



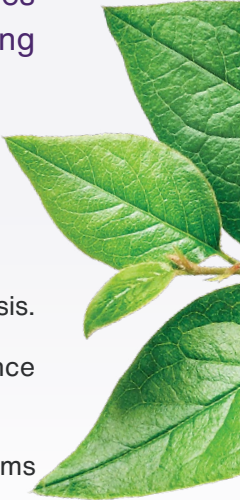
Pension Indices by TELUS Health.

April 30, 2026

Proposed changes to CPP contributions serve as
a reminder to monitor pension plan design.



The Pension Indices by TELUS Health, released monthly, condense the journey that pension plans have experienced during the year into a few key statistics. More importantly, they also provide an early indicator of the challenges and opportunities that are yet to come for plan sponsors and administrators to help with the monitoring and management of their pension plans.



Highlights

In April, the funded status of a typical pension plan improved on both a solvency and accounting basis.

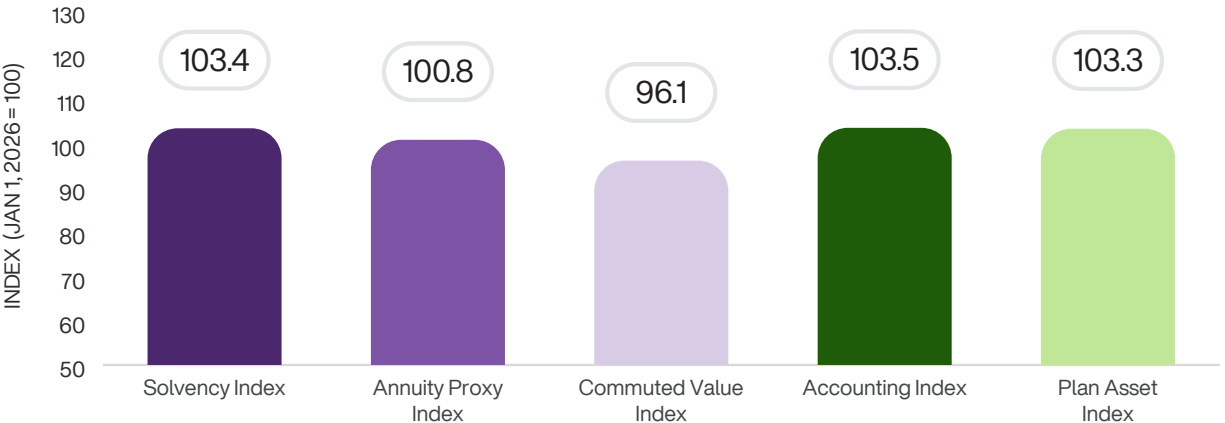
The representative pension plan portfolio returned 3.4% in April, driven by strong performance across equity markets.

The global developed and emerging equity markets index returned 7.5% in Canadian dollar terms and Canadian equities finished the month with a return of 4.3%.

Short-term Government of Canada bond yields increased by approximately 0.14% and long-term Government of Canada bond yields increased by approximately 0.05% over the month. Corporate bond credit spreads decreased by 0.07% for short-term bonds and 0.09% for long-term bonds.

Market expectations for long-term inflation (the break-even inflation rate) were approximately 2.07% at the end of April, which represents a slight increase of 0.02% since the end of March.

April 30, 2026 Pension Indices by TELUS Health






“One of the interesting recent developments in the Canadian retirement system is the federal government’s announcement in their Spring Economic Update 2026 that they intend to introduce legislative amendments to decrease Canada Pension Plan (CPP) contributions, effective January 1, 2027, while keeping CPP benefits unchanged” says Gavin Benjamin, Partner in TELUS Health’s Retirement & Benefits Solutions practice.

“The proposed decrease in CPP contributions, which aligns with the plan’s strong financial position shown in the 32nd Actuarial Report on the CPP, is modest, as it will translate into an annual savings of \$133 for an employee who earns \$70,000 per year. However, this decrease in contributions follows a phase-in during 2019 to 2025 of material enhancements to CPP and Quebec Pension Plan (QPP) benefits, along with associated contribution increases. These changes serve as a reminder that Canadian employees may receive retirement income from a number of sources, including CPP, QPP, and OAS. Employers should monitor changes to these other programs and take them into account when assessing the appropriateness of the design of the retirement arrangements that they offer to their employees.”

The graphs below show the month-to-month evolution of each index.

Definitions



Solvency index	Provides an indication of changes in the solvency funding level of an average pension plan since the start of the year.
Annuity proxy index	Provides an indication of changes in the estimated annuity purchase premium since the start of the year for obligations with a medium duration.
Commuted value index	Provides an indication of changes in commuted values for members of an average pension plan since the start of the year.
Accounting index	Provides an indication of changes in the accounting funding level of an average pension plan since the start of the year.
Plan asset index	Provides an indication of changes in asset levels for an average pension plan since the start of the year.

Notes on methodology.

The indices show the monthly progression of various indicative pension measures since the start of the calendar year.

Each index is reset to 100 on January 1.

The monthly Asset Index is calculated based on a TELUS Health Benchmark portfolio, 50% equities and 50% fixed income (2% in 91-day T-Bills, 24% FTSE TMX Canada Universe, 24% FTSE TMX Canada LT, 15% MSCI Canada, 35% MSCI ACWI) with monthly rebalancing.

The plan liabilities are for a medium duration pension plan.

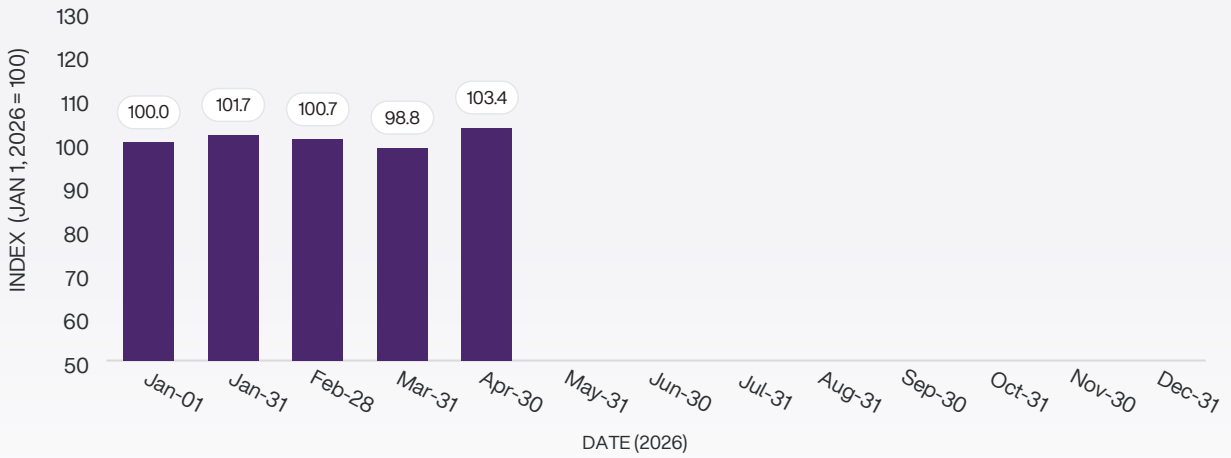
The monthly Solvency Index reflects estimates of solvency liabilities using the latest available Canadian Institute of Actuaries (CIA) annuity purchase discount rate guidance at each publication date.

The monthly Commuted Value Index reflects an estimate of a commuted value for an average plan member using the method for calculating commuted values set out in the CIA's actuarial Standards of Practice.

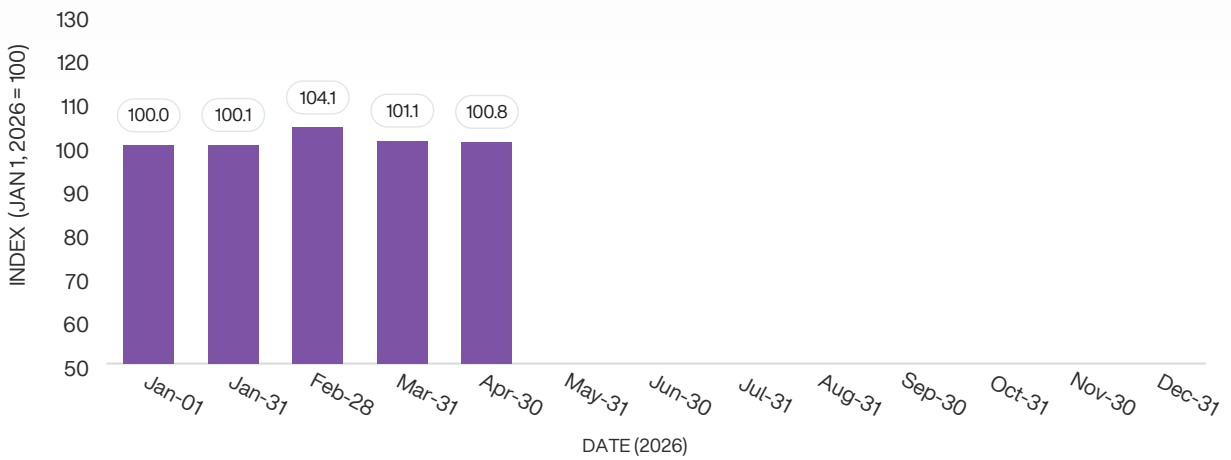
The monthly Accounting Index reflects an estimate of accounting liabilities using a discount rate derived from the TELUS Health AA Corporate Bond Yield Curve.



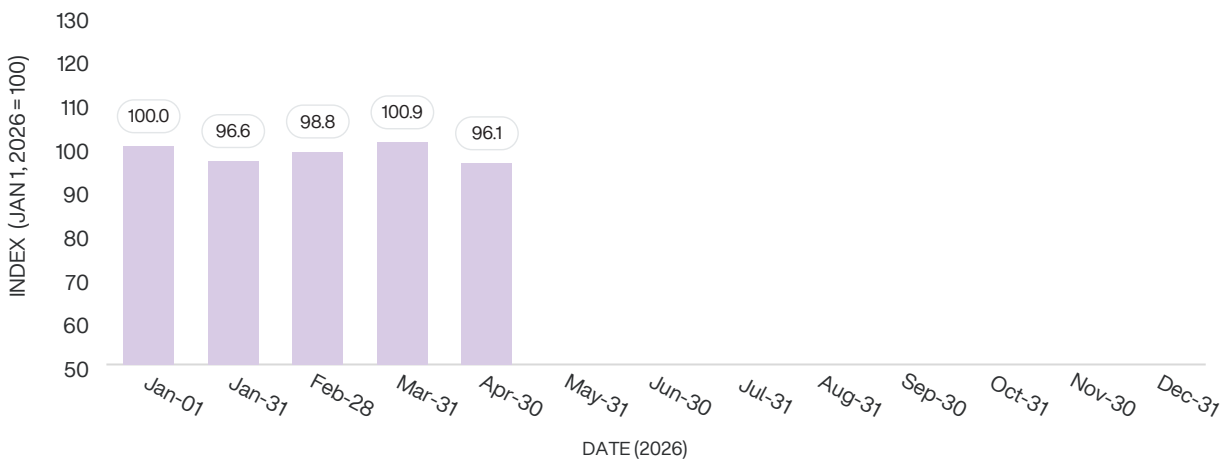
Solvency index

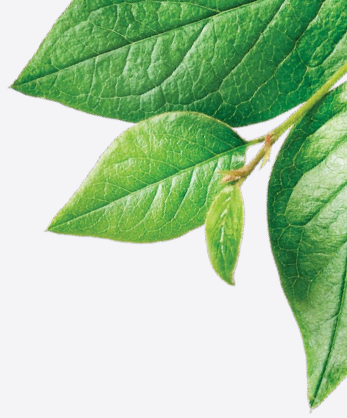


Annuity proxy index

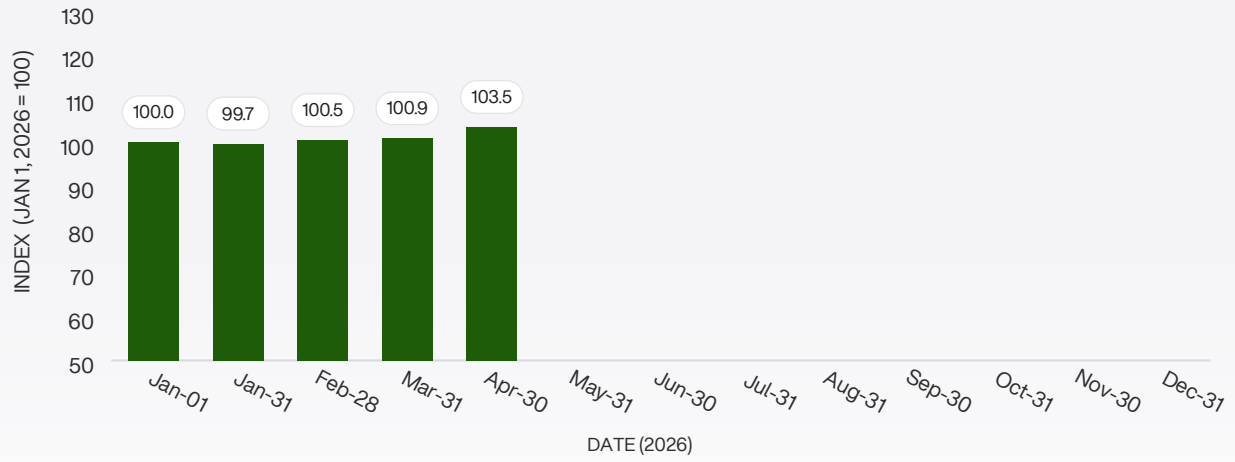


Commuted value index

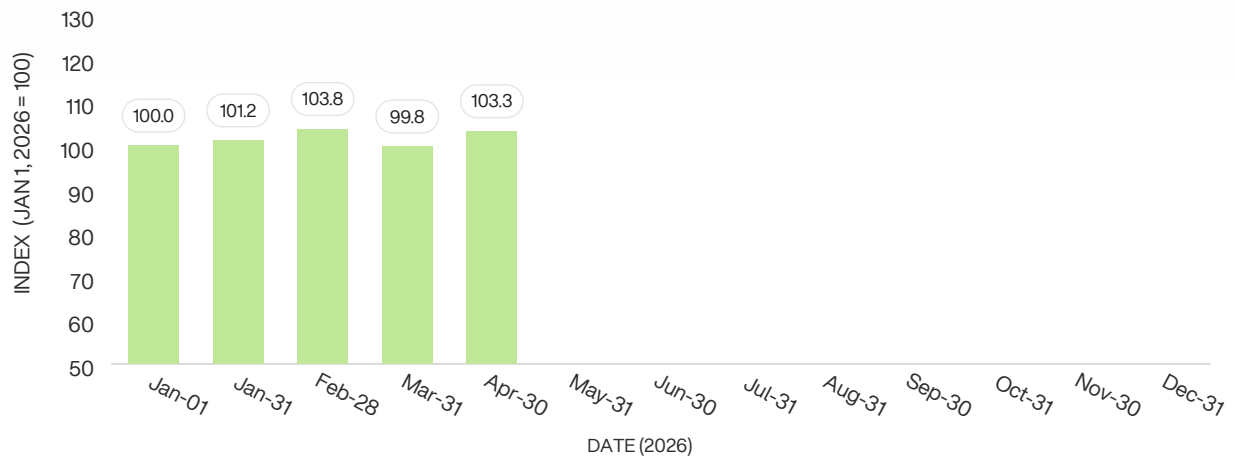




Accounting index



Plan asset index



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