



Mar. 20, 2026

Members of the Board of Trustees
Healthcare of Ontario Pension Plan (HOOPP)
1 York Street, Suite 1900
Toronto, Ontario M5J 0B6

Dear Members of the Board of Trustees,

Re: Climate risk, fiduciary responsibility, and the long-term interests of HOOPP members

I am writing on behalf of the Registered Nurses' Association of Ontario (RNAO), which represents more than 57,000 registered nurses, nurse practitioners and nursing students across Ontario. A significant proportion of our members are participants in the Healthcare of Ontario Pension Plan (HOOPP), making RNAO one of the largest professional bodies whose members contribute to the plan.

Trustees of pension plans carry a fiduciary responsibility to safeguard the retirement security of plan members and beneficiaries. In today's economic environment, this responsibility necessarily includes the prudent management of climate-related financial risks that may affect the long-term value of pension assets and the stability of the broader economy on which those assets depend. Climate change is increasingly recognized as a systemic risk to financial markets, infrastructure and global economic stability. Ensuring that investment strategies remain resilient under credible decarbonization pathways is therefore integral to the long-term security of HOOPP's pension promise. We view a credible climate-safe investment strategy as core to HOOPP's legal responsibility to its members.

This letter follows an exchange of correspondence between RNAO and HOOPP management regarding climate action. We are grateful to Ms. Annesley Wallace, President and Chief Executive Officer, for meeting with us earlier this year, and to Mr. Steven McCormick, Chief Pension Officer, for his thoughtful written response to our concerns. These exchanges have helped clarify HOOPP's current approach to climate risk and the principles guiding its investment strategy.

RNAO also acknowledges the work undertaken by HOOPP in developing and publishing its Climate Change Strategy in 2023, which we recognized in our 28 Sept 2023 open letter. Establishing a formal strategy and setting interim targets are important steps, and we recognize the work that has gone into developing this framework.

At the same time, our review of the strategy and the subsequent response from management raises significant concerns regarding its scope, ambition and timeline. In particular, the recent correspondence does not acknowledge several material shortcomings identified in RNAO's Jan. 26, 2026, letter, nor does it commit to updating or strengthening the strategy before the end of the current decade. Given the pace of climate change, evolving regulatory expectations and rapidly shifting global energy markets, the absence of a commitment to revise the strategy prior to 2030 raises concerns about whether HOOPP's current approach adequately reflects the scale and immediacy of climate-related financial risks. In our view, a revised climate strategy should be developed and published well before 2030 and should include targets and planning horizons extending beyond that year.

From RNAO's perspective, a credible and climate-safe investment strategy should include several core elements consistent with fiduciary duty and long-term risk management. Please see the appendix with considerations for a climate strategy governance dashboard.

First, the strategy should recognize that limiting global warming to 1.5°C requires immediately ending the expansion of fossil fuel production and infrastructure. Continued exposure to companies whose business models depend on expanding oil, gas and related infrastructure presents increasing long-term transition risks.

Second, the strategy should establish clear and time-bound plans for reducing and ultimately eliminating exposure to fossil fuel assets across relevant asset classes. Current exclusions that apply only to certain sectors or investment types leave significant portions of the portfolio exposed to transition risk.

Third, engagement with portfolio companies should be accompanied by transparent expectations, measurable milestones and clear escalation mechanisms where companies fail to align with credible transition plans.

Fourth, climate targets should extend beyond 2030 and be embedded within a framework of regular strategy updates and interim milestones that allow trustees and beneficiaries to evaluate progress over time.

Finally, transparency regarding shareholder engagement and voting practices is essential so that beneficiaries can understand how climate considerations are incorporated into investment stewardship.

These concerns are not raised as matters of preference or advocacy alone. Nurses and other health-care professionals are witnessing first-hand the health consequences of climate disruption, including extreme heat, wildfire smoke, floods, food insecurity and displacement. Climate change therefore represents not only a systemic financial risk but also a profound public health challenge affecting the communities served by HOOPP members.

We note that a growing number of large pension funds globally are strengthening their climate policies by adopting clearer interim targets, expanding fossil fuel exclusion policies, increasing transparency on stewardship activities, and establishing regular strategy updates. As expectations among institutional investors and regulators continue to evolve, aligning with emerging best practices will be important not only for managing financial risk but also for maintaining the confidence of plan members and the broader health-care community whose retirement security HOOPP safeguards.

We also note that governments in Canada are increasingly encouraging pension funds to invest domestically, including in large infrastructure and resource projects identified as “major projects” of national importance. In evaluating such opportunities, it is essential that HOOPP apply rigorous climate and human rights criteria. This includes assessing whether proposed projects are consistent with credible climate pathways and whether they have secured the free, prior and informed consent of Indigenous Peoples whose rights and territories may be affected. Investments that do not meet these standards may expose the fund to significant financial, legal and reputational risks over the long term.

In this context, we are concerned by recent public comments indicating that HOOPP may consider investments in new fossil fuel pipelines if such investments are deemed consistent with its current 2030 climate targets. New pipeline infrastructure depends on continued or expanded fossil fuel production and use, which is misaligned with credible climate pathways and introduces material long-term transition risk for the portfolio. In addition, proposed pipeline and related LNG projects in Canada have faced opposition from impacted Indigenous Nations, raising further legal, reputational and financial risks where free, prior and informed consent has not been demonstrated.


As a major institutional investor, HOOPP also has an important voice in policy discussions that shape the conditions for long-term investment returns. Clear and credible climate policy across all levels of government is essential to provide the regulatory certainty required for investors to support an orderly transition to a low-carbon economy.

RNAO respectfully asks that the Board of Trustees consider these issues as part of its ongoing governance and oversight of HOOPP’s climate strategy.

RNAO would welcome the opportunity to present our perspective directly to the Board of Trustees at a future meeting, and we appreciate that this letter is being distributed to all Members and Observers of the Board. As one of the largest professional bodies whose members participate in HOOPP, nurses believe a short presentation and discussion would allow us to share the health sector perspective on climate risk and its implications for long-term pension security. We would be grateful for the opportunity to participate in a future Board meeting or committee session at a time convenient to the trustees.

As trustees entrusted with safeguarding the retirement security of HOOPP members, the Board plays a central role in ensuring that climate-related risks are managed prudently and transparently. RNAO offers these observations in the spirit of constructive engagement and shared responsibility for safeguarding the long-term financial security of HOOPP members.

Yours warmly,

A handwritten signature in black ink, appearing to read "Doris Grinspun", with a long horizontal flourish underneath.

Doris Grinspun, RN, BScN, MSN, PhD, LLD(hon), Dr(hc), DHC, DHC, FAAN, FCAN, O.ONT.
Chief Executive Officer

Copy to:

Annesley Wallace, President and Chief Executive Officer, HOOP
Steven McCormick, Chief Pension Officer, HOOP
Michael Wissell, Chief Investment Officer, HOOP
Anthony Dale, President and CEO, Ontario Hospital Association
Andrea Kay, Chief Executive Officer, Ontario Nurses' Association
Mark Hancock, National President, Canadian Union of Public Employees
JP Hornick, President, Ontario Public Service Employees Union
Tyler Downey, President, SEIU Healthcare
Observers, HOOPP Board of Trustees

Appendix

Climate strategy governance dashboard – RNAO assessment for HOOPP trustees

This appendix summarizes RNAO’s assessment of the Healthcare of Ontario Pension Plan’s climate strategy in relation to fiduciary risk management and emerging practices among large pension funds.

Climate change represents a systemic financial risk that affects long-term economic stability, asset valuations and the financial resilience of pension funds. For a defined benefit plan such as HOOPP, the management of climate-related risks is therefore directly connected to the trustees’ fiduciary responsibility to safeguard the plan’s long-term ability to meet its pension obligations.

Key areas of assessment

Area	Current HOOPP approach	Governance considerations
Climate risk and fiduciary responsibility	HOOPP recognizes climate change as a systemic challenge and integrates climate considerations into its investment framework.	Consider explicitly framing climate alignment as a core fiduciary obligation tied to long-term portfolio resilience and pension security.
Fossil fuel expansion exposure	Exclusion applies to new direct private investments in thermal coal and oil exploration and production, with potential exceptions for transition plans.	Consider whether policies should address expansion in oil, gas and related infrastructure across all asset classes.
Engagement accountability	HOOPP prioritizes engagement with high-emitting companies to influence emissions reductions.	Consider establishing measurable engagement milestones, reporting metrics and escalation pathways where alignment is not achieved.
Scope 3 emissions transparency	Scope 3 emissions tracking is expected to begin in 2025.	Consider timelines for full portfolio Scope 3 disclosure and corresponding reduction targets.
Interim targets and portfolio coverage	2030 targets include portfolio carbon intensity reduction, increased green investments and adoption of transition plans in certain asset classes.	Consider expanding targets to cover a greater share of portfolio emissions and asset classes.

Area	Current HOOPP approach	Governance considerations
Strategy horizon beyond 2030	Progress will be assessed ahead of planning periods for 2035 and 2040.	Consider establishing clear targets beyond 2030 and committing to regular strategy updates.
Stewardship transparency	Current response does not address disclosure of climate-related shareholder voting or engagement outcomes.	Consider enhanced reporting on proxy voting and engagement results related to climate transition.
Governance oversight	Board and committee structures oversee climate strategy and sustainable investing frameworks.	Consider whether governance frameworks should include explicit climate expertise, reporting standards and periodic strategy review.

Questions for consideration by the Board of Trustees

1. What level of exposure does the portfolio currently have to companies pursuing expansion in oil, gas or related infrastructure, and how does this align with credible global decarbonization pathways?
2. How does HOOPP measure whether engagement with high-emitting companies is producing measurable emissions reductions or credible transition plans?
3. What proportion of the portfolio’s climate exposure is currently captured through emissions reporting, and how will Scope 3 emissions be incorporated into future risk management and reduction targets?
4. What framework will guide climate risk management beyond 2030, and how frequently should the climate strategy be reviewed and updated?
5. What level of disclosure regarding engagement outcomes, portfolio emissions and shareholder voting would allow plan members to assess how climate risk is being managed on their behalf?
6. How will HOOPP evaluate potential investments in large domestic infrastructure or resource projects promoted by governments as “major projects,” particularly where such projects involve fossil fuel expansion or other high-emitting sectors?
7. What policies or due diligence processes does HOOPP apply to ensure that investments in major infrastructure or resource projects respect the principle of free, prior and informed consent of Indigenous Peoples?

8. How can HOOPP use its influence as a major institutional investor to support public policies that enable orderly decarbonization and long-term economic stability, which are essential for secure pension returns?