



A STRONG YEAR FOR A STRONGER PLAN

A message from your Trustees

2017 was a good year for your pension plan. As of December 31, 2017, your Plan's annual investment return was 8.5%, which is notably higher than its 10-year average return of 6.2%. While this is very good news, it's important to remember that pension plans are designed to operate over a long period of time, so longer-term performance is key.

Successful investing is very important for all pension plans. That's why the Trustees monitor the Plan's investment managers closely – to ensure your Plan's money is managed prudently and to keep the Plan healthy and strong. To that end, we've made some changes to your Plan's investment managers, as follows:

- Fidelity Investments, which already manages the Plan's small cap US equity mandate, will also become the Plan's large cap Canadian Equity manager; and
- Leith Wheeler, which already manages some of the Plan's large cap Canadian and international equity assets, will have its mandate expanded to include Canadian fixed income.

The Trustees and their advisors will continue to manage the Plan and its assets in the best interest of Plan members – today and in the future – to help ensure your financial security in retirement.

This issue of NHRIPP Now provides an update on your Plan's investment performance over the past year, provides some answers to your frequently asked questions, and announces some exciting upcoming improvements at the Fund Office, which will result in more services and simplified processes being offered to you.

Si vous préférez recevoir ce bulletin en français, veuillez communiquer avec l'Administration du régime.

KEY TERMS TO KNOW*

SMALL CAP – The definition of small cap can vary among investment managers, but it is generally a company with a market capitalization of between \$300 million and \$2 billion.

LARGE CAP – A company with a market capitalization of more than \$10 billion.

** These figures apply to both Canadian and global equities.*

WHAT'S INSIDE

- 1 BY THE NUMBERS**
INVESTMENT PERFORMANCE UPDATES
- 2 (NEW!) YOU ASKED – WE ANSWERED**
- 2 UPCOMING FUND OFFICE/INBENEFITS IMPROVEMENTS**



BY THE NUMBERS

Investment performance updates

Pensions are paid from a trust fund made up of member and employer contributions, as well as investment income on those contributions. That's why overseeing how this money is invested is one of the most important responsibilities of your Plan's Board of Trustees.

Together with their team of advisors, the Trustees select investment managers to invest the available funds based on the Board's Statement of Investment Policies and Procedures (SIPP). The SIPP outlines:

- What types of investments the Plan can – and cannot – hold;
- How much money should be held in different types of investments, industry sectors and geographic regions of the world; and
- How the Trustees should evaluate the performance of the investment managers selected to manage the Plan's investments.

This is a very important process that helps keep your Plan financially stable so it will continue to be there for you when you're ready to retire.

Who manages your Plan's money

- Leith Wheeler/Sprucegrove
- Connor, Clark & Lunn
- Hillsdale Investment Management
- BlackRock
- Fidelity Investments
- Copper Rock Capital Partners
- Walter Scott & Partners
- PIMCO
- Manulife Financial
- Bentall Kennedy
- J.P. Morgan Asset Management
- Macquarie Infrastructure and Real Assets
- State Street Global Advisors

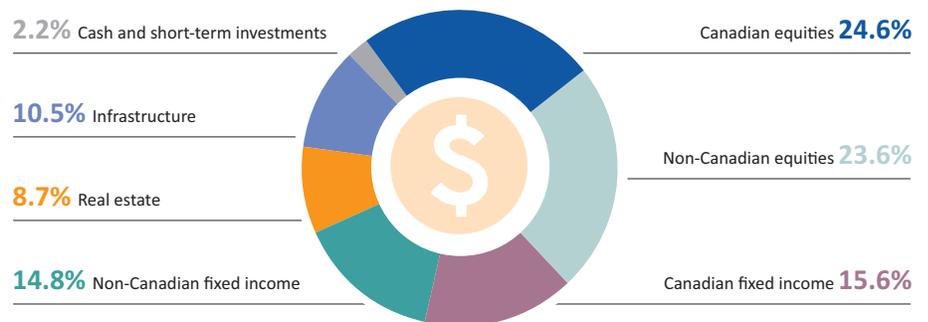
Investment returns over the last 10 years



*Estimated based on unaudited financial statement.

How your Plan's money is invested

The Plan's SIPP provides target ranges for each type of investment the Plan can hold. As of **December 31, 2017**, your Plan's assets were invested as follows.



Investing responsibly

Environmental, social and governance (ESG) factors can impact a pension plan's financial performance. Environmental concerns include pollution, climate change and deforestation. Social concerns include human and labour rights, and health and safety. Governance factors include corporate governance, business ethics, shareholder rights and executive compensation. The Trustees believe that consideration of ESG factors contributes to the prudent investment of the Plan's assets.

The Plan's investments are not selected, or rejected, solely on the basis of ESG factors. Rather, provided there is sufficient information available, ESG factors are considered to the extent that they may have a material impact on the financial return of an investment. The Plan's investment managers are responsible for determining the materiality of the risks and opportunities posed by ESG factors and other economic and financial risks and for selecting the Plan's investments accordingly.

The Trustees' ESG approach also includes encouraging investment managers to become signatories to the United Nations-supported Principles for Responsible Investment and retaining the Shareholder Association for Research and Education ("SHARE") to vote the proxies of stocks held in the Plan's segregated mandates in accordance with SHARE's proxy voting guidelines.

YOU ASKED, WE ANSWERED

When planning for your retirement, there are a lot of factors to take into consideration. As you may be aware, we recently introduced a permanent call centre so that we can respond to your questions faster and more efficiently. All calls received through the call centre are recorded to ensure quality control.

Your questions and concerns are important to us, so this section will be a regular feature of future newsletters. Our goal is to help you improve your financial literacy and retirement readiness – whether you’ve just joined the Plan or are getting ready to retire.

When will I receive my Annual Pension Statement?

- A. The Annual Pension Statements for our active members are issued every year in June. This statement shows a summary of the total member and employer contributions for the previous calendar year, as well as your accrued monthly pension payable at age 65 – the normal retirement age for your Plan.

What will my monthly pension be when I retire?

- A. If you want to calculate your monthly pension at retirement, check out the **pension calculator** at www.nhripp.ca. You will need to look at your last Annual Pension Statement, and plug in values like your “Years of Past Service Credit,” “Total Contribution Amount” and “Future Expected Service” to calculate an estimate of your future pension.

You can also request an estimate of your monthly pension amount by calling InBenefits toll-free at 1-800-287-4816, and a representative will be happy to assist you. When you call, please have your Plan ID # available.

How do I apply for my pension?

- A. Contact InBenefits **3 months** before your preferred retirement date to request a pension application. Once you complete the application and provide the required documentation and confirmation of your last day of employment (provided by your employer) your monthly pension can be processed.

Your pension will become payable on the first of the month following receipt of the completed paperwork (if you are under age 65), or the first of the month following your retirement date (if you are age 65 or older). Pension payments are made on the first business day of the month via direct deposit or mailed cheque and will be paid for your lifetime and possibly the lifetime of your spouse, depending on the option you select.

I am going through a breakdown of my spousal relationship. Is a Family Law Valuation the same as my Annual Pension Statement?

- A. When going through a spousal relationship breakdown, a Family Law Valuation is required to determine the division of family assets that relate to your pension. Your Annual Pension Statement is not an acceptable document for this purpose.

Ontario members can request a Family Law Valuation by visiting the Financial Services Commission of Ontario website at www.fSCO.gov.on.ca, and then providing InBenefits with completed FSCO Family Law Forms 1, 2 and 3. Please note: There is a fee of \$600 plus HST for the Fund Office to perform this calculation.

Members in other provinces should call InBenefits if they need information about how the value of their pension may be divided.

Fund Office/ InBenefits improvements

As you may have read in the December issue of our newsletter, you’ll see some exciting improvements to InBenefits’s administration system and processes to improve the member experience.

As of January 1, 2018, the Fund Office (responsible for managing the Plan alongside your Trustees and ensuring that it meets the needs of Plan members) has:

- changed its name to **InBenefits**;
- put in a permanent call centre to answer your questions; and
- hired additional staff to serve you better.

You’ll benefit from more easily accessible Plan information and quicker, more efficient service. Over the next couple of years, InBenefits plans to continue investing in its systems and processes making them more user-friendly. Upcoming improvements include:



New pension projection and calculation tool



An enhanced IT platform



Employer and Member website portals



Website updates



And more!

These improvements are currently in the early development stage, but we’ll be sure to keep you up-to-date on any new developments. Stay tuned – more information will be coming later this year!

A MESSAGE TO PENSIONERS...

Tax form reminder

T4A slips were mailed out on February 28, 2018. If you haven't received your T4A, please contact InBenefits at 1-800-287-4816 or via email at information@nhripp.ca.



KEEP IN TOUCH

Got a question about your Plan?
Contact us!



Email: information@nhripp.ca



In Toronto: 905-889-6200

Outside Toronto: 1-800-287-4816



Fax: 905-889-7313



You can also access Plan information online anytime www.nhripp.ca

Board of Trustees:

John Klein, Chair of the Board of Trustees – *SEIU Local 1 Canada*

Jim Flynn, Chair of the Audit Committee – *CUPE*

Cathy Carroll, Chair of the Investment Committee – *SEIU*

Andrew Ward – *CUPE*

Mary DeMille – *Unifor*

Eulalee Robinson – *SEIU*

Matt Cathmoir – *SEIU*

Carol McDowell – *SEIU*

Jody Powers – *Unifor*

Beverly Mathers – *ONA*

Ricardo Mckenzie – *SEIU*

Tyler Downey – *SEIU*

Mia Warwick – *CUPE*

Alternate Trustees:

Marlene Hemmings – *SEIU*

Valerie Trudeau – *CUPE*

Kapil Uppal – *ONA*

Candice Basara – *Unifor*



Final word

This newsletter provides summary information about the Nursing Homes and Related Industries Pension Plan in simple terms. It is not intended to be comprehensive or to provide advice. If there are any differences between the information provided in this newsletter and the legal documents that govern the Plan, the legal documents will apply.