

OTPP Report Card

\$276.4 billion

Net Assets

31%

Share of Gross Investments in Canada

The Ontario Teachers' Pension Plan (OTPP) calls Canada its home market and operational cornerstone, but the fund sets out no explicit mandate to invest here. The fund has cut its Canadian allocation since 2015, and the OTPP fund has posted net returns below a simple Canadian index fund over one-, five- and ten-year timelines.

What share of assets are invested in Canada?

The trajectory is declining, and the details are sketchy. About \$96 billion of the OTPP's gross investments were in Canada at the end of 2025, which represents about 31 per cent of the fund's total gross investments. In 2015, OTPP had 44 per cent of gross assets invested in Canada.

How do the fund's returns compare with Canadian market performance?

OTPP's total-fund net return was 6.7 per cent in 2025. Over the past five years the total-fund had an annualized return of 6.6 per cent, and over a ten-year horizon, they had annualized returns of 6.8 per cent.

The Canadian Shield Institute is evaluating all funds against a market benchmark using the S&P/TSX Composite index, as of December 31, 2025. The standardized benchmark here is a total-return index, meaning it includes both price appreciation and reinvested distributions, such as dividends.

A low-cost fund tracking the S&P/TSX Composite — the Canadian market OTPP calls home — earned far more over the same periods: about 31.7 per cent in 2025, and roughly 16 per cent and 12.6 per cent annualized over five and ten years (total return, in Canadian dollars, net of fees).

Put plainly, if the OTPP had just put every dollar in a Canadian index fund, they would have earned close to double the annual return over the past decade.

The fund grades itself based on a different internal benchmark — aggregating multiple benchmarks across different asset classes. Over one-, five- and ten-year time horizons, the OTPP has fallen short of its own chosen benchmark.

In effect, the OTPP spent \$1.95 billion in 2025 in administrative expenses, transaction costs and management fees in order to deliver significantly worse results than if they had just put all the money in a Canadian index fund.

Does the fund break down its Canadian Investments?

In 2025, OTPP reports 31 per cent of its gross investments are in Canada, down from 50 per cent in 2001. But the annual report gives no specific breakdown in terms of what kind of investments. OTPP breaks geography down by asset class, but for venture capital and private equity investment, the fund folds Canada into a broader “North America” category.

At various times, the fund has provided isolated data points of geographic performance. However, it is not possible to assess how much of the OTPP fund is currently invested in Canadian equities and specifically growth investments, as opposed to fixed income and real estate.

What is the fund saying about their commitment to investing in Canada?

The 2025 annual report calls Canada the “cornerstone” of operations and cites local expertise, but its language reads as pure aspiration. They talk about engagement and discussions with the federal and Ontario governments on “nation-building” but refer to no actual committed capital. The report highlights leading Toronto-based StackAdapt’s latest US\$235 million investment round, but also boasts about investment in U.S.-based companies Anthropic, Grafana Labs and Gusto.

OTPP announced around the September 2026 Canada Investment Summit that the fund will invest an additional \$10 billion into the Canadian economy by the end of 2027. The press release offered no specifics about what kinds of assets OTPP will be buying.

Looking at the broader trend of OTPP investing, though, it is clear that the pension fund is primarily focused on markets outside of Canada. The 2018 annual report specifically highlighted global diversification as a key priority, and we see the results of that effort in the steadily dwindling share of assets under management in Canada.

“Enhancing our global perspective and capabilities remains a high priority for the organization. Doing this benefits us in many ways. We diversify our portfolio, gaining access to new opportunities and decreasing risk. We gain local knowledge and relationships, which help us navigate complex markets. This approach also helps us source, develop and motivate talent,” OTPP President Ron Mock said in the fund’s 2018 annual report.