



Chuck Bruce – CEO

Perry Downey – Director, Member Services

October 24, 2017



Our Journey

- **September 2, 2014** - Joint Sponsorship Agreement was reached between Government of Newfoundland and Labrador (GNL) and the five largest unions - AAHP, CUPE, IBEW, NAPE, and RNUNL
- **January 1, 2015** – Changes to *Pensions Funding Act* and *Public Service Pensions Act, 1991* became effective
- **March 31, 2015** – Public Service Pension Plan Corporation (PSPPC) was established (now Provident¹⁰)
- **April 4, 2017** – Responsibility for pension administration and investment management of the PSPP transitioned to Provident¹⁰



Who are we?

We are responsible for the pensions administration and investment management of the largest pension plan in Newfoundland and Labrador, the Public Service Pension Plan (PSPP), which currently has approximately 55,000 members.

prov-i-dent

Adjective: making or indicative of timely preparation for the future.

Synonyms: prudent, farsighted, shrewd, wise, sensible

The “10” references Newfoundland and Labrador’s place as the tenth province of Canada.

The “i” represents the individual member.

Our tagline, “rest assured”, speaks directly to the member benefit.



Provident¹⁰ Pillars

- **High standards** - We set the quality bar high for ourselves because we know that our members' rely on us for peace of mind.
- **Teamwork** – Our success comes from a team approach. We always help and support each other because we'll get better outcomes for our members.
- **Vision and Continuous Improvement** – We are always thinking about tomorrow. Not only do we focus on success today, we look for smarter, better ways to succeed tomorrow.
- **Customer-focused** – We are responsive and responsible to our members and stakeholders, so they can always trust us.
- **Accountable** – Not only will we measure what we do, we will learn and act upon new understanding to always improve our level of service.

How we're managed

THE PARTIES GNL AND MEMBER UNIONS

GOVERNANCE

PROVIDENT¹⁰
BOARD OF DIRECTORS

14 representatives

- Six GNL appointees
- Six union appointees
- One non-union appointee
- One inactive member appointee, appointed by the Newfoundland and Labrador Public Sector Pensioners Association

SPONSORSHIP

SPONSOR BODY

10 - 14 representatives

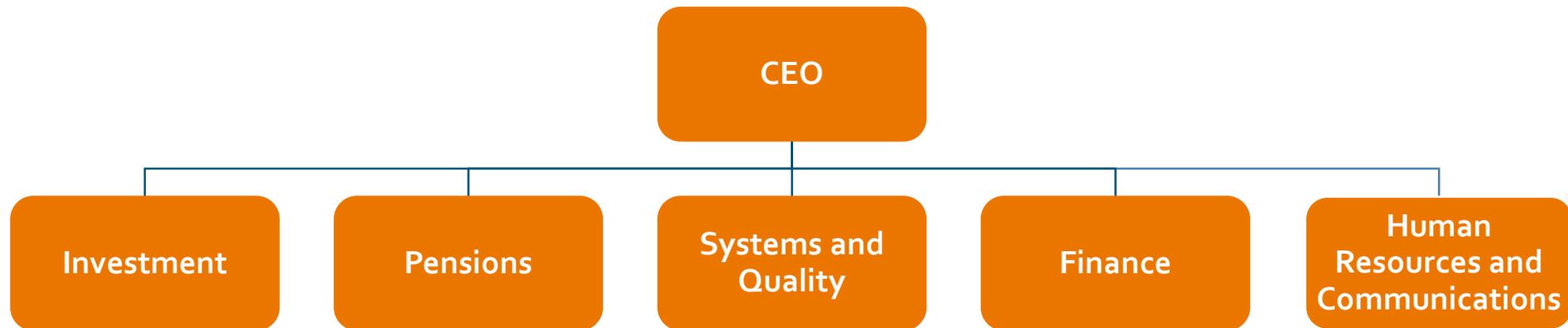
- Four - six GNL appointees
- Four - six union appointees
- One non-union employee appointee
- One retiree member appointee, appointed by the Newfoundland and Labrador Public Sector Pensioners Association

MANAGEMENT

CEO, LEADERSHIP TEAM, AND
INDIVIDUAL CONTRIBUTORS



How we're organized





About the PSPP

Membership in the PSPP	
Active members	27,962
Pensioners	19,798
Deferred members	7,803
Total membership	55,563

Funded ratio*	
Total assets	\$8.811 billion
Total liabilities	\$9.428 billion
Shortfall	\$617 million
Funded ratio	93.5%

*As of December 31, 2016

As part of the pension reform process, GNL issued a promissory note for \$2.685 billion, which would amortize a significant portion of the Plan's deficit over 30 years.

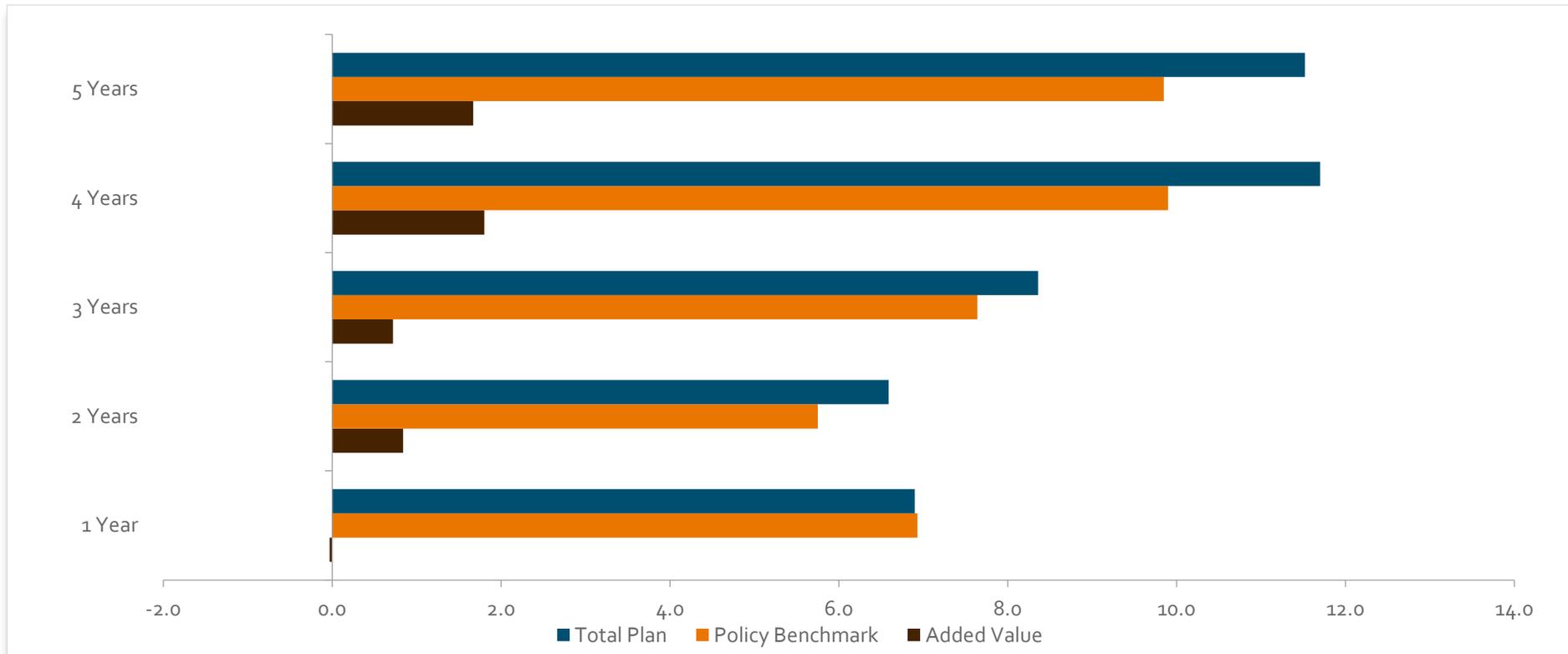
The Plan delivered solid investment performance in 2016, with a return of 6.9% gross of investment management fees, which was in line with the Plan's policy benchmark return.

Assets of the Plan have grown in a meaningful way over the past few years due to strong investment returns, increased contributions and GNL promissory note payments.



Investment Performance

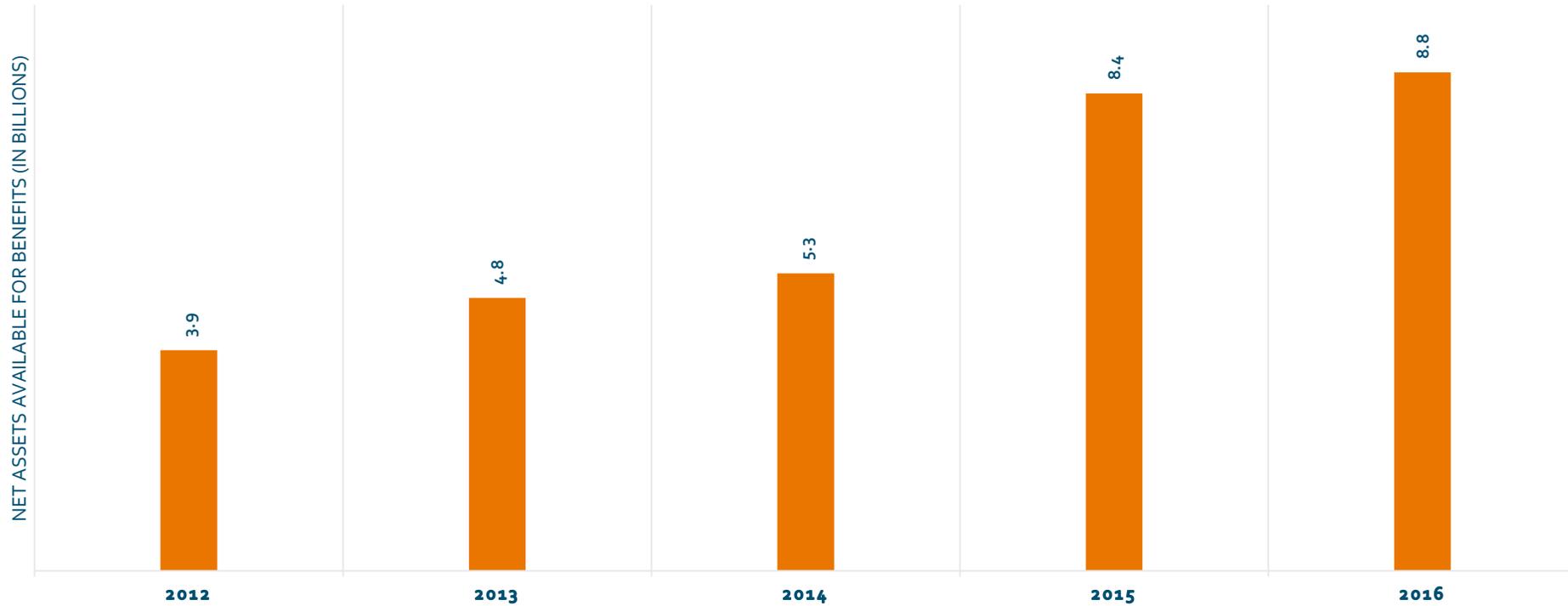
Total PSPP Return vs Policy Benchmark as of December 31, 2016





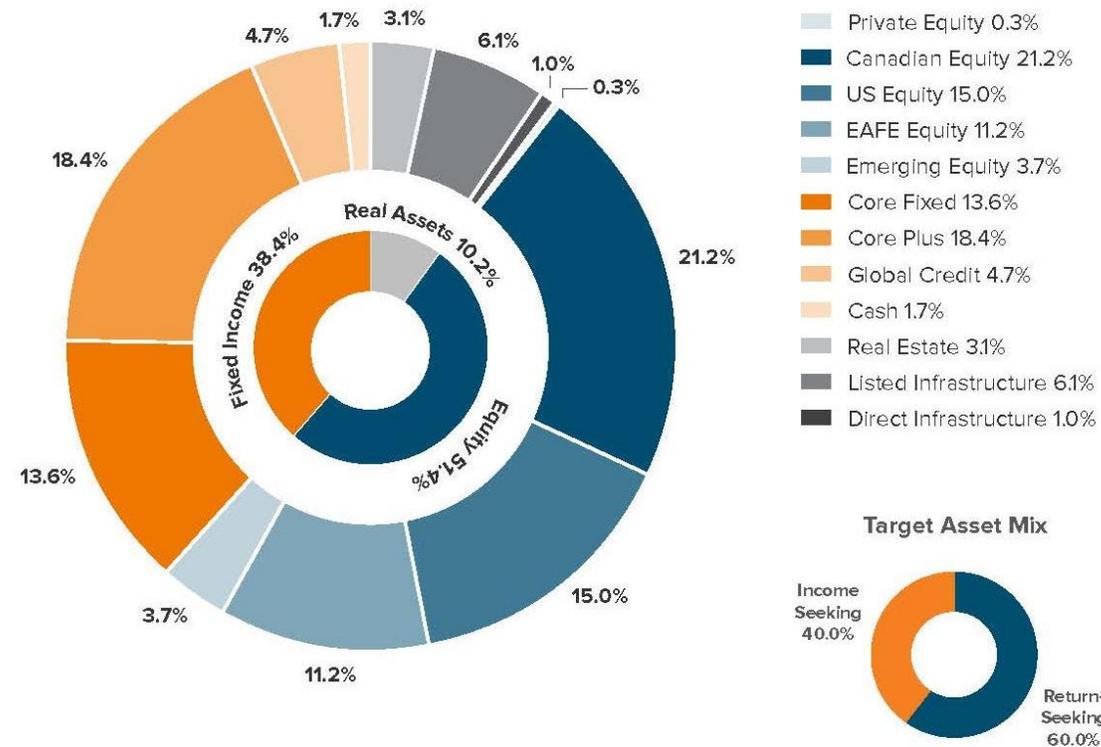
Fund Growth

Growth in Net Assets (\$ billions, at end of each year)



i Asset Mix

Asset Mix as of December 31, 2016





Pension Administration

Pension Administration

- Pension Application/Retirement Pension
- Termination/Refunds
- Transfers
- Service Purchase
- Change of life events

Member Services

- Employer and plan member engagement and education
- Annual Pension Statements
- Employer reporting



What have we accomplished?

- Officially transitioned to an independent pension organization
- Refined the asset mix to improve portfolio diversification and risk reduction
- Inaugural Provident¹⁰ Annual Report
- PSPP Plan Booklet
- Conducted feedback survey with participating employers



Plans for the Future

- Development of our website
 - Resource for all aspects of the PSPP
 - Accessible, user-friendly, easy to navigate
 - Informative, up-to-date resources
 - Dedicated section for pensioners that will include topics such as:
 - What do I need to know as a new retiree?
 - What will happen to my pension benefits when I reach 65?
 - What do I need to know if there is a life changing event after I retire?
- Communications Plan
- Pensioner Engagement Plan



What can Provident¹⁰ do for you?

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