



People. Purpose. Performance.

CPP Investments is a global investment management organization.

We were established to help ensure the Canada Pension Plan (CPP) is strong and sustainable for the long term.

We invest around the world in public and private assets. Our teams bring deep expertise and local knowledge.

Investments are diversified by asset class and geography so that the Fund is more resilient, and to safeguard the best interests of current and future CPP beneficiaries.

Fiscal 2020 highlights



For fiscal year ended March 31, 2020

To our fellow Canada Pension Plan contributors and beneficiaries,



“The sustainability of your Canada Pension Plan remains secure. The resilience of the Fund, for today’s retirees and for decades to come, should give Canadians confidence.”

Mark Machin
President & CEO

The fourth quarter of the 2020 fiscal year at Canada Pension Plan Investment Board (CPP Investments) coincided with the arrival of the COVID-19 global pandemic, upending the personal and working lives of Canadians and billions of other people around the world.

The past months have tested our health, economic and social systems in ways many among us could not have imagined. Markets reacted forcefully to the expected impacts of widespread economic shutdowns aimed at containing the spread of the virus. In purely financial terms, stock market performance in the final weeks of our fiscal year was among the worst ever measured on a quarterly basis.

Amid these challenging and uncertain times, our organization’s mission is even more meaningful: to help protect the lifetime retirement security of generations of Canadians.

So, let me begin our annual report to you this year by stating that the sustainability of your Canada Pension Plan remains secure. The resilience of the Fund, for today’s retirees and for decades to come, should give Canadians confidence.

Expecting the unexpected

While the COVID-19 pandemic was something few of us could have predicted, the likelihood of a global event leading to turmoil in financial markets was something we could foresee and prepare for. And we did.

As the managers of a Fund with an exceptionally long investment horizon, we must be prepared to navigate all market conditions. In the final month of our fiscal year, the VIX Index, which measures expected stock market volatility and is often referred to as the ‘fear index’, set an all-time high. Periods of exceptional market turbulence like this test our investment skill and our organizational strength. These are the times when we most clearly demonstrate our value.

Being prepared for such scenarios is the key to navigating them. And from each crisis we weather, we draw new lessons. Over the decade since the Global Financial Crisis, we put significant effort into enhancing our risk management practices. This included implementing an integrated risk approach, and properly preparing a financial crisis plan and a pandemic response plan. Preparedness is the foundation that makes the biggest difference in how well crises are managed.

Since launching active investment management, we have designed and built a portfolio that performs during periods of economic stability and absorbs some of the most extreme negative outcomes in times of economic stress. It is our active management strategy and its execution that has placed the Fund in a safe harbour today.

Highlights of the year

In fiscal 2020, the Fund grew to \$409.6 billion, with \$12.1 billion in net income.

Our dollar value-added (DVA) compared with our Reference Portfolios for the fiscal year was \$23.5 billion as a result of the continued resilience of many of our investment programs.

Over the past 10 years, we have produced a rate of return of 9.9%, and our operations have contributed \$235.2 billion in net investment income, after all costs.

Our Investment Beliefs provide current and future beneficiaries with additional transparency as to our decision-making processes in carrying out our long-term investment strategies.

We are seeing an acceleration of the disruptive trends that have been driving business and societal changes in industries such as health care, e-commerce, mobility, big data and artificial intelligence.

We are balancing our search for new opportunities with our long-term strategy, maintaining conservative levels of liquidity and supporting companies in our portfolio.

We have committed to be a leader among asset owners in understanding the risks posed, and opportunities presented, by climate change.

We continue to execute our 2025 strategy. We remain confident in the long-term trends that underpin our convictions and strategy.

Fortitude and focus

Still, we remain a long-term investor. For us, a 'swift' reaction does not mean quickly acquiring new assets or disposing of existing ones. Instead, in times of crisis, we must assess, understand and proceed using good judgment.

For long-term investors, extreme market volatility requires mental fortitude to stay the course. Economist John Maynard Keynes' theory on animal spirits explained that we have a spontaneous urge to action rather than inaction that can sometimes work against us in investing. It is our job to tame these impulses.

We are taking the time now to identify the changes that will be both enduring and progressive. We are balancing our search for new opportunities with our long-term strategy, maintaining conservative levels of liquidity and supporting companies in our portfolio. Our long-horizon approach to building a highly diversified, resilient portfolio for Canadians will continue to be our guide through what is to come.

Our transparency with Canadians

We know that as Canadian workers and employers, you do not get to choose CPP Investments as the investment manager of your CPP contributions. This fact imposes a great responsibility to demonstrate that you can count on us – especially during the tough times.

This annual report, our quarterly reporting and the bi-annual public meetings we will hold in fiscal 2021, are important aspects of our public accountability. As Canadians navigate challenging circumstances in the months to come, we are committed to providing timely and transparent information about the Fund, well beyond what is required of us by legislation.

As Canadians remain focused on their health and well-being, we remain focused on safeguarding the financial health of the Fund.

Our financial performance

In fiscal 2020, the Fund grew to \$409.6 billion, comprising \$12.1 billion in net income and \$5.5 billion in net contributions received. Despite the devastating market conditions in our fourth quarter, this represents a net annual return of 3.1%, after all costs.

Over the past 10 years, we have produced a net rate of return of 9.9%, and our operations have contributed \$235.2 billion in net investment income, after all costs. While we demonstrate our accountability through quarterly and annual reporting, our long-term results are always the best measure of our performance. That is what ultimately helps to pay pensions today and tomorrow, shepherding the Fund through the vagaries of short-term market swings.

For instance, on a calendar year basis (January to December 2019), the Fund's performance delivered a 12.6% rate of return. That is strikingly different from the 3.1% annual return we are reporting for the fiscal year as a result of the broad equity market sell-off during our fourth quarter (the three months through March 2020). During this time, we saw the S&P 500 drop by roughly 11.7%, while our fourth quarter return was a decrease of 3.7%.

To demonstrate the value added by active investment management, we also measure our performance against our Reference Portfolios, which represent passive, public-market stocks and bonds that the Fund might otherwise hold had CPP Investments' not pursued an active management approach for the Fund. This fiscal year, the Reference Portfolio results for base and additional CPP were -3.1% and 0.7%, respectively.

Our dollar value-added (DVA) compared with our Reference Portfolios for the fiscal year was \$23.5 billion as a result of the continued resilience of many of our investment programs. DVA is a volatile measure, and so again we look at our results over a longer horizon. Since inception of our active management strategy, we have now delivered \$52.6 billion in compounded DVA.

Our long-term returns are expected to exceed what the Fund needs to remain sustainable. I say that with confidence because this year the Fund's sustainability was independently validated by the Office of the Chief Actuary. And while that report was produced prior to the COVID-19 pandemic, it does account for financial market volatility, changes to long-term demographic trends, and so on.

The Chief Actuary's latest assumption is that, over the 75 years following 2018, the base CPP account is on track to earn an average annual real rate of return of 3.95% above the rate of Canadian consumer price inflation, after all costs. The corresponding assumption is that the additional CPP account will earn an average annual real rate of return of 3.38%. As of this year, CPP Investments' average annual real rate of return over a 10-year period is 8.1%.

Investment landscape

The longest bull market run on record – enjoyed by equity investors for 11 years – took a sharp and rapid turn into bear market territory in the fourth quarter of our fiscal year.

Investors fled stocks amid concerns about the economic impact of the novel coronavirus on businesses and the health impact on consumers. Indeed, we believe the pandemic will push many significant economies to a global recessionary cliff this calendar year.

Even before the pandemic set in, we were grappling with serious geopolitical risks. For example, the world's two largest economies – the United States and China – were in the midst of considerable trade tensions that affected many businesses. The rise of populist governments in other parts of the world, such as South America, ushered in new economic priorities and challenges, as well as investment opportunities. In Europe, the outcome of Brexit was unknown for a considerable portion of the year. And in Hong Kong, widespread protests were impacting the local economy – as I write this, our CPP Investments colleagues in the Hong Kong office have been managing through unprecedented change since the summer of 2019.

These were the pressures beyond our control. To insulate ourselves from the effects of these challenges and pursue our long-term strategy, we continue to diversify the Fund globally, by asset class and by strategy. We adhere to disciplined rebalancing of the Fund to maintain the long-term portfolio construction we target. Safety and soundness come first – neither the severity and duration of economic turmoil, nor the extent of its lingering or permanent aftermath can be easily predicted. We will continue to stress test our portfolio as we always do, looking at investment outcomes under a variety of extreme scenarios so we can be confident the Fund will remain resilient as it continues to grow.

As we have seen in past crises, unexpected outcomes can emerge as people and communities respond, adjusting behaviours and innovating solutions in ways that leave lasting positive impact. Even in this time of physical distancing, our investment teams continue to work creatively to find, assess and execute on new investment opportunities.

Long-term strategy and trends

We continue to execute our 2025 strategy, approved by our Board two years ago. We remain confident in the long-term trends that underpin our convictions and strategy.

To meet our goals, investment teams continue to anticipate the trends we believe will reshape the world in the long term. Notably, we are seeing an acceleration of the disruptive trends that have been driving business and societal changes in industries such as health care, e-commerce, mobility, big data and artificial intelligence. To help us stay on top of these trends, we opened an office in San Francisco, providing a presence in the world's largest innovation hub.

Climate change and the gradual evolution to a low-carbon environment will also continue to evolve the world we live in. We have committed to be a leader among asset owners in understanding the risks posed, and opportunities presented, by climate change.

And across many markets, significant demographic shifts will also persist. Not only is half the world's population under the age of 30, but at the same time, we are entering a crucial decade for the so-called "grey tsunami" in many developed markets, where the youngest baby boomers are reaching the age of 65.

Amid these changes, we are improving our technology and data capabilities while also better capitalizing on our collective knowledge to improve our international competitiveness – a pillar of our 2025 strategy. Our efforts include the development of new tools to improve investment decision-making, including testing new strategies for using data and centralized analytics

services. We have also added processes that foster enterprise-wide knowledge sharing to unleash the power of our collective insights. These are the kinds of advancements that will support our ability to compete globally with the top ranks of the world's investors.

Other efforts include further diversifying the Fund geographically and across sectors. We grew investments in emerging markets to \$87.6 billion or 21.4% of our total assets at the end of fiscal 2020, compared to \$77.9 billion and 19.9% of our assets last year. In addition, we expanded our employee base outside Canada from 351 to 449 people in the same timeframe.

Culture continues to be a strong focus. To meet our 2025 goals, we must be able to attract high-calibre global talent and foster a culture that is innovative, ambitious, agile and inclusive. The COVID-19 pandemic points to the importance of being able to develop rich insights and adapt quickly. As part of this effort, we have worked to improve inclusion and diversity firmwide, particularly regarding female representation. Women now account for 46% of employees and hold 31% of senior-level positions.

To help us stay on course through periods of change, we have our decision-making guideposts. Our Investment Beliefs provide current and future beneficiaries with additional transparency as to our decision-making processes in carrying out our long-term investment strategies. We have documented them and invite you to read more on page 23.

Our thanks

Before my career in finance, I was trained as a medical doctor in the U.K. Today, I watch with enormous respect and admiration the medical professionals around the world – who are in many circumstances risking their own health and lives to care for all of us through their work each day. To those on the front lines of this health crisis, and others providing essential services each day: Thank you. We are sincerely grateful.

Through this uncertainty, the one constant has been the quality of our people, who are all driven by the knowledge that they are helping to lay the groundwork for Canadians' retirement security. Thank you, all my colleagues at CPP Investments, for your dedication and commitment to excellence – particularly during the times this year that really tested the strength of our character. We also appreciate our Board of Directors for their guidance and leadership.

Finally, thanks to you, our current and future beneficiaries, for putting your trust in us to forge ahead and help protect the Canada Pension Plan for generations.

Sincerely,

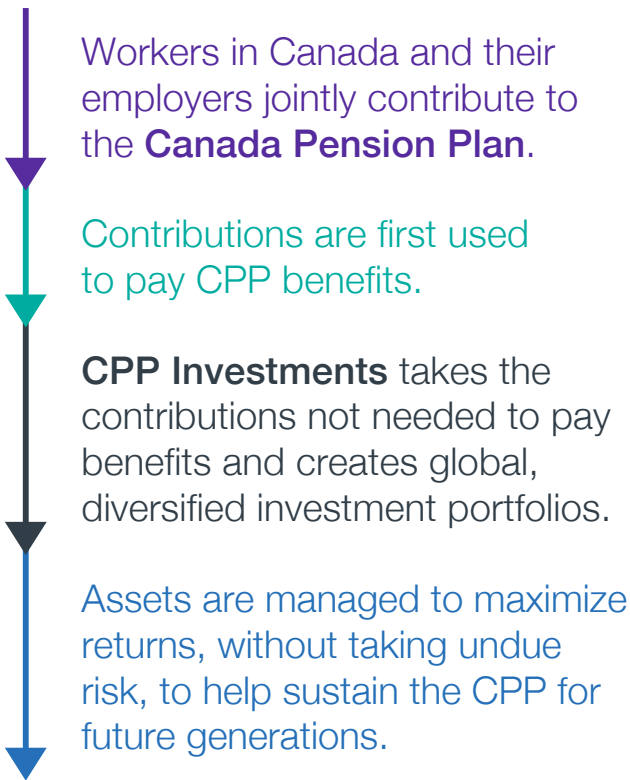


Mark Machin
President & CEO

Our role

CPP Investments has a critical mission – to help ensure Canadians have a strong foundation of financial security in retirement. We manage Canada Pension Plan (CPP) funds in the best interests of contributors and beneficiaries. Our experienced professionals invest globally to maximize returns without undue risk of loss, with consideration of the factors that may affect funding of the CPP. We take a disciplined, long-term approach to managing the Fund.

How we serve the Canada Pension Plan:



Our Comparative Advantages

Long-Term View

Certainty of Assets

Size and Scale



75+
Years
of CPP
sustainability

20+
Million
contributors and
beneficiaries

\$235.2
Billion
10-year net income

9.9%
10-year return
(net nominal)

Long-term sustainability

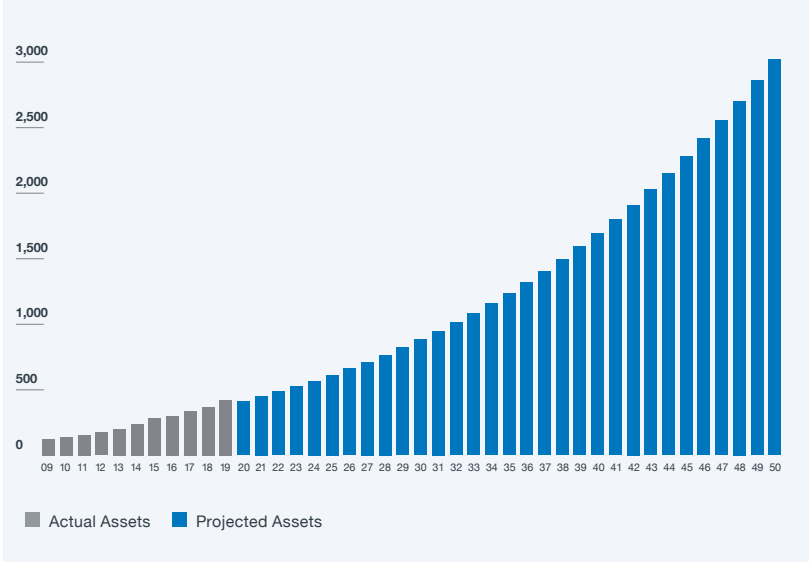
The Office of the Chief Actuary monitors the sustainability of each part of the CPP. CPP Investments is on track in helping to ensure a strong foundation of retirement income for future generations.

Every three years, the Chief Actuary reports on the financial state of the base CPP and additional CPP over the next 75 years. The most recent report, released in December 2019, again confirmed that each part of the CPP is sustainable at the legislated contribution rates.

The chart below illustrates the combined projections from the Chief Actuary's Report, considering future changes in demographics, the economy and investment environments. The Fund has two sources of growth: net contributions from CPP participants and income earned from investments.

By 2050, the total Fund is projected to reach \$3 trillion (\$1.6 trillion when value is adjusted for expected inflation).

Sustainability of the CPP As at December 31 (\$ Billions)



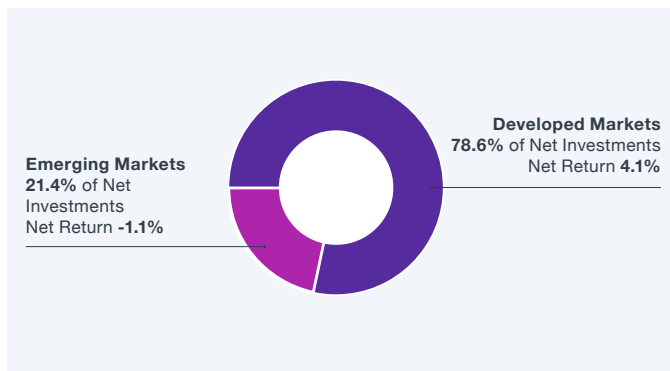
Global investments

We search globally for the best possible investment opportunities.

CPP Investments' diversified portfolios are designed to capture global growth while also withstanding periods of market uncertainty. Our team of professionals in nine offices apply their deep expertise and local knowledge to source investment opportunities, engage with world-class partners and build value in our existing assets.



Market Classification For fiscal year ended March 31, 2020

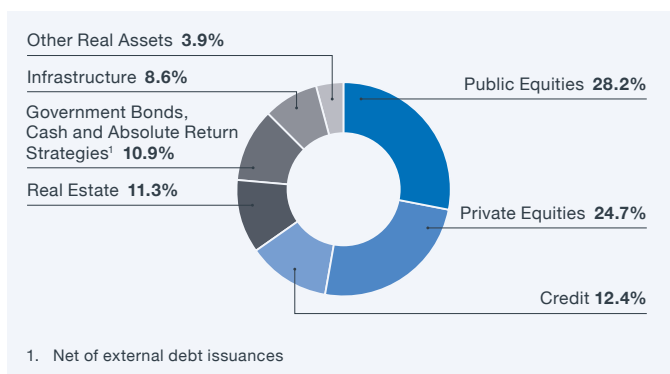


Countries in which we hold investments
55

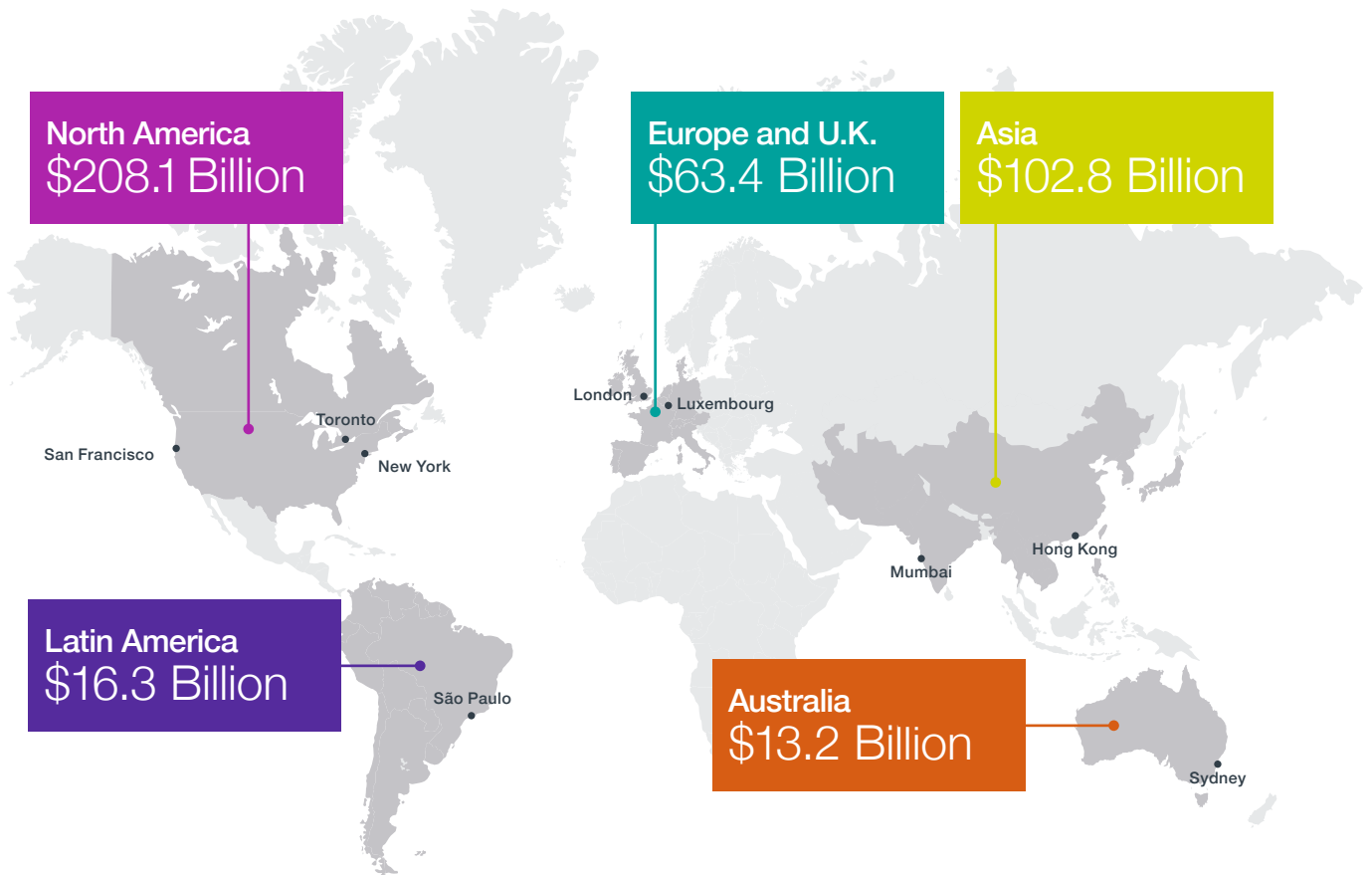
Global investment partners
283

Global transactions in fiscal 2020
742

Asset Mix As at March 31, 2020



Regional investment highlights



407 ETR Canada C\$3.0 billion

Acquired an additional 10.01% equity stake in 407 International Inc., which holds a concession over the 407 Express Toll Route toll road in Ontario.

Green Bond United States US\$500 million

Issued our first U.S. dollar-denominated green bond, a Floating Rate Note linked to the new Secured Overnight Financing Rate. We have issued four green bonds to date.

IDEAL Mexico MXN\$17.7 billion

Acquired a 23.7% interest in IDEAL, one of the largest infrastructure companies in Latin America, as well as an 11.1% stake in a FIBRA-E, a local infrastructure income trust, which owns a stake in four of IDEAL's toll roads.

Multifamily joint venture Brazil Up to R\$1 billion

Formed a joint venture with Cyrela Brazil Realty to develop a portfolio of for-rent residential real estate in São Paulo.

Merlin Entertainments United Kingdom Total transaction size: £5.9 billion

As part of a consortium, acquired the global leader in location-based family entertainment, including LEGOLAND® Parks, with more than 65 million visitors per year.

Iberian Private Real Assets Credit partnership Spain and Portugal €300 million

Committed to an Iberian Private Real Assets Credit partnership, a separately managed account which will invest in middle market real estate credit opportunities.

India Resurgence Fund India US\$225 million

IndiaRF invests in distressed assets through the purchase of existing debt and equity securities and may strengthen such assets through recapitalization and operational improvements.

National Investment and Infrastructure Master Fund India Up to US\$600 million

The NIIF Master Fund invests equity capital in core infrastructure sectors in India, with a focus on transportation, energy and urban infrastructure.

Talented and experienced teams around the world are the source of CPP Investments' diverse transactions and partnerships.

Americas Structured Credit & Financials

North America

Team members:

Andrew Edgell,
Philippa Flint,
Liz Meng,
Robert Colaguori

Keytruda® US\$1.3 billion

Acquired a portion of LifeArc's royalty interests on worldwide sales of Keytruda®, a market-leading cancer therapy

The drug is approved for use in more than 85 countries worldwide

"Alternative assets related to intellectual property help to diversify the Fund through income streams that are typically uncorrelated to the broader capital markets."

John Graham, Senior Managing Director & Global Head of Credit Investments

Direct Equity Investments Latin America

Latin America

Team members:

Tania Chocolat,
Ricardo Castro,
João Souza,
Mateus Ribeiro,
Nicholas Ellery

Smart Fit C\$340 million

Acquired a 12.4% stake in Smartfit Escola de Ginástica e Dança S.A. (Smart Fit), Latin America's largest fitness chain

Serves 2.5 million members across 739 locations in 10 countries

First private investment by newly formed group, Direct Equity Investments Latin America

Direct Private Equity

Europe

Team members:

Ryan Selwood,
Jennifer Kerr,
Sunny Lee,
Wendy Franks,
Ira Shiner,
Chris Schmied,
Shannon Whitaker

Refinitiv US\$27 billion

Total enterprise value

Announced the merger of Refinitiv, one of the world's largest providers of financial markets data and infrastructure, with the London Stock Exchange Group plc in an all-share transaction

The transaction implied a US\$27 billion total enterprise value for Refinitiv

The Refinitiv consortium, including CPP Investments, will retain an approximate 37% economic interest in the combined company

Employees

Our purpose-driven culture to help support the retirement security of more than 20 million people is powered by our global workforce. Our employees uphold our Guiding Principles of Integrity, Partnership and High Performance, driving the Fund forward to meet its investment objectives.

Full-time

1,824

Number of global offices

9

Gender diversity

46% women

International assignments and transfers

54

Inclusion and diversity

There is strong momentum around our commitment to foster a truly inclusive and diverse organization, where every employee can feel free to be themselves. Our employee resource groups are driven to effect change within our own culture, and in our communities, through a range of programs and activities.

Go Green

Raises employee awareness to improve collective environmental efficiency and reduce CPP Investments' internal environmental footprint.



MindMatters

Promotes mental health and a psychologically healthy workplace for each of us.



Mosaic

Builds awareness of the rich cultural diversity at CPP Investments.



OUT

Contributes to a diverse and inclusive culture through building awareness of and engagement with the LGBT+ community.



WIN (Women's Initiative)

Aims to improve organizational culture by attracting, developing and retaining high-performing female professionals.



Infrastructure

Indonesia

Team members:

Scott Lawrence,
Andrew Alley,
Paul Bernath,
Yiyi Yang,
Garret Gerow,
Moritz Lindhorst,
Josh Bitonte



Cipali Toll Road C\$550 million

Acquired 45% interest in PT Lintas Marga Sedaya, the concession holder and operator of the Cikopo-Palimanan (Cipali) toll road in West Java, Indonesia

At 117 kilometres, one of the longest operational toll roads in Indonesia and a critical link in the transportation network of the island of Java, as part of the Trans Java Toll Road network

Invested alongside Astra Infra (a subsidiary of PT Astra International Tbk), commencement of a long-term partnership

This is our first infrastructure investment in Indonesia

Direct Private Equity

United States

Team members:

Ryan Selwood,
Austin Locke,
Caitlin Walsh,
Matt Taylor,
Samaar Haider,
Jonathan Miller,
Ather Mohammad,
Alexandra Weinberg

Waymo US\$2.25 billion

Total initial round

Co-lead in Waymo's first external funding round, alongside Silver Lake and Mubadala Investment Company, and other investors

Formerly the Google self-driving project, a proven leader in self-driving technology that is scaling its fully driverless experience



Power & Renewables

United States

Team members:

Bruce Hogg,
Michael Douglas,
Edwina Kelly,
Rahul Bhalodia,
Mike Conrad,
Karen Boutros,
Matt Slahta,
Anna Wang,
Ryan Howson

Pattern Energy US\$2.8 billion

Acquired all common shares of Pattern Energy Group Inc., a renewable energy company, and merged with its affiliated private development company, Pattern Development

A portfolio of 28 operating renewable energy projects that use proven, best-in-class technology

Net capacity of 3.4 GW in the U.S., Canada and Japan with 10+ GW in the development pipeline



Investment departments

We have six unique departments that build and manage our assets by identifying investment opportunities and evolving our investment strategies around the world. Working together, they help maximize returns for the total Fund in a cost-effective way, taking various risks into account.

Assets under Management by Investment Department As at March 31, 2020

<p>Total Portfolio Management</p> <p>Executes the long- and medium-term design of the Investment Portfolios, and ongoing implementation of the Total Portfolio Investment Framework.</p> <p>\$179.7 billion</p>	<p>Capital Markets and Factor Investing¹</p> <p>Ensures CPP Investments has the flexibility to efficiently gain access to a broad array of sources of return in public equities, fixed income securities, currencies, commodities, derivatives and externally managed funds on a global basis.</p> <p>\$56.0 billion</p>	<p>Active Equities¹</p> <p>Invests globally in public (or soon-to-be public) companies by way of common shares or equity-linked securities, private companies, externally managed funds and securities focused on long-horizon structural changes.</p> <p>\$61.4 billion</p>
<p>Credit Investments</p> <p>Manages all of CPP Investments' public and private credit investments globally, investing in credit and credit-like products across the capital structure.</p> <p>\$40.0 billion</p>	<p>Private Equity</p> <p>Invests in global private equity suitable for large, patient and knowledgeable investors.</p> <p>\$94.6 billion</p>	<p>Real Assets</p> <p>Consists of investments in real estate, infrastructure, power and renewables and energy and resources sectors.</p> <p>\$97.6 billion</p>

1. For Capital Markets and Factor Investing and Active Equities, Assets Under Management (AUM) represents the sum of long investments and the net value of derivatives in each of these programs. AUM differs from Net Investments, which factors in offsetting systematic exposures through short investments.

Global leadership

CPP Investments Senior Management Team brings a broad range of experience to the organization.



Left to right

Kelly Shen

Senior Managing Director &
Chief Technology and Data Officer

John Graham

Senior Managing Director &
Global Head of Credit Investments

Geoffrey Rubin

Senior Managing Director &
Chief Investment Strategist

Michel Leduc

Senior Managing Director & Global Head
of Public Affairs and Communications

Mary Sullivan

Senior Managing Director &
Chief Talent Officer

Alain Carrier

Senior Managing Director &
Head of International, Head of Europe

Mark Machin

President & Chief Executive Officer

Neil Beaumont

Senior Managing Director &
Chief Financial and Risk Officer

Poul Winslow

Senior Managing Director & Global Head
of Capital Markets and Factor Investing

Patrice Walch-Watson

Senior Managing Director,
General Counsel & Corporate Secretary

Edwin Cass

Senior Managing Director &
Global Head of Real Assets

Shane Feeney

Senior Managing Director &
Global Head of Private Equity

Deborah Orida

Senior Managing Director &
Global Head of Active Equities

Suyi Kim

Senior Managing Director &
Head of Asia Pacific

CPP Investments response to the global COVID-19 pandemic

In the fourth quarter of the fiscal year, the COVID-19 pandemic resulted in reduced economic activity, exceptional volatility and strain in financial markets and a widespread impact on people around the world. It also ushered in an unprecedented period of working from home for businesses globally and for most CPP Investments employees.

Despite the extraordinary circumstances we face, as a long-term investor we continue to carry out our strategy to the best of our ability under challenging business and personal conditions.

While health and economic outcomes are still evolving at the time of publication, CPP Investments maintains its long-term perspective along with a responsive approach to the situation.

Sustainability of CPP Investments and the Fund

The Fund's sustainability over generations remains strong. Although its current value cannot entirely avoid the impact of recent market declines, our Investment Portfolios are robust, resilient and well positioned to weather severe market events. We remain committed to our investment strategy, including long-term objectives and risk targets. The core principles of our investment approach, such as diversification across types of assets and many different active programs, and within individual portfolios, are paying off.

Employee wellness

During an unprecedented time of social isolation, ensuring the physical and mental health of our employees is a top priority as we respond to the pandemic together and continue to drive our investing priorities.

Risk Management, liquidity and governance

There are several ways we assess and manage risk across the Fund, including our risk framework, risk appetite statements and limits, and our Risk Committee of the Board of Directors. We remain within all risk limits established by our Board of Directors, including limits related to liquidity, risk levels and potential losses. We will continue to stress test our portfolios, looking at investment outcomes under a variety of extreme scenarios so we can be confident that, whatever happens over the coming weeks and months, the Fund remains strong.

Long-term economic views

We do not plan to make significant revisions to our long-term outlook while the pandemic is still underway, nor do we expect a temporary shock of this type to lead to near-term revisions to the fundamental elements of our investment strategy. The Fund remains steadfast in generating long-term value for current and future beneficiaries.

Short-term investment approach

Our investment departments are focused on daily management of their individual portfolios. This includes minimizing losses from existing positions and prudently assessing the liquidity of our portfolio companies as they navigate the pandemic. Investment opportunities and capital deployment are being considered judiciously – taking advantage of new investment opportunities only where we can sufficiently price their risks under great uncertainty and volatility.

Rebalancing the Fund

Global financial markets reacted to the spread of the novel coronavirus and the negative economic consequences of restrictions imposed by governments. The result was expectations for near-term economic contraction and unemployment, which gave way to a rapid decline in the asset valuations such as equity and credit, and a rally in the price of "safe-haven" assets, such as sovereign bonds. As a result, the composition of CPP Investments' Core Pool was altered materially, with the weight of sovereign bonds increasing in proportion to declining values of equities and credit. Given this, the pool was rebalanced to buy lower-priced equity and credit investments and sell sovereign bonds. Such rebalancing is part of our normal process, and it ensured that the Core Pool remained within the specified risk governance limits and has our desired long-term exposures.

We continue to evaluate our private investments in terms of operational impact, and made material valuation adjustments where appropriate, with a limited number of longer-term issues identified.

Mobilizing our Financial Crisis Management Team

CPP Investments' Financial Crisis Management Team was created in late 2017 to ensure we were well equipped to act prudently, and quickly, in a financial crisis. Senior leaders from across the organization are represented in the group, with executives acting as advisors. The Team was mobilized in February 2020 to coordinate CPP Investments' response to the novel coronavirus.

How we view the potential for decreased CPP contributions

CPP Investments is closely monitoring changes in CPP contributions inflows over the near term and is ensuring that our liquidity management and our investment transactions pipeline and commitments factor in these impacts.

Building organizational resiliency

CPP Investments views the COVID-19 shock to economies around the world as severe, but nevertheless largely temporary and recoverable. The sudden stop in global activity driven by efforts to help contain the spread of COVID-19 has had a dramatic impact on employment and the near-term outlook. At present, CPP Investments does not view this shock as being one that would significantly alter our views of long-term GDP growth or risk premia, nor the overall planned composition of Fund investments. We will remain vigilant and re-evaluate this view as the world emerges from the current shock.

Ten-Year Review¹

	For the year ended March 31									
(\$ billions)	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CHANGE IN NET ASSETS										
Net investment income	13.4	33.2	37.8	34.4	10.0	41.4	30.7	16.7	9.9	15.5
Operating expenses	(1.3)	(1.2)	(1.1)	(0.9)	(0.9)	(0.8)	(0.6)	(0.5)	(0.4)	(0.3)
Net contributions	5.5	3.9	2.7	4.3	5.2	4.9	5.7	5.5	3.9	5.4
Increase in net assets	17.6	35.9	39.4	37.8	14.3	45.5	35.8	21.7	13.4	20.6
NET ASSETS	409.6	392.0	356.1	316.7	278.9	264.6	219.1	183.3	161.6	148.2
(\$ billions)	2020	2019 ²	2018 ²	2017 ²	2016 ²	2015 ²	2014 ²	2013 ²	2012 ²	2011 ²
EQUITIES										
Canada	8.2	8.9	9.7	11.7	13.5	19.5	18.6	15.3	14.2	21.0
Foreign	156.9	162.7	165.1	140.0	112.6	98.0	75.6	64.0	56.7	50.8
Emerging	51.5	51.5	36.0	23.7	17.6	15.5	12.6	12.4	10.6	7.6
FIXED INCOME										
Non-marketable bonds	21.1	22.2	23.6	24.0	24.4	25.8	23.4	24.4	23.6	21.8
Marketable bonds	76.6	63.9	53.2	49.1	32.5	34.4	31.0	28.5	21.2	19.7
Cash and Absolute										
Return Strategies	(14.7)	(16.2)	(13.6)	(2.4)	16.8	18.8	17.4	8.7	2.5	2.3
External debt issuance	(38.4)	(30.9)	(24.1)	(19.9)	(15.6)	(9.9)	(9.7)	(9.5)	(2.4)	(1.4)
CREDIT	50.8	35.8	22.6	17.6	17.0	17.2	11.4	8.6	8.8	6.1
REAL ASSETS										
Real estate	46.5	47.5	46.1	40.1	36.7	30.3	25.5	19.9	17.1	10.9
Infrastructure	35.1	33.3	28.6	24.3	21.3	15.2	13.3	11.2	9.5	9.5
Energy and resources	7.3	8.2	6.1	4.3	1.4	–	–	–	–	–
Power and renewables	8.7	5.1	3.0	4.4	0.9	–	–	–	–	–
NET INVESTMENTS³	409.6	392.0	356.3	316.9	279.1	264.8	219.1	183.5	161.8	148.3
NET RETURN (%)										
base CPP	3.1%	8.9%	11.5%	11.8%	3.4%	18.2%	16.0%	9.7%	6.2%	11.5%
additional CPP	4.2%	5.0%								
TOTAL FUND	3.1%	8.9%	11.5%	11.8%	3.4%	18.2%	16.0%	9.7%	6.2%	11.5%

1. The net investment table aligns with the Asset Mix within the Management's Discussion and Analysis.

2. Historical figures for fiscal 2016 to 2019 are consistent with the current year's presentation. Fiscal 2011 to 2015 figures have not been updated to the current year's presentation.

3. Includes \$407.3 billion of base CPP and \$2.3 billion of additional CPP.

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