

Year in Review

A Report to Members

MESSAGE FROM THE CHAIR OF THE DEFINED CONTRIBUTION PENSION PLAN ADVISORY COMMITTEE



Pauline Port, Chief Financial Officer
and Vice-President, Corporate Services,
Canadian Blood Services
Chair, Advisory Committee

I am pleased to present a review of our Defined Contribution Pension Plan to our plan members. This report provides highlights of the plan's performance in 2014 and other key information relating to the plan.

2014 was an important year for the plan as we introduced LifeCycle portfolios into its investment selections. LifeCycle portfolios offer an approach to plan members who do not want to continually monitor their investments or who may not be comfortable in changing their investment mixes or funds. Once members select their target retirement age and their investment risk (low, moderate or high), they are set on a planned glidepath to retirement. The investment glidepath automatically changes the asset allocation at key milestones as members approach retirement. It reduces the risk exposure the closer a member is to retirement and when they ultimately need to use the accumulated investments to fund their retirement. More information on LifeCycle investments can be found on the plan's website.

The advisory committee is always looking at ways to engage our plan's membership and we hope you find this report informative. If you have any questions about the plan, please speak to your local Talent Management business partner, call our plan administrator, Morneau Shepell, or visit the plan's website. All contact information is provided on the last page of this report.

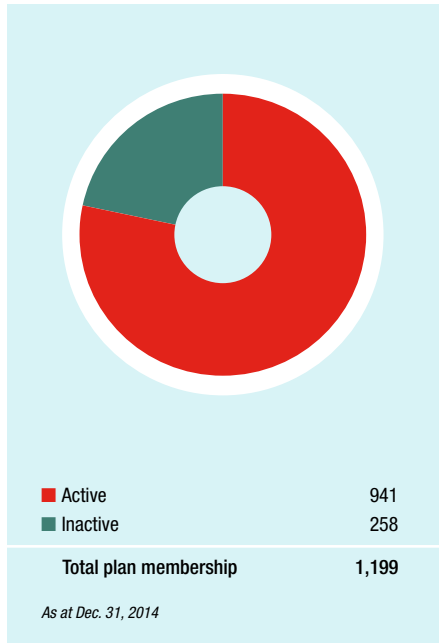


Four ways to get the most from your plan:

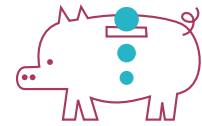
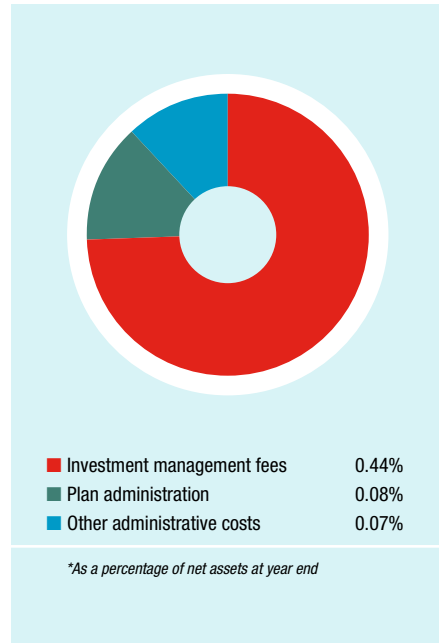
1. Visit the plan's website at <https://cbs.hroffice.com>.
2. Check out the Retirement Income Calculator and complete your Investor Profile Questionnaire on the plan's website.
3. Attend our webinars, "Sources of Retirement Income" and "Investments," scheduled for the fall of 2015.
4. Designate your beneficiary.

2014 at a glance

PLAN MEMBERSHIP



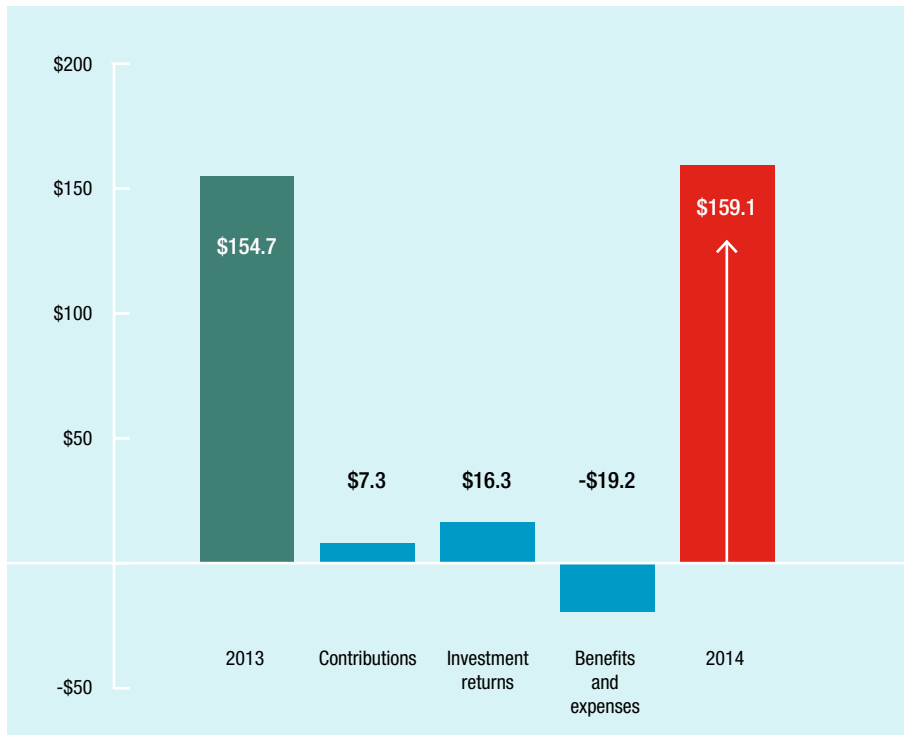
COSTS TO RUN THE PLAN*



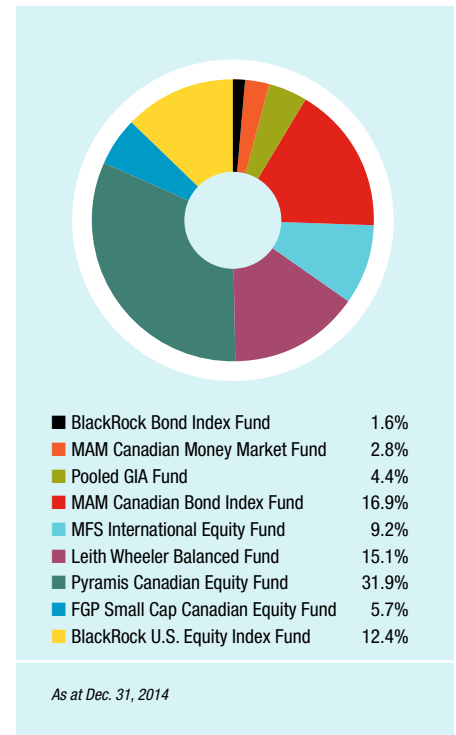
Fee holiday

The administrative charge of \$10 per member per month will be waived for two months in 2015 for all members

TOTAL PLAN NET ASSETS – MILLIONS



ASSET ALLOCATION



RETURNS BY FUND

Year ended Dec. 31, 2014

FUND NAME	BENCHMARK	RETURNS 2014
ML 5 Year Compound Guaranteed	N/A	1.7%
ML Canadian Money Market Fund	0.9%	1.3%
MAM Canadian Bond Index Fund	8.8%	8.8%
BlackRock Long Bond Index Fund	17.5%	16.8%
Leith Wheeler Balanced Fund	10.4%	9.8%
Pyramis Canadian Focused Equity Fund	10.6%	12.3%
Foyston Gordon & Payne Canadian Equity Small Cap Fund	-0.1%	6.8%
BlackRock U.S. Equity Index Fund	23.9%	24.0%
MFS International Equity Fund	4.1%	4.0%

Your plan’s advisory committee

An advisory committee assists Canadian Blood Services in administering the plan by monitoring investment performance and plan administration, and by recommending changes to the investment lineup offered by the plan. The committee consists of six representatives appointed by Canadian Blood Services, including individuals nominated by the unions representing employees in the plan. The number of union representatives is in proportion to the number of plan members represented by the unions, to a maximum of three representatives. The committee meets twice per year and is supported by a number of professionals, including an external investment advisor and a third-party administrator.

The committee reviews annually the administrative charge of \$10 per member per month and has recommended a fee holiday for all members for two months in 2015. For the remaining months, the fee will remain unchanged at \$10 per month.

2014 COMMITTEE MEMBERS

Name	Title	Affiliation
Pauline Port (chair)	Chief Financial Officer and Vice-President, Corporate Services	Canadian Blood Services
Monica Girouard	Director of Finance	Manitoba Government & General Employees’ Union
Martin Hajek	External Representative	External Representative
James McCormick	Director, Employee Relations	Canadian Blood Services
Elaine Sibson	Director	Canadian Blood Services, Board of Directors
Liz Thompson	Labour Relations Consultant	Health Sciences Association of Alberta

Your quarterly pension statement

Your pension statement provides your account balances and personal rates of return. If you have used the Retirement Income Calculator on our website, the statement provides a view of the results based on the retirement goals you have entered in the tool. Please review the spousal and beneficiary designation portions of the statement and visit the plan website to make any necessary changes.



For more information

CANADIAN BLOOD SERVICES DEFINED CONTRIBUTION PENSION PLAN WEBSITE

<https://cbs.hroffice.com>

Find a wealth of information about the pension plan, including how the defined contribution pension arrangement works, your current account balance, how to change your investment instructions, your asset allocation, beneficiary or spousal change forms and detailed information on both the investment managers and fund options. Investment-specific pages are also available on the website.

Canadian Blood Services’ Pension Call Centre
(operated by plan administrator Morneau Shepell)
1-877-252-4442