

CPPIB Report Card

\$793.3 billion

Net Assets

12%

Share of Assets in Canada

The Canadian Pension Plan Investment Board, is the largest pension fund in Canada by a considerable margin. CPPIB does not have a mandate to invest in Canada, and their legislative mandate only says that management should pursue “a maximum rate of return, without undue risk of loss, having regard for the factors that may affect the funding of the Canada Pension Plan.” The Canadian exposure of CPPIB’s investments has been declining since 2005 when the federal government removed the 30% foreign property limit, which mandated a maximum of 30 per cent of funds invested outside of Canada.

What Share of assets are invested in Canada?

In their fiscal 2026 annual report, CPPIB had \$793.3 billion in net assets under management, with 12 per cent of those investments allocated to Canada. In 2005, 74 per cent of CPPIB’s investments were in Canada, with that rate steadily declining over the past two decades.

How do the fund’s returns compare with Canadian market performance?

CPP reported a net return of 7.8 per cent for 2026, and over the past five years the fund saw an annualized return of 6.6 per cent. Over 10 years, the fund’s annualized return was 8.8 per cent.

The Canadian Shield Institute is benchmarking all funds against a market benchmark using the S&P/TSX Composite index, as of December 31, 2025. The standardized benchmark here is a total-return index, meaning it includes both price appreciation and reinvested distributions, such as dividends.

A low-cost fund tracking the S&P/TSX Composite earned far more over the same periods: about 31.7 per cent in 2025, and roughly 16 per cent over five years, and 12.6 per cent annualized over ten years (total return, in Canadian dollars, net of fees).

Considering the above, had the CPPIB just put every dollar in a Canadian index fund, they would have earned a significantly larger annual return over the past decade.

Looking at the CPPIB’s own chosen benchmark, which is designed to assess market returns on an equivalent risk basis, we see that the fund underperformed by 5.4 per cent in the past year. Over five years, CPPIB’s returns were 0.1 per cent above their own benchmark, and over 10 years returns were 0.7 per cent above the benchmark.

CPPIB spends \$1.8 billion on personnel and general administrative expenses. The fund spends a further \$5.9 billion on management fees, performance fees and other investment-related expenses.

Does the fund break down its Canadian Investments?

In 2026 CPPIB reported some data about its Canadian exposure for multiple asset classes.

Within private equity investments, CPPIB had one per cent of assets allocated to Canada. For active equities — public companies and soon-to-be-public companies — the Canadian allocation was 6 per cent. The highest disclosed rate of Canadian ownership was in real assets — 14 per cent of those assets are in Canada.

In public and private equity, exposure to the Canadian market has been falling for at least a decade.

What is the fund saying about their commitment to investing in Canada?

CPPIB's public messaging tends to emphasize the legislative mandate of the fund, which is focused exclusively on risk-adjusted returns.

At a meeting of the House of Commons Finance Committee in March of 2026, CPPIB's Senior Managing Director and Chief Public Affairs Officer Michel Leduc gave a considered version of this message.

"By design, we are not a sovereign wealth fund, a development bank, a social-cause vehicle or an innovation venture. Had finance ministers intended for us to invest in wider goals, the CPPIB Act would reflect that. Legislators debated this carefully and concluded what our sole objective should be," Leduc said.

CPPIB leadership is clear that their priority is "diversification" rather than investing in Canada.

In the fiscal 2026 annual report, CPPIB chairman Dean Connor said that the board had been working closely with fund management to think about the fund's key priorities. "This work reinforced two convictions: global diversification remains essential to resilience through market cycles, and active management – applied with discipline – remains the right approach for a long-horizon investor."

Notably, even as CPPIB has been steadily reducing its exposure to Canada, in 2026 CEO John Graham tried to put a positive spin on it, saying "At fiscal year end, we had \$119.2 billion invested in Canada – an all-time high in dollar terms. We are encouraged by the attractive investment opportunities we are seeing in our home market."

In the run-up to the Canada Investment Summit — co-hosted by CPPIB — the fund announced plans to put \$25 billion into a joint investment project alongside Brookfield Asset Management, targeting equity investments in Canadian projects of more than \$5 billion.

This \$25 billion investment commitment — spread over five years — represents 3 per cent of net assets for the fund.