

Negative NBTPP Employee Contribution Interest Rate for the Statement Period

Your annual Employee Statement of Pension Benefits is an important tool that provides estimated pension amounts specific to you. The statement also includes information related to the employee contributions you have contributed to the plan, along with interest applicable to these contribution amounts during the statement period.

As a result of the market volatility that occurred over the past year, the interest rate applicable to employee contributions for this year's statement is negative (-3.46%). **It is important to understand that this negative interest rate WILL NOT impact your NBTPP pension benefit at retirement.**

WHO IS AFFECTED BY THIS INTEREST RATE?

The only members who may be impacted by NBTPP employee contribution amounts and the interest rates applicable to them are those who terminate their employment and choose a refund of their employee contributions plus interest or their Termination Value (as applicable).

DOES THIS INTEREST RATE NEGATIVELY IMPACT MY NBTPP PENSION AMOUNTS (AS PROVIDED ON MY EMPLOYEE STATEMENT OF PENSION BENEFITS)?

No, the accumulated annual lifetime and bridge pension benefit amounts displayed on your statement are not impacted by this interest rate; it only potentially impacts the calculation of refunds of employee contributions plus interest or Termination Values, as noted above.

WILL THE NEGATIVE INTEREST RATE NEGATIVELY IMPACT MY NBTPP PENSION BENEFIT WHEN I RETIRE?

No, your NBTPP monthly pension benefit amount is calculated using the pension benefit formulas specific to the NBTPP; employee contributions and applicable interest rates on those contribution amounts are not included in that formula.

HOW DOES THE MOST RECENT NBTPP INTEREST RATE COMPARE TO PAST YEARS?

A history of the interest rates that have been applicable to NBTPP employee contributions over the past five years is as follows:

NBTPP Statement Period	NBTPP Interest Rate
September 1, 2017 to August 31, 2018	7.90% (per annum)
September 1, 2018 to August 31, 2019	7.28% (per annum)
September 1, 2019 to August 31, 2020	4.94% (per annum)
September 1, 2020 to August 31, 2021	11.58% (per annum)
September 1, 2021 to August 31, 2022	-3.46% (per annum)

DID THE NBTPP DO WORSE THAN OTHER PENSION PLANS REGARDING THE RATE OF RETURN EARNED FOR THE STATEMENT PERIOD?

No. Even though the NBTPP did experience a negative return for the period, it outperformed many peer pension plans across Canada during the same period. In addition, the Plan remains well funded, and long-term returns, which are based on stable lower-risk investment strategies to protect the long-term sustainability of the Plan for its members, continue to exceed the benchmark set by the Board of Trustees.

WHERE CAN I FIND MORE INFORMATION RELATED TO THE NBTPP?

The Plan's financial status, formulas used to calculate your NBTPP monthly pension benefit at retirement, and much more are available at NBTPP.ca. Helpful resources include the semi-annual newsletters, NBTPP Member Booklet and At-a-Glance document, recordings of the Annual Information Meetings, and more.