



2020 HIGHLIGHTS FOR MEMBERS

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The Workplace Safety & Insurance Board Employees' Pension Plan (the Plan), is a jointly sponsored defined benefit pension plan for members from the Workplace Safety and Insurance Board (WSIB), Infrastructure Health and Safety Association (IHSA), Public Services Health and Safety Association (PSHSA), Workplace Safety and Prevention Services (WSPS), Workplace Safety North (WSN) and WISE Trust.

The Plan is administered by WISE Trust, an eight-member Board of Trustees, four appointed by the WSIB and four appointed by the Ontario Compensation Employees Union (OCEU). WISE Trust was established to give the Plan's sponsors, WSIB and OCEU, equal voices in the administration and governance of the Plan.

OUR MISSION

To deliver on the defined benefit pension promise to our members now and into the future.

OUR VISION

To continue to evolve our pension plan for our members by defining new ways to strengthen our pension promise.

OUR VALUES

INTEGRITY – transparent and honest in our decisions and interactions.

ACCOUNTABILITY – acting responsibly today to provide for tomorrow's future.

SERVICE EXCELLENCE – delivering timely, positive interactions to members and partners.

INCLUSIVITY – working as a team, respecting perspectives, and creating opportunities to share our ideas.

INNOVATION – challenging ourselves and our partners to move beyond the status quo.

The WSIB Employees' Pension Plan (the Plan) converted from a single employer pension plan to a jointly sponsored pension plan (JSPP) on July 1, 2020! This transition to a JSPP marks the first time a single employer pension plan has converted to a JSPP in Ontario under the Pension Benefits Act. This change was made in the interest of preserving the defined benefit pension plan that you have today and into the future.

A MESSAGE FROM THE BOARD OF TRUSTEES

We are excited to present you with WISE Trust's first annual highlights for members! In this highlight, you will find information about financial and investment performance, membership statistics, and a review on some of the core services that we provide you.

The WISE Trust Board of Trustees is responsible for the oversight and administration of the pension plan and investment strategy of the pension fund. **We will always act in the best interest of our members.** A key component in doing this is by ensuring you have access to information about your pension, which we do through the WISE Trust Pension Contact Centre and My Pension Resource. Another important responsibility is monitoring the funded status and expenses of the Plan. We have rigorous policies and procedures we follow to ensure we are careful.

It was an exciting year for us in 2020. The Board of Trustees hired WISE Trust's first Chief Pension Officer and Plan Manager, Susan Kay-Dunn, who has been an instrumental part in the day-to-day-operational activities. We asked the team to focus on our values of service excellence and innovation while setting up the organization, and as a result, we work with modern IT infrastructure, prepared to launch a new website for members, and developed a documented governance framework – everything from terms of reference for committees to foundational policies. **We've also established a new name for ourselves, WISE Trust – Workplace Insurance and Safety Employee Trust – to be more inclusive towards our members who are from various employers.**

Although we are extremely proud of the work that has been accomplished, we recognize that the COVID-19 pandemic has disrupted many lives as well as the investment markets. The world around us will always change, but the efforts to secure your pension will not. **We remain focused on a long-term investment strategy which is designed to provide security and stability to our members today and tomorrow.**

On behalf of the Board of Trustees, we want to recognize the hard work of the WISE Trust team and thank them for their continued support in delivering the outstanding service that members expect. **We are committed to delivering the defined benefit pension promise to all members for today and well into the future.** We are confident that the work we've done in 2020 has laid the groundwork for a strong organizational culture and an effective, innovative governance structure at WISE Trust. We look forward to 2021 with a strong focus on our values to help achieve our goals.



WAYNE GLADSTONE
Co-Chair of the Board of Trustees



HARRY GOSLIN
Co-Chair of the Board of Trustees

A WORD FROM THE CHIEF PENSION OFFICER

On July 1, 2020, we started with a small team of four people, working closely with our Board of Trustees to meet the operational and business needs of our pension plan. Over the next six months, we grew to a dedicated team of eleven staff, all working virtually and focused on delivering our pension promise and making sure that we support the Trustees in their fiduciary duties to pension plan members.

Reflecting on 2020, here are some of our accomplishments:

- Transitioned to the JSPP governance structure without disrupting member services and continued to ensure regular member communications and meeting regulatory requirements.
- Implemented an information technology infrastructure which is fully cloud-based and includes a robust suite of cybersecurity and productivity tools.
- Onboarded key staff and developed a resourcing strategy and timeline to fill additional critical roles in a timely and thoughtful way.
- Delivered on our first business plan for the last six months of the year within our budget.
- Prepared to launch a new website wisetrust.ca which will allow you to have better access to information about your pension.

As we look forward at our plans for 2021, I am very conscious of the amount of work that lies ahead of us. The transitioning of financial services and pension administration support services from the WSIB to WISE Trust is critically important work that requires careful planning, flawless execution, and firm budget management. Our accountability for the careful transition of work is critically important, and our commitment to service excellence and innovation will help us make decisions to create systems and processes that will best serve our members well into the future.

Lastly, I would like to acknowledge the efforts of our team, who have collaborated with our partners to deliver superior results in the key areas of finance, member services, and operations. It was a challenging year that we all faced in 2020: COVID-19, working from home, economic uncertainty, and the unprecedented social and political times. Like each of you, the WISE Trust team has risen to meet every challenge – both personal and professional. I look forward to working with this team, and our partners, to deliver on our 2021 business priorities and continue to deliver on the pension promise.



SUSAN KAY-DUNN
Chief Pension Officer
and Plan Manager

2020 WISE TRUST HIGHLIGHTS

Data as of December 31, 2020

\$3.8B

NET ASSETS

98%

FUNDED RATIO

\$284M

EMPLOYER CONTRIBUTIONS

\$27M

MEMBER CONTRIBUTIONS

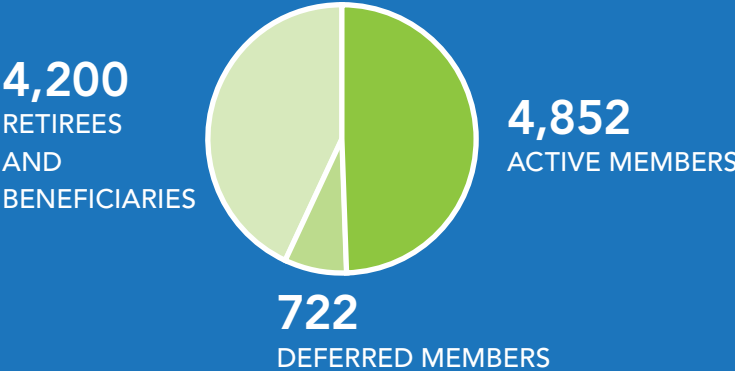
2020 INVESTMENT PERFORMANCE

4.8% 1-Year Return

5.4% 3-Year Return

6.7% 5-Year Return

PLAN MEMBERSHIP



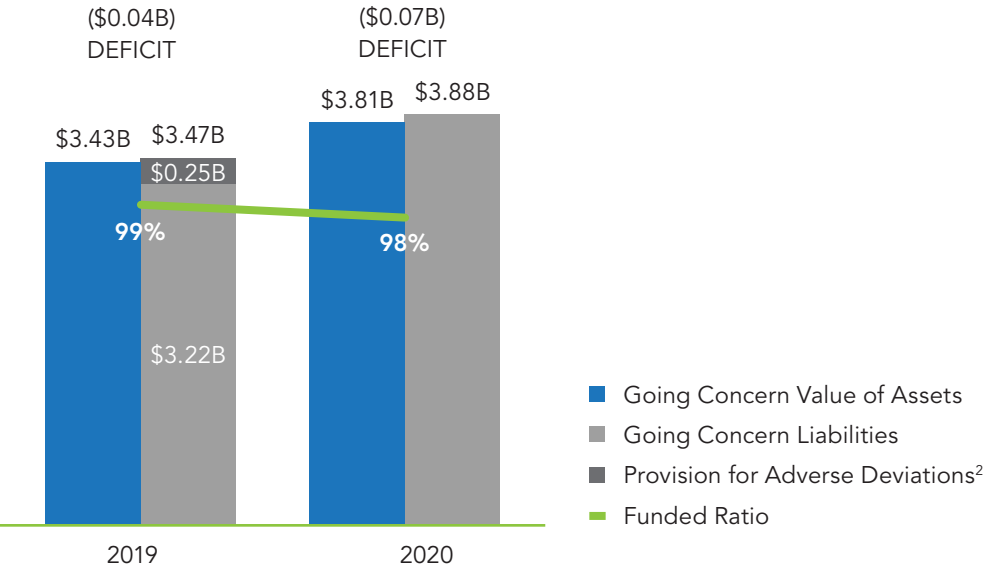
9,774
TOTAL MEMBERS

FINANCIAL PERFORMANCE

FUNDED RATIO

The Funded Ratio is the percentage of the Plan’s liabilities that are supported by the Plan’s assets. It is determined by the going concern actuarial valuation prepared by WISE Trust’s external actuary, Willis Towers Watson. The valuation is based on long-term actuarial assumptions and the expectation that the Plan will continue indefinitely.¹

The following table shows that at December 31, 2020, the Funded Ratio is 98%, compared to 99% at December 31, 2019. The Funded Ratio increased as a result of the one-time special contribution by the WSIB, but was reduced due to higher liabilities as a result of a reduction in the discount rate assumption.



If the Plan’s assets were determined on a market value basis, that is, without asset smoothing,³ they would have been sufficient to support 100% of the plan’s liabilities at December 31, 2020, compared to 103% at December 31, 2019. The decrease is due to 2020 investment returns being lower than the prior discount rate assumption and higher liabilities resulting from the decrease in the discount rate assumption, partially offset by the special WSIB contribution.

¹ The last filed actuarial valuation was prepared as of the conversion date, July 1, 2020. The December 31, 2020 actuarial valuation has not been filed with the applicable regulators and is used by WISE Trust to monitor the Plan’s funded status. Contributions to the Plan are based upon the last actuarial valuation filed with the regulators.

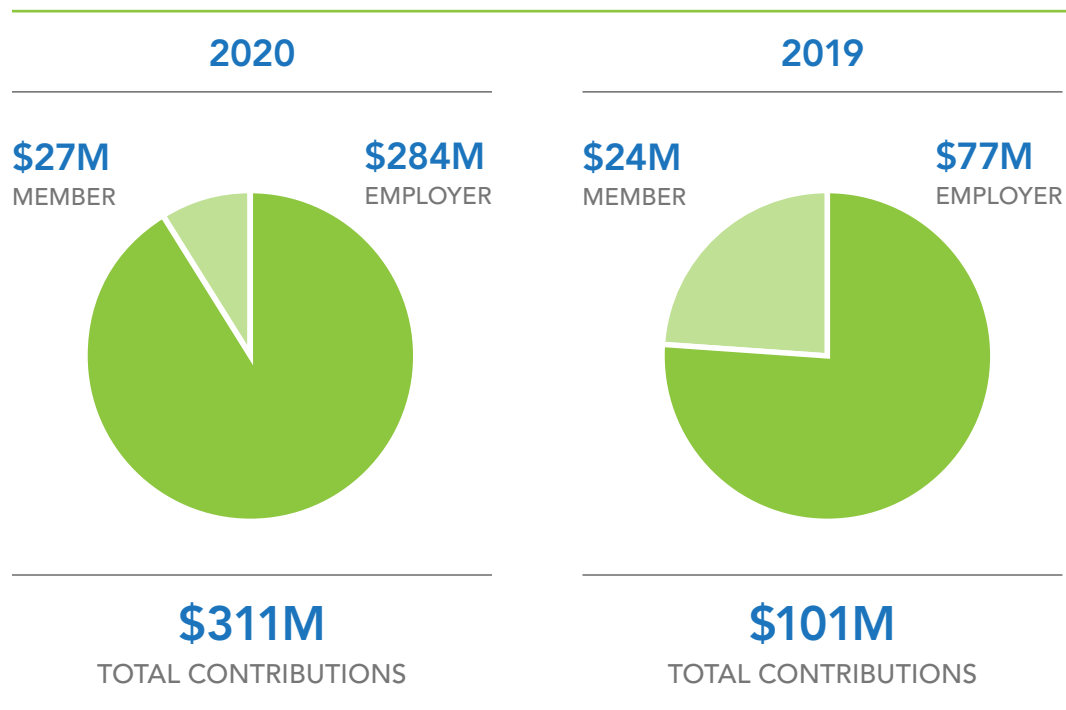
² Provision for Adverse Deviations, applicable at December 31, 2019 only.

³ An actuarial method that spreads out the investment gains and losses over a period of time and helps stabilize short-term fluctuations in the market value.

CONTRIBUTIONS

Contribution requirements are established as part of the actuarial valuation in accordance with the Pension Benefits Act (Ontario).

TOTAL EMPLOYER AND MEMBER CONTRIBUTIONS



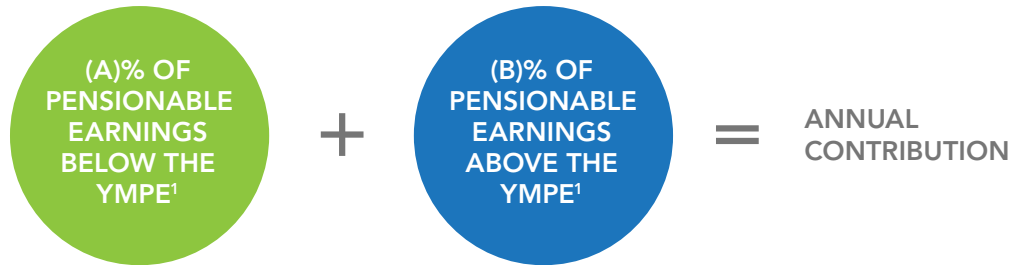
In 2020, total employer contributions increased compared to 2019 mainly due to the WSIB's one-time special payment to eliminate going concern funding liabilities as at the conversion date of July 1, 2020.

Employer normal cost contributions were 17.0% of pensionable earnings for 2019 and up to June 30, 2020 and 16.4% of pensionable earnings on and after July 1, 2020 to December 31, 2020 (based on the filed valuation reports as of December 31, 2018 and July 1, 2020).

In 2020, total member contributions increased slightly compared to 2019, mainly due to the member contribution rate increase effective as at July 1, 2020.

MEMBER CONTRIBUTION FORMULA

Member contributions are calculated based on the following formula:



EFFECTIVE	(A)%	(B)%	ESTIMATED BLENDED RATE, AS % OF PENSIONABLE EARNINGS
July 1, 2020	5.8%	7.6%	6.5%
July 1, 2021	6.4%	8.2%	7.1%
July 1, 2022	7.0%	8.8%	7.7%
July 1, 2023	7.6%	9.4%	8.3%
July 1, 2024 and beyond	(A) and (B) are increased by 0.6% of pensionable earnings per year until the 50/50 employer-member cost-sharing ratio is reached		

¹ Year's Maximum Pensionable Earnings (YMPE)



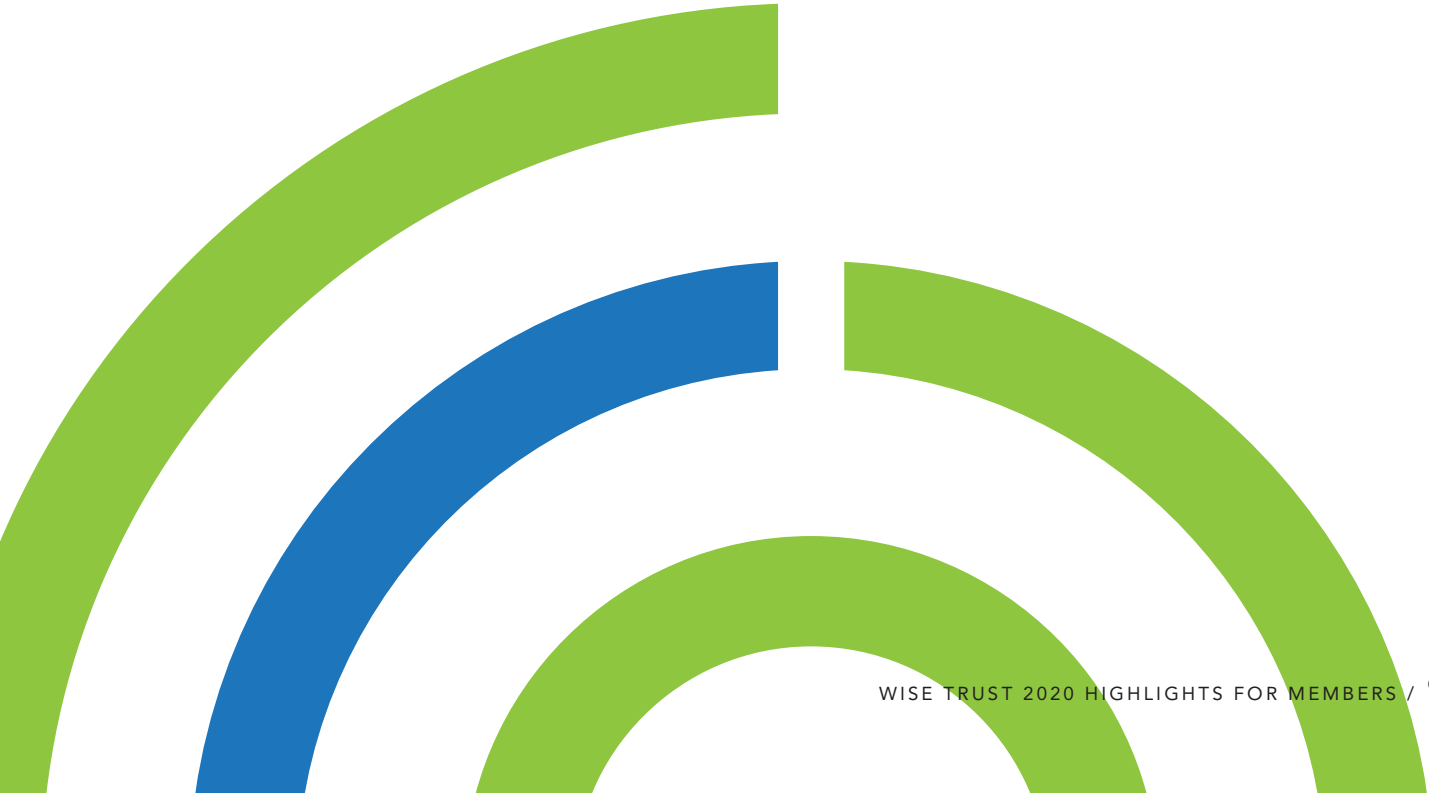
INVESTMENT PERFORMANCE

Assets of WISE Trust are invested by a team of investment professionals at the [Investment Management Corporation of Ontario \(IMCO\)](#) in accordance with the WISE Trust’s target asset mix. This will allow us to meet our pension promise to you while ensuring the Plan remains sustainable now and into the future.

IMCO was created exclusively to serve Ontario’s public-sector. Managing over \$70 billion of assets, including \$3.8 billion of assets held by WISE Trust, IMCO operates independently of government and is guided by a highly experienced and professional board of directors.

RATE OF RETURN

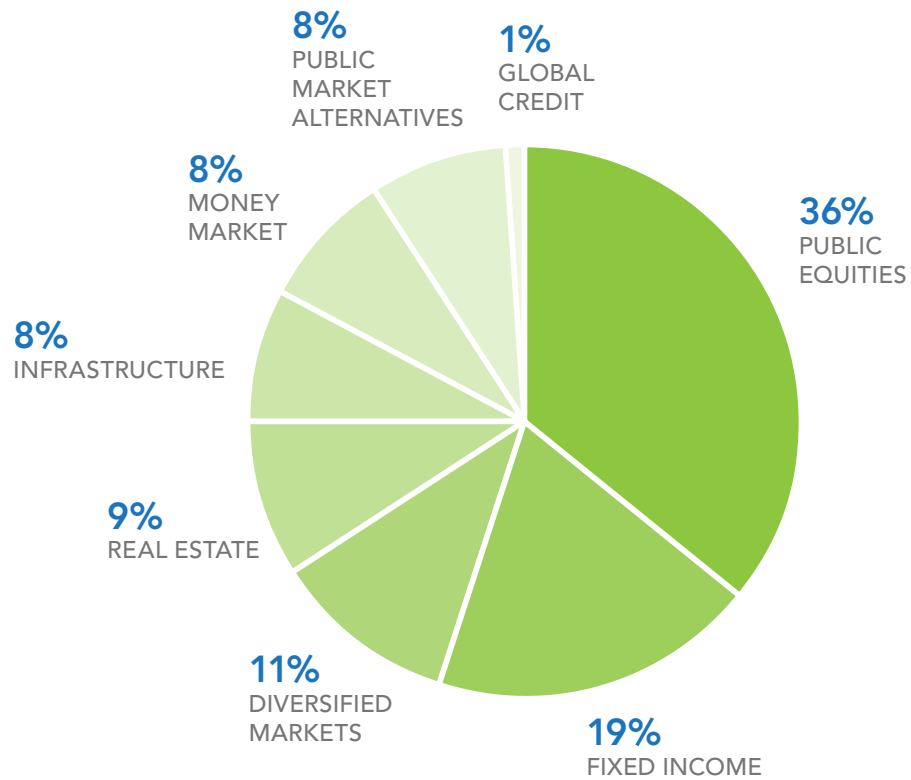
	1 YEAR	3 YEAR	5 YEAR	10 YEAR	15 YEAR
Fund Return	4.8%	5.4%	6.7%	7.4%	6.2%
Bench Mark	4.7%	5.9%	6.7%	7.0%	6.0%
Excess Return vs Benchmark	0.1%	-0.4%	0.0%	0.4%	0.2%





ASSET MIX

WISE Trust's net assets were \$3.8 billion as of December 31, 2020 with an asset mix of:

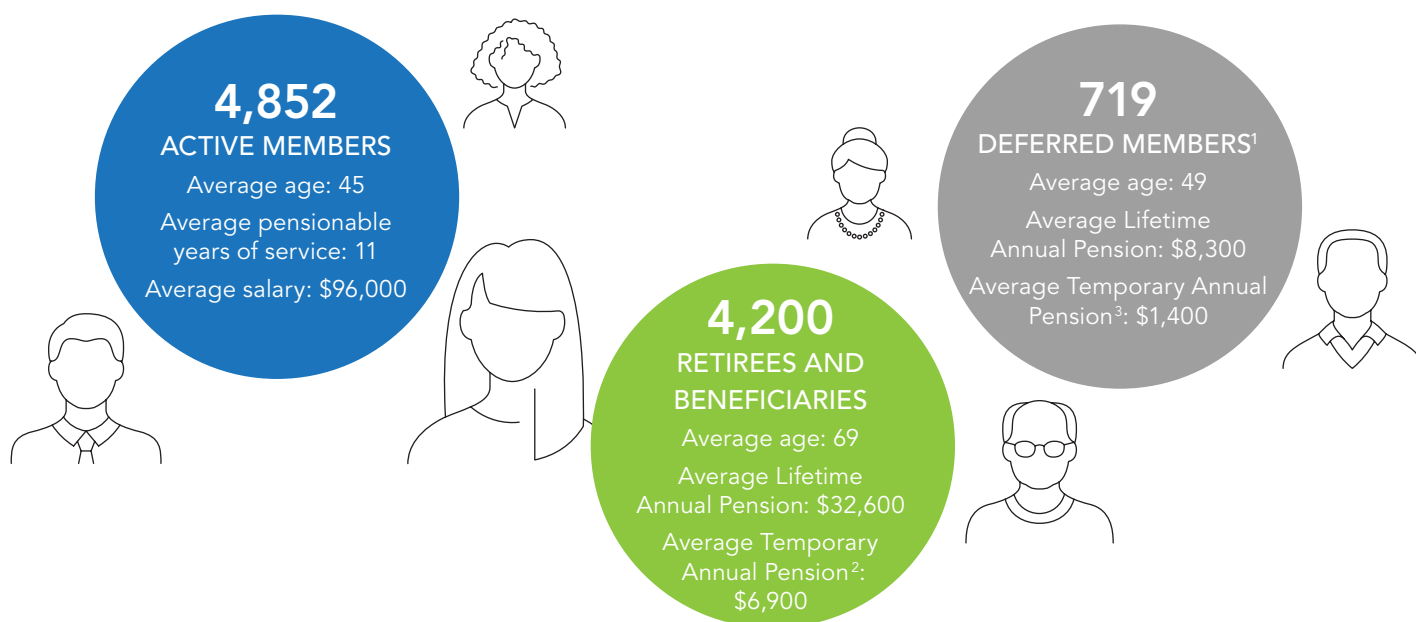


MEMBERSHIP HIGHLIGHTS

CHANGES IN MEMBERSHIP

The table below summarizes the changes in the membership during 2020, as well as the typical profile by membership category as of December 31, 2020.

	ACTIVE MEMBERS	RETIREES & BENEFICIARIES	DEFERRED MEMBERS	TOTAL
Members at December 31, 2019	4,882	3,874	742	9,498
New Entrants/Rehires	429	–	–	429
Terminations (Settlement/Transfer)	(41)	–	(38)	(79)
Terminations (Deferred)	(95)	–	95	–
Retirement	(320)	393	(73)	–
Deceased	(3)	(111)	(3)	(117)
New Beneficiaries	–	43	–	43
Data Correction	–	1	(1)	–
Net Change	(30)	326	(20)	276
Members at December 31, 2020	4,852	4,200	722¹	9,774



¹ Includes 719 former members and 3 terminated members with pension benefits pending payout at December 31, 2020, totaling to 722 as seen in the table.

² In respect of the 1,481 pensioners receiving a temporary pension to age 65.

³ In respect of the 691 deferred members with a temporary pension until age 65.



SERVICE EXCELLENCE

On April 20, 2020, we gave you a new way to access your pension information through the WISE Trust Pension Contact Centre and [My Pension Resource](#). We did this so that it is easier to access and understand your pension benefits with more self-serve options that you can use anywhere at any time.

Service excellence is one of our core values and it helps us to ensure you have positive and timely interactions with us.

WISE TRUST PENSION CONTACT CENTRE



Have specific questions about your pension? Call the WISE Trust Pension Contact Centre 1-855-242-1526 or if calling from outside of North America 678-932-4144.

MY PENSION RESOURCE



Access your pension information through My Pension Resource <https://eepoint.towerswatson.com/sites/wisetrust/ess>

MEMBER SERVICES REPORT CARD

Data from April 20, 2020 to December 31, 2020



WISE TRUST PENSION CONTACT CENTRE

37,029 MINUTES ON THE
PHONE WITH MEMBERS THIS YEAR¹
(617 HOURS, OR ABOUT 25 DAYS)

6 MINUTES AND 42 SECONDS
AVERAGE TIME PER CALL

4,134 CALLS ANSWERED

91% OF QUESTIONS ARE
RESOLVED ON THE FIRST CALL

2,812 CALLS TO MEMBERS

1 BUSINESS DAY TO RETURN VOICEMAIL

22 SECONDS AVERAGE CALL WAIT TIME

¹ includes inbound and outbound calls



MY PENSION RESOURCE

1,058 SECURE MESSAGES SENT
THROUGH THE MESSAGE CENTRE

9,305 PENSION ESTIMATES RUN

3,403 MEMBERS REGISTERED

Other things you did on **My Pension Resource**: downloaded documents, updated your personal information, and downloaded your annual pension statement.

GOVERNANCE

BOARD OF TRUSTEES

As of July 1, 2020, the Board of Trustees is responsible for administering the pension plan and pension fund. There are eight trustees: four are appointed by the WSIB and four are appointed by OCEU. The Trustees focus on meeting the mission of delivering on the defined benefit pension promise to you. The Trustees are ethically and legally required to act in the best interest of all Plan members.

WAYNE GLADSTONE

Co-Chair of the Board of Trustees,
Co-Chair of the Governance and HR Committee

HARRY GOSLIN

Co-Chair of the Board of Trustees
Co-Chair of the Governance and HR Committee

SUSANNAH CRABTREE

Trustee, Chair of the Asset and Liability Management Committee

TONY DINARDO

Trustee

PETER JARVIS

Trustee

MICHAEL KAINER

Trustee, Chair of the Plan Administration Committee

TONY MACCARONE

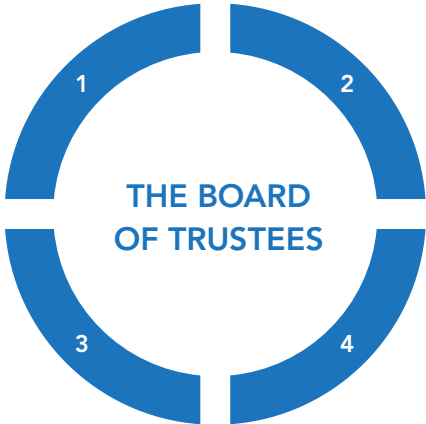
Trustee

HELGA REIDEL

Trustee, Chair of the Audit and Finance Committee

The Board of Trustees completes its duties with the help of four committees that report to the Trustees and only have the authority that has specifically been delegated to them through their Terms of Reference. WISE Trust's Chief Pension Officer and Plan Manager assumes the day-to-day responsibility for overall leadership and management of the Plan.

THE BOARD OF TRUSTEES COMPLETES ITS DUTIES WITH THE HELP OF FOUR COMMITTEES



1
ASSET AND LIABILITY MANAGEMENT COMMITTEE

Governs the statement of investment policies and procedures (SIPP) and all strategic and operational processes.

Oversees

- the pension fund performance
- actuarial initiatives and valuations
- risk management initiatives
- IMCO and other investment advisors

2
AUDIT AND FINANCE COMMITTEE

Assists management with annual business and financial plans.

Oversees

- the Administrative Agent’s financial support services
- financial reporting and disclosure to stakeholders
- external audit and auditor
- internal audit and auditor
- the pension fund custodian
- risk management policy and initiatives
- information technology
- compliance with relevant policies, mandates and applicable laws
- plan’s insurance arrangements

3
GOVERNANCE AND HR COMMITTEE

Helps with Trustee and committee terms of reference and composition.

Oversees

- hiring and secondment of key employees
- HR and all executive management functions
- strategic planning
- legal proceedings and outside counsel
- governance and HR policies

4
PLAN ADMINISTRATION COMMITTEE

Assist with administration and support services.

Oversees

- plan administration and support services
- compliance with relevant policies, mandates, and applicable laws
- benefits decisions appeals
- plan conditional and ad hoc indexing

THE PENSION ADVISORY COMMITTEE

The Pension Advisory Committee (PAC) will be established in 2021 and will be a non-voting advisory committee having representation from pension plan members. Their role will be to monitor the administration of the pension plan, make recommendations to the Trustees, and promote awareness and understanding of the pension plan amongst members.

The PAC will also be able to appoint up to three observers who will be entitled to attend Board of Trustees meetings. The observers will not have voting rights at meetings of the Trustees and will consist of a retired or deferred member, a bargaining unit member and a non-bargaining unit member.



A YEAR OF ACCOMPLISHMENTS

It was a year of accomplishments and challenges that we all faced in 2020. We have a lot to be proud of and we will be cautiously optimistic as we move through 2021.

Moving forward together, we will be focused on our core values of integrity, accountability, service excellence, inclusivity, and innovation, to deliver the defined benefit pension promise to you.

To all of our members, however you serve the people of Ontario, we thank you and look forward to continuing to be a part of your retirement income.



1-855-242-1526
wisetrust.ca