

Providing pension peace of mind

2021 Highlights

While 2021 presented many challenges, we remained focused on our members and proudly delivered strong performance for the year. This included taking important steps to improve benefits and service offerings for members, and strengthen our organization to help us continue delivering on our pension promise. We invite you to learn about our Plan performance and highlights from across the organization.

A message to members from our President & Chief Executive Officer

As we all continued to feel the effects of the COVID-19 pandemic in 2021, HOOPP stayed focused on keeping your pension secure.

I'm pleased to report that our Plan remained strong with a funded status of 120% at year end. In other words, for every \$1 we owe in pensions, the Plan has \$1.20 in assets. That puts us in an excellent position to continue paying pensions now and in the future.

Read on to learn more about our 2021 highlights and what we're doing to further strengthen our organization. I hope this information gives you peace of mind about your pension in these uncertain times.

On behalf of HOOPP, I want to thank you for everything you do for our communities. We are proud to serve you and help support your financial future.

Regards,

Jeff Wendling

President & Chief Executive Officer

Plan performance

The Plan entered 2021 in a very healthy position and delivered strong results for the year. We also took important steps to improve benefits and service offerings for members, and strengthen the organization to help us continue delivering on our pension promise.

Funded status: 120%

Net assets: \$114.4 billion

Rate of return for 2021: 11.28%

All reported figures in this document are as at December 31, 2021.

Investments

Using our liability driven investing (LDI) strategy, our investment team successfully navigated another year of volatile financial markets and persistent challenges in the economy related to the ongoing effects of the pandemic. The result was a strong investment return and funded status, making the Plan more secure for the long term.

2021 highlights include:

We delivered strong gains across many of our asset classes, including public equities, real estate and private markets, which offset modest declines in our bond portfolio.

We saw early success in our innovation economy investments and infrastructure program, as we continued to diversify our portfolio and geographic footprint.

We continued to centralize and expand our risk management practices and capabilities to ensure strong systems, processes and oversight as the Fund grows.

Sustainable investing

Sustainable investing means investing in a way that uses insights from environmental, social and governance (ESG) factors to enhance investment performance. One of our priority areas, which we know is also important to our members, is the complex and pressing issue of climate change.

In 2021, we made meaningful strides in climate stewardship and investing in related opportunities. For example, we introduced a \$1 billion allocation to climate change equities through indices aligned with The Paris Agreement on climate change, as a first step in a multi-year journey.

For more information, read our 2021 Annual Report or visit the Sustainable investing section on hoopp.com.

Members and employers

Staying focused on our members, we took several steps this year to improve the Plan, enhance our service and help provide them with pension of mind, including:

- a benefit improvement for eligible active members who have service in the Plan in 2018, 2019, and/or 2020, which built on a 2017 improvement and increased the value of their pension
- inflation protection for retired and deferred members, with cost-of-living adjustments increasing pensions by 0.73%, effective April 1, 2021, and 4.8%, effective April 1, 2022
- enhancing digital services and communication, including the ability to complete retirement elections online, and make electronic payments for buybacks and transfers

During the year, our membership and the number of employers that offer the Plan increased.



Our membership

Total number of members: 419,627

Our employers

Total number of employers: 624

People and culture

To support our growing membership, we continue to expand our workforce, while fostering a high-performing, equitable, diverse and inclusive culture. We believe that having a team that reflects the diversity of our communities and our membership is essential to our success

In 2021 we hired a Director, Equity, Diversity and Inclusion (EDI) and launched our five-year EDI strategy, which is helping guide our efforts and decision-making, while ensuring we continue making steady and tangible progress.

Top employer award

HOOPP is proud to once again be recognized as one of Greater Toronto's Top Employers of 2022 by Canada's Top 100 Employers. It is the second year in a row we have received this distinction.

For more information on all our results, view our 2021 Annual Report on [hoopp.com](https://www.hoopp.com).

We want to hear from you!

Let us know what you think of our 2021 Highlights for a chance to win a Dyson V7 Motorhead Origin cordless vacuum. Go to [hoopp.com/2021survey](https://www.hoopp.com/2021survey) to complete a short survey.

Thank you and good luck!