

Term Debt Issuance Executive Summary

OVERVIEW

- Canada Pension Plan Investment Board (CPP Investments) is a Canadian federal Crown corporation whose legislated mandate is to invest the net contributions of the Canada Pension Plan (CPP)
- Current net assets of C\$590.8 billion¹ are projected to grow to C\$3.6 trillion² by 2050
- All Canadian employers, employees, and self-employed persons, except those in the Province of Quebec, make mandatory contributions to the CPP
- The funds of the CPP invested by CPP Investments are fully segregated from all government accounts

GLOBAL DEBT ISSUANCE PROGRAMME

- CPP Investments has been an issuer in the debt markets since 2015, issuing 70 bonds totaling ~C\$94 billion (based on FX rate on issue date)
- CPP Investments offers a C\$75 billion multi-currency programme that includes AUD, CAD, EUR, GBP and USD

¹ C\$590.8 billion represents actual total Fund net assets as at December 31, 2023, CPP Investments Q3 Fiscal 2024 Results.

² C\$3.6 trillion represents projected total Fund net assets from the 31st Actuarial Report on the Canada Pension Plan at the legislated contribution rates.



GREEN BOND FRAMEWORK

- Developed in accordance with the Green Bond Principles as set out by the International Capital Markets Association with a Second Opinion provided by CICERO

SHADES OF GREEN



GOVERNANCE ASSESSMENT



GREEN BOND PRINCIPLES

Based on this review, this framework is found in alignment with the principles.

PERFORMANCE – FISCAL 2023

**Fiscal 2023
Net Income**
(after all expenses)

C\$8B

**Fiscal 2023
Rate of Return**
(net nominal)

1.3%

**Cumulative Net Income
for 10-Year Period**
(after all expenses)

C\$320B

**5-Year Annualized
Rate of Return**
(net nominal)

7.9%

**10-Year Annualized
Rate of Return**
(net nominal)

10.0%

As at March 31, 2023 – CPP Investments
Fiscal 2023 Results

Credit Highlights

- Under the statutory framework, only assets having a fair market value in excess of CPP Investments' liabilities are available to the Government of Canada to satisfy its obligations under the CPP.
- Based on the review of the financial state of the CPP conducted by the Office of the Chief Actuary, CPP Investments' stewards – the federal and provincial finance ministers – may make recommendations as to whether contribution rates should be changed to support the financial sustainability of the CPP. The Insufficient Rates Provisions (in the case of the base CPP) and the Financial Sustainability Provisions (in the case of the additional CPP) would be automatically invoked if necessary to support the financial sustainability of the CPP.
- No Act relating to the insolvency or winding-up of any corporation applies to CPP Investments and in no case shall the affairs of CPP Investments be wound up unless Parliament so provides.

Moody's

- “Stable and strong liquidity with an exclusive legislative mandate”
- “Creditors have an effective priority over pension obligations and benefit from strong asset coverage by high quality liquid assets”
- “CPPIB's governing framework underpins its financial stability; a system of legislatively mandated and controlled cash flows provides for the overall stability and predictability of CPPIB's financial position”

S&P Global
Ratings

AAA

Moody's

Aaa



AAA

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CPP Investments