

# Inspired by You

## 2019 Year in Review

At HOOPP, our commitment to our members is at the heart of everything we do as we invest for the future, serve our members and advocate for retirement security. We are inspired by you.

### What inspires HOOPP employees

“After long careers in healthcare, my mother and mother-in-law retired with income security thanks to HOOPP. Remembering their hard work inspires me to work every day to deliver on our pension promise to them, and thousands of other healthcare workers,” says Jennifer, HOOPP Finance.

“My mother spent the last few weeks of her life in the same hospital where my children were born. Nurses care for and show compassion to patients and their families when we are most vulnerable, sharing some of the happiest and saddest moments of our lives. Their compassion inspires me, and I am proud to protect their pensions so that they can retire with dignity,” says Nick, HOOPP Investment Management.

“It is truly a privilege to have the opportunity to meet and interact with our members on a day-to-day basis. I feel inspired knowing that people who work so hard taking care of us can rest easy knowing they will have a secure and dignified retirement,” says Bobby, HOOPP Public Affairs.

### Delivering on the pension promise

As HOOPP’s Board of Trustees, our role is to act in the best interests of members and employers as we oversee all aspects of the Plan. We are pleased to say that, following another strong year, the Plan remained fully funded at end of 2019. You will learn more about this and other highlights in this 2019 Year in Review.

Our Board is pleased to have appointed Jeff Wendling as President & CEO, effective April 1, 2020. We also want to say thank you to former President & CEO Jim Keohane for his many years of exceptional leadership. We wish him well as he starts his retirement.

from Board Chairs Dan Anderson and Adrian Foster

### Investing to pay pensions

Funded status: 119%

For every \$1 owed in pensions, HOOPP has \$1.19 in assets.

Rate of return: 17.1%

HOOPP’s 10-year return of 11.4% is among the best in the world for pension plans.

Net assets: \$94.1 billion

To ensure that we have enough to pay pensions, today and in the future, we use a liability driven investing (LDI) approach. Investments in the Fund are divided between two portfolios:

One portfolio that protects against inflation and provides steady cash flow by investing in fixed-income assets and real estate;

and one that provides growth while balancing risk by investing primarily in public equities, corporate credit and private equity.

### 2019 Investing highlights

1. Our bond investments protected the Fund from a decline in long-term interest rates.
2. Strong returns in public equities, corporate credit and private equity helped the Fund grow.
3. As part of HOOPP's five-year strategic plan, we established an infrastructure investment strategy to help contribute to Fund growth. This asset class aims to strengthen portfolio diversification and generate strong returns while balancing risk in sectors such as utilities, energy, transportation, communications and data.

### Here's what the Plan's strong financial health means for you:

- a 2% increase to pensions for retired and deferred members
- unchanged contribution rates through the end of 2021

### Investing responsibly

Responsible investing continues to be an integral part of how we invest. This means we consider environmental, social and governance (ESG) factors, including sustainability, in our risk-based approach to investing.

Climate change is a key area of focus for us. In 2019, we conducted a climate change assessment in our Real Estate portfolio, and we are expanding this analysis across our other areas of investment.

As the ESG landscape continues to change, we are evolving our approach in a way that delivers value to our members.

Our commitment to sustainability standards in real estate was recognized with two prestigious awards at the IPE (Investment & Pensions Europe) Real Estate Global Awards 2019.

### Advocating for retirement security

Eight out of ten Canadians would rather have a better pension – or any pension – than a higher salary.

To help expand the conversation about retirement security, we held a special event on October 8 with pension experts and government representatives. We unveiled the findings of our latest commissioned research which highlights, as shown above, that Canadians understand the important role that pensions play in providing retirement security.

Our pension advocacy aims to help preserve Canada-model pension plans like HOOPP and broaden access to their most successful features to help make retirement more affordable for everyone.

## Keeping security a priority

We continue to enhance our cybersecurity practices and systems. One of our key initiatives was supporting the secure transition of our systems to a cloud environment, giving us greater access to cutting-edge technologies.

We also focused on enhancing our internal training and education program to provide more opportunities for staff to: build awareness of cybersecurity risks and better understand their role in protecting confidential member information.

## Providing personal service

Providing you with excellent service is as important to us as your pension is to you. With our members' needs in mind, we continued to enhance:

- HOOPP Connect by making it easier to access your pension information using your mobile device
- Our service approach with a dedicated specialist who has been assigned to you when you have questions.

## Our membership

Total members of as Dec. 31, 2019: 381,081

- 238,537 active members
- 109,244 retired members
- 33,300 deferred members

We welcomed approximately 10,000 members to the Plan as a result of five healthcare pension plans merging into HOOPP. Mergers increase the size of the Plan and provide greater flexibility to members to build their pension within the healthcare sector.

## Our employers

- 158 small healthcare organization
- 141 hospitals
- 83 service providers
- 79 family health teams
- 68 foundations
- 65 community health centres

Total employers as of Dec. 31, 2019: 594

## Saying farewell to Jim Keohane

In my 21 years at HOOPP, I have been inspired by the hard work, commitment and dedication of those who work in Ontario's healthcare sector. It has been my privilege to lead an organization that is committed to providing a secure retirement pension for those who take care of us. As I begin my retirement, I know that HOOPP is well positioned for the future and has a great team in place to continue to deliver on the pension promise.

## ENTER TO WIN

Take our online survey to tell us what you think of our *2019 Year in Review*. You could win your choice of a Google Nest WiFi Router & Point or an iRobot Roomba 675 Vacuum.\*

Go to [hoopp.com/2019survey](https://hoopp.com/2019survey) to take the survey.

\*Contest closes: June 30, 2020