

OPTions

A NEWSLETTER
FOR MEMBERS
OF THE OPSEU
PENSION PLAN
Spring 2022
No 70

OPTrust releases 2021 Funded Status Report

MOVING FORWARD

"OPTrust's vision is to deliver peace of mind in retirement for our members, to invest sustainably for the long-term health of the Plan and to create an inclusive and fulfilling work experience for our people. In 2021, we delivered on that vision by making meaningful progress towards a more inclusive workforce, investing in a risk-efficient manner, and maintaining our fully funded status for the 13th consecutive year."

Peter Lindley
President and Chief Executive Officer

The [2021 Funded Status Report](#) is available on our website.



OPTrust remains **fully funded** for the 13th consecutive year



8.8/10 average member satisfaction score



15.3% one-year net investment return



8.9% 10-year average net investment return (2011-2021)

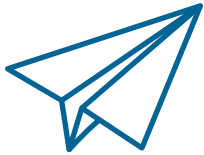


Over **\$25 billion** in net assets



Welcomed our 50th new employer to OPTrust Select, growing membership to over **1,700**

OPTrust releases 2021 Funded Status Report



OPTrust recently released the **2021 Funded Status Report, *Moving Forward***, which details the Plan's financial results and fully funded status.

The role of a pension plan is to look beyond the short term and into the future to pay pensions for generations of Ontarians. While the impact of the global pandemic will be felt for years, the Plan has continued to move forward by focusing on our members so they can have peace of mind in retirement knowing their pension is secure.

In 2021, OPTrust achieved a net investment return of 15.3 per cent and lowered its discount rate to 2.85 per cent, net of inflation, from 3.0 per cent in 2020. Over the past 10 years, the Plan's average net investment return is 8.9 per cent. The Plan was fully funded for the 13th consecutive year.

OPTrust recognized two significant growth milestones in 2021 – surpassing 100,000 members and welcoming the 50th new employer to OPTrust Select. Additional highlights include the development of a robust Inclusion, Diversity and Equity strategy, establishing more integrated and measurable approaches to responsible investing across our investment portfolio, and delivering over a billion dollars in pension benefits to retirees across hundreds of Ontario communities.

The OPTrust team continued to provide an exceptional service experience to members. In 2021, members and retirees rated their service satisfaction as 8.8 out of 10.

You can find all the details in the Funded Status Report [here](#).



Evolving our environmental, social and governance approach, OPTrust releases 2021 Responsible Investing Report

With growing attention from regulatory bodies and rising expectations on disclosure, there is an increasing emphasis on environmental, social and governance (ESG) factors in the investment industry. OPTrust is committed to continually advancing our ESG integration practices as standards evolve and this area grows in importance for our members and other stakeholders.

On June 14, OPTrust released its *2021 Responsible Investing Report: A Collective Commitment* along with reporting on progress against the *Taskforce for Climate-related Financial Disclosure (TCFD)* framework. These reports detail our responsible investing activities, as well as a look at what's to come, including addressing climate change.

Read OPTrust's full [2021 Responsible Investing Report](#) and [TCFD Report](#).

Your annual pension statement helps you plan for the future



As a member of the OPSEU Pension Plan, you receive an **Annual Pension Statement** every year. It provides you with a snapshot of your estimated pension amounts at key retirement dates, based on your salary and service information as of December 31 of the previous year. This is an important tool that helps you plan for the future with peace of mind.

Your 2021 Annual Pension Statement is available now.

It includes the following information:

- the pension you have earned as of December 31, 2021
- an estimate of the pension you will be eligible to receive if you work until age 65, and
- if applicable, an estimate of the pension you will be eligible to receive if you qualify for an early unreduced pension and retire before age 65.



Members qualify for an early unreduced pension when their age and pension service total at least 90, or if they are at least 60 years old and have 20 or more years of pension service.

The statement also shows how your pension is calculated, with a formula that uses your average annual salary (the average of your highest 60 sequential months) and your pension service. You will also see the contributions you've made to the plan.

If applicable, the name of your spouse, and any beneficiaries you have designated will also appear on your statement.



Did you know your pension provides valuable benefits for your survivors? **Learn more [here](#).**

One of the great things about defined benefit pensions like the OPSEU Pension Plan is that you have a very good idea in advance what your future pension will be. Other retirement savings arrangements, such as RRSPs, can't accurately predict what your income will be after you retire, since the amount saved depends on investment returns (and losses).

More information on what's in your statement can be found [here](#).

You can view your statement by logging into [Online Services](#) – a reliable, always-accessible way to keep track of your pension. If you haven't already done so, you can register for Online Services with your OPTrust ID, date of birth, postal code and employee ID. If you have any recent correspondence from us, your OPTrust ID will be included near the top of the first page.

Please take a few minutes to review your statement and let us know if your spousal information, beneficiary designations or contact information need to be updated. Updates can be made through Online Services, or by calling us.

Plan changes to accommodate **temporary part-time work arrangements**



Effective February 1, 2022, changes were made to the OPSEU Pension Plan so members earn full pension service if they temporarily reduce their working hours.

These changes support members who participate in flexible working arrangements so they can maximize their pension.

Members who enter into a 'temporary part-time work arrangement' on or after February 1, 2022 will continue making pension contributions based on their regular work hours so they earn full pension service, and employers will match their contributions.

Members can also choose to make pension contributions for only the reduced hours they work and apply to buy back the pension service for the hours they did not work after the arrangement ends.

A special 24-month buyback window is available for members who were on a temporary part-time work arrangement that occurred before February 1, 2022. If members apply to buy back pension service for a past arrangement before the 24-month buyback window closes on January 31, 2024, their employer will match their contributions.

[Find out more](#)



People for Pensions: voicing the value

Public sector pension plans like ours aren't just good for the retirees who have them. The economic activity from the operations of Canada's public sector pension plans, as well as retirees spending their income from those plans, supports 877,100 jobs and 55,500 businesses, with \$33.1 billion in annual wages and \$21.4 billion in tax revenue, according to a recent report.

Find out more on this, and other good news from the pension world, on our People for Pensions site.

[People for Pensions](#)



OPTions is a newsletter for 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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