

PENSION connection

A NEWSLETTER
FOR PENSIONERS
OF THE OPSEU
PENSION PLAN

April 2020

No 71

OPTrust releases 2019 Funded Status Report

RETIREMENT BY DESIGN

"At OPTrust, retirement by design really means two things. The first is the way in which we invest for the long term and in the best interests of our members. The second thing we mean is how we increase availability of defined benefit pensions through the launch of OPTrust Select which was designed for the broader public and nonprofit sector."

Peter Lindley

President and Chief Executive Officer

The **2019 Funded Status Report** is available [here](#).



OPTrust remains **fully funded** for the 11th consecutive year



5.10% nominal discount rate



9.2/10 average member satisfaction score



8.2% 10-year average net investment return (2009-2019)



CEM Benchmarking reported OPTrust investments perform in line with peers, with less risk to funded status and at a lower cost after adjusting for asset mix



Received A+ for our strategy and governance approach to responsible investing from the Principles for Responsible Investment (PRI)



Over **96,000** members

Hundreds of new members enrolled in **OPTrust Select**

Accelerated progress on gender **diversity**



Proudly serving our members for 25 years.

Paying pensions today, preserving pensions for tomorrow.

OPTrust Select: a strong response

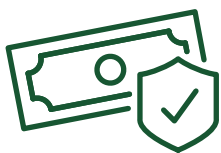


A top priority for OPTrust in the past two years has been the effort to increase availability of defined benefit pensions through the launch of OPTrust Select, a pension benefit designed for the broader public and nonprofit sectors in Ontario.

The nonprofit sector provides a range of essential services including disability supports, settlement services and care for seniors. Recommended by the Ontario Nonprofit Network, OPTrust Select was created specifically to meet the needs of employers and staff in this sector. It is a pension benefit with affordable contribution rates, designed to provide people in the sector with a modest stream of secure, reliable retirement income for life that will supplement the income they receive from government sources and other retirement savings.

The existence of OPTrust Select means that more members will contribute to, and collect a benefit from, the OPSEU Pension Plan. This is advantageous to the Plan, as the allocation of risks and operational costs over a larger membership base increases sustainability for all over the long term.

As of February 2020, membership in OPTrust Select had expanded to 32 organizations with approximately 1,250 employees who are eligible to join the plan. About 800 members were actually enrolled. And interest continues to grow: 1,020 organizations across the province have inquired about OPTrust Select, and many organizations have started the application process.



Paying pensions in difficult times

As Canada and the world take measures to slow down and contain the spread of COVID-19, we at OPTrust are doing all we can to ensure that we are being responsible to our members, our team and our community.

We have successfully moved to remote work for everyone on our team. While we are no longer processing paper mail, we are continuing key transactions such as putting pensions into pay and making termination payments. Our office hours have been reduced to from 9 a.m. to 5 p.m. We can be contacted through Online Services, or by phone or email.

We continuously plan, prepare and test to ensure we will be able to pay pensions under situations outside of regular business operations. We will continue to make accurate, timely pension payments during this time.

Investing at OPTrust is done with a thoughtful, prudent approach – a Member-Driven Investing strategy that keeps Plan sustainability top-of-mind. This approach allows us to weather tough times effectively.

Paying pensions today, preserving pensions for tomorrow.

New real estate investment in downtown Toronto



OPTrust is one of a group of co-investors involved in a long-term, downtown Toronto office leasing transaction at 65 King East.

The development includes over 18,000 square feet of private outdoor terraces, 196 bike stalls and 10,675 square feet of retail space, while incorporating smart building technologies and sustainability features.

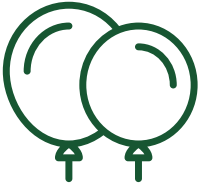
Google has leased all 18 of the office floors in the building and will occupy 400,000 square feet of space.

“At OPTrust, our focus is the security and stability of our members’ retirements and we invest and manage our portfolio in alignment with those long-term interests,” said Rob Douglas, Managing Director of Real Estate Investments. “As one of the world’s leading technology companies, Google is also focused on the future, and we are thrilled to have reached a long-term commitment on their new Toronto headquarters.”

Google’s tenancy is a consolidation and relocation of offices in the Greater Toronto Area, with occupancy expected in 2021.



25 years of OPTrust



This year marks OPTrust's 25th anniversary as a world-class pension fund, committed to providing excellent service to more than 96,000 members and retirees who count on us for retirement security.

The organization has grown significantly over the last 25 years. Net assets have reached almost \$22 billion in a diversified portfolio with offices in three countries, and we are leaders in sustainable investing. We remain fully funded and continue to exceed members' service expectations.

The fully funded status is the most important measure of a plan's stability. Our focus remains on the challenges we face and how they could impact the funded status. We need to be aware of the risk profiles of our investments, as taking too much risk today means jeopardizing the ability to pay pensions in the future. We invest with these challenges in mind and in such a way to ensure pensions will be paid to tomorrow's members, as well as today's members.

An anniversary is a time for looking back at where we've been, and forward to where we're going. It's an opportunity to reinforce our commitment to our members and look to the future with pride.



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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