

2024 Sustainable Bond Report

OMERS

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OMERS Sustainable Bond Report

Founded in 1962, OMERS is a Canadian jointly sponsored, defined benefit pension plan, with over 1,000 participating employers ranging from large cities to local agencies and almost 640,000 active, deferred and retired members. Our members include union and non-union employees of municipalities, school boards, local boards, transit systems, electrical utilities, emergency services and children's aid societies across Ontario. Contributions to the OMERS Pension Plans are funded equally by members and employers.

As an active investor with a long-term view, it is important to identify and assess how changes in the world around us may affect or be affected by our investments and the way we invest going forward.

This includes continuous review and analysis of rapidly evolving sustainability-related topics, which can impact our investments, our ability to do business and the broader environment in which we operate. We believe that well-run organizations with sound sustainable business practices are likely to perform better, particularly over the long term.

OMERS Finance Trust (OFT) issues commercial paper and term debt that is fully, unconditionally and irrevocably guaranteed by OMERS Administration Corporation. Established in 2010, OFT aims to continue to grow its presence in the international capital markets as an issuer of debt to institutional investors.

Unless the context requires otherwise, "OMERS," "we," "our" or "us" refers to OMERS Administration Corporation acting in its capacity as the administrator of the Primary Plan and the trustee of the Primary Plan fund, together with OFT and other subsidiaries of OMERS.

Report published on May 28, 2025

Sustainable Investing at OMERS

Three overarching pillars guide our approach to sustainable investing: **Integration**, **Collaboration** and **Engagement**. Sustainability factors are often categorized as environmental, social or governance issues that may impact investment performance. OMERS seeks to address these factors, where material, in how we integrate, collaborate and engage, with a view to improving portfolio returns and the sustainable finance ecosystem upon which those returns rely.



Integration

We seek to integrate material sustainability considerations throughout our investment and asset management practices. Our investment and asset management teams assess these factors through processes tailored to the applicable asset class, investment strategy and degree of control and influence.



Collaboration

We collaborate with like-minded institutions to advocate for stronger sustainability practices and build partnerships that support sustainable investment.



Engagement

We actively engage with many of our investee companies and other industry stakeholders to advocate for sustainable business practices and a long-term mindset. For asset-level engagement, our approach to engagement is informed by our specific investment strategy and our degree of control and influence.

The following two pages outline our key climate-related goals and our progress.

Key Climate-Related Goals

Net Zero 2050

Portfolio and operations

\$30B

Green investments¹ by 2030

\$3B

Transition sleeve²

Portfolio Emissions Intensity Reduction³

20%

By 2025

50%

By 2030

Interim goals

Every five years

Highest emitters

Top 20 weighted average carbon intensity (WACI) contribution portfolio companies expected to have credible net-zero transition plans in place by 2030

¹ Refer to OMERS Climate Taxonomy for our definition of green investments.

² Transition sleeve refers to new investments in high-emitting assets that are on a decarbonization pathway to creating “real world” decarbonization.

³ OMERS primary measure of portfolio emissions is WACI, which is expressed as the sum of each asset's Scope 1 and 2 carbon intensity (metric tonnes CO₂e/\$M revenue) multiplied by the percentage weight of the asset in the portfolio. For more information, please refer to OMERS Climate Action Plan.



Our Progress

\$23B¹

Green investments²

58%³

Portfolio emissions intensity
reduction⁴ compared to
2019 baseline

\$2B

Sustainable and green bonds⁵

**Compensation
link⁶**

To climate change performance
measures

¹ As at December 31, 2024.

² Refer to OMERS Climate Taxonomy for our definition of green investments.

³ As at December 31, 2023.

⁴ OMERS primary measure of portfolio emissions is WACI, which is expressed as the sum of each asset's Scope 1 and 2 carbon intensity (metric tonnes CO₂e/\$M revenue) multiplied by the percentage weight of the asset in the portfolio. For more information, please refer to OMERS Climate Action Plan.

⁵ Includes US\$1.1 billion sustainable bond offering by OFT and CAD\$0.6 billion green bond offering by Oxford Properties, OMERS real estate business.

⁶ Since 2021, sustainability-related and climate change performance measures, which factor into the determination of incentive compensation, have been incorporated in all investment teams' goals, and since 2023, such performance measures have been formalized and mandated for relevant Executive Leadership Team members and all investment Team Leads.



OMERS Sustainable Bonds Summary

In 2022, OFT successfully completed an offering of sustainable USD bonds, a dual-tranche offering comprising US\$600 million of 10-year notes and US\$500 million of 30-year notes.

This was OFT's inaugural issuance under the [OMERS Sustainable Bond Framework](#), summarized on the following page.

2

Sustainable bonds

US\$1.1B

Total sustainable issuance

US\$600M

10 years

US\$500M

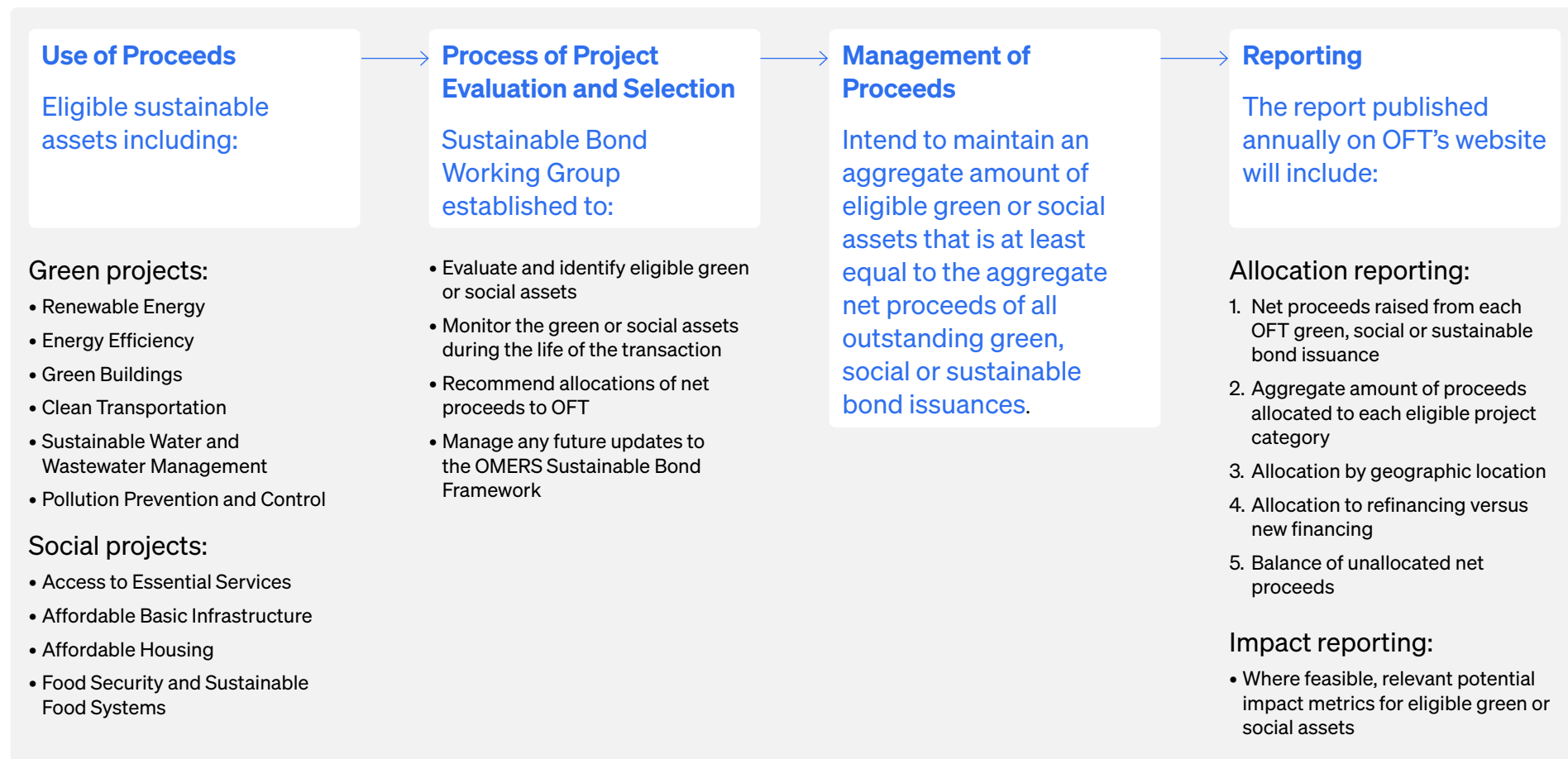
30 years

**AAA/Aa1/
AAA/AAA**

S&P/Moody's/Fitch/DBRS
issuer ratings



OMERS Sustainable Bond Framework



External Review:

Second-Party Opinion of the OMERS Sustainable Bond Framework provided by Sustainalytics

Limited Assurance provided by PricewaterhouseCoopers LLP (PwC). See the Appendix for PwC's Limited Assurance Report.

Refer to [OMERS Sustainable Bond Framework](#) for additional details on our framework, including the description and eligibility of our green or social project categories and reporting framework.

Sustainable Bond Allocation

OFT's inaugural sustainable bonds were issued in April 2022, under the OMERS Sustainable Bond Framework. The net proceeds of outstanding sustainable bonds are 100% allocated to eligible green or social assets.

OFT has issued two sustainable bonds to date, both in U.S. dollars. We have summarized at right the allocation report of the net proceeds:

I. Net Proceeds Raised From Each OFT Green, Social or Sustainable Bond Issuance

Sustainable bonds

Issuance date	USD	CAD equivalent ¹
April 19, 2022	\$600,000,000	\$757,890,000
April 19, 2022	\$500,000,000	\$631,575,000
Total	\$1,100,000,000²	\$1,389,465,000

Issuance details

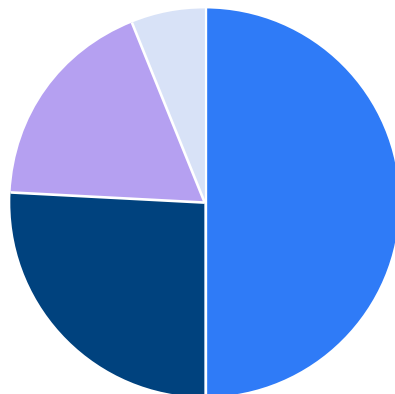
Issuer	OMERS Finance Trust	OMERS Finance Trust
Rating	Aa1/AA+/AAA/AAA	Aa1/AA+/AAA/AAA
Size	\$600,000,000	\$500,000,000
Format	144a/Reg S	144a/Reg S
Issuance Date	April 19, 2022	April 19, 2022
Maturity Date	April 19, 2032	April 19, 2052
Coupon	3.500%	4.000%

¹ Canadian dollar equivalent value based on the offering documents.

² Metric subject to limited assurance by PwC. See the Appendix for PwC's Limited Assurance Report.

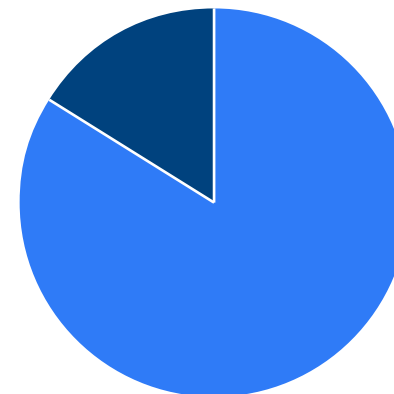
II. Aggregate Amount of Proceeds Allocated to Each Eligible Project Category^{1, 2}

Affordable Basic Infrastructure	50%
Green Buildings	6%
Renewable Energy	18%
Energy Efficiency	26%



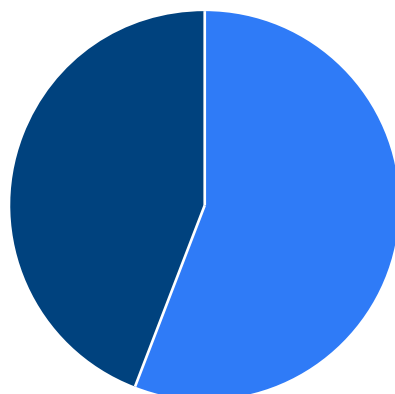
III. Allocation by Geographic Location

Europe	84%
U.S.	16%



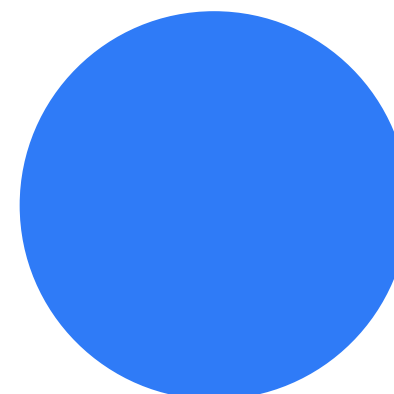
IV. Allocation to Refinancing Versus New Financing

Refinancing	56%
New Financing	44%



V. Balance of Unallocated Net Proceeds

Allocated Proceeds	100%
Unallocated	0%






¹ Metric subject to limited assurance by PwC. See the Appendix for PwC's Limited Assurance Report.

² In 2024, the eligible assets to which proceeds are allocated were adjusted to reflect changes to OMERS investments. The sustainable bonds remain fully allocated.

Impact Report

The table below summarizes the impact metrics for our eligible green or social assets by eligible categories as at December 31, 2024 and 2023 and identifies United Nations Sustainable Development Goals (SDGs) for each category. The SDGs were adopted in September 2015 by the United Nations General Assembly and form part of the UN agenda for achieving sustainable development by the year 2030.

Eligible category per ICMA green or social bond principles		Impact metric	2024	2023
	Affordable Basic Infrastructure	Underserved households connected	99,008	105,976
		Annual renewable energy generation in MWh	67,757	81,650
	Renewable Energy	Annual greenhouse gas (GHG) emissions avoided in tons of CO ₂ equivalent	50,180 ¹	62,876 ¹
		Total installed capacity in MW	6,373	5,681
	Green Buildings	Floor space of green real estate (m ²)	23,226	23,226
		Annual GHG emissions avoided in tons of CO ₂ equivalent	298 ²	263 ²

The impact metrics are reported at OMERS share of the assets and on a full-year basis, unless the green or social asset is acquired during the year, in which case such metrics are reported from the date of the acquisition to year-end. The allocation of proceeds by eligible project category has not changed since the 2022 Sustainable Bond Report, while the impact metrics have changed year-over-year.

- 1 Calculated using the U.S. Environmental Protection Agency Greenhouse Gas Equivalencies Calculator.
- 2 Calculated using the industry standard Energy Star Portfolio Manager U.S. Energy Use Intensity (EUI) rates of a similar building in the region, converted to emissions, minus the energy usage from the building that OMERS owns, converted to emissions. The energy and emissions in 2024 represent whole-building energy use. The energy and emissions in 2023 represent base building electricity and whole-building natural gas. In both years, the calculated energy use of the comparable building (based on industry standard EUI benchmarks) was scaled to match the OMERS asset data coverage, to ensure a representative comparison is being made.



Examples of Eligible Sustainable Assets Included in Our Sustainable Bond Register

as of December 31, 2024



Kenter

Kenter is an energy infrastructure solutions business providing medium-voltage infrastructure meters, battery storage, EV charging and heating solutions to over 28,000 commercial and industrial business customers in the Netherlands and Belgium.



Serenity

Serenity is an upscale apartment building nestled within Boston's Emerald Necklace park system. The LEED Gold-certified apartments feature nuanced designs and proximity to public transit and local attractions.

Appendix: PwC Limited Assurance Report



Independent practitioner's limited assurance report on OMERS Finance Corporation's (OFC), in its capacity as trustee of OMERS Finance Trust (OFT), select performance metrics as included in the OMERS 2024 Sustainable Bond Report

To the Board of Directors of OFC, as trustee of OFT

We have conducted a limited assurance engagement on the select performance metrics of OFT (the "Entity") included in Exhibit 1 (the "select performance metrics") and included in the 2024 OMERS Sustainable Bond Report as at December 31, 2024.

Responsibilities for the select performance metrics

Management of the Entity is responsible for:

- the preparation of the select performance metrics in accordance with the applicable criteria applied as explained in OMERS Sustainable Bond Framework 2022 (the "applicable criteria");
- designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of the select performance metrics, in accordance with the applicable criteria, that are free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the select performance metrics

Non-financial data is subject to more limitations than financial data, given both the nature and the methods used for determining, calculating, sampling or estimating such data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments.

Our independence and quality management

We have complied with independence and other ethical requirements of the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers LLP

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the select performance metrics are free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the select performance metrics.

We conducted our limited assurance engagement in accordance with Canadian Standard on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* (CSAE 3000).

As part of a limited assurance engagement in accordance with CSAE 3000 we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Determine the suitability in the circumstances of the Entity's use of the applicable criteria as the basis for the preparation of the select performance metrics.
- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Entity's internal control.
- Design and perform procedures responsive to where material misstatements are likely to arise in the select performance metrics. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the select performance metrics. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgment, including the identification of where material misstatements are likely to arise in the select performance metrics, whether due to fraud or error.

In conducting our limited assurance engagement, we:

- obtained an understanding of the Entity's reporting processes relevant to the preparation of its select performance metrics by:
 - making inquiries of the persons responsible for the select performance metrics; and
 - inspecting relevant documentation relating to the Entity's reporting processes;
- evaluated whether all information identified by the process to identify the information reported in the select performance metrics is included in the select performance metrics;
- performed inquiries of relevant personnel and analytical procedures on selected information in the select performance metrics;
- performed substantive assurance procedures on selected information in the select performance metrics; and
- reviewed the select performance metrics disclosures in the 2024 OMERS Sustainable Bond Report to ensure consistency with our understanding and procedures performed.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the select performance metrics as at December 31, 2024 are not prepared, in all material respects, in accordance with the applicable criteria.

Restriction on use

Our report has been prepared solely for the Board of Directors of OFC, as trustee of OFT for the purpose of assisting management in reporting to the Board of Directors on its select performance metrics. The select performance metrics therefore may not be suitable for any other purpose. Our report is intended solely for the Entity.

We neither assume nor accept any responsibility or liability to any third party in respect of this report.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Toronto, Ontario

May 28, 2025

Exhibit 1

Our limited assurance engagement was performed on the following select performance metrics:

Select Performance Metrics	2024 Results
Net proceeds raised from each OMERS Finance Trust Green, Social or Sustainable Bond as at December 31, 2024	\$1,100,000,000 USD
Allocation of proceeds to each eligible project category as at December 31, 2024.	Affordable Basic Infrastructure (50%) Energy Efficiency (26%) Renewable Energy (18%) Green Buildings (6%)



For more information about OMERS and OMERS Finance Trust, please contact our Investor Relations team.

Sustainability

[Sustainable Investing](#)

[OMERS Sustainable Bond Framework](#)

External Review

[Second-Party Opinion and Limited Assurance Report](#)

Performance

[Financial Highlights](#)

[Annual Results](#)

Governance, Legislation and Regulations

[OMERS Administration Corporation](#)

[OMERS Act](#)

[Executive Leadership Team](#)

[Board of Directors](#)

[Plan Texts](#)

Investment Approach

[Investment Beliefs, Investment Policies and Procedures, and Valuation](#)

Investor Relations

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In connection with our three-pillared approach to sustainable investing and under OMERS Climate Action Plan, we have made certain commitments and set certain goals and targets (Targets). In establishing our Targets, we relied on various laws, guidelines, taxonomies, methodologies, frameworks, market practices and advice, and other standards (Standards) and have also made good faith assumptions and estimates in establishing our Targets. Given the complex nature of expectations relating to environmental, social and governance standards and practices (including the management of climate risk), these Standards differ by region, industry and issue, are rapidly evolving and are not always clear. As a result, our assumptions and estimates may prove incorrect or inaccurate for reasons we cannot foresee or predict. Additionally, we may update our Targets or other information included in this report as appropriate in light of evolving Standards.

To monitor and report on our progress toward our Targets, we rely on data obtained from our portfolio companies and other third-party sources. The use of third-party data and information is not an endorsement of the third-party or its data or information nor is it to be construed as granting any form of intellectual property. Although we believe these sources are reliable, we have not independently verified this data, or assessed the underlying assumptions, and cannot guarantee its accuracy or completeness. The data may be of varying quality or usefulness and may change over time as Standards evolve. These factors could negatively impact our Targets and our ability to meet them.

This report is not, does not contain and is not intended as an offer to sell or a solicitation of any offer to buy any securities issued by OMERS Finance Trust or OMERS Administration Corporation. No representation is made as to the suitability of any issuance of green, social or sustainability bonds to fulfil environmental and sustainability criteria required by prospective investors. Eligible green or social projects may not satisfy an investor's expectations concerning environmental or sustainability benefits and may result in adverse impacts. This report and the information contained herein is provided for informational purposes only and not to promote, either directly or indirectly, any business interest. The information contained herein is provided as of the date of this report, and OMERS Finance Trust and OMERS Administration Corporation do not undertake to update any of such information.

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