to booking an individual consultation, employees must arrange with their supervisor for the time off and will have to use a vacation day, BDO, etc. to attend. Costs of accommodation, transportation or meals are at the employee's expense, if applicable.

To book an appointment, please contact the **Retirement Information Consultants at 306-787-3170 or by email at RIC@peba.gov.sk.ca**.

PEBA requests that you obtain a *pension estimate* 6 months prior to your planned retirement date. This will provide you with time to review the estimate to confirm that all data is correct, review your finances, seek the assistance of a financial advisor, and submit your completed pension application form with required documentation. PEBA completes the pension estimates in approximately three weeks. In addition, PEBA provides a *pension application* form, the Revenue Canada TD1 personal tax credit returns, and a calculation of your highest average salary.

SaskPower and SaskEnergy employees meet with Human Resources to complete the pension application and all other documentation required at retirement after the notice has been submitted. Human Resources will also notarize the required certificates. You may wish to discuss completing the personal tax credit returns with your financial advisor and/or tax advisor. A pension application is required to start your pension. PEBA has advised that completed applications for pension should be submitted approximately one month prior to retirement. This would avoid a delay in payment of your pension should additional documentation or information be required.

ACTIVE MEMBERS (continued)

Pension Estimates

Request pension estimates from PEBA to forecast your retirement income based on an estimated retirement date. You can choose up to three different retirement dates that are at least four months apart.

Send an email to your Human Resources department to request an estimate.

Please contact **Service Canada at 1-800-277-9914** to obtain an estimate of your CPP benefit.

ANSWERS TO YOUR QUESTIONS

Public Employees Benefits Agency (PEBA)

- **website** www.peba.gov.sk.ca
- **phone** 306-787-3988 or toll-free 1-877-374-1147
- **fax** 306-787-0244
- **email** pensioner.services@peba.gov.sk.ca
- **mail** PEBA Pensioner Services
110 – 1801 Hamilton ST
Regina SK S4P 4W3

If you have any questions about the information presented in this newsletter or would like more information about your retirement benefits in general, please contact:

Tanya Romanow

SaskPower Total Rewards

- **email** tromanow@saskpower.com
- **phone** 306-566-2177
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This publication provides general, but not exhaustive, information about your pension according to current Plan provisions. It does not replace nor supersede the legislation or rules of law governing the Power Corporation Superannuation Plan and as such cannot be construed as a warranty or guarantee of its contents.

Plan members are strongly encouraged to seek independent professional advice before making decisions on any matters discussed in this publication.