

PENSION connection

A NEWSLETTER
FOR PENSIONERS
OF THE OPSEU
PENSION PLAN
December 2022

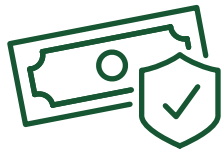


Pensions to increase **by 6.3%**

Starting January 1, 2023, **your pension will increase by 6.3%**. The adjustment is an important feature of the Plan that helps your pension keep pace with inflation in retirement. As an example, a retiree who started receiving a \$20,000 pension in January 1995 would receive \$34,668 from OPTrust in 2023. This is a 73% increase over a 28-year period.

The inflation rate is measured by the Consumer Price Index (CPI), reported by Statistics Canada. The CPI reflects the cost of a weighted basket of goods and services that are typically purchased by Canadian consumers every month. The CPI is widely used as an indicator of change in the general level of consumer prices and the rate of inflation. These goods and services are divided into eight major categories:

- Food
- Shelter
- Household operations, furnishings and equipment
- Clothing and footwear
- Transportation
- Health and personal care
- Recreation, education and reading
- Alcoholic beverages, tobacco products and recreational cannabis



Cost of living adjustment **for your pension**

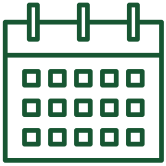
What happens if I retired in 2022?

If you retired in 2022, your cost of living adjustment (COLA) is pro-rated for the length of time you received a pension. For example, if you retired in June 2022, your pro-rated COLA is calculated by the number of months you received a pension, divided by 12, times the 2023 increase. In January 2023, your pension will increase by 3.15% to reflect the cost of living for six months. In following years, the full COLA will be applied to your pension and will not be pro-rated.



How is the increase calculated?

OPTrust's annual COLA is calculated based on the change in the average monthly CPI between October and September for the previous two years.



Monthly pension you can rely on

Mark your calendar! In the following chart you'll find the **pension pay dates for 2023**. Pensions are paid each month, usually on the 26th, except for December and any month where the 26th falls on a weekend.

We deposit your pension electronically into your account at your financial institution. If you want to change that account, we need to hear from you by the "cut-off date" shown below to get the change in place prior to that month's payment.

Cut-off Date	2023 Pay Date
Thursday, January 5	Thursday, January 26
Tuesday, February 14	Friday, February 24
Wednesday, March 15	Friday, March 24
Tuesday, April 17	Wednesday, April 26
Tuesday, May 16	Friday, May 26
Thursday, June 15	Monday, June 26
Monday, July 17	Wednesday, July 26
Wednesday, August 16	Friday, August 25
Friday, September 15	Tuesday, September 26
Tuesday, October 17	Thursday, October 26
Wednesday, November 15	Friday, November 24
Wednesday, December 6	Friday, December 15



OPTrust releases enhanced Climate Change Strategy

The global drive to address climate change will be an important responsibility, risk and opportunity for asset owners like OPTrust for decades to come.

On October 25, OPTrust released its enhanced climate change strategy to navigate this journey. The strategy outlines how OPTrust will manage risks and opportunities from a transitioning economy and declares our ambition to align the fund's portfolio with the global path towards net-zero emissions by 2050.



"Our goal is to build the right foundation today that enable us to embed climate considerations into the way we do business across our entire organization on behalf of our members," said Peter Lindley, President and CEO.

Read OPTrust's [enhanced climate change strategy](#).



OPTrust Board announces **new Chair and Vice-Chair**

On November 1, **Lindsey Burzese** was appointed **Chair of the Board of Trustees** and **Richard Nesbitt** was named **Vice-Chair**.

As part of OPTrust's joint governance structure, the positions of Chair and Vice-Chair alternate between Government and OPSEU appointees every two years.

Burzese was first named to the Board by OPSEU in January 2018. She is employed by the Ontario Ministry of the Environment, Conservation and Parks as a Divisional Program Specialist.

Nesbitt was appointed to the Board by the Government of Ontario in September 2019. He is an Adjunct Professor at the Rotman School of Management, University of Toronto, and a Visiting Professor at U.K.'s London School of Economics.



Lindsey Burzese
Chair



Richard Nesbitt
Vice-Chair



The **Senákw** project to build 6,000 homes in Vancouver



In September, the Squamish First Nation alongside Prime Minister Justin Trudeau broke ground on the Senákw development project in Vancouver – billed as the largest Indigenous-led economic and net-zero residential project in Canada.

OPTrust is a partner in the Senákw project, which aims to build 6,000 homes in the Kitsilano neighbourhood. The federal government provided a \$1.4 billion loan to fund the first half of construction.

“This positive announcement for the Squamish Nation will have a real impact on the people who live in Vancouver. Everyone should have a safe and affordable place to call home,” Trudeau said in a press conference.

This project will deliver a long-term economic benefit to OPTrust's members as well as the Squamish Nation.



Importance of inclusive leadership



This fall, OPTrust brought together Ontario pension plan leaders and a behavioural scientist from the London School of Economics (LSE) to take a deep dive into the importance of inclusive leadership in the pension context.

During the event, Dr. Grace Lordan, founding director of the Inclusion Initiative and Associate Professor at LSE, spoke with OPTrust's Vice-Chair Richard Nesbitt on why pension funds should focus on inclusive leadership: both within their organization and the companies in which they invest.

"Without inclusion in organizations, you'll find that you will have underrepresented colleagues who are in meetings unable to find their voice," said Lordan. "So, fundamentally, if we want to get the gains from having diverse people in organizations, we absolutely need to have inclusion."



Pension Connection is a newsletter for retired members of the OPSEU Pension Plan.

Some information in this newsletter is intended to summarize certain benefits offered under the primary schedule of the OPSEU Pension Plan and is not applicable to OPTrust Select. All information is current as of the date of publication.

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