



Building Tomorrow

together

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We Are OMERS

A jointly sponsored, defined benefit pension plan, with over 1,000 participating employers ranging from large cities to local agencies and 665,000 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. OMERS teams work in Toronto, London, New York, Amsterdam, Luxembourg, Singapore, Sydney and other major cities across North America and Europe – serving members and employers and originating and managing a diversified portfolio of high-quality investments in government bonds, public and private credit, public and private equity, infrastructure and real estate. The benefits OMERS provides are funded equally from active members' and their employers' contributions, combined with investment income. We expect that the majority of future benefit payments for today's active members will be funded by investment returns. OMERS actively seeks out opportunities to engage with decision-makers to advocate for the advantages of the jointly sponsored, defined benefit pension model.

The Benefits of Being an OMERS Member

As a defined benefit pension plan, OMERS provides retirement income for life, based on earnings and years of service. Valuable features of the Plan include:

- Security of regular monthly income
- A professionally invested portfolio
- Additional benefits that include inflation protection, a bridge benefit, survivor and disability benefits

For more information on the benefits of being an OMERS member, please visit the Members section of the OMERS website.

This annual report has been developed and approved by OMERS Administration Corporation (AC) Management and Board of Directors. For information about OMERS Sponsors Corporation, please visit [omers.com](https://www.omers.com).

The OMERS Pension Plans comprise the OMERS Primary Pension Plan; the Retirement Compensation Arrangement for the OMERS Primary Pension Plan (RCA); and the Supplemental Pension Plan for Police, Firefighters and Paramedics, which has no assets, liabilities or members. When we refer to the "OMERS Plan" or the "Plan" in our communications, it is the OMERS Primary Pension Plan that we are typically referring to, unless otherwise specified. For information on the RCA, refer to Management's Discussion & Analysis. When we refer to the "OMERS Act," it is to the OMERS Act, 2006, as amended.

This report contains forward-looking information, which is based on certain factors and assumptions and subject to certain risks. It also includes statements and other disclosures related to OMERS Sustainability Objectives (as defined on page 153). Please refer to "Legal Notices" on page 153 of this report for a discussion of the factors, assumptions and risks relating to such statements and disclosures.



A Letter from the Chair

Since 2013, I have had the privilege of serving as OMERS Administration Corporation (AC) Independent Board Chair. Our Board is comprised of 15 professionals who bring depth and breadth to their work and a deep commitment to the members served by the Plan.

As a pension plan that pays pensions over decades, OMERS has a long-term perspective. The Board and management together embrace their fiduciary duty to act in the interest of Plan members, providing excellent service today, while also striving to ensure the Plan will continue to pay benefits, on time and in full, as it has done for 64 years.

As OMERS reports 2025 results, the Board is particularly pleased to see the continued progress in OMERS funded position, which has been improving consistently from a low point of 86% in 2012 to 99% in 2025. From that same point in 2012, the discount rate has been reduced from 4.25% to 3.70%, lowering Plan risk. This steady improvement in the Plan's financial health is to the benefit of all members and employers.

2025 was a pivotal year for OMERS governance. Under the current governance model, established by provincial legislation in 2006 and later reviewed in 2012/13, the organization was governed by two corporations: the OMERS Sponsors Corporation (SC) and the AC. In response to requests from certain Plan sponsors, the Ontario government launched a governance review in late 2024, led by Special Advisor Robert Poirier. The final report, published in November 2025, prompted legislative changes that set the stage for winding down the current corporate SC entity and establishing a Sponsors Council.

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As we look to what lies ahead, our Board has tremendous confidence in OMERS management team, led by President and CEO Blake Hutcheson.”



Durham Region Long Term Care



At the time of publication for this annual report, the transition to the new structure has not yet taken effect as the government finalizes enabling regulations. The governance changes are structured to enhance the Plan's transparency and effectiveness while providing greater representation to those who the Plan serves. Following these changes, our governance model will be more closely aligned with other Canadian jointly sponsored pension plans, while accommodating the diverse makeup of our members and Plan sponsors. From the start, the AC Board welcomed and fully cooperated with the governance review. Our goal is an even stronger governance system for OMERS members and employers.

As we look to what lies ahead, our Board has tremendous confidence in OMERS management team, led by President and CEO Blake Hutcheson, to guide the Plan to an even stronger future, one built to serve generations to come. His management team are experts in their respective areas, fully committed to serving members in everything they do, and believe deeply in the pension promise. Each member of our Board recognizes and has experienced this expertise first-hand, and it gives all of us clear assurance and enthusiasm for what is to come for the Plan and for the members who count on us.

George Cooke
Independent Board Chair
OMERS Administration Corporation



2025 AC Board Activities

The AC Board and its Committees met quarterly in 2025 to oversee management activities in areas including investments, actuarial assumptions, risk management, governance, pension services, and human resources. Through the Investment Committee, the Board also monitored foreign currency strategy, liquidity, investment management, portfolio construction, and economic trends. The Board maintained its oversight of OMERS sustainable investing strategy and Climate Action Plan ambition toward net zero carbon emissions by 2050. As a skills-based board, Directors continued to enhance their expertise and knowledge on topical matters, including artificial intelligence, the geopolitical landscape and cybersecurity.

The Board welcomed Mr. David McCann, who was appointed effective January 1, 2026. Mr. McCann replaced Mr. Bill Butt, whose term ended December 31, 2025, and who was not eligible for reappointment, having reached the term limit for AC directors. The AC Board would like to thank Mr. Butt for his significant contributions during his tenure.



A Letter from the CEO

I want to begin by letting you know what a pleasure it is to write this letter. Our annual report is charting a new course this year, and with this comes the opportunity for me to provide you, our members, employers, sponsors, unions, associations and employees with a personal message and update on our progress.

When I became the OMERS President and CEO in 2020, one of my first conversations was with our Chief Financial & Strategy Officer, Jonathan Simmons, who shared, “Blake, I am so inspired to work here. OMERS is noble in its cause, local in its roots and global in its reach.” I find myself drawn back to these words time and again. It is a rarity to be able to work for an organization where the balance sheet is completely aligned with a true and meaningful cause in service of all of you; and yet, that is our honour and reality. That is why our global offices are lined with pictures of members on our walls. It is also why it means so much to us when OMERS members indicate that they are exceptionally pleased with our relationship, as they did in 2025, affording us a 97% member satisfaction rating. Our members play a vital role in supporting our Ontario communities every day, and for nearly 65 years, we have had the privilege and responsibility of serving them and fulfilling our commitment to their retirement security, a commitment we have always upheld, and always will. A promise is a promise.

I am often told that Canada’s largest pension plans are the envy of the world. Knowing OMERS and our peers as I do, I would say that this is an accurate statement and the respect with which we are held globally is second to none. But, moreover, when I speak to our teams here at OMERS, I tell them that our goal is “to be the envy of the envy of the world.” We have the capabilities, the talent and the resources to continue to get better in everything we do, including serving you and protecting the Plan against downside risk. This includes when the world faces turbulent and uncertain times, as we experienced in 2025. So much changed in the course of last year, and just like you, we felt these impacts across the organization. With this in mind, now feels like the perfect time to speak with all of you directly on how we are dealing with these changes, how and where they impacted our results in 2025, and why we are so confident about our ability to navigate the future well – and on your behalf.

Our 2025 Results

OMERS performance in 2025 demonstrates the resilience of our plan in the context of a turbulent market environment and the disciplined approach that continues to deliver long-term value for our 665,000 members. Our net return for 2025 was 6.0%, adding

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OMERS is noble in its cause, local in its roots and global in its reach.”



Square One District, Mississauga

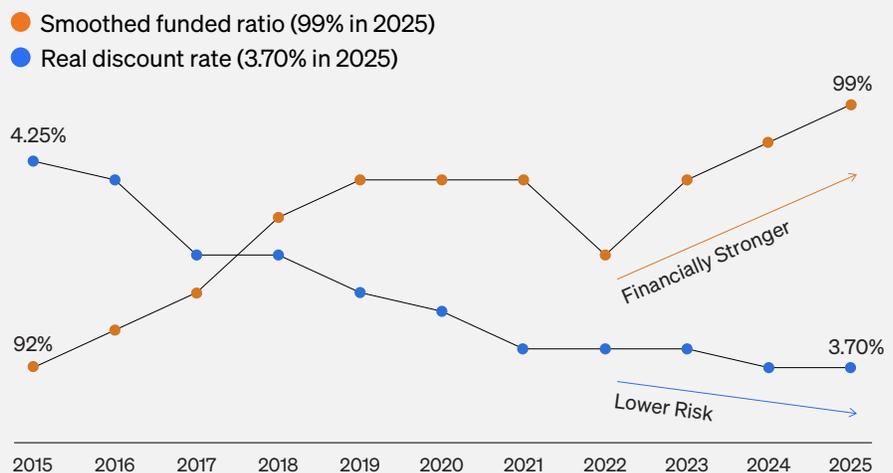
\$8.2 billion to the Plan. Our net assets grew from \$138.2 billion at December 31, 2024, to \$145.2 billion at December 31, 2025. Putting these results into a longer-term context, we have delivered a five-year average return of 7.7% and an average return of 7.1% over 10 years.

In 2025, the Plan’s smoothed funded ratio improved by 1% to 99% using a real discount rate of 3.70%. This year-over-year improvement occurred despite our decision to set aside an additional \$2.2 billion for higher member life expectancy, as we continue on our prudent path to a strong future for the Plan.

Our diversification across asset classes and geographic regions has strategically positioned us to navigate an ever-changing global landscape. This approach to portfolio management served us well over the past year, allowing us to deliver steady performance amidst significant political and economic uncertainty. Our public equities delivered double-digit results, supported by another strong year for our private credit investments as an asset class, and the performance of Oxford’s portfolio has given us strong confidence that real estate has begun to recover as the market strengthens. Private equities continue to face a challenging market. Infrastructure delivered a positive return; while the majority of our portfolio performed well, some of our European and renewable energy assets softened the return from this asset class. We made prudent decisions to hedge currencies throughout the year, protecting 70 basis points of returns. This helped to limit the foreign exchange impact on our results to negative 1.3%, driven mainly by a significant decline in the value of the U.S. dollar.

The Plan’s funded position has improved significantly from a low point of 86% in 2012. This growth is largely due to positive investment returns and member and employer contributions, while we have also lowered risk by reducing the real discount rate and strengthening other actuarial assumptions, including adjustments for longer pensioner lifespans. For 2025, the Plan’s funded ratio improved another 1% to 99%, using a real discount rate of 3.70%. In calculating our funded position, we smooth investment performance over five years to reflect our long-term focus. We aspire to build more financial strength and continue to manage risk as we pursue our 2030 strategic goals. For more information, please refer to the MD&A.

Plan Funded Ratio and Discount Rate Over Time



A Letter from the CEO

These results were not achieved in a vacuum. In 2025, our teams navigated continued market instability, particularly around trade and heightened global tensions. Recognizing the impact of our changing global environment, we have adapted our risk framework and approach to help us navigate uncertainty going forward to meet our liabilities. We have streamlined our reporting and assessment processes, analyzed potential impacts from several economic scenarios in 2026, and remain focused through regular meetings between senior leadership and our Risk team. And while this allows us to mitigate risk in both the short and long term, I often say that “a quarter” at OMERS is 25 years, not three months. This sentiment is how we remain anchored to a long-term focus that we believe best serves the Plan and our members’ futures, as well as the futures of generations yet to come.

It is because of this responsibility to generations of members that we believe in looking at our performance over multiple years. Over the last 10 years, as noted above, we have averaged a net

return of 7.1%, adding \$73.9 billion to the Plan, and we expect to have \$200 billion in net assets by 2030. We believe a balanced and diversified portfolio of high-quality assets will continue to sustain the Plan; but we also believe in looking through the windshield and not the rearview mirror. The current business climate in which we operate is highly unpredictable. While that can make the future appear more challenging, these factors can create opportunity and we are going to focus on controlling what happens here, for the benefit of our current and future members. We are strengthening and diversifying our portfolio and teams, and have our eye firmly on the long-term security of the Plan.

Serving Our Members

2025 also saw updated research from the Canadian Centre for Economic Analysis (CANCEA) on the impact OMERS has on our Ontario communities. This new report highlights the value of a defined benefit pension like OMERS in uncertain times, finding that our plan contributes \$15.3 billion to Ontario’s economy and positively



City of Guelph

A Letter from the CEO

impacts 1 in 11 households. The report also identified what CANCEA is calling the “stability dividend,” with defined benefit pension members reporting life satisfaction at significantly higher rates than the general population. This positive impact extends to physical and mental health, where OMERS members report being in excellent or very good shape at a rate far higher than those who are not part of the Plan. The ability to have this kind of profound impact is something we do not take for granted, and are extremely proud to share with all of you.

To that end, in 2025, we continued to make improvements in the way we serve our members and employers. Of particular note are the measures we introduced to make leave purchases more accessible and affordable for all working members, creating more ways to build a better financial future by maximizing pension income in retirement. We refreshed and modernized our members’ website, implemented a retirement planner tool and travelled over 103,000 kilometres across Ontario to deliver education sessions. Over 40,000 members attended these sessions and other webinars. We also engaged with you in over 165,000 phone conversations. These connections matter, and bring to the forefront the importance of our relationship with all of you, across the many individuals and groups that comprise the OMERS community.

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Our plan contributes \$15.3 billion to Ontario’s economy and positively impacts 1 in 11 households.”



Ausable Bayfield Conservation Authority



Peel Children's Aid

We continue to introduce new members to our plan and in 2025 saw more than 44,000 new enrolments. Many of these members are non-full-time working women, who chose to be part of our plan. To all of these new members, a warm and heartfelt welcome from our team!

We also reimagined how we communicate and connect with members, who range in age from 14 to 106, and employers, who are more than 1,000 strong. We expanded our volunteer research community and learned from their input, and will now be able to deliver more and improved products and services for members. We piloted a holistic retirement planning session with members nearing or entering retirement, and launched the *Pensions Women's Empowerment Initiative*, reflecting our commitment to supporting women's long-term financial well-being. We also released a third season of the popular *Pension Blueprint* podcast, exploring a range of relevant pension subjects alongside tailored financial literacy resources.

I would encourage our members to visit our myOMERS website to learn about these and other initiatives underway to serve you better.

The People Behind the Plan

Results from our employees show that we are building the kind of culture where employees want to work. In addition to scoring as best-in-class in the categories of employee engagement, inclusion, growth & development and well-being, we ranked 7th on the *Best Workplaces™* in Canada list.

We spent 2025 modernizing our systems and training our people for a future that is coming quickly. We are laying the groundwork today, enhancing our "digital fitness" across the organization, embracing the responsible use of AI, selectively and strategically building new areas of our investment platform, and enhancing our member services. We know that these improvements will pay dividends over the long term and our members will be the beneficiaries. Our ability to provide the best for members, employers and our investment portfolio means that we must attract, empower and retain a highly engaged and professional workforce, ensuring that they have the resources and tools to be their best on your behalf.

We continue to build and shape a team that serves each of you, guided by our values of inclusion, integrity, excellence and humility, knowing that these values will inspire a team that will serve you well.”



We expanded skills development offerings, establishing access to over 25,000 online courses for our employees. Our employee development program, *Development Days*, ensures our teams are supported as they build the skills necessary to have an impact in a rapidly changing world. We invested in specialized learning programs to build business and technical skills, and supported our leaders with individually tailored development programs. We are also keenly aware that employees need more than just skills to get the best out of themselves and each other. That is why we expanded our well-being offerings, rolling out programs related to mental and physical health to our teams around the globe.

We continue to prioritize inclusion as one of our values, because diverse and inclusive organizations are more innovative and perform better financially. The year 2025 saw the emergence of three additions to our existing six Employee Resource Groups (ERGs). ERGs are open to all employees and help build communities, networks and allyship across the organization. Our Enterprise Inclusion & Diversity Council is comprised of senior leaders from across business lines. I have been extremely proud to serve as Co-Chair of this group alongside our Chief Human Resources Officer, Dr. Nancy Nazer. We also enhanced our ongoing commitment to Indigenous reconciliation by launching new training in support of the National Commission on Truth and Reconciliation’s Call to Action #92.

We continue to build and shape a team that serves each of you, guided by our values of inclusion, integrity, excellence and humility, knowing that these values will inspire a team that will serve you well.

Our Responsibilities and Our Communities

So much of the uncertainty we have faced this year as Canadians, as you know, has been the result of tense, challenging and changing geopolitical relationships. I have been clear throughout 2025 that I am optimistic about our chances to invest

A Letter from the CEO

and add even more value in our home market while honouring our fiduciary duty to members, and I believe this is a pivotal moment for this great country. As of year-end, more than \$25 billion of our equity is proudly invested in Canadian assets. As Canada unites to build a stronger and more resilient future, OMERS wants to be a catalyst in helping unlock these aspirations. We have a strong home-country bias, with the advantage of strong local relationships and on-the-ground expertise. Of course, any transaction we undertake will have to meet the high bar we set for managing the Plan on a risk-adjusted basis, but I anticipate that near-term opportunities in Canada will support both our objectives and the country's growth. We believe in this country, in its future and in the role we can play in making a difference.

Any plan for a resilient and bright future also needs to consider climate change. We continue to make important progress against the goals set out in our Climate Action Plan. OMERS is reporting a 65% reduction in its portfolio carbon emissions intensity relative to the 2019 baseline, and increased its green investments to

\$26 billion. As part of our long-term perspective, we are always looking at how to best create value and manage risks as new sustainability challenges and solutions emerge. Of particular importance was the introduction of an enterprise sustainability program for our internal operations. Across our enterprise, taking sustainability considerations into account has long been a part of how we work, how we develop and care for our people, how we contribute to our communities and how we operate our business. The articulation of this plan aligns our everyday work with our broader commitments.

Inspired by our members who dedicate their work to enhancing our communities, in 2025, our global teams continued to demonstrate their commitment to giving back by raising funds for local charities and volunteering time to support a range of meaningful initiatives. We packed and sorted food at local food banks, supported clothing drives, cleaned up parks and planted trees. Our tradition of supporting local initiatives is an essential part of who we are, and this commitment grows each year.



Fairmont Jasper Park Lodge

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While there is little likelihood that world events will settle into a stable, predictable state in the near future, we move forward with confidence, with purpose, and with determination.”

Our Future

Despite our meaningful accomplishments in 2025, creating value for our members and communities as we strengthened our team, the external challenges we were forced to contend with made for a challenging year. However, as a long-term investor, we will never be defined by a single year. Moreover, I believe that the groundwork OMERS laid last year was necessary in service of setting the Plan up for future sustainable success – for our 665,000 members and for all of those who will follow. Last year, we launched our 2030 Strategy, and I am pleased to say that we are on track to turn this strategy into a reality.

Each year, I have the opportunity to join OMERS Chief Pension Officer Celine Chiovitti as we meet with members from across the province in their communities. I often tell our team that I wish everyone in the organization could have the chance to do the same. Our members are the heart of their community; thoughtful, insightful and some of the bravest and most selfless people I have had the privilege to meet.

OMERS 2030 Strategy

The goals against which we will measure our success are:

100%+
Funded ratio

\$200B+
Net asset value

3
Geographies of focus

\$400B+
Assets under management

5%+
Real long-term return (7%+ nominal)

As we focus on these goals, we will target the following additional measures:

Emissions reduction: 50%+

Employee engagement: 80%+ (best-in-class)

Members: 700K+

Service satisfaction: For members 95%+

For employers 90%+



I return home each time refreshed and inspired by the fact that OMERS has the chance to make a difference in their lives. It is a rewarding opportunity, and one that our world-class teams are aware of each and every day.

While there is little likelihood that world events will settle into a stable, predictable state in the near future, we move forward with confidence, with purpose, and with determination. We will encounter obstacles, and we will continue to resolutely put one foot in front of the other, focusing on the areas where our deeply talented global teams can have the most positive impact. We will continue to operate every single day to secure the future our members deserve and expect, and to earn the trust of everyone reading this letter, in the hope that you are as proud to be part of the OMERS community as we are to work with and for it.

Thank you for that opportunity. We look forward to working more closely with all of you in the future, as we *Build Tomorrow Together*.

Blake Hutcheson
President & CEO
OMERS Administration Corporation



Annual Meeting

OMERS members, employers, sponsors and stakeholders are integral to our community. We are deeply committed to engaging with you regularly to share information and partner on areas of mutual interest. We invite you to join us at OMERS Annual Meeting, a hybrid event taking place on Thursday, April 23, 2026, in person at the Metro Toronto Convention Centre, with simultaneous webcast. The meeting will begin at 9:00 AM EDT. For more information and to register for the Annual Meeting, please click [here](#).

2025 Highlights

Financial Highlights

(as at December 31, 2025)

The following key figures update the financial performance and condition of the Plan.

6.0%

Net return

\$8.2B

Net investment income

99%

Funded ratio

3.70%

Real discount rate

7.1%

10-year return

7.3%

10-year benchmark

Key Sustainable Investing Highlights

\$26B

In green investments

65%

Reduction of our 2024 WACI to 2019 baseline

Sustainable Investing

Further details on our commitment to sustainability can be found on page 45 of this report.



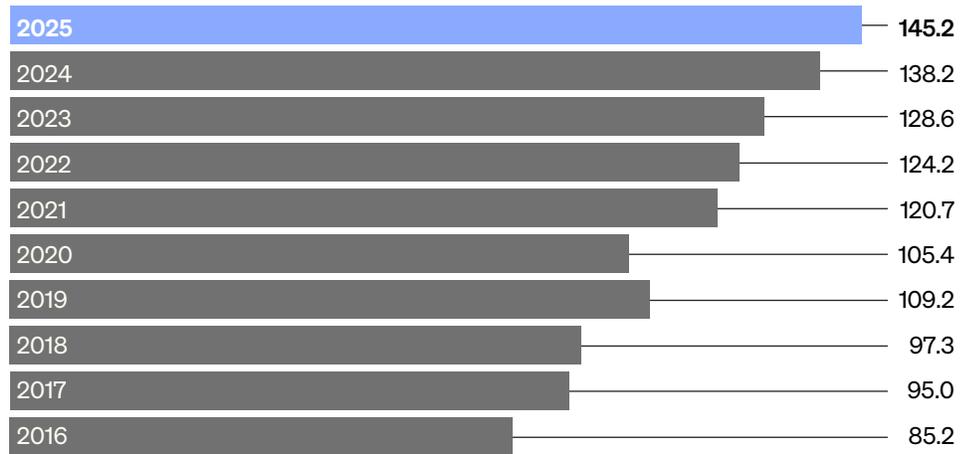


50 Hudson Yards, New York City

Our net assets continue to grow.

Net Assets (10-year view)

As at December 31, 2025 (\$ billions)



Our portfolio is well diversified by assets and geography.

Asset Mix

As at December 31, 2025

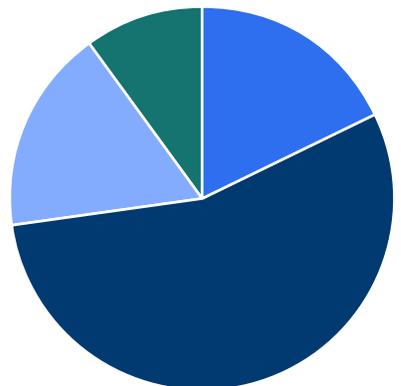
Government Bonds	11%
Public Credit	12%
Private Credit	14%
Public Equities	20%
Private Equities	18%
Infrastructure	22%
Real Estate	15%
Cash and Funding	12%



Assets by Geography

As at December 31, 2025

Canada	18%
U.S.	55%
Europe	17%
Asia-Pacific and Rest of the World	10%





Operational Highlights

(as at December 31, 2025)

In Service of Our Members

We are dedicated to delivering excellence for our members.

665,000

Total members

369,000

Total active members

210,000

Total retired members

44,132

Total new enrolments

97%

Member service satisfaction

\$6.8B

Total pension benefits paid

\$31,615

Average annual overall pension in pay

City of Guelph



A Great Place to Work

We are building and enabling a team empowered to be its best.



87%

Employee engagement



88%

Inclusion score

84%

Growth and development score

84%

Well-being score

Each of these scores represents best-in-class results.



Economic Contribution and Social Value Highlights

In 2025, the Canadian Centre for Economic Analysis (CANCEA) released new research on OMERS economic and social impact across Ontario. The results demonstrate that not only does OMERS continue to play a growing role in the economy, but a growing gap has emerged between OMERS members and the general population, in the areas of life satisfaction, health and well-being and community engagement.

OMERS activities support 135,200 jobs across Ontario, of which approximately 30,000 are held by those under the age of 30, and almost 40,000 (across all ages) are located in rural communities.

More than 832,000 Ontarians benefit from OMERS-supported income annually.

That's 1 in 11 households.

The impact of pension payments, OMERS investments and operations drive economic impact across the province.

\$15.3B

Contribution to Ontario's economy

\$4.2B

Provincial and federal tax revenue generated by OMERS activity

11%

Percentage of all private retirement income that OMERS pensions account for in Ontario

Members report higher levels of life satisfaction, preparedness for the unexpected and ability to contribute to their communities. DB members connect their plan with their intent to stay with their employers.

7.9/10

Members' life satisfaction (vs. 4.7/10 for the general population)

7.8/10

Retired female OMERS members' life satisfaction score (vs. 4.5/10 for non-pensioned women)

74%

Percentage of retired DB members prepared for a sudden \$10,000 expense (vs. 34% for the general population)

61%

Percentage of OMERS retirees who volunteer in their communities (vs. 45% for those with no pension)

60%

OMERS retired members citing positive mental health (vs. 44% for general population)

90%

Active OMERS members who say their pension is an important factor in remaining in their job (rises to 91% for those under the age of 35)



Management's Discussion & Analysis

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This Management’s Discussion & Analysis (MD&A) is the responsibility of the Management of OMERS Administration Corporation (AC). It contains Management’s analysis of the OMERS Pension Plans’ financial condition, investment results, risk management, approach to sustainable investing and the environment in which the Plans operate, and should be read in conjunction with AC’s Consolidated Financial Statements. The OMERS Pension Plans comprise the OMERS Primary Pension Plan (Primary Plan or Plan), the Retirement Compensation Arrangement (RCA) for the OMERS Primary Pension Plan, and the OMERS Supplemental Pension Plan for Police, Firefighters and Paramedics (Supplemental Plan).

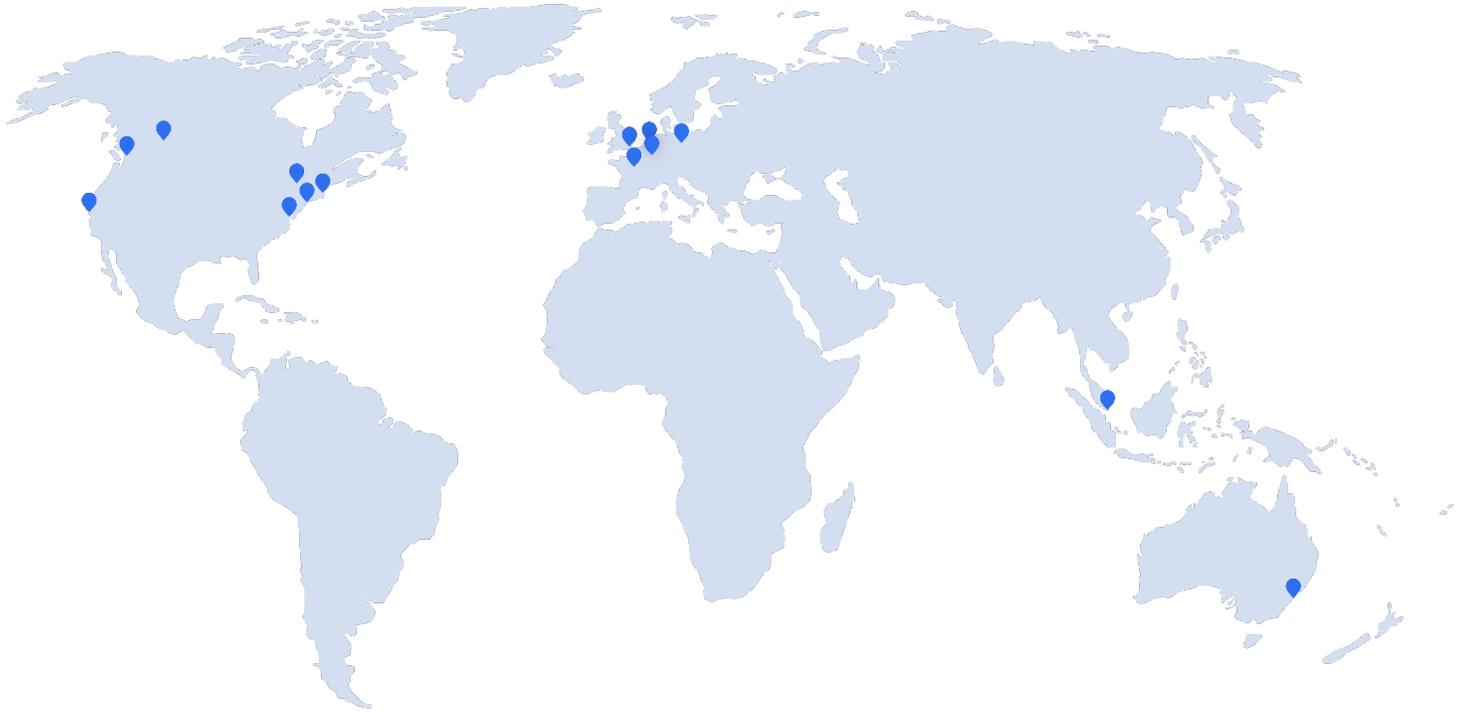
The AC Board of Directors has reviewed and approved the contents of this MD&A, as at February 23, 2026.

In addition to historical information, this MD&A contains forward-looking statements with regard to Management’s strategy, objectives, outlook and expectations. Forward-looking statements made in this MD&A represent Management’s views at the date of this report and Management does not undertake to update or revise any forward-looking statements as a result of new information, future events or otherwise. Many factors affect the Plans’ performance, such as changes in market conditions, interest rates, inflation, demographics, technological factors, environmental and climate factors, and the ongoing geopolitical tensions. Investment returns and values will fluctuate. Past performance is not a guide to or indicative of future results. Please refer to the Legal Notices on page 153 of this report for a further discussion of the factors, assumptions and risks relating to such forward-looking statements.

This MD&A also contains statements and other disclosures concerning OMERS related sustainability matters. In making these statements and disclosures, OMERS has made various assumptions, including about technological, economic, scientific, and legal trends and developments, in light of an evolving policy and regulatory environment. Please refer to the Legal Notices on page 153 of this report for a discussion of the factors, assumptions and risks relating to such statements and disclosures.

We use certain financial measures that are not based on Generally Accepted Accounting Principles (GAAP) as key metrics in our financial reporting to enable our readers to better understand our condition and results. Non-GAAP financial terms are listed and defined in the Glossary section of this MD&A.

Overview of OMERS



Founded in 1962, OMERS is a jointly sponsored, defined benefit pension plan, with approximately 1,000 participating employers ranging from large cities to local agencies, and 665,000 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 (defined below) are funded equally by members and employers.

OMERS teams work in Toronto, London, New York, Amsterdam, Luxembourg, Singapore, Sydney and other major cities across North America and Europe – serving members and employers, and originating and managing a diversified portfolio of high-quality investments in government bonds, public and private credit, public and private equities, infrastructure and real estate.

Overview of the OMERS Pension Plans

The OMERS Pension Plans comprise the OMERS Primary Pension Plan (Primary Plan or Plan), the Retirement Compensation Arrangement (RCA) for the OMERS Primary Pension Plan, and the OMERS Supplemental Pension Plan for Police, Firefighters and Paramedics (Supplemental Plan).

An overview of the OMERS Pension Plans is disclosed in Note 1 of the AC’s Consolidated Financial Statements. Further detail on the RCA can also be found in the RCA section of this MD&A.

Primary Plan Funding

The Plan's funded ratio on a smoothed value of assets basis increased from 98% at December 31, 2024 to 99% at December 31, 2025, and its funding deficit decreased from \$2.9 billion to \$1.3 billion.

The strengthened funded position was primarily driven by smoothed investment returns from prior years and the current year exceeding the discount rate.

This improvement occurred despite absorbing an additional \$3.2 billion in accrued pension obligations to reflect updated assumptions for higher life expectancy (further discussed in Note 6 to the Financial Statements) and higher-than-expected member's earnings experiences (driven significantly by retroactive salary increases due to the repeal of Bill 124).

The following table presents the main changes in the smoothed funded ratio and funding deficit during the year:

Funding Surplus / (Deficit) (\$ billions)			Smoothed Funded Ratio (%)	
2025	2024		2025	2024
(2.9)	(4.2)	As at January 1,	98	97
(0.2)	(0.2)	Interest on surplus/(deficit)	n/a	n/a
0.9	0.8	Contributions from members and employers to improve the financial position	1	1
3.6	1.0	Smoothed investment return above the discount rate	3	1
-	(1.0)	Reduction of the discount rate	-	(1)
0.4	0.3	Experienced price inflation	-	-
(1.0)	-	Members' earnings experience	(1)	-
(2.2)	-	Changes in actuarial assumptions for higher life expectancy	(2)	-
0.1	0.4	Other factors	-	-
(1.3)	(2.9)	As at December 31,	99	98

The Plan's funded ratio on a fair value of assets basis declined from 97% as at December 31, 2024 to 96% as at December 31, 2025, and the deficit based on the fair value of assets increased from \$4.3 billion as at December 31, 2024 to \$6.1 billion as at December 31, 2025. While the fair value return on net assets in 2025 exceeded the nominal discount rate of 5.70%, this improvement was more than offset by updated actuarial assumptions to reflect higher life expectancy.

There were no changes to contribution rates or benefits in 2025. The Plan's blended contribution rate for 2026 is estimated to be 20.8% of contributory earnings, which exceeds the minimum funding contribution rate required in the December 31, 2025 valuation report.

The Plan's funded status is an indicator of its long-term financial health. More reporting on the Primary Plan's funded position can be found in Note 6 to the Consolidated Financial Statements. Valuation methodology is described in Note 2 to the Consolidated Financial Statements.

For a definition of the funded ratio, using either the smoothed or fair value of assets, or for other non-GAAP financial terms, please see the Glossary section of this MD&A.

Discount Rate

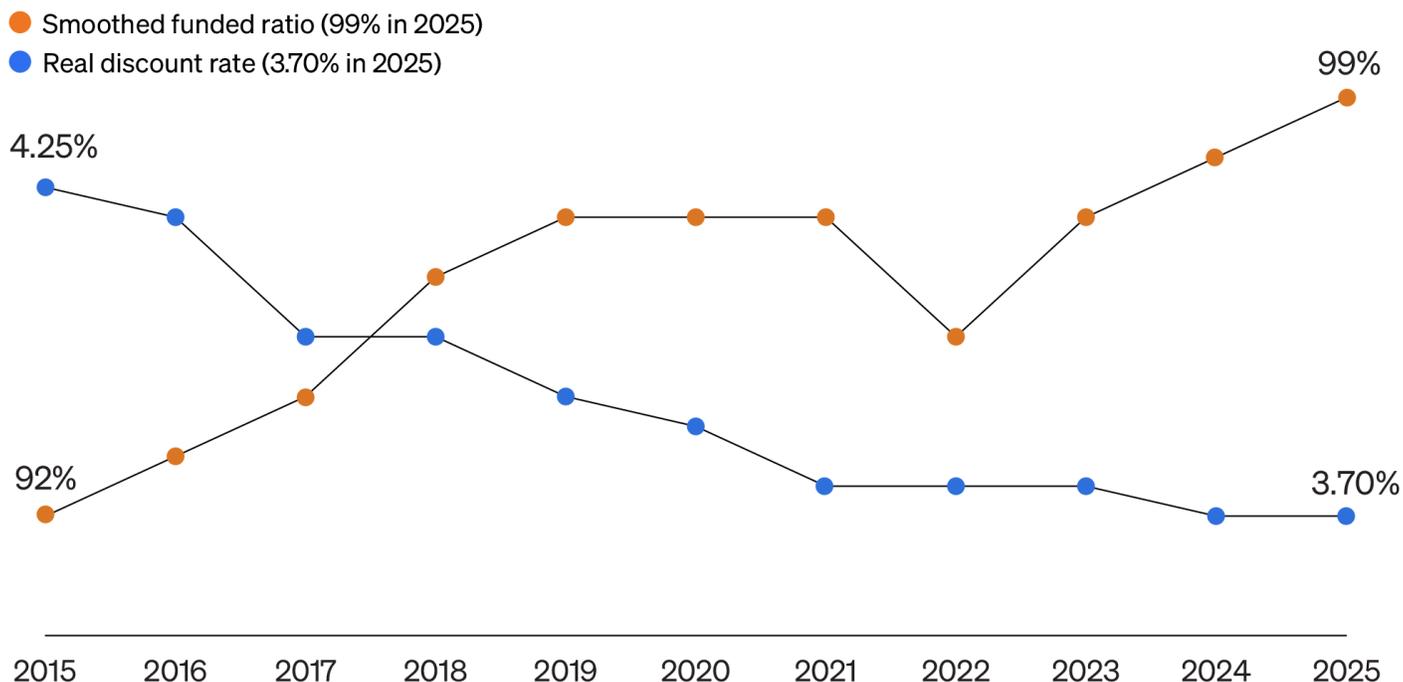
In estimating the Plan's accrued pension obligation as at December 31, 2025, we assumed long-term inflation of 2% and maintained the real discount rate of 3.70% (same as at December 31, 2024), just below the mid-point of our target range of 3.50% to 4.00%.

We assess the appropriateness of our discount rate annually as part of the valuation of the Plan's accrued pension obligation, in line with our Funding Policy and Discount Rate Strategy. Among factors we consider include maintaining a conservative margin between our discount rate and long-term expected returns, limiting the spread above risk-free rates, and accounting for relevant economic factors. While short-term inflationary pressures have largely abated, geopolitical and macroeconomic uncertainty remain present globally as at the end of 2025. As at December 31, 2025, the funded ratio on a fair value basis of 96% remains below the funded ratio on a smoothed basis of 99%.

In consideration of the above, we determined it to be prudent and appropriate to maintain our discount rate the same as at the end of 2024.

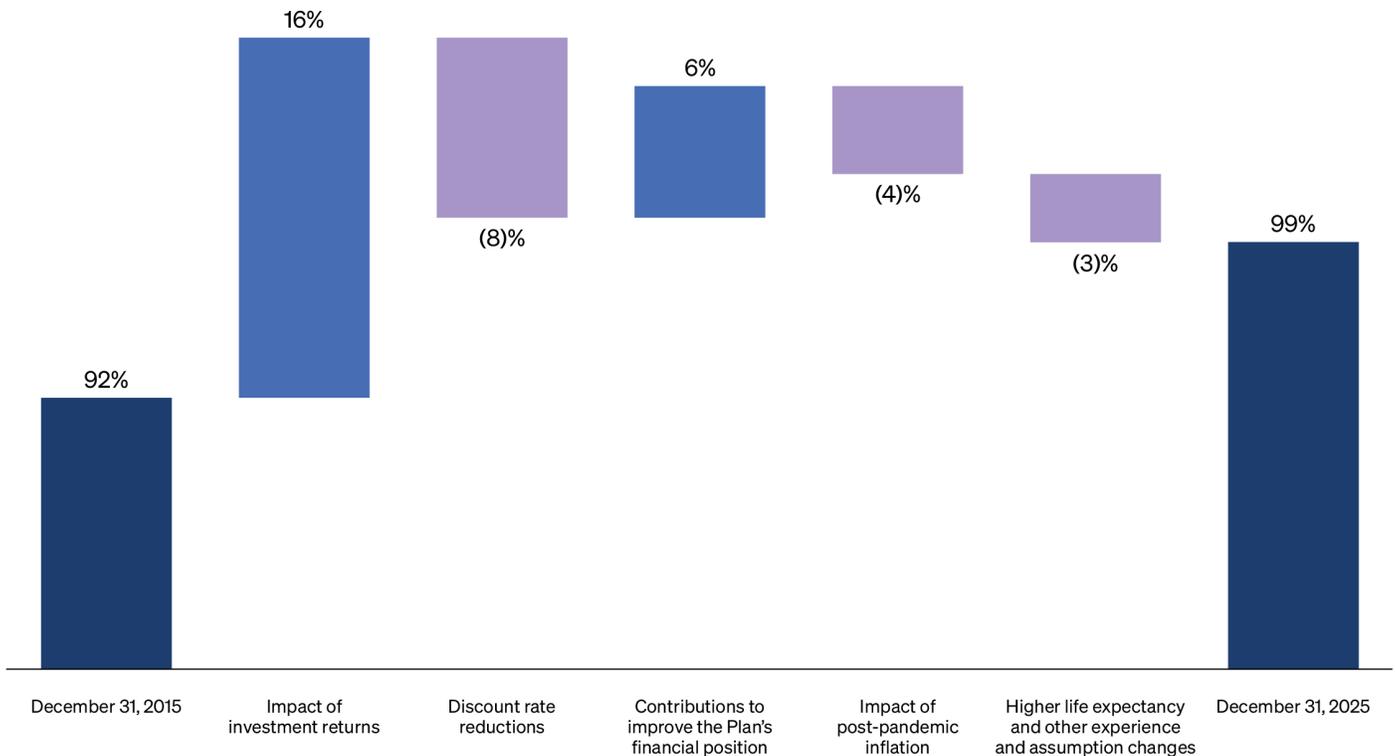
Funded Ratio: Ten-year Review

Over ten years, the Plan's funded ratio on a smoothed basis improved meaningfully from 92% at December 31, 2015 to 99% at December 31, 2025, as the real discount rate reduced from 4.25% to 3.70%. As a result, the Plan has become financially stronger, with liabilities more conservatively valued.



The graph reflects a long-term inflation assumption of 2% for the smoothed funded ratio.

The factors that drove the improvement in the funded ratio over the past 10 years were as follows:



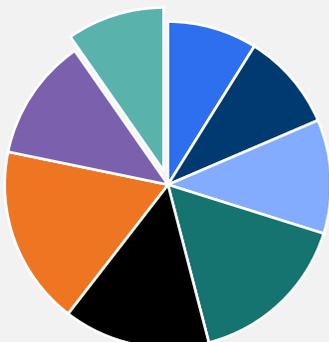
- The Plan's net average annual **10-year investment return of 7.1%**, after considering the effect of smoothing, **generated an improvement in the Plan's funded ratio** of 16% or \$17.8 billion
- **Prudently lowering the real discount rate** by 55 bps has made the Plan **more resilient to adverse events**, while increasing the amount of the Plan's pension obligations, and lowering the funded ratio by 8%.
- **Contributions to improve the Plan's financial position**, totalling \$6.6 billion above the actuarial cost of benefits, increased the funded ratio by 6%;
- Post-pandemic **high inflation** increased the Plan's pension obligations and **decreased the funded ratio** by 4%.
- **Changes to actuarial assumptions for higher life expectancy in 2025** and other experience and assumptions changes decreased the funded ratio by 3%.

Over the long-term, we reasonably expect that the Plan's net investment earnings, and contributions from members and employers, will continue to positively impact the funded ratio, while updates to assumptions and from actual experience could be either positive or negative.

Investment Results: Primary Plan

Results

Asset Mix



● Government Bonds	11%
● Public Credit	12%
● Private Credit	14%
● Public Equities	20%
● Private Equities	18%
● Infrastructure	22%
● Real Estate	15%
● Cash and Funding	(12)%

Net Assets \$145.2B

2024: \$138.2B

Net Return 6.0%

2024: 8.3%

10-YEAR AVERAGE: 7.1%

Benchmark 7.5%

2024: 7.5%

Net Income \$8.2B

2024: \$10.6B

Our investment strategy is driven by our pension liabilities, with a focus on managing risk, achieving requisite returns and cash flows, and protecting and increasing our funded status. We maintain a focus on the long term and a disciplined approach to asset allocation and portfolio construction, and we employ diversification, direct and indirect investment strategies and financial and economic leverage to achieve our objectives.

As a result of this strategy, the Plan has earned 7.1% over the past decade.

In 2025, our diversified portfolio served us well by delivering steady performance against a backdrop of significant political and economic uncertainty.

Advanced economies faced trade tensions, high debt, and structural headwinds, subduing global growth. Market uncertainty held back private market activity, constraining appetite to commit to new projects, mergers and acquisitions.

Currency markets were volatile, with the U.S. dollar notably weakening 4.7% over the course of the year.

Despite this backdrop, global equity markets delivered strong returns, supported by resilient corporate earnings, sustained AI-driven growth and easing monetary policy as central banks resumed interest rate cuts.

In this context, the Plan earned a one-year net investment return of 6.0% in 2025.

Our public equities delivered a 12.3% return, primarily driven by core large-cap holdings in information technology, communication services and financial sectors, with most other sectors contributing.

Our ongoing strategy to allocate funds to fixed income also contributed to returns: government bonds (2.9%), public credit (3.9%) and private credit (8.3%) each delivered positive performance, primarily due to interest income and a decline in bond yields.

Real estate also delivered a positive return, of 5.1%, after a series of challenging years for the industry. Results were supported by strong operating fundamentals, particularly in office and retail.

Private equities continued to face a challenging market, reporting a loss of 2.5%. Deal market activity was low. Valuations continue to be impacted by slow earnings growth and headwinds within certain industry sectors.

Infrastructure delivered a positive return, of 6.0%; while the majority of our portfolio performed well, headwinds on select European and renewable energy assets softened the return from this asset class.

We made active decisions to hedge currencies throughout the year, which protected 70 basis points of returns.

This helped to limit the foreign exchange impact on our results to negative 1.3%, driven mainly by the strong decline in the value of the U.S. dollar.

Asset class investment returns for the Primary Plan and RCA for 2025 and 2024 are presented in the table below. See the following page for a description of how we determine the benchmarks used to assess investment performance.

For the years ended December 31,	2025			2024		
	Net Investment Income	Net Rate of Return	Benchmark Return	Net Investment Income	Net Rate of Return	Benchmark Return
	\$ millions	%	%	\$ millions	%	%
Government Bonds	413	2.9	3.1	264	1.0	3.7
Public Credit	696	3.9	4.0	820	6.0	5.6
Private Credit	1,522	8.3	7.7	1,856	12.6	10.0
Public Equities	3,460	12.3	7.6	4,595	18.8	6.7
Private Equities	(665)	(2.5)	9.1	2,323	9.5	8.7
Infrastructure	1,845	6.0	8.2	2,499	8.8	8.2
Real Estate	1,052	5.1	4.4	(936)	(4.9)	5.2
Cash and Funding	(16)	n/a		(693)	n/a	
Total	8,307	6.0	7.5	10,728	8.3	7.5
Less: Income Attributed to Administered Funds	117	6.0		151	8.3	
Total Primary Plan	8,190	6.0	7.5	10,577	8.3	7.5
RCA Investment Fund ¹	25	16.6	17.1	30	26.0	26.4

¹ Excludes the RCA refundable tax account with the Canada Revenue Agency. The RCA net rate of return including the refundable tax account in 2025 is 9.3%, compared to 14.4% in 2024.

A review of each asset class is presented in the following pages under Asset Class Performance, and our approach to managing Cash and Funding is described under Liquidity and Capital Resources.

The Plan's Benchmarks and Investment Return History

We measure our investment performance annually. Each year, we aim to earn returns that meet or exceed one-year benchmarks approved by the Board, generally in December of the prior year. We set return and income benchmarks for asset classes and for the Plan overall.

OMERS benchmarks are for absolute rather than relative returns. We set absolute return benchmarks because we believe that it is important to annually grow our assets, irrespective of market volatility and economic conditions.

We establish our public asset benchmarks by considering long-term return assumptions for our public equities and fixed income investments, and by incorporating forecasted short-term market conditions and portfolio allocations. We establish our private asset benchmarks through a bottom-up, investment-by-investment approach, using budgeted cash flows from our investee companies and real estate assets. We also calibrate our benchmarks to long-term return expectations for various asset classes based on reputable external sources.

Our benchmarks exclude the effect of potential foreign currency changes and are net of budgeted expenses. Short- and long-term variable incentive compensation is evaluated based on performance against these benchmarks.

We also measure our investment performance over multi-year periods: we maintain a long-term investment horizon, since pensions are paid over decades. To that end, we aim to earn average multi-year returns that exceed the geometric average of the one-year benchmarks set for the same periods and the Board's long term nominal target return of 7% set out in our previous Board-approved Statement of Investment Policies and Procedures (SIP&P).

The table below sets out OMERS 2025 net return and our historical 10-year return:

	1-Year	10-Year
Net Return	6.0%	7.1%
Benchmark	7.5%	7.3%

Please see the Reference section of this year's annual report for details on financial results over the past 10 years.

An objective of OMERS 2030 Strategic Plan is to earn an average long-term net real return before inflation that meets or exceeds 5.0%.

Asset Allocation and Exposure

Our Board-approved target asset mix is designed to mitigate long-term risk and deliver long-term returns to meet pension obligations. Our long-term target asset mix, in place since January 1, 2024, is summarized below.

Long-term Target Asset Mix

Fixed Income	43.0%
Government Bonds	17.0%
Public Credit	14.0%
Private Credit	12.0%
Equities	37.0%
Public Equities	19.0%
Private Equities	18.0%
Real Assets	40.0%
Infrastructure	22.0%
Real Estate	18.0%
Cash and Funding	(20.0%)
(includes cash and financing & derivative offsets)	

Our Net Investment Exposure at December 31, 2025 totalled \$147.1 billion (2024– \$140.1 billion), as set out in the table below. Net Investment Exposure at the end of 2025 includes balances related to administered funds of \$2.1 billion (2024 – \$2.0 billion) and \$(0.2) billion in other balances (2024 – \$(0.1)).

Net Investment Exposure is defined in the Glossary of this MD&A and reconciled against Net Investment Assets in the Reconciliation of Non-GAAP Measures section.

As at December 31,	2025		2024	
	Net Investment Exposure \$ millions	Asset Mix %	Net Investment Exposure \$ millions	Asset Mix %
Fixed Income				
Government Bonds	15,912	10.8	12,989	9.3
Public Credit	17,871	12.1	16,717	11.9
Private Credit	21,223	14.4	16,925	12.1
	55,006	37.3	46,631	33.3
Equities				
Public Equities	29,589	20.1	28,661	20.5
Private Equities	25,638	17.4	27,513	19.6
	55,227	37.5	56,174	40.1
Real Assets				
Infrastructure	32,516	22.1	31,542	22.5
Real Estate	22,026	15.0	18,656	13.3
	54,542	37.1	50,198	35.8
Cash and Funding	(17,659)	(11.9)	(12,884)	(9.2)
Total	147,116	100.0	140,119	100.0
Less; Administered Funds & Other Balances	1,878		1,949	
Total Primary Plan	145,238		138,170	

Our asset mix includes physical exposures and derivative exposures. We include our net economic derivative exposure within each relevant asset class, and present a corresponding offset (equal to the sum of all of our net economic derivative exposures across all asset classes) in the “Cash and Funding” category.

Our asset mix at December 31, 2025 was within the approved asset mix operating range set out in our SIP&P.

Geographic Exposure

OMERS portfolio is diversified across primarily developed markets and geographies. Canada continues to offer attractive long-term investment opportunities and roughly one-fifth of our portfolio is invested in our home country – including a significant proportion of our physical assets in infrastructure and real estate. We believe that prudence, our pursuit of diversification, and related risk-management practices make it appropriate to invest across global markets with different growth profiles.

As at December 31, 2025	Canada	U.S.	Europe	Asia-Pacific and Rest of the World
Government Bonds	6%	5%	-	-
Public Credit	2%	6%	3%	1%
Private Credit	-	12%	1%	1%
Public Equities	1%	12%	3%	4%
Private Equities	1%	13%	3%	1%
Infrastructure	5%	7%	8%	2%
Real Estate	6%	4%	3%	2%
	21%	59%	21%	11%
Cash and Funding	(3)%	(4)%	(4)%	(1)%
Total	18%	55%	17%	10%

As at December 31, 2024	Canada	U.S.	Europe	Asia-Pacific and Rest of the World
Government Bonds	6%	3%	-	-
Public Credit	2%	6%	3%	1%
Private Credit	-	10%	1%	1%
Public Equities	1%	12%	2%	5%
Private Equities	1%	15%	3%	1%
Infrastructure	5%	7%	8%	3%
Real Estate	6%	4%	2%	1%
	21%	57%	19%	12%
Cash and Funding	(2)%	(4)%	(2)%	(1)%
Total	19%	53%	17%	11%

Currency Exposure

We manage our foreign currency exposures dynamically through a holistic currency management framework.

Prior to 2025, we managed currency exposures using policy-driven specific target hedge ratios. In 2025 and going forward, we adopted an approach to manage currency exposures with the combined objectives of optimizing our available liquidity, diversifying our portfolio and achieving appropriate risk-adjusted returns across our portfolio.

Our exposures to currencies, net of any hedging effects, are summarized in the table below:

At December 31,	2025		2024	
	\$ millions	% of portfolio	\$ millions	% of portfolio
Canadian Dollar	81,621	55	64,980	46
United States Dollar	51,427	35	45,915	33
Euro	4,555	3	10,618	8
Australian Dollar	4,099	3	6,230	4
British Pound Sterling	363	-	4,286	3
Other	5,051	4	8,089	6
Total	147,116	100	140,119	100

At December 31, 2025, 45% of our net investment exposure was exposed to foreign currencies, compared to 54% at the end of 2024. This decrease in foreign currency exposure resulted primarily from a strategic decision to increase our hedge positions in early 2025. Our active decision to hedge foreign currencies protected 0.7% of return for the year.

Exposure to foreign currencies, net of hedging effects, resulted in \$1.7 billion of unrealized foreign currency losses. This detracted 1.3% from our net investment return for the year, primarily due to the weakening of the U.S. dollar by 4.7% and partially offset by diversification benefits from strengthening of the euro and pound sterling. This compares to \$5.0 billion or 4.0% of unrealized foreign currency gains in our 2024 net investment return.

The adverse impact of unhedged foreign currency exposure affected the Canadian-dollar returns of each asset class described in the pages that follow. Local asset class returns are also presented for additional context.

Industry Exposure

OMERS portfolio is diversified across industries. The table below presents OMERS net investment exposure by industry based on Global Investment Industry Classification Standards (GICS) at December 31, 2025 and 2024. Refer to Glossary of Financial Terms section for definition of Assets by Industry.

As at December 31,	2025	2024
Real Estate	16%	16%
Financials	15%	16%
Industrials	15%	15%
Utilities	15%	15%
Government Bonds	11%	9%
Healthcare	10%	10%
Information Technology	10%	9%
Consumer Discretionary	8%	7%
Communication Services	6%	5%
Energy	2%	3%
Consumer Staples	2%	2%
Materials	2%	2%
Cash and Funding	(12)%	(9)%
Total	100%	100%

Liquidity and Capital Resources

Our principal liquidity needs include meeting our pension obligations, funding deployments into our investment portfolio, meeting collateral demands related to our use of derivatives, and funding investment management and pension administration expenses.

We use a diverse set of funding sources to meet these liquidity needs. The liquidity immediately available at December 31, 2025 is presented in the table below.

As at December 31,	2025	2024
	\$ billions	\$ billions
Liquid Assets	18.3	18.2
Marketable Securities	29.4	29.1
Undrawn OFT Credit Line Capacity	4.6	4.6

We hold a portfolio of liquid assets that include cash and short-term deposits, inflation-linked bonds, and Canadian and U.S. government securities, all net of pledged collateral.

In addition, we maintain a portfolio of highly marketable securities comprised of Canadian and non-Canadian public equities, cash and derivative contracts traded on a public exchange.

Lastly, we include in immediately available sources of liquidity the undrawn capacity of the revolving credit facility held by OMERS Finance Trust (OFT), an entity which issues debt unconditionally and irrevocably guaranteed by AC. This comprises a \$4.6 billion three-year revolving credit facility maturing in 2028, which backstops our commercial paper program and is available for general corporate purposes.

In addition to these immediately available sources, we can generate additional liquidity through:

- financing certain public investments using derivatives and repurchase agreements. During the year, we increased our use of repurchase agreements, which totalled \$2.9 billion at December 31, 2025 (December 31, 2024 – \$2.2 billion); and
- raising funds by OFT’s issuing commercial paper and term notes.

In 2025, the Board approved an updated recourse debt limit of 15% (previously 10%) effective January 1, 2026. This adjustment is intended to offer flexibility between recourse debt and other funding options. The long-term target of (20)% for Cash and Funding in our asset mix remains unchanged.

We also receive ongoing liquidity from inflows of contributions from Plan members and employers, and from investment income.

We evaluate our 30-day liquidity requirements daily by monitoring a Board-approved liquidity coverage ratio, as well as other liquidity coverage ratios monitored by the Financial Services Regulatory Authority of Ontario. Our monitoring includes stress testing that simulates major market events such as the Great Financial Crisis, the March 2020 COVID Crisis, the historically large decline in bond values in 2022-2023 and the decline in bonds and equities following the 2025 U.S. “Liberation Day” tariffs.

As supported by this liquidity monitoring, we have planned our cash reserves to meet liquidity obligations even in the event of a significant market disruption.

Our management of liquidity risk, derivative financial instrument balances, and margin and collateral requirements are further discussed in Note 3 of the Consolidated Financial Statements.

OMERS Finance Trust (OFT)

OFT is a separate legal entity that issues debt unconditionally and irrevocably guaranteed by AC, and then extends loans to AC or entities in which AC has a majority economic interest. OFT's debt-raising activities are subject to Board-approved leverage limits.

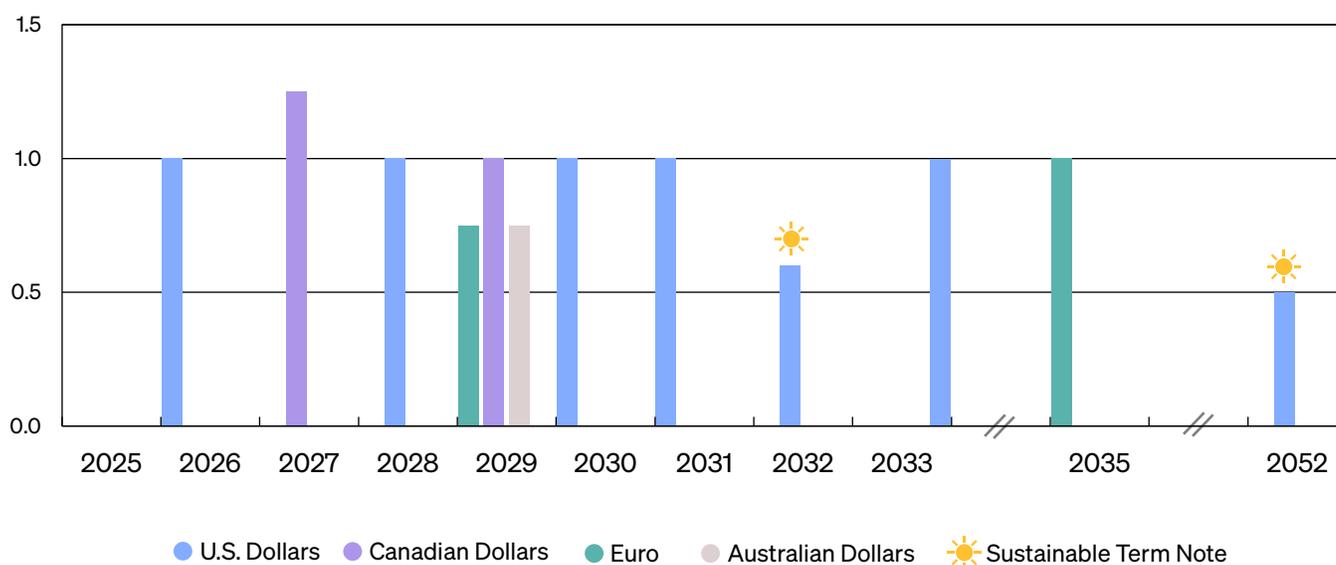
The table summarizes OFT's debt outstanding at December 31, 2025.

As at December 31,	2025	2024
	\$ billions	\$ billions
OFT Credit Line	-	-
Commercial Paper	0.9	1.2
Term Notes	13.8	12.4

OFT holds a revolving credit facility with a syndicate of well capitalized banks, and issues commercial paper and term notes to institutional investors as discussed above.

In 2025, OFT issued a €1.0 billion 10-year note bearing a coupon of 3.250% maturing in 2035, and a US\$1.0 billion 5-year note bearing a coupon of 4.375% maturing in 2030.

The maturity profile of OFT's term notes at December 31, 2025 is outlined below:

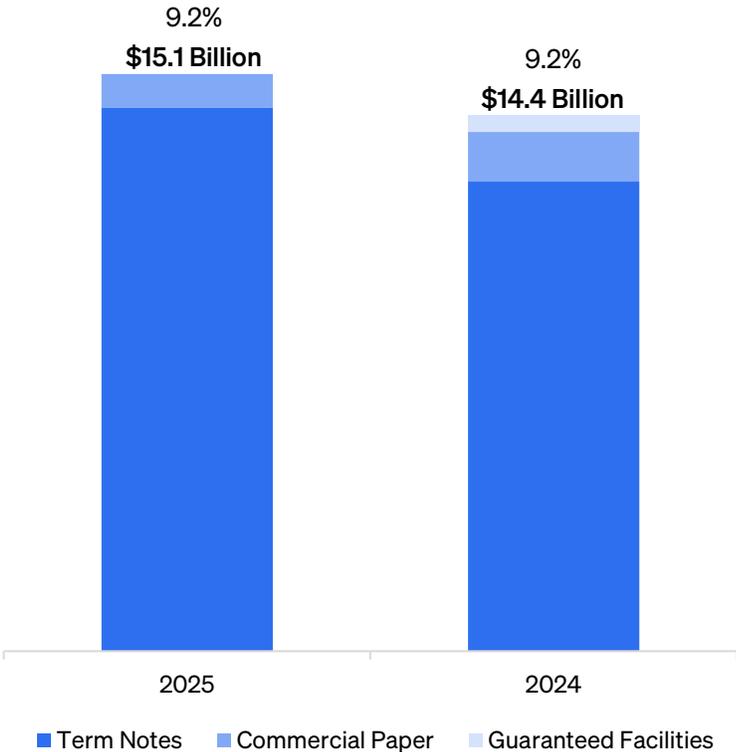


At December 31, 2025, the weighted average interest rate on outstanding OFT term notes was 3.51% (2024 – 3.10%). Of the outstanding debt, 85% (2024 – 79%) was fixed rate with more than 12 months to maturity.

AC and OFT are rated by four credit rating agencies. These agencies, and the long-term issuer rating each assigns, are presented in the table below:

Agency	Rating
S&P Global	AAA
Moody's	Aa1
Fitch Ratings	AAA
DBRS	AAA

Recourse Debt



Asset Class Performance



The following provides a review of our investment approach, performance and capital allocation activities for each asset class.

Further detail on our approach to Cash and Funding is described under Liquidity and Capital Resources.

Fixed Income

Asset Mix



● Government Bonds	11% (\$15.9B)
● Public Credit	12% (\$17.9B)
● Private Credit	14% (\$21.2B)

Government Bonds

Net Return

2.9%

2024: 1.0%
10-YEAR AVERAGE: 1.5%

Benchmark

3.1%

2024: 3.7%

Net Local Return

3.6%

2024: 1.2%

Public Credit

Net Return

3.9%

2024: 6.0%
10-YEAR AVERAGE: 3.7%

Benchmark

4.0%

2024: 5.6%

Net Local Return

5.0%

2024: 5.7%

Private Credit

Net Return

8.3%

2024: 12.6%
10-YEAR AVERAGE: 7.0%

Benchmark

7.7%

2024: 10.0%

Net Local Return

10.7%

2024: 7.6%

Investment Approach

We seek to deliver long-term and consistent returns by investing in government bonds and across public and private credit strategies, including liquid securities and structured investments, both directly and through co-investments and managed accounts with best-in-class asset managers and direct lenders. We also implement a portion of our bond exposure through derivative instruments.



2025 Performance

- Government Bond investments generated a net return of 2.9% in 2025 compared to a gain of 1.0% in 2024. The gain was primarily from interest income and valuation gains from declining U.S. bond yields. Currency effects decreased the 2025 return by 0.7%. Government Bonds comprised 10.8% of OMERS portfolio at December 31, 2025 (2024 – 9.3%).
- Public Credit had a net return of 3.9% in 2025 compared to a gain of 6.0% in 2024, primarily from interest income. With an average duration of less than two years, the portfolio benefited from higher short-term rates while having limited sensitivity to changes in long-term yields. Currency effects decreased the 2025 return by 1.1%. Public Credit comprised 12.1% of OMERS portfolio at December 31, 2025 (2024 – 11.9%).
- Private Credit investments produced a net return of 8.3% in 2025 compared to a gain of 12.6% in 2024. The gain was primarily driven by interest income earned from both externally managed and internally managed private debt. Currency effects decreased the 2025 return by 2.4%. The private credit asset class comprised 14.4% of OMERS portfolio at December 31, 2025 (2024 – 12.1%).

Capital Allocation

Overall, OMERS exposure to fixed income asset classes increased by \$8.4 billion to \$55.0 billion from \$46.6 billion at December 31, 2024. This increase resulted from our active decision to increase our allocation to bonds and credit investments, in line with our target asset mix.



Public Equities

Asset Mix



● Public Equities 20% (\$29.6B)

Net Return

12.3%

2024: 18.8%
10-YEAR AVERAGE: 8.0%

Benchmark

7.6%

2024: 6.7%

Net Local Return

15.9%

2024: 12.8%

Investment Approach

We invest in global equities across diversifying strategies managed by specialist teams.

Our fundamental strategy uses bottoms-up research to hand-pick listed stocks in a concentrated portfolio of investments. We manage risks through strategic diversification across regions and sectors.

To develop our long-term, fundamentally driven investment ideas, we rely on proprietary deep-dive research to build bottom-up insights on companies, industries, and themes, which are further enhanced by top-down market and macro insights. We complement our views with inputs gained from external research and insights, as well as from meetings with senior corporate management.

In addition to our fundamental strategy, we utilize a tailored approach that effectively combines quantitative discipline with fundamental research to create an actively managed and highly diversified portfolio of global equities. This strategy employs advanced techniques to identify quality companies with strong growth potential and reasonable valuations, providing value over the long term.

Lastly, we complete our allocation to equities using derivative instruments, which provide broad market exposure to equity indices in both a cost and capital efficient manner. Our disciplined approach to portfolio management and long-term investment horizon provides the flexibility to capitalize on opportunities in volatile market conditions.

2025 Performance

Public equities generated a net return of 12.3% in 2025 compared to an 18.8% gain in 2024. Our public equities delivered these returns primarily from mark-to-market gains in our core large-cap holdings in the information technology, communication services, and financial sectors, with most other sectors also contributing positively. Currency effects decreased the 2025 return by 3.6%. Public equities comprised 20.1% of OMERS portfolio at December 31, 2025 (2024 – 20.5%).

Capital Allocation

Public Equities increased to \$29.6 billion at the end of 2025, up from \$28.7 billion in 2024. This increase was primarily driven by capital gains in large-cap stocks, partially offset by active decisions to further decrease our allocation to public equities, in line with our target asset mix.



Private Equity

Asset Mix



● Private Equities 18% (\$25.6B)

Net Return (2.5)%

2024: 9.5%
10-YEAR AVERAGE: 8.0%

Benchmark 9.1%

2024: 8.7%

Net Local Return 0.6%

2024: 2.2%

Investment Approach

We acquire and actively manage interests in private companies through various phases of the investment lifecycle, including later stage buyout and earlier stage growth and venture investing. We aim to generate strong capital returns while appropriately managing risk.

We target companies with solid business fundamentals, strong management teams, and opportunities to grow both organically and through acquisitions.

We also selectively invest in high-quality, third-party funds and at times invest alongside those funds in co-investments.

2025 Performance

Private equity assets generated a net loss of 2.5% in 2025, compared to our 2025 absolute return benchmark of 9.1% (2024 – net return of 9.5%). This equates to a net investment loss of \$0.7 billion in 2025 (2024 – net investment income of \$2.3 billion). Currency effects adversely impacted the 2025 return by 3.1%. The asset class’s net local return was a positive 0.6%.

Despite organic EBITDA growth and the benefits of acquisition activities across several of our portfolio companies, market headwinds particularly across our industrials vertical, a downwards drift in valuation multiples, and weak performance across our earlier stage growth and ventures portfolios impacted our returns. This was partially offset by stronger performance across our funds and co-investments strategies.

Capital Allocation

Total investments in private equity decreased to \$25.6 billion at the end of 2025, down from \$27.5 billion in 2024. This decrease was the net result of transaction activity and net investment losses, including currency impacts, dividend recapitalizations across several of our portfolio companies and various follow-on investments across our existing portfolio. We also continued to commit and deploy new capital into our funds and co-investment strategies.



Infrastructure

Asset Mix



● Infrastructure 22% (\$32.5B)

Net Return

6.0%

2024: 8.8%
10-YEAR AVERAGE: 9.4%

Benchmark

8.2%

2024: 8.2%

Net Local Return

4.6%

2024: 5.5%

Investment Approach

We invest in large-scale infrastructure services or businesses primarily operating within the energy, transportation, and digital sectors across North America, Europe, Australia and India. Our approach to infrastructure investing is patient and disciplined, with emphasis on diversifying our portfolio across sub-sectors and geographies. We focus on investments with high barriers to entry, public regulation and substantially contracted revenue streams.

2025 Performance

Infrastructure assets generated a net return of 6.0%, compared to our 2025 absolute return benchmark of 8.2% (2024 – net return of 8.8%). This equates to net investment income of \$1.8 billion in 2025 (2024 – \$2.5 billion) and an operating cash yield of 3.4% in 2025, compared to 4.0% in 2024. Currency effects increased the 2025 return by 1.4%.

While returns were driven by strong performance across our regulated and more mature infrastructure platforms, supported by positive regulatory outcomes, favourable refinancing activities, and operational execution, overall performance was adversely impacted by lower forecast revenue and operational headwinds on select European and renewable energy assets.

Capital Allocation

Infrastructure investments increased to \$32.5 billion in 2025, up from \$31.5 billion in 2024. This increase was a combination of follow-on investment and net appreciation in the value of existing assets, net of successful syndication, disposition and refinancing activity in line with our strategy. Key transactions included the syndication of Transgrid (an Australian transmission and distribution utility), refinancing activities at Bruce Power (a nuclear generation facility in Ontario) and the sale of several smaller assets.



Real Estate

Asset Mix



● Real Estate 15% (\$22.0B)

Net Return

5.1%

2024: (4.9)%
10-YEAR AVERAGE: 4.8%

Benchmark

4.4%

2024: 5.2%

Net Local Return

5.7%

2024: (8.6)%

Investment Approach

We invest in real estate through Oxford Properties Group (Oxford), a leading global real estate investor, manager and developer.

Oxford buys, builds and currently manages nearly \$86 billion of high-quality real estate assets in a globally diversified portfolio that spans North America, Europe and Asia-Pacific and all major commercial real estate sub classes. Its end-to-end real estate expertise integrates investment, development and management experience. Oxford combines its capital with its capabilities to create real estate that strengthens economies and communities.

2025 Performance

Real estate assets generated a net return of 5.1%, compared to our 2025 benchmark of 4.4% (2024 – net loss of 4.9%). This equates to net investment income of \$1.1 billion in 2025 (2024 – net investment loss of \$0.9 billion). Currency effects decreased the 2025 return by 0.6%.

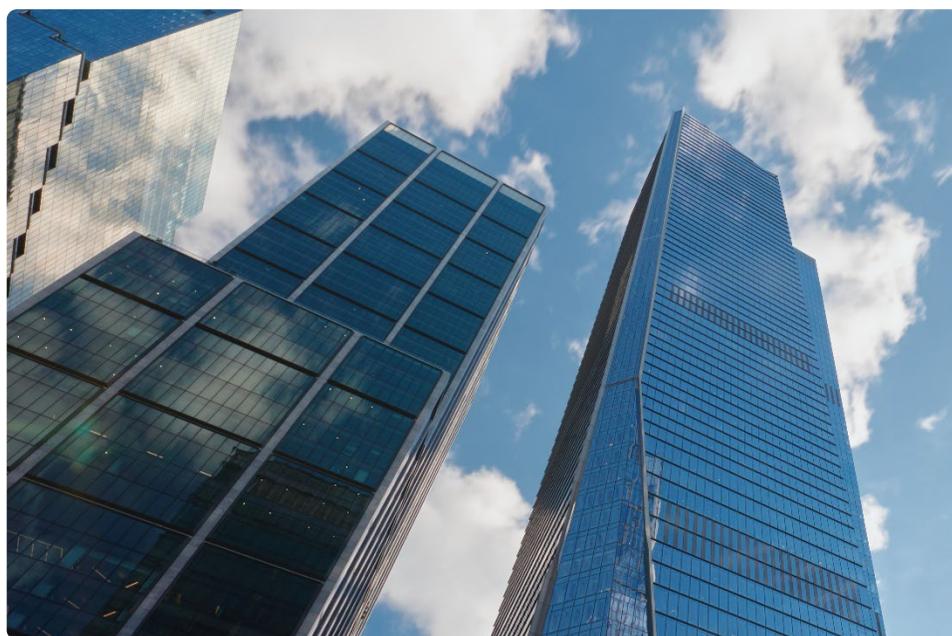
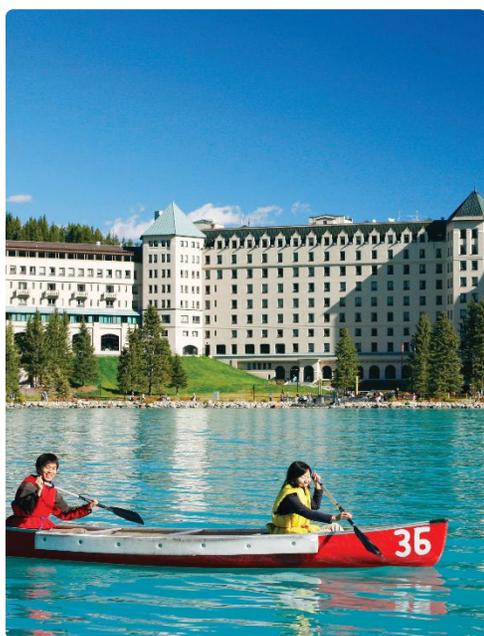
Our real estate portfolio return was supported by strong operating fundamentals, particularly in the office and retail sectors outweighing write-downs related to select tenant challenges in retail and life sciences and moderating rental rate growth in industrial and residential. Improving market fundamentals, combined with accretive leasing activity, continue to underpin valuation gains in most sectors. The flight-to-quality continues to benefit best-in-class office properties, particularly in supply-constrained markets, with a significant positive shift in tenant demand and rental growth observed in the second half of 2025. Oxford leased 17 million square feet across its portfolio in 2025, ending the year with a portfolio occupancy rate of 86%.

Capital Allocation

Real estate investments increased to \$22.0 billion at December 31, 2025, up from \$18.7 billion in 2024, primarily as a result of net investment activities and valuation increases.

In 2025, Oxford acquired full ownership of a high-quality Western Canada office portfolio from CPP Investments. That transaction increased our ownership interest in The Stack, Canada's first purpose built zero carbon office tower. Oxford also sold a 50% stake in a European industrial and logistics portfolio through the formation of a new strategic partnership and joint venture with AustraliaSuper, Australia's largest superannuation fund, and subsequently acquired several additional European Industrial assets via that new joint venture.

As an active global developer, Oxford has over 20 active development projects representing \$1.6 billion in committed equity deployment (with ~\$0.7 billion remaining). Highlights this year include breaking ground on STC Brimley, the largest single phase rental apartment project in Toronto currently under construction, after securing the largest ever CMHC financing. Oxford and its joint venture partners also broke ground on and secured full capitalization of 70 Hudson Yards, a 1.4 million square feet, all electric, carbon neutral office tower on Manhattan's West Side, and signed Deloitte as an anchor tenant for over 800,000 square feet. This project represents the first new major office development in Manhattan in the past five years.



Investment and Pension Administration Expenses

Investment expenses were \$719 million in 2025, compared to \$683 million in 2024.

In addition to investment expenses, we incurred expenses for external manager performance and pooled fund fees of \$113 million in 2025 compared to \$92 million in 2024.

The combination of our investment expenses and external manager performance and pooled fund fees resulted in a management expense ratio of 58 basis points in 2025 (2024 – 57 basis points).

The increase in expenses year-over-year was primarily driven by higher external management fees, in line with our updated investment strategy to expand our indirect investment portfolio. In 2025, we increased our level of investment into external funds by approximately \$3 billion, particularly in the credit and private equity asset classes. Our total external fund allocation was \$15 billion at the end of the year.

Pension administration expenses totalled \$140 million in 2025 (2024 - \$130 million). The increase in expenses year-over-year was primarily driven by expanding our team to serve more members and modernizing our systems to meet their evolving needs.

During the year we welcomed 44,100 new members into OMERS, many of whom are non-full-time. Our member services team handled a 14% increase in overall transactions received, 3% year-over-year rise in inbound calls and a 5% increase in secure communication volumes. We continued to invest in our people, our technology, and processes as we work toward always providing a great experience for our members and employers.

Annually the Board approves a one-year budget for investment management and pension administration expenses. Quarterly the Board reviews the level of expenses incurred and forecasted relative to that approved budget.

Sustainable Investing

As an active investor with a long-term horizon, we recognize that dynamic changes in global markets and economics can both affect and be affected by our investments and how we invest going forward. Through the ongoing assessment and monitoring of current emerging sustainability-related topics, we deepen our understanding of the matters that could impact our investments, our business operations and the broader environment in which we invest and operate.

Our objective is to evaluate the complex interplay between sustainability factors and long-term investment performance. This helps us identify potential risks and opportunities, and supports our ability to deliver on the pension promise. We believe that well-run organizations with sound sustainable business practices will perform better, particularly over the long term. Sustainability considerations are integrated into our investment due diligence and asset management processes where they are relevant and material.

Progress on our Climate Action Plan Commitments:

65%
Reduction

of our 2024 WACI
to 2019 Baseline

\$26
Billion

in Green Investments

Advancing Engagement

with our Top 20
WACI Contributors

Climate Action Plan

In 2023, we launched our Climate Action Plan which sets out our approach to progressing toward our target of net zero carbon emissions in our portfolio and operations by 2050. This target reflects our recognition of the urgent and global challenge that climate change poses, as well as the risks and opportunities it creates for our investments.

We continue to make meaningful progress against the objectives outlined in our Climate Action Plan:

- Reducing our portfolio weighted average carbon intensity (WACI) 20% by 2025 and 50% by 2030 from our 2019 baseline.
- Growing our green investments to \$30 billion by 2030.
- Engaging with the top 20 WACI contributing portfolio companies with the expectation for them to have credible net zero transition plans in place by 2030.

Through this, we aim to protect long-term value for our members while contributing to a sustainable future.

For further details, refer to the Sustainability-related Disclosures section of this Annual Report, which provides an overview of our approach to Governance, Strategy, Risk Management and progress on key Metrics and Targets.

Risk Management

OMERS is exposed to a broad range of risks that include direct funding risks and risks that could adversely impact our enterprise. Our ability to manage these risks is essential to delivering a sustainable, affordable and meaningful pension plan over the long-term.

Risk Management Approach

OMERS governance and policy structures play a fundamental role in supporting risk management and the processes and risk culture necessary for high-quality decision-making. We believe that fostering a risk culture that encourages transparency, candour and thoughtful debate is critical to ensure prudent decision-making around the opportunities we pursue and the risks we assume. Policies and frameworks, including our Code of Conduct and Ethics, articulate our expectations and behaviours for risk-conscious decision-making.

The Board-approved OMERS risk frameworks describe overall risk management governance and the categorization of risks.

The Board also approves OMERS risk appetite. There are two risk appetite statements that define the amount of risk that we are willing and prepared to accept in the pursuit of OMERS strategic objectives.

- The Plan Risk Appetite Statement captures those risks associated with being a Sustainable, Affordable and Meaningful defined benefit pension plan; and
- The Enterprise Risk Appetite Statement articulates the Board's willingness to accept enterprise risks as classified under six categories of Risk: People, Pension, Governance and Legal, Operational, Investment and, Strategic.

The risk appetite statements:

- define the desired risk appetite with respect to relevant risk categories;
- determine the nature, types and degree of risk that OMERS is willing to assume through the articulation of qualitative statements and risk tolerances; and
- provide the Board and its Committees with the necessary information and transparency required to effectively discharge their risk oversight responsibilities and serve as an input, alongside other considerations, to support strategic decisions.

We tailor our risk management approach based on risk type:

- **Uncompensated risks** are controllable risks that we aim to minimize (e.g., operational risks);
- **Compensated risks** are intentional and accepted risks taken in the pursuit of maximizing strategic value (e.g., investment risks); and
- **External and emerging risks** are risks stemming from external, unpredictable forces with limited ability to control (e.g., geopolitical risks).

Risk Accountabilities

The Board delegates the day-to-day management of risk to Management. The Chief Risk Officer is responsible for the Risk Management function, which provides independent and objective analysis and risk reporting to both the Executive Leadership Team and to the Board. We manage our various risks following the “three lines of accountability” model to ensure clear roles and accountabilities.

1ST LINE OF ACCOUNTABILITY

“Risk Owner”

These groups own OMERS primary business activities and are responsible for identifying and managing risk as part of their accountability.

2ND LINE OF ACCOUNTABILITY

“Risk Partner”

These groups (including Compliance and Risk Management) provide risk oversight of the first line.

3RD LINE OF ACCOUNTABILITY

“Independent Assurance Provider”

Internal Audit is an independent, objective assurance and consulting function whose responsibility is to assess the strength and efficacy of OMERS internal controls.

2025 Risk Management Highlights

We continue to enhance our risk management practices and in 2025 our key initiatives included:

- Obtaining Board approval for the refreshed Risk Frameworks and Risk Mandate;
- Responding to the Liberation Day announcement and related market activity by delivering a total plan tariff-related risk assessment, real-time liquidity risk analysis and travel guidance;
- Navigating elevated macroeconomic and geopolitical risks through ongoing senior leadership discussions and regime-based scenario analysis;
- Supporting the Plan’s resilience to external events through implementing flexible liquidity analysis tools, counterparty risk dashboards, and organizational resiliency exercises;
- Conducting incident response exercises with OMERS global office Crisis Management Teams;
- Conducted cyber crisis scenario tabletop exercises with the Cyber Crisis Management Team to exercise OMERS readiness and resilience to a potential cyber event;
- Communicating our risk management approach through targeted roadshows across the organization;
- Enhancing our emerging risk assessment process by engaging stakeholders through an interactive think-tank workshop and conducting external research;
- Enhancing the Model Risk Framework to support the responsible use of artificial intelligence tools;
- Supplementing team resources to enable factor-based risk modelling; and
- Hosting an inaugural Internal Peer Risk Forum to enhance second-line collaboration across the organization.

Note 3E of the Consolidated Financial Statements includes additional details on investment risk and how we address these risks.

Managing Primary Plan Funding Risks

We manage the financial health of the Plan with a long-term focus and with consideration for a range of possible outcomes. Our objective is to deliver the pension promise over the long term and strong funding helps us achieve this goal. While we have seen a significant improvement in the Plan's financial position over the past decade, the Plan continues to mature.

Funding risks include increasing Plan maturity and could include higher-than-expected inflation, volatile and uncertain investment returns and longevity and other adverse demographic experience, as described below.

We regularly model risk factors to assess options for improving the Plan's long-term financial health and for strengthening the Plan's funding, in order to deliver a balance of stability, affordability and meaningfulness today and in the future.

Plan Maturity

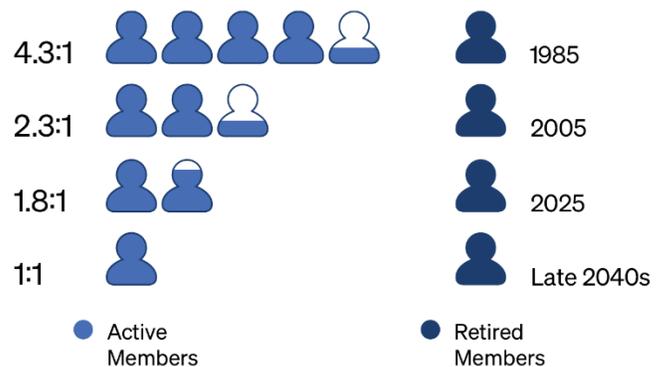
The Plan has been maturing for some time; this means that the population of our retired members is increasing relative to our active member population. Plan maturity could accelerate if we experience a slowing growth rate of active membership; if active members retire earlier than we expect; and if member longevity increases at a faster pace. Increasing maturity can reduce resilience to unexpected economic and demographic outcomes.

We are focused on building reserves to mitigate impacts of Plan maturity on funding, while also monitoring other trends that could impact the pace of Plan maturity. These trends include those relating to immigration levels or government policies, which impact demand for municipal workers.

From 2023 to 2025, approximately 101,000 employees who work non-full time for OMERS employers enrolled in the Plan. We expect the influx of non-full-time members to slightly reduce the pace of maturity. Continuing long-term plan maturity means that pension payments will increasingly exceed contributions; in 2025, benefit payments totaled \$6.8 billion and contributions \$5.8 billion.

While this increases the Plan's reliance on investment income to pay monthly pension benefits, we anticipate that the difference between the contributions received and benefits paid each year will remain well within our liquidity tolerance for at least the next decade.

We monitor these and other trends regularly, to assess whether maturity is accelerating or decelerating relative to our expectations.



The ratio of active members to retired members is a common measure of Plan maturity. Our ratio today is less than 2:1. We expect it to decline to 1:1 in the late 2040s.

Inflation

Inflation can impact the Plan's funding level, either positively or negatively, in three principal ways:

- Price inflation affects the cost-of-living adjustment (COLA) applied to pension benefits in pay. Actual price inflation higher (or lower) than our assumptions results in higher (or lower)-than-expected benefit payments and future pension obligations.
- Growth in members' wages above (or below) our assumptions also results in higher (or lower) pension obligations, since pension benefits are based on member earnings.
- The impact of inflation on the Plan's future investment returns differs across assets: some will benefit in high-inflation scenarios, while others will benefit in periods of low inflation.

Uncertain and Volatile Investment Environment

The investing environment and path of future returns remains uncertain. Should our investment returns underperform our long-term return expectations, the Plan could require increased contributions, decreased benefits, or both, to fund the resulting incremental deficit.

The impacts of climate change present both risks and opportunities to our returns. There are risks arising from potential losses on stranded assets and costs of adverse weather events and mitigation. There are also investment opportunities in the transition to a low-carbon economy. We continue to execute on our

Climate Action Plan to manage these risks, and to capture opportunities as we invest in the transition. Detail on our approach to sustainable investing and relevant disclosures can be found in the Sustainability-related Disclosures section of this Annual Report.

Escalations of geopolitical tensions, including the threat or imposition of tariffs, could also affect long-term returns, and global growth could be erratic as a result. We monitor and evaluate both risks and opportunities in evolving geopolitical trends, and manage our exposures through prudent implementation of our strategic asset mix across geographies.

Fluctuations in currency exchange rates can also impact returns, as we hedge only a portion of our investment exposures denominated in currencies other than the Canadian dollar and could experience losses if the value of one or more foreign currencies decline materially and for the long-term. We manage our currency exposures through a holistic currency management framework to ensure our portfolio is adequately diversified, and positioned to capture risk-adjusted returns while optimizing liquidity.

The path of interest rates and public equity valuations could impact future long-term investment returns. To manage these risks and capture investment opportunities, OMERS regularly monitors the suitability of our investment strategies and periodically conducts studies to inform the selection of our asset mix. OMERS most recently completed an Asset-Liability Study in 2023.

Longevity and Other Demographic Experience

Life expectancy has steadily increased over time. While we currently assume that longevity will continue to improve, it is possible that improvement occurs faster than our assumption, in which case the Plan's pension obligations will increase. The inverse is also true should longevity improve more slowly than we anticipate.

To this end, we updated our assumption for longevity improvement rates in 2025 to reflect a moderately quicker pace of improvement. This update reflects our latest best estimate for future benefit payments, and is informed by a recent study published by the Canadian Institute of Actuaries. The impact of this updated assumption was to increase the value of the Plan's pension obligations by \$2.2 billion.

Sometimes other demographic experience differs adversely from our actuarial expectations, possibly causing us to adjust our assumptions and thereby increase the value of the Plan's pension obligations.

We monitor our actuarial assumptions against demographic experience at least annually and may adjust them for significant developments prompted by changes in membership behaviour and/or the external environment. We conduct a detailed experience study at least once every five years, with the most recent study completed in 2023.



Retirement Compensation Arrangement (RCA)

Context

There are two operational OMERS Pension Plans: the Primary Plan and the Retirement Compensation Arrangement (RCA). While legally distinct, these two plans integrate so that members receive one pension benefit entitlement, which is paid at least partially from the Primary Plan, and, in certain cases, incrementally from the RCA. The determination of how much benefit is paid from each of the two plans is made when the member's entitlement becomes payable, and that determination is not directly affected by the amount of RCA contributions made on the member's behalf during the member's working years.

Unlike the Primary Plan, the RCA is not a Registered Pension Plan under the ITA, nor is it governed by the PBA. Instead, the RCA is a separate trust agreement and is governed by other relevant sections of the ITA, as well as by the OMERS Act and other applicable legislation. The AC administers the RCA based mainly on its interpretation of the Plan Text and policies determined by the OMERS Sponsors Corporation (SC), and has established an RCA-specific Statement of Investment Policies and Procedures to govern the investment of the RCA assets.

The OMERS pension is a lifetime defined benefit pension, calculated as a percentage of the member's contributory earnings averaged over the highest 60 consecutive months, multiplied by years of credited service. A member's contributory earnings in a given year may be subject to a cap, which has an overall maximum limit of the Year's Maximum Pensionable Earnings ("YMPE"), which is published annually by the Canada Revenue Agency ("CRA") (2025: \$71,300), multiplied by seven. This cap on annual contributory earnings has the effect of capping a member's eventual annual pension (the "OMERS pension limit").

Each OMERS member is a member of both the Primary Plan and the RCA, though the vast majority of OMERS members neither contribute to nor receive pension benefits from the RCA. Regardless, all members receive, without distinction, their pension entitlement set out in the texts of the OMERS Pension Plans.

OMERS ensures that the aggregate contributions collected satisfy, at a minimum, the PBA's funding requirements for the Primary Plan and the RCA's funding mechanism described below.

Purpose of the RCA

The ITA sets limits on the maximum annual pension that a registered pension plan may pay to a member; this limit is distinct from the OMERS pension cap described above. The Primary Plan pays a member's OMERS pension benefit up to these ITA limits.

Beyond these limits, members whose contributory earnings are sufficiently high would not be able to receive all of their OMERS pension benefit entitlements, were it not for the RCA.

The RCA was therefore established to resolve this possibility — specifically, any pension benefit amount over these ITA limits is paid from the RCA, up to the OMERS pension limit.

How the RCA Works

Funding Mechanism

The RCA is funded by equal contributions from participating employers and active members, and by the net investment earnings of the RCA fund.

The objective is that the RCA be partially funded (on a modified pay-as-you-go basis). Fully funding the RCA would create material tax inefficiencies.

Partially funding the RCA is a trade-off between reducing tax inefficiency and improving benefit security for members.

Since 2012, contributions have been allocated to the RCA, such that the value of the RCA fund, plus projected contributions and projected investment earnings are, in aggregate, sufficient to pay for benefits and expenses for a period of 20 years.

Starting in 2025, additional contributions may be allocated to the RCA to require that the projected assets in the RCA fund for each of the next 20 years are no less than four times the projected benefits and expenses to be paid in the subsequent year.

This second funding parameter was introduced to enhance the RCA's long-term sustainability. This enhancement is achieved by directing a marginally higher level of contributions to the RCA, and, consequently, a marginally lesser level of contributions to the Primary Plan.

Contributions

In 2025, OMERS collected contributions of \$5,978 million (2024 - \$5,667 million) of which \$72 million (2024 - \$54 million) were allocated to the RCA. The annual process to administer contributions to the RCA is as follows:

- With the assistance of OMERS external actuary, using actuarial estimates of future total OMERS contribution levels, RCA benefit levels, and member salaries (amongst other inputs), OMERS annually determines an 'earnings threshold' that achieves the funding mechanism described above. This earnings threshold was \$183,752 for 2025 (2024 - \$179,795).
- Contributions that relate only to a member's annualized earnings above this 'earnings threshold' are directed to the RCA fund. Contributions relating to a member's annualized earnings below this 'earnings threshold' are directed to the Primary Plan.

- This earnings threshold is communicated to employers, who collect and separately remit contributions to the RCA and to the Primary Plan.
- After the year's end, each member's annual pension statement separately reflects that member's Primary Plan and RCA contributions, as applicable.

The change to the RCA funding mechanism, applicable since the beginning of 2025 as described above, had the effect of reducing the annual 'earnings threshold' for an individual member by approximately \$11,500. The impact of this change was to increase the amount of contributions to the RCA by between \$10 to \$20 million in 2025.

Aspects of the RCA's design

The design of the RCA has a number of notable aspects:

- The tax impact of the inefficiencies of partially funding benefits is pooled across all members with contributions above the YMPE. Members may contribute to the RCA in some of their working years, but not receive any benefits from the RCA at retirement. This could occur, for example, when a member's contributory earnings exceed the earnings threshold only sporadically. In this case, the member's final average earnings may fall below the amount that would result in a pension from the RCA.

- Because benefits are based on the best 60 consecutive months of earnings, members may not contribute to the RCA for several years, but receive a meaningful proportion of their annual pension from the RCA. This could occur, for example, if a member's earnings grew quickly and substantially above the earnings threshold at the end of their career, and that member also had a very long period of credited service. These two factors could be impactful to the proportion of that member's pension paid from the RCA.

These aspects were acknowledged and actively considered in the design of RCA. They were accepted in favour of attaining a seamless, integrated plan design across both the Primary Plan and the RCA – including, especially, maintaining a single benefit formula and a single set of contribution rates for earnings above the YMPE.

Importantly, the earnings threshold calculation will always result in a figure that is significantly higher than the YMPE. This means that members whose annual contributory earnings do not exceed the year's YMPE will not contribute to the RCA that year, and will therefore not fund RCA benefits.

Funding risk

The RCA's primary funding risk is a prolonged decline in contributions, most likely either as a result of lower contribution rates or fewer active members contributing to the RCA.

This and other key RCA funding risks are managed through annual setting of the earnings threshold.

Performance and financial position

The RCA fund consists of:

- a) a refundable tax account, which is a non-interest-bearing account maintained by the Canada Revenue Agency, and
- b) exposure to public equities through a portfolio of passively managed Canadian and foreign equity exchange-traded funds (the RCA Investment Fund).

In 2025, the RCA Investment Fund generated a net return of 16.6% (2024 – 26.0%), compared to the public equity benchmark's return of 17.1% (2024 – 26.4%). This equates to net investment income of \$25 million (2024 – \$30 million).

The financial position, change in net assets, and material actuarial assumptions used to estimate the value of the RCA's accrued pension obligation are all disclosed in Note 7 of the Consolidated Financial Statements.

For more information

For more details on the determination of the annual earnings threshold, visit our website to read AC's Funding Policy – RCA and SC's RCA Funding Mechanism Policy.

Reconciliation of Non-GAAP Measures

Reconciliation of Net Investment Assets to Net Investment Exposure

The classification and measurement of certain investment assets and investment liabilities in this MD&A differ from the amounts reported in our Consolidated Financial Statements in accordance with GAAP. The following table sets out the reconciliation of Net Investment Assets in Note 3 of the Consolidated Financial Statements to Net Investment Exposure in this MD&A.

Consolidated Financial Statements	Reclassifications								Management Discussion & Analysis	
	Derivatives ¹	Funds ²	Corporate Bonds ³	Fixed Income ⁴	Recourse Debt ⁵	Repurchase and Reverse Repurchase Agreements ⁶	Contractual Agreements ⁷	RCA ⁸		Other Items
In \$ millions as at December 31, 2025										
Fixed Income										Fixed Income
Inflation-Linked Bonds	6,246									—
Nominal Bonds and Debentures	18,483	2,496		(11,182)					(131)	15,912
										Government Bonds
Private Debt and Mortgages	—	4,763	106	11,182	1,710				110	17,871
	12,421	13	11,245		(1,710)	(1,278)			532	21,223
										Private Credit
Equities										Equities
Public Equities	24,730	4,931	261					(174)	(159)	29,589
										Public Equities
Private Equities	37,475	24	(12,108)						247	25,638
										Private Equities
Real Assets										Real Assets
Infrastructure	34,547	33			(1,118)		(902)		(44)	32,516
										Infrastructure
Real Estate	24,497	27	496		(2,448)		(482)		(64)	22,026
										Real Estate
Short-Term Instruments										Cash and Funding
Cash and Short-Term Deposits	7,497	(11,528)			(10,279)	(2,615)	(264)	(6)	(464)	(17,659)
										Cash and Funding
Investment-Related Assets and Liabilities	(17,120)	(759)			15,123	2,615			141	—
Net Investment Assets	148,776	—	—	—	—	—	(1,648)	(180)	168	147,116
										Net Investment Exposure

- Derivatives are measured at fair value and classified as investment-related assets and liabilities in the Consolidated Financial Statements. Derivatives are measured at exposure value and classified according to their underlying asset class, with an offset to cash and funding in this MD&A.
- Credit, public equity, and real estate funds are classified as private equities in the Consolidated Financial Statements, and are classified according to their underlying asset class in this MD&A.
- Corporate bonds are classified as nominal bonds and debentures in the Consolidated Financial Statements, and are classified as public credit in this MD&A.
- Fixed income that has been collateralized with credit facilities is classified as private debt and mortgages in the Consolidated Financial Statements, and is classified as public credit in this MD&A.
- Recourse debt is classified as investment liabilities in the Consolidated Financial Statements, and is classified in the respective asset classes which the debt is financing in this MD&A.
- Repurchase agreements and reverse repurchase agreements are classified as investment-related assets and liabilities in the Consolidated Financial Statements, and are classified as cash and funding in this MD&A.
- OMERS has entered into contractual agreements that provide eligible clients with access to the performance of its real estate and infrastructure businesses. The real estate and infrastructure assets are gross of the related liabilities in the Consolidated Financial Statements, and are net of the related liabilities in this MD&A.
- The assets of the RCA are classified as public equities and short-term instruments in the Consolidated Financial Statements, and are not included in this MD&A.

Reconciliation of Net Investment Income

The following table sets out the reconciliation of Net Investment Income for each asset class and in total as reported in Note 8 in the Consolidated Financial Statements, to Net Investment Income in this MD&A.

Consolidated Financial Statements	Reclassifications							Investment Management Expenses ⁸	Other Items	Management Discussion & Analysis
	Derivatives ¹	Funds ²	Corporate Bonds ³	Fixed Income ⁴	Recourse Debt ⁵	Contractual Agreements ⁶	RCA ⁷			
In \$ millions as at December 31, 2025										
Fixed Income										Fixed Income
Inflation-Linked Bonds	98	180						(19)		—
Nominal Bonds and Debentures	626	40		(494)				(29)	11	413 Government Bonds
	—	186	7	494	82			(64)	(9)	696 Public Credit
Private debt and mortgages	832	271	633		(82)	28		(168)	8	1,522 Private Credit
Equities										Equities
Public Equities	2,668	925	8					(25)	(101)	(15) 3,460 Public Equities
Private Equities	37	27	(627)					(90)	(12)	(665) Private Equities
Real Assets										Real Assets
Infrastructure	2,228	26				(120)	(73)	(210)	(6)	1,845 Infrastructure
Real Estate	1,176	19	(21)			(66)	(19)	(34)	(3)	1,052 Real Estate
Cash and Short-Term Deposits	220	259				(528)	(3)	(4)	40	(16) Cash and Funding
Derivatives	1,933	(1,933)								—
Investment Liabilities	(686)					686				—
Net Investment Income	9,132						(95)	(25)	(719)	14 8,307 Total
Income Credited under Contractual Agreements	(212)						95	25		(92) Income Credited under Contractual Agreements and RCA Investment Fund
Investment Management Expenses	(719)							719		—
Total Changes Due to Investment Activities	8,201	—	—	—	—	—	—	—	—	14 8,215

1 Net investment income from derivatives is classified as derivatives in the Consolidated Financial Statements, and is classified based on the asset exposure in this MD&A.

2 Net investment income from credit, public equity and real estate funds is classified as private equities in the Consolidated Financial Statements, and is classified according to their underlying asset class in this MD&A.

3 Net investment income from corporate bonds and debentures in the Consolidated Financial Statements, and is classified as public credit in this MD&A.

4 Net investment income from fixed income that has been collateralized with credit facilities is classified as private debt in the Consolidated Financial Statements and is classified as public credit in this MD&A.

5 Net investment loss from recourse debt is classified as investment liabilities in the Consolidated Financial Statements, and is classified under the respective asset classes which the debt is financing in this MD&A.

6 OMERS has entered into contractual agreements that provide eligible clients with access to the performance of its real estate and infrastructure businesses. The income credited under these contractual agreements is presented as a separate line in the Consolidated Financial Statements, and is classified under the respective asset classes in this MD&A.

7 Net investment income of the RCA is classified as public equities and short-term instruments in the Consolidated Financial Statements, and is not included in this MD&A.

8 Investment expenses are presented separately in the Consolidated Financial Statements, and are classified under the respective asset classes in this MD&A.

Glossary of Financial Terms

The following table sets out non-GAAP financial terms, supplementary measures and other key financial terms referred to in the preceding Management’s Discussion & Analysis. These measures do not have standardized meanings and may not be comparable with similar measures used by other pension plans, asset managers or investment firms. They should not be viewed as alternatives to measures of financial performance determined in accordance with GAAP. For certain non-GAAP financial measures, there are no directly comparable amounts under GAAP.

Management uses the measures presented below, in addition to GAAP-based measures, to better understand and present OMERS performance, financial health, and risk. We believe these measures provide relevant and useful information to our stakeholders.

When used in the table below, the “Plan” refers to the OMERS Primary Pension Plan, and “asset class” refers to the asset classes defined in our Statement of Investment Policies and Procedures.

Term	Definition	Comparability to Nearest GAAP Measure
Net Assets (\$)	Equal to the Net Assets Available for Benefits of the Plan, as set out in Note 6 to the Consolidated Financial Statements. Note that this is a GAAP measure; it is named differently in the MD&A for convenience.	
Net Investment Exposure (\$) (Non-GAAP Term)	The aggregate dollar value of the Primary Plan and Administered Funds. This excludes OMERS Return Agreements as set out in Note 5 of the Consolidated Financial Statements. This comprises exposure through direct ownership and derivatives and is net of financial leverage. Exposure achieved through option contracts is measured on a delta-adjusted basis.	This measure is most similar to Net Investment Assets in Note 3 to the Consolidated Financial Statements. This MD&A presents a reconciliation between Net Investment Exposure and Net Investment Assets. This MD&A presents Net Investment Exposure in aggregate and by each asset class. We present our Asset Mix (defined below) using each asset class’s Net Investment Exposure, with an offset to “Financing & Derivatives”.
Asset Mix (%) (Non-GAAP Ratio)	The proportion of our total Net Investment Exposure attributed to each asset class. This is a method of presenting investment portfolio diversification aligned with our long-term asset mix.	n/a: the Consolidated Financial Statements do not present a disclosure similar to the percentage proportion of assets by asset class.
Assets by Geography (%) (Non-GAAP Ratio)	The proportion of our total Net Investment Exposure across major geographic regions. When we have a Net Investment Exposure to a multinational enterprise, we attribute that Net Investment Exposure to the “country of risk” listed by MSCI, or if unavailable, a secondary source (e.g. Bloomberg). This is a method of presenting investment portfolio diversification.	n/a: the Consolidated Financial Statements do not present a disclosure similar to the percentage proportion of assets by geography.

Assets by Industry (%) (Non-GAAP Ratio)	The proportion of our total Net Investment Exposure across industries based on Global Investment Industry Classification Standards (GICS) first-level industries. This is a method of presenting investment portfolio diversification.	n/a: the Consolidated Financial Statements do not present a disclosure similar to the percentage proportion of assets by industry
Funded Ratio - Fair Value of Assets (%) (Supplementary Measure)	The ratio of Net Assets to the Plan's Accrued Pension Obligation, both excluding Additional Voluntary Contributions. These items are set out in Note 6 to the Consolidated Financial Statements. The Plan's funded ratio is an indicator of its long-term financial health, and this measure compares the value of pension obligations on a going-concern basis to the fair value of assets	n/a: the Consolidated Financial Statements present the components for the ratio's numerator and denominator, but not a comparable ratio
Funded Ratio - Smoothed Value of Assets (%) (Supplementary Measure)	The ratio of the Actuarial Value of Net Assets Available for Benefits to the Plan's Accrued Pension Obligation, both excluding Additional Voluntary Contributions. These items are set out in Note 6 to the Consolidated Financial Statements. The Plan's funded ratio is an indicator of its long-term financial health, and this measure compares the value of pension obligations on a going-concern basis to the smoothed value of assets. Primarily used for funding and regulatory purposes, calculating a ratio on this smoothed basis evens out variations in annual net investment returns over a five-year period, and thereby incorporates a more stable, long-term view of investment performance.	n/a: the Consolidated Financial Statements present the components of the ratio's numerator and denominator, but not a comparable ratio
Unrecognized Investment Gains or Losses (\$)	The difference between the Plan's net assets on a fair value basis and net assets on a smoothed basis. This measure reflects the amount that will be recognized in the smoothed value of assets, the funded ratio and the funding deficit over the next four years.	This measure is equal to the Actuarial Value Adjustment as presented in Note 6 to the Consolidated Financial Statements.
Management Expense Ratio (bps) (Non-GAAP Term)	The ratio of "investment expenses" to the average monthly Net Investment Exposure. "Investment expenses" comprise two components: Investment Expenses presented in Note 12B, and the "external management performance and pooled fund fees" disclosed in footnote (i) of Note 8 to the Consolidated Financial Statements. This measure provides information to assess investment expenses relative to assets	n/a: the Consolidated Financial Statements present the components for the numerator of this ratio, but do not present the denominator or a comparable ratio
Net Income (Loss) (\$) (Non-GAAP Term)	The income (loss) generated by Net Investment Exposure, including balances attributable to Administered Funds, presented in aggregate and by asset class	This measure is most similar to Net Investment Income as presented in Note 8 to the Consolidated Financial Statements. This MD&A includes a reconciliation between Net Income (Loss) and Net Investment Income.

Net Return (Loss) (%) (Non-GAAP Term)	The investment return generated (lost), net of investment expenses, over the period of time specified. This measure is annualized, if relevant, and is presented in aggregate and by asset class. We calculate net returns in accordance with standard industry computation methods	n/a: the Consolidated Financial Statements do not present a ratio of the Plan's return to Net Investment Exposure.
Net Local Return (Loss) (%) (Non-GAAP Term)	The investment return generated (lost), net of investment expenses, over the period of time specified, excluding any impact from foreign exchange. This measure is annualized, if relevant, and is presented in aggregate and by asset class. We calculate net local returns in accordance with standard industry computation methods	n/a: the Consolidated Financial Statements do not present a ratio of the Plan's local return to Net Investment Exposure.
Recourse Leverage (%) (Non-GAAP Term)	This ratio uses as its numerator total debt with recourse to AC, defined as the undiscounted principal value of the Debt listed in Note 4 of the Consolidated Financial Statements, translated at period-end foreign exchange rates. Its denominator is equal to total debt with recourse to AC plus Net Investment Assets as presented in Note 3 to the Consolidated Financial Statements. This measures the extent to which recourse leverage is used, relative to assets	n/a: the Consolidated Financial Statements do not present a ratio of total debt with recourse to AC to Net Investment Assets.
Operating Cash Yield (%) (Non-GAAP Term)	The ratio of aggregate operating cash distributions to Net Investment Exposure for any particular asset class, as calculated on a time-weighted basis. This measures the extent to which investment(s) generate returns in cash.	n/a: the Consolidated Financial Statements do not present a ratio of cash returned to Net Investment Exposure of specified asset class



Financial Statements – OMERS Administration Corporation

Management's Responsibility for Financial Reporting

The Consolidated Financial Statements of OMERS Administration Corporation (AC) have been prepared by AC Management (Management) and approved by the Board of Directors of AC (AC Board). Management is responsible for the integrity and fairness of the information presented, including amounts that are based on best estimates and judgments. The Consolidated Financial Statements have been prepared in accordance with Canadian accounting standards for pension plans. Financial information presented throughout the Annual Report is consistent with the Consolidated Financial Statements.

Systems of internal control and supporting procedures have been established and maintained to provide reasonable assurance that financial transactions are properly authorized, assets are safeguarded, and proper records are maintained. These systems include an organizational structure that provides a well-defined division of responsibilities, a corporate code of conduct, accountability for performance, and the communication of policies and guidelines throughout AC.

The AC Board is responsible for approving the Consolidated Financial Statements. The Audit & Risk Committee, which is comprised of directors who are not officers or employees of AC, assists the AC Board in executing this responsibility. The Audit & Risk Committee meets regularly with Management and the internal and independent external auditors to discuss internal controls, auditing activities and financial reporting matters. The Audit & Risk Committee reviews the Consolidated Financial Statements and recommends them to the AC Board for approval.

The external actuary, Towers Watson Canada Inc., is appointed by the AC Board. The external actuary is responsible for carrying out the annual valuations of the accrued pension obligations of the OMERS Pension Plans in accordance with accepted actuarial practice and for reporting the results to Management and to the AC Board. The results of the external actuary's valuation are set out in the Actuarial Opinion.

AC's independent external auditor, PricewaterhouseCoopers LLP, is appointed by the AC Board and reports to the Audit & Risk Committee. The independent external auditor has conducted an independent audit of the Consolidated Financial Statements in accordance with Canadian generally accepted auditing standards, performing such tests and procedures as they consider necessary to express an opinion in their Independent Auditor's Report. The independent external auditor has full and unrestricted access to Management and the Audit & Risk Committee to discuss their audit and findings related to the integrity of financial reporting and the adequacy of systems of internal control on which they rely for the purposes of their audit.



E.M. Blake Hutcheson

President and Chief Executive Officer

Toronto, Ontario
February 23, 2026



Jonathan Simmons, FCPA, FCA

Chief Financial and Strategy Officer

Actuarial Opinion

Towers Watson Canada Inc. was retained by the OMERS Administration Corporation (AC) Board of Directors to conduct actuarial valuations as at December 31, 2025, of the OMERS Primary Pension Plan (Primary Plan) and the Retirement Compensation Arrangement for the OMERS Primary Pension Plan (RCA). The main purpose of the valuations is to fairly present the actuarial funded position of the Primary Plan and the RCA as at December 31, 2025, for inclusion in AC's consolidated financial statements in accordance with Chartered Professional Accountants of Canada (CPA Canada) Handbook Section 4600 - Pension Plans (Section 4600).

The results of the actuarial valuation of the Primary Plan disclosed a total going concern accrued pension obligation of \$151,365 million in respect of benefits accrued for service to December 31, 2025 (comprising \$149,575 million with respect to the defined benefit component and \$1,790 million with respect to the Additional Voluntary Contribution (AVC) component). The actuarial value of net assets at that date was \$150,043 million (comprising \$148,253 million with respect to the defined benefit component and \$1,790 million with respect to the AVC component), indicating a going concern funding deficit of \$1,322 million. The RCA accrued pension obligation in respect of benefits accrued for service to December 31, 2025, net of the RCA assets, was \$1,213 million. The RCA is partially funded on a modified pay-as-you go basis and monitored to ensure a level of funding such that the value of the RCA fund, plus projected contributions and projected earnings are, in aggregate, sufficient to pay for the benefits and expenses for a period of 20 years, and that the projected assets in the RCA fund for each of the next 20 years are no less than four times the projected benefits and expenses to be paid in the subsequent year.

The actuarial valuations of the Primary Plan and the RCA were conducted using the Projected Benefit Method Prorated on Services, and membership data as at October 31, 2025, and financial information as at December 31, 2025, supplied by AC.

We reviewed the data for reasonableness and consistency with the data provided in prior years. In our opinion,

- the membership data are sufficient and reliable for the purpose of the valuations;
- the assumptions approved by AC's Board, in consultation with us, were set with reference to the Primary Plan's and RCA's funding policies and are appropriate for the purposes of the valuations;
- the methods employed in the valuations are appropriate for the purpose of the valuations; and
- the valuations have been completed in accordance with our understanding of the requirements of the CPA Canada Handbook Section 4600.

Future experience will differ from the actuarial assumptions resulting in gains or losses in future valuations.

The valuations were prepared, and our opinions are given in accordance with accepted actuarial practice in Canada.

Towers Watson Canada Inc.



Philip A. Morse

Fellow, Canadian Institute of Actuaries



Alexandre L. W. Brack

Fellow, Canadian Institute of Actuaries



Rohan Kumar

Fellow, Canadian Institute of Actuaries

Toronto, Ontario
February 23, 2026

Independent auditor's report

To the Board of Directors of OMERS Administration Corporation

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of OMERS Administration Corporation and its subsidiaries (together, AC) as at December 31, 2025 and 2024, and the changes in its net assets available for benefits and changes in its pension obligations for the years then ended in accordance with Canadian accounting standards for pension plans.

What we have audited

AC's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of changes in net assets available for benefits for the years then ended;
- the consolidated statements of changes in pension obligations for the years then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

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

Independence

We are independent of AC in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for pension plans, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing AC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate AC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing AC's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on AC’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause AC to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within AC as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario
February 23, 2026

Consolidated Statement of Financial Position

(in millions of Canadian dollars)		
As at December 31,	2025	2024
Net Assets Available for Benefits		
Assets		
Investments (note 3)	\$ 165,896	\$ 159,980
Investment-related assets (note 3)	2,828	2,110
Contributions receivable		
From employers	235	207
From members	235	207
Other assets	322	304
Total Assets	169,516	162,808
Liabilities		
Investment-related liabilities (notes 3 and 4)	19,948	20,044
Amounts payable under contractual agreements (note 5)	3,742	4,078
Other liabilities	290	272
Total Liabilities	23,980	24,394
Net Assets Available for Benefits	\$ 145,536	\$ 138,414
Accrued Pension Obligation and Deficit		
OMERS Primary Pension Plan (note 6)		
Defined Benefit component		
Accrued pension obligation	\$ 149,575	\$ 140,766
Deficit		
Funding deficit	(1,322)	(2,913)
Actuarial value adjustment to net assets available for benefits	(4,805)	(1,406)
	(6,127)	(4,319)
Additional Voluntary Contributions component	1,790	1,723
Accrued Pension Obligation and Deficit of the Primary Plan	145,238	138,170
Retirement Compensation Arrangement (note 7)		
Accrued pension obligation	1,511	1,397
Deficit	(1,213)	(1,153)
Accrued Pension Obligation and Deficit of the Retirement Compensation Arrangement	298	244
Accrued Pension Obligation and Deficit	\$ 145,536	\$ 138,414

The accompanying notes are an integral part of these Consolidated Financial Statements.

These Consolidated Financial Statements were approved by the Board of Directors on February 23, 2026.

Signed on behalf of the Board of OMERS Administration Corporation (AC)


George Cooke
 AC Board Chair


Penny Somerville
 AC Audit & Risk Committee Chair

Consolidated Statement of Changes in Net Assets Available for Benefits

(in millions of Canadian dollars)			
For the year ended December 31,		2025	2024
Changes Due to Investment Activities			
Net investment income (note 8)			
Investment income	\$	4,817	\$ 5,470
Net gain on net investment assets		4,315	6,077
		9,132	11,547
Income credited under contractual agreements			
		(212)	(257)
Investment expenses (note 12)			
		(719)	(683)
Total Changes Due to Investment Activities		8,201	10,607
Changes Due to Pension Activities			
Contributions (note 10)			
Required contributions			
From employers		2,870	2,692
From members		2,870	2,692
Other contributions		238	283
		5,978	5,667
Benefits (note 11)			
Benefit payments			
		(6,584)	(6,229)
Transfers			
		(333)	(315)
		(6,917)	(6,544)
Pension administration expenses (note 12)			
		(140)	(130)
Total Changes Due to Pension Activities		(1,079)	(1,007)
Total Increase		7,122	9,600
Net Assets Available for Benefits, Beginning of Year		138,414	128,814
Net Assets Available for Benefits, End of Year		\$ 145,536	\$ 138,414

The accompanying notes are an integral part of these Consolidated Financial Statements.

Consolidated Statement of Changes in Pension Obligations

(in millions of Canadian dollars)

For the year ended December 31,

2025

2024

OMERS Primary Pension Plan (note 6)

Defined Benefit Component

Accrued pension obligation, beginning of year	\$	140,766	\$	134,574
Interest accrued on benefits		7,969		7,687
Benefits accrued		4,825		4,620
Benefit payments and transfers		(6,773)		(6,414)
Net experience losses (gains)		596		(663)
Changes in actuarial assumptions and methods				
Decrease in discount rate		—		962
Increase in longevity assumption		2,192		—
Defined Benefit Accrued Pension Obligation, End of Year	\$	149,575	\$	140,766

Additional Voluntary Contributions Component

Additional Voluntary Contributions obligation, beginning of year	\$	1,723	\$	1,611
Contributions		68		70
Withdrawals		(101)		(90)
Attributed net investment income		100		132
Additional Voluntary Contributions Obligation, End of Year	\$	1,790	\$	1,723

Retirement Compensation Arrangement (note 7)

Accrued pension obligation, beginning of year	\$	1,397	\$	1,314
Interest accrued on benefits		43		41
Benefits accrued		45		41
Benefit payments and transfers		(43)		(40)
Net experience losses (gains)		33		41
Changes in actuarial assumptions and methods				
Increase in longevity assumption		36		—
Retirement Compensation Arrangement Accrued Pension Obligation, End of Year	\$	1,511	\$	1,397

The accompanying notes are an integral part of these Consolidated Financial Statements.

(Amounts in millions of Canadian dollars except where otherwise noted)

Notes to the Consolidated Financial Statements

Note 1

Description of the Plans Administered by OMERS Administration Corporation

OMERS Administration Corporation (AC) is a corporation without share capital, continued under the Ontario Municipal Employees Retirement System Act, 2006, as amended (OMERS Act). AC is the administrator of the OMERS pension plans as defined in the OMERS Act and is the trustee of the pension funds. The OMERS pension plans are comprised of the OMERS Primary Pension Plan (Primary Plan), the Retirement Compensation Arrangement for the OMERS Primary Pension Plan (RCA) and the OMERS Supplemental Pension Plan for Police, Firefighters and Paramedics (Supplemental Plan) (collectively, the OMERS Pension Plans). As trustee of the Primary Plan's fund, AC holds legal title to the pension fund assets; the trust beneficiaries are Primary Plan members, and in certain circumstances, their spouses or dependents. AC is responsible for administering the OMERS Pension Plans in accordance, as applicable, with the Pension Benefits Act (Ontario) (PBA), the Income Tax Act (Canada) (ITA) and the OMERS Act. As at December 31, 2025, OMERS Sponsors Corporation (SC) was the sponsor of the OMERS Pension Plans under the OMERS Act.

The assets of any of the OMERS Pension Plans cannot be used to fund the pension obligations of any of the other OMERS Pension Plans.

OMERS Primary Pension Plan

The Primary Plan was created in 1962 by an Act of the Ontario legislature, and is a multi-employer, jointly sponsored defined benefit pension plan whose members are mainly employees of Ontario municipalities, local boards, public utilities and non-teaching school board staff. The Primary Plan is governed by the OMERS Act, the PBA, the ITA and other applicable legislation.

The benefit provisions and other terms of the Primary Plan are set out in the Primary Plan text. The Primary Plan consists of both the defined benefit component and the Additional Voluntary Contribution (AVC) component. The Primary Plan is registered with the Financial Services Regulatory Authority of Ontario (FSRA) and with the Canada Revenue Agency (CRA) under Registration #0345983.

Attributes of the defined benefit component of the Primary Plan include:

- **Funding** is provided by equal contributions from participating employers and from active members, and by the net investment earnings of the Primary Plan assets. AC determines the regulatory minimum and maximum funding requirements in accordance with the PBA and the ITA. SC sets contribution rates and benefits.
- **Pensions** are designed to provide lifetime defined benefit pensions, and funding requirements are determined on a long-term basis. These pensions are calculated as a percentage of a member's annual contributory earnings averaged over the highest 60 consecutive months, multiplied by their years of credited service.

- **Normal Retirement Age (NRA)** is 65 years for all Primary Plan members, except for police officers and firefighters, who generally have a normal retirement age of 60 years. An OMERS employer can also elect to provide NRA 60 benefits to all or a class of paramedics. For unionized employees, access to NRA 60 benefits is subject to negotiation between employers and unions.
- **Death Benefits** are payable upon the death of a member to a surviving spouse, eligible dependent children, a designated beneficiary, or to the member's estate. Depending on eligibility requirements, the benefits may be paid in the form of a survivor pension, lump sum payment or both.
- **Inflation protection** increases pensions each year, based on the increase in the average of the Canadian Consumer Price Index (CPI) for the preceding 12-month period ending in October compared to the average CPI for the same period of the previous year, as follows:
 - Benefits earned on or before December 31, 2022 receive full inflation protection, up to a maximum annual increase of 6%. Any excess is carried forward so it can be used in later years if and when CPI increases by less than 6%, provided the pension is still in pay.
 - Benefits earned on or after January 1, 2023 are subject to shared risk indexing, meaning that the level of inflation protection will depend on an annual assessment of the financial health of the Primary Plan, and may be less than the full inflation protection.
- **Disability Pensions** are available at any age to active members who become totally and permanently disabled as defined in the Primary Plan text. The pension is calculated using a member's years of credited service and the average annual contributory earnings during the member's highest 60 consecutive months of earnings consistent with a normal retirement pension and is subject to a cap set out in the Primary Plan text. For eligible members, disability pensions continue until the member's NRA, and then a normal retirement pension becomes payable.
- **Income Taxes** do not apply to contributions received by the Primary Plan or investment income earned thereon because the Primary Plan is a Registered Pension Plan, as defined in the ITA. The earnings of certain entities holding private credit, private equity, infrastructure, or real estate investments may be taxable.

The AVC component of the Primary Plan is a retirement savings and investment opportunity that permits members to make additional voluntary contributions on which the member earns the annual net investment return of the Primary Plan. Participation in the AVC component is separate from a member's defined benefit pension under the Primary Plan.

Retirement Compensation Arrangement for the OMERS Primary Pension Plan

The RCA, while legally distinct from the Primary Plan, provides pension benefits for Primary Plan members with contributory earnings exceeding the amount that generates the maximum pension allowed by the ITA. This determination is made when the member's entitlement becomes payable, and is not directly affected by the amount of RCA contributions made on the member's behalf during the member's working years. The RCA is not a Registered Pension Plan under the ITA, nor is it governed by the PBA. Instead, the RCA is a separate trust agreement and is governed by other relevant sections of the ITA, as well as by the OMERS Act and other applicable legislation. It is partially funded on a modified pay-as-you-go basis by equal contributions from participating employers and active members, and by the net investment earnings of the RCA fund.

The RCA fund consists of a refundable tax account, which is a non-interest-bearing account maintained by the CRA, and exposure to public equities through a portfolio of passively managed exchanged-traded funds. Since 2012, contributions have been allocated to the RCA such that the value of the RCA fund, plus projected contributions and projected investment earnings are, in aggregate, sufficient to pay for the RCA benefits and expenses for a period of 20 years. Starting in 2025, additional contributions may be allocated to the RCA to require that the projected assets in the RCA fund for each of the next 20 years are no less than four times the projected benefits and expenses to be paid in the subsequent year. Contributions are determined annually and directed to the RCA based on an earnings threshold that achieves the target level of funding.

OMERS Supplemental Pension Plan for Police, Firefighters and Paramedics

The Supplemental Plan offers optional benefits for members of the police sector, firefighters and paramedics. It became effective on July 1, 2008, pursuant to the requirements of the OMERS Act. The benefit provisions and other terms of the Supplemental Plan are set out in the Supplemental Plan text. The Supplemental Plan is registered with FSRA and with the CRA under Registration #1175892.

Participation in the Supplemental Plan is effective only after agreement between an employee group and their employer. As at December 31, 2025 and December 31, 2024, no such agreement existed and hence the Supplemental Plan had no assets, no liabilities and no members.

Note 2

Summary of Significant Accounting Policies

BASIS OF PRESENTATION

AC follows the requirements of the Chartered Professional Accountants of Canada (CPA Canada) Handbook Section 4600 – Pension Plans (Section 4600), which is the basis for Canadian accounting standards for pension plans. AC's recognition and measurement of assets, liabilities and pension obligations are consistent with the requirements of Section 4600. For accounting policies that do not relate to its investment portfolio or pension obligations, AC follows the requirements of International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

These Consolidated Financial Statements include the financial position, changes in net assets available for benefits and changes in pension obligations of AC and of the OMERS Pension Plans. They also include other disclosures required by regulation 909 under the PBA.

USE OF ESTIMATES AND JUDGMENTS

Preparing these Consolidated Financial Statements requires Management to make estimates, judgments and assumptions that affect the reported values of assets and liabilities, income and expenses, accrued pension obligations and related disclosures. Actual results could differ from these estimates. Significant estimates are used primarily in the valuation of certain investments and the determination of pension obligations. In all cases, Management's estimates are sensitive to significant assumptions and drivers that are subject to material change, and Management continues to monitor developments in these inputs.

INVESTMENTS AND VALUATIONS

Investment transactions are recorded when the risks and rewards of ownership are transferred. Purchases and sales of publicly-traded investments are recorded as of the trade date.

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is best evidenced by a quoted closing market price in an active market, if one exists; where such pricing is not available, fair value is estimated using observable market inputs such as interest rates, quoted prices of comparable securities or unobservable inputs such as Management assumptions or contractual terms. The determination of fair value is based on market conditions at a specific point in time and may not reflect future fair values. Fair values are determined as follows:

- (i) Short-term deposits are recorded at amortized cost, which together with accrued interest income, approximates fair value.
- (ii) Inflation-linked bonds, nominal bonds and debentures are valued at year-end quoted market prices, where available, based on quotes from industry standard sources.
- (iii) Public equities are valued using quoted market exchange prices.
- (iv) Securities purchased under reverse repurchase agreements and securities sold under repurchase agreements are valued at cost, which together with accrued interest approximates fair value due to their short-term nature.
- (v) Derivatives, including swaps, futures, options, credit default swaps and forward contracts, are valued using quoted market prices, where available, or discounted cash flows using current market yields, where quoted market prices are not available.
- (vi) Investments in private equities, infrastructure, private debt and mortgages, and real estate, held either directly or through limited partnership arrangements, generally do not have publicly-available market prices. For such investments, the completion of a recent purchase or sale of an identical or similar investment is often the most objective determination of fair value. While not exact, valuation procedures are also able to provide estimates or identify likely ranges that a reasonable counterparty would pay for such assets. Management values private investments as follows:
 - (a) For investments in real estate and infrastructure, assets are primarily valued based on observable pricing for similar investments, where appropriate, and the discounted cash flow approach by estimating the present value of projected cash flows generated by the investment using a risk-adjusted discount rate and, where appropriate, risk-adjusted capitalization rates. Discount rates, capitalization rates and projected cash flows are based on internal assumptions and external inputs.
 - (b) For private equity investments, assets are primarily valued by applying earnings multiples with consideration of movements in market multiples and recent transactions.
 - (c) For non-operating and startup directly-held private investments, assets are measured at fair value. However, recognizing the higher uncertainty and risk associated with these investments, they may be measured at cost as the best measurement of fair value until such time as the fair value is reliably measurable or until stabilized operations are achieved.
 - (d) For private fund investments, which are classified under Private Equities, fair value is based on the net asset values as reported by the funds' external administrators or managers unless there is a specific and objectively verifiable reason to vary from the value provided. These net asset values are reviewed by Management.
 - (e) For private debt and mortgages, assets are primarily valued using discounted cash flows based on current market yields and comparable securities, as applicable.

- (f) For royalty agreements, assets are primarily valued using a discounted cash flow approach based on expected future royalty streams, considering contractual terms and discount rates reflective of the risk profile.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are financial contracts, the values of which are derived from changes in prices of underlying assets or indices. Derivative transactions are conducted in over-the-counter markets directly between two counterparties or are cleared through clearinghouses, or on regulated exchange markets. AC uses derivative financial instruments to manage the Primary Plan's asset mix and to assist in managing the exposure to market risk by increasing or decreasing foreign currency, interest rates, credit or price risk, without directly purchasing or selling the underlying assets or currencies.

The fair value of derivative contracts are presented in the Consolidated Statement of Financial Position. These fair values represent the cost of replacing all outstanding contracts under current market conditions. Contracts with a positive fair value are recorded as derivative assets in Investment-Related Assets, and contracts with a negative fair value are recorded as derivative liabilities in Investment-Related Liabilities. Management nets both legs of a swap contract into one unit of measurement.

NET INVESTMENT INCOME

Investment Income includes accrued interest, dividends, income distributions and net real estate operating income, and is recognized as interest and net real estate operating income are earned or as dividends and income distributions are declared.

Net Gain on Net Investment Assets includes realized gains and losses on the disposal of investments and changes in unrealized gains and losses in the fair value of investments, including foreign currency translation. Net Gain on Net Investment Assets also includes transaction and pursuit costs and performance and pooled fund fees, as described below.

TRANSACTION AND PURSUIT COSTS

Transaction and pursuit costs, which include broker commissions, legal and other professional fees incurred as a part of the due diligence of a potential or completed transaction, are expensed to Net Gain on Net Investment Assets as incurred.

EXTERNAL MANAGEMENT FEES

The base fees payable to external managers for managing certain of AC's investment portfolios are recognized in Investment Expenses as incurred. Performance fees, which are contractually due to external managers for superior investment returns, and fees for pooled funds, where AC's investment return from the fund is net of fees, are expensed directly to Net Gain on Net Investment Assets as incurred.

INVESTMENT LIABILITIES

Investment liabilities include commercial paper, term notes, and other debt obligations with recourse to AC. These obligations are issued by OMERS Finance Trust (OFT), an entity whose beneficiaries are subsidiaries of AC, and by entities in which AC has invested. Investment liabilities also include the obligations in respect of securities sold short and securities sold under repurchase agreements. For securities sold under repurchase agreements, AC sells securities and simultaneously agrees to buy them back at a specified price at a future date.

Investment liabilities are financial instruments and are stated at fair value. Fair values are determined as follows:

- (i) Short-term investment liabilities are recorded at cost plus accrued interest, which approximates fair value.
- (ii) Term notes are valued using quoted pricing based on combination of observable market quotes and pricing on comparable securities.
- (iii) All other investment liabilities are valued using discounted cash flows based on current market yields.

AC's own credit risk is considered when estimating the fair value of investment liabilities.

Liabilities incurred by entities in which AC has invested are netted against investment assets, even when the investment is in an entity over which AC has effective control or can exercise significant influence, except for those liabilities which have recourse to AC.

PENDING TRADES

Pending trades include accrued receivables and payables from unsettled transactions.

The carrying values of amounts receivable and payable from pending trades approximate their fair value due to their short-term nature.

FOREIGN CURRENCY TRANSLATION

Certain investment assets and liabilities are denominated in foreign currencies. The fair values of such investment assets and liabilities are translated into Canadian dollars at the year-end foreign exchange rate. Unrealized foreign exchange gains and losses arising from this translation are included in Net Gain on Net Investment Assets in Net Investment Income. When an investment denominated in a foreign currency is sold, the realized foreign exchange gain or loss is recognized in Net Gain on Net Investment Assets, based on the foreign exchange rate at the settlement date.

Income and expenses are translated into Canadian dollars at the exchange rates prevailing on the dates of the transactions.

ACCRUED PENSION OBLIGATION

The value of the accrued pension obligation of the Primary Plan's defined benefit component is based on an actuarial valuation prepared by Towers Watson Canada Inc., an independent firm of actuaries. The accrued pension obligation is the actuarial present value of pension obligations of the Primary Plan in respect of benefits accrued to date for all active and inactive members. It is measured using the Projected Benefit Method Prorated on Services, in accordance with accepted actuarial practice in Canada using actuarial assumptions and methods adopted by AC for the purpose of establishing the long-term funding requirements of the Primary Plan. The actuarial valuation included in these Consolidated Financial Statements is consistent with the valuation used for funding purposes.

The AVC obligation represents the Primary Plan's liability with respect to the AVC component of the Primary Plan and is equal to members' AVC contributions, plus (if positive) or minus (if negative) the prorated, full-year net investment rate of return earned by the defined benefit component of the Primary Plan over the period of time that the AVC contributions have been invested.

The valuation methodology used to estimate the accrued pension obligation of the RCA is developed on a basis generally consistent with the accrued pension obligation of the Primary Plan's defined benefit component, while recognizing the difference in the tax treatment of the plans' assets.

The AVC obligation and the accrued pension obligation of the RCA are separate from the accrued pension obligation of the Primary Plan's defined benefit component.

ACTUARIAL VALUE OF NET ASSETS AND ACTUARIAL VALUE ADJUSTMENT

The actuarial value of net assets for the Primary Plan is used to assess the funded position of the Primary Plan, including the determination of minimum contributions required under the PBA.

The actuarial value adjustment to the fair value of net assets is the cumulative amount of unrecognized net investment returns. In each year, a new balance is added equal to the net investment return above or below the actuarial smoothing rate in effect for that year; this amount is then recognized over a five-year period, starting with the year in which the net investment return is earned. The actuarial smoothing rate applied to net investment returns recognized is an estimated future long-term median market rate of return.

The fair value of net assets available for benefits is adjusted by the actuarial value adjustment to arrive at the actuarial value of net assets. The actuarial value adjustment is constrained such that the resulting actuarial value of net assets is no more than 15% different from the fair value of net assets.

DEFICIT

For presentation in these Consolidated Financial Statements, the Deficit of the Primary Plan is based on the difference between the fair value of the Primary Plan's net assets available for benefits and the Primary Plan's accrued pension obligation. For funding purposes, the Primary Plan's deficit is based on the difference between the Primary Plan's actuarial value of net assets and the Primary Plan's accrued pension obligation.

For presentation in these Consolidated Financial Statements, the Deficit of the RCA is based on the difference between the fair value of RCA's net assets available for benefits and the RCA's accrued pension obligation.

CONTRIBUTIONS

Contributions from employers and active members are recorded on an accrual basis. Service purchases including leaves of absence, conversion of normal retirement age and transfers from other pension plans are recorded, and service is credited, when the purchase amount is received. AVC contributions are recorded when received.

BENEFITS

Benefit payments are recorded as they become due or in the period in which AC is notified of the request, as applicable. Accrued benefits for active members are recorded as part of the accrued pension obligation.

ADMINISTRATIVE EXPENSES

Administrative expenses are incurred for pension administration, investment management and corporate services. Administrative expenses are recorded on an accrual basis. Pension administration expenses include expenses to provide direct services to OMERS Pension Plans members and employers. Investment expenses include expenses for managing OMERS Pension Plans investments. Corporate services expenses primarily include corporate information systems, accounting, risk management, human resources, legal and other governance expenses incurred to support either the pension administration or the investment management functions. These are allocated between pension administration or investment expenses based on an estimate of the use of resources.

NEW ACCOUNTING PRONOUNCEMENTS

There were no adoptions of newly issued standards, changes in existing standards or new interpretations during the year ended December 31, 2025 that had a material impact on the Consolidated Financial Statements.

In 2024, IFRS 18 *Presentation and Disclosure in Financial Statements* was issued to replace IAS 1 *Presentation of Financial Statements*. The standard is effective for annual reporting periods beginning on or after January 1, 2027 and is to be applied retrospectively, with early adoption permitted. AC is currently assessing the impact of adopting this standard in the context of Canadian accounting standards for pension plans on the Consolidated Financial Statements.

During 2025, an amendment was issued to Section 4600 that provides additional disclosure requirements with respect to fair value measurement of the investment portfolio, interests in investment vehicles and investment expenses. The amendment is effective for annual reporting periods beginning on or after January 1, 2027 and is to be applied retrospectively, with early adoption permitted. AC is currently assessing the impacts of the amendment on the Consolidated Financial Statements.

There are no other issued standards, changes in existing standards or new interpretations with effective dates on or after January 1, 2026 that are expected to have a material impact on the Consolidated Financial Statements.

Note 3

Investments

A. Investments at Fair Value and Cost

Investments and investment-related assets and liabilities at fair value and cost by asset class are as follows:

As at December 31,	2025		2024	
	Fair Value	Cost	Fair Value	Cost
Fixed Income				
Inflation-linked bonds	\$ 6,246	\$ 6,120	\$ 4,718	\$ 4,459
Canadian nominal bonds and debentures	10,332	10,282	11,259	11,028
Non-Canadian nominal bonds and debentures	8,151	8,021	5,688	5,363
Private debt and mortgages ⁽ⁱ⁾	12,421	13,049	10,483	10,725
Total Fixed Income	37,150	37,472	32,148	31,575
Equities				
Public Equities				
Canadian	3,820	3,215	1,965	1,652
Non-Canadian	20,910	16,826	21,872	18,664
Total Public Equities	24,730	20,041	23,837	20,316
Private Equities ⁽ⁱⁱ⁾	37,475	27,198	37,669	26,150
Total Equities	62,205	47,239	61,506	46,466
Real Assets				
Infrastructure investments	34,547	27,741	34,407	30,641
Real Estate investments	24,497	23,996	21,555	21,626
Total Real Assets	59,044	51,737	55,962	52,267
Short-Term Instruments				
Cash and short-term deposits ⁽ⁱⁱⁱ⁾	7,497	7,501	10,364	10,366
Total Investments	165,896	143,949	159,980	140,674
Investment-Related Assets				
Investment receivables	1,295	1,294	1,041	1,043
Securities purchased under reverse repurchase agreements	300	300	523	523
Deferred, prepaid and other assets	94	96	65	65
Derivatives	893	96	248	178
Pending trades	246	246	233	233
Total Investment-Related Assets	2,828	2,032	2,110	2,042
Investment-Related Liabilities				
Investment liabilities (note 4)	(19,512)	(19,189)	(18,289)	(17,889)
Derivatives	(134)	(7)	(1,266)	(20)
Pending trades	(302)	(302)	(489)	(489)
Total Investment-Related Liabilities	(19,948)	(19,498)	(20,044)	(18,398)
Net Investment Assets	\$ 148,776	\$ 126,483	\$ 142,046	\$ 124,318

(i) Includes royalty agreements at fair value of \$2,199 (December 31, 2024: \$1,723) and cost of \$1,997 (December 31, 2024: \$1,536).

(ii) Includes venture capital investments at fair value of \$1,677 (December 31, 2024: \$1,684) and cost of \$1,031 (December 31, 2024: \$1,080).

(iii) Includes restricted cash of \$517 (December 31, 2024: \$588).

B. Investment Fair Value Hierarchy

Investment assets and liabilities are measured at fair value based on inputs from one or more levels of a fair value hierarchy as follows:

- **Level 1:** Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 primarily includes publicly-listed equity investments, cash and derivative contracts traded on a public exchange.
- **Level 2:** Fair value is based on valuation methods that make use of inputs, other than quoted prices included in Level 1, that are observable by market participants either directly through quoted prices for similar but not identical assets, or indirectly through observable market information used in valuation models. Level 2 primarily includes short-term deposits, debt securities, securities purchased under reverse repurchase agreements, derivative contracts not traded on a public exchange, and investment-related liabilities, including debt, and securities sold under repurchase agreements.
- **Level 3:** Fair value is based on valuation methods whose significant inputs are based on unobservable market data. Level 3 primarily includes private market investments such as real estate, infrastructure, private equities, private debt and mortgages.

(a) Net investment assets are categorized into the fair value hierarchy as follows:

As at December 31,	2025			
	Level 1	Level 2	Level 3	Total
Fixed Income	\$ —	\$ 24,729	\$ 12,421	\$ 37,150
Public Equities	24,730	—	—	24,730
Private Equities	—	36	37,439	37,475
Infrastructure investments	—	—	34,547	34,547
Real Estate investments	—	—	24,497	24,497
Short-Term Instruments	5,018	2,479	—	7,497
Investment-Related Assets	65	2,763	—	2,828
Investment-Related Liabilities	(379)	(19,569)	—	(19,948)
Net Investment Assets	\$ 29,434	\$ 10,438	\$ 108,904	\$ 148,776

As at December 31,	2024			
	Level 1	Level 2	Level 3	Total
Fixed Income	\$ —	\$ 21,665	\$ 10,483	\$ 32,148
Public Equities	23,837	—	—	23,837
Private Equities	—	—	37,669	37,669
Infrastructure investments	—	—	34,407	34,407
Real Estate investments	—	—	21,555	21,555
Short-Term Instruments	5,770	4,594	—	10,364
Investment-Related Assets	20	2,090	—	2,110
Investment-Related Liabilities	(516)	(19,528)	—	(20,044)
Net Investment Assets	\$ 29,111	\$ 8,821	\$ 104,114	\$ 142,046

(b) The following table presents the changes in Level 3 investments for the year ended December 31, 2025:

	Fair Value Dec 31, 2024	Included in Net Investment Income	Transfers In ⁽ⁱ⁾	Transfers Out	Purchases	Sales and Return of Capital	Fair Value Dec 31, 2025	Change in Unrealized Gains (Losses) from Investments Held at the End of the Year ⁽ⁱⁱ⁾
Fixed Income	\$ 10,483	\$ 843	\$ 278	\$ —	\$ 6,395	\$ (5,578)	\$ 12,421	\$ (409)
Private Equities	37,669	134	—	—	3,271	(3,635)	37,439	(1,305)
Infrastructure investments	34,407	2,188	—	—	2,229	(4,277)	34,547	603
Real Estate investments	21,555	1,322	710	—	1,999	(1,089)	24,497	634
Total	\$ 104,114	\$ 4,487	\$ 988	\$ —	\$ 13,894	\$ (14,579)	\$ 108,904	\$ (477)

The following table presents the changes in Level 3 investments for the year ended December 31, 2024:

	Fair Value Dec 31, 2023	Included in Net Investment Income	Transfers In ⁽ⁱⁱⁱ⁾	Transfers Out ⁽ⁱⁱⁱ⁾	Purchases	Sales and Return of Capital	Fair Value Dec 31, 2024	Change in Unrealized Gains (Losses) from Investments Held at the End of the Year ⁽ⁱⁱ⁾
Fixed Income	\$ 11,520	\$ 1,459	\$ 440	\$ —	\$ 3,659	\$ (6,595)	\$ 10,483	\$ 5
Public Equities	372	30	—	(387)	4	(19)	—	—
Private Equities	32,672	4,342	—	—	3,342	(2,687)	37,669	3,435
Infrastructure investments	30,937	3,215	420	—	3,243	(3,408)	34,407	2,872
Real Estate investments	22,586	(533)	—	(1,148)	3,074	(2,424)	21,555	(1,230)
Total	\$ 98,087	\$ 8,513	\$ 860	\$ (1,535)	\$ 13,322	\$ (15,133)	\$ 104,114	\$ 5,082

(i) Transfers into Fixed Income include investments that have been collateralized with Level 3 credit facilities and are accounted for together. Transfers into Real Estate investments include public equities that were privatized.

(ii) Separately identifies change in unrealized gains (losses) that are 'Included in Net Investment Income'.

(iii) Transfers into Fixed Income include investments that have been collateralized with Level 3 credit facilities in the year and are accounted for together. Transfers into Infrastructure include investments transferred out of Level 1 and Level 3 Public Equities to reflect updated valuation inputs and the risk profile. Transfers out of Real Estate investments include an investment where observable market inputs became available.

(c) Fair Value Assumptions and Sensitivity

Level 3 investment assets and liabilities are valued using models whose significant inputs are based on unobservable market data. The significant valuation input for infrastructure investments and private debt, the latter of which is included in fixed income, is the discount rate. Significant valuation inputs for real estate investments are the discount rate and the terminal capitalization rate. The discount rate is composed of two elements: a risk-free rate and a risk premium. The risk-free rate is the return that would be expected from a secure, liquid, virtually risk-free investment, such as a high quality government bond. The risk premium is estimated from, where observable, implied values of similar publicly-traded investments or sales of similar investments or assets. If such information is not available, the risk premium is estimated at a level that compensates for the incremental amount of risk associated with a particular investment. The selected discount rates and terminal capitalization rates are chosen to be consistent with the risk inherent in the stream of cash flows to which they are applied.

The significant valuation input for private equity investments is earnings before interest, taxes, depreciation and amortization (EBITDA) multiples. All else being equal, higher multiples equate to higher fair values, and vice versa.

The following table presents the sensitivity of Level 3 investment valuations to reasonably possible alternative assumptions for asset categories where such reasonably possible alternative assumptions would change the fair value significantly. These sensitivities are hypothetical and should be used with caution. The impact to the valuation from such changes to the significant input has been calculated independently of the impact of changes in other key variables. In actual experience, a change in one significant input may result in changes to a number of underlying assumptions which could amplify or reduce the impact on the valuation.

As at December 31,				2025	2024
	Significant Inputs	Range of Inputs	Change in Significant Inputs	Change in Net Investment Assets	Change in Net Investment Assets
Fixed Income	Discount rate	3.9% - 27.8% (2024: 3.8% - 28.8%)	+/- 50 bps \$	-/+ 212 \$	-/+ 134
Private Equities	EBITDA multiple	7.5X - 21.0X (2024: 7.5X - 19.5X)	+/- 0.50x	+/- 1,115	+/- 1,150
Infrastructure	Discount rate	7.8% - 14.0% (2024: 7.5% - 15.8%)	+/- 25 bps	-/+ 1,905	-/+ 1,875
Real Estate investments	Discount rate	5.3% - 11.0% (2024: 5.8% - 11.5%)	+/- 25 bps	-/+ 659	-/+ 649
Real Estate investments	Terminal capitalization rate	4.3% - 9.8% (2024: 4.2% - 9.0%)	+/- 25 bps	-/+ 943	-/+ 886

The above sensitivity analysis excludes fund investments totaling \$15,138 (December 31, 2024: \$10,931) for which AC has limited access to the underlying investment information.

C. Significant Investments

Individual investments with either a fair value or cost exceeding one per cent of the fair value or cost, respectively, of total net investment assets are as follows:

As at December 31,	2025			2024		
	Number of Investments	Fair Value	Cost	Number of Investments	Fair Value	Cost
Public Investments	\$ —	\$ —	—	1 \$	1,006 \$	1,522
Private Investments	15	37,883	25,396	22	45,129	32,672
Total	15 \$	37,883 \$	25,396	23 \$	46,135 \$	34,194

Significant private investments as at December 31, 2025 in the table above include:

- ownership interests in Ares AO Middle Market Credit LP Fund, Associated British Ports, Bruce Power, Caliber Collision Centers, Community Veterinary Partners, Deutsche Glasfaser, Ellevio, Inmar Inc., Leeward Renewable Energy, ONCOR, Puget Energy, TurnPoint Services, and XpFibre; and
- real estate ownership interests in IDI Logistics and Yorkdale Shopping Centre.

The effective date of the most recent valuations for the above listed investments was December 31, 2025.

D. Derivative Financial Instruments

The following table summarizes AC's use of derivatives. Notional values represent the contractual amounts to which a rate or price is applied for computing the cash flows to be exchanged. These notional values are used to determine the gains (losses) and fair values of the derivative contracts; they are not recorded as assets or liabilities in the Consolidated Statement of Financial Position. Notional values do not necessarily represent the amount of potential market risk or credit risk arising from derivatives.

As at December 31,	2025						2024		
	Notional Value	Fair Value		Notional Value	Fair Value		Notional Value	Assets	Liabilities
Assets		Liabilities	Assets		Liabilities				
Fixed Income									
Interest Rate Contracts									
Swaps	\$ 3,774	\$ —	\$ —	\$ 2,316	\$ —	\$ —			
Futures	11,215	—	(12)	6,357	4	(8)			
Total Interest Rate Contracts		—	(12)		4	(8)			
Credit Contracts									
Swaps	5,976	3	(19)	7,358	17	(7)			
Swaptions									
- written	—	—	—	144	—	—			
- purchased	—	—	—	144	1	—			
Total Credit Contracts		3	(19)		18	(7)			
Total Fixed Income		3	(31)		22	(15)			
Equities									
Equity Contracts									
Swaps	8,067	93	(64)	3,835	49	(71)			
Futures	2,604	2	(14)	712	1	(1)			
Options ⁽ⁱ⁾									
- written	720	—	(4)	1,979	—	(17)			
- purchased	3,363	58	—	5,384	111	—			
Total Equity Contracts		153	(82)		161	(89)			
Commodity Contracts									
Swaps	56	—	—	83	—	—			
Futures	1,198	4	(10)	2,437	15	(9)			
Total Commodity Contracts		4	(10)		15	(9)			
Total Equities		157	(92)		176	(98)			
Foreign Exchange Contracts									
Forwards	50,811	725	(11)	39,883	43	(1,152)			
Options									
- written	20	—	—	631	—	(1)			
- purchased	426	8	—	1,070	7	—			
Total Foreign Exchange Contracts		733	(11)		50	(1,153)			
Total	\$	\$ 893	\$ (134)	\$	\$ 248	\$ (1,266)			

(i) The 2024 previously reported notional values totaling \$3,405 were reclassified from Options written to Options purchased.

E. Investment Risk

AC's primary long-term investment risk is that the value of its assets and the capacity of those assets to generate investment income is insufficient to meet pension obligations. AC's future pension obligations are the basis for establishing its long-term investment objectives, combined with an assessment of associated risks.

The AC Board of Directors (the Board), through its Investment Committee, determines the acceptable level of investment risk to be taken. This Committee or, if established by the Board, an ad hoc Asset-Liability Study Committee, reviews and recommends the long-term asset mix to the Board for approval. Primary accountability for managing risk, within the Board's authorized parameters, is delegated by the Board to the Chief Executive Officer, who further delegates the responsibility to business leaders. The Chief Risk Officer is responsible for implementing the Board-approved risk management mandate, including the development of associated policies, frameworks, and risk appetite statements, which provides independent enterprise-wide oversight of business activities. Accountability for managing investment risks remains with the business units and functions responsible for making investment decisions.

AC's investments are diversified across major asset classes. Investment teams execute specific strategies designed to achieve return objectives that reflect both the opportunity and the risk associated with those asset classes. The methods and factors used in the measurement or assessment of investment risk are reviewed on an ongoing basis.

AC manages market, credit and liquidity risk as follows:

a) Market Risk

Market risk is the risk that the fair value of an investment is impacted by changes in market variables such as foreign exchange rates, interest rates, equity prices, commodity prices, credit spreads and other variables. For derivative instruments, market risk arises from potential adverse changes in the value of derivative instruments as a result of changes in any of the aforementioned variables.

Market risk is measured, managed and monitored at both business unit and total portfolio levels to ensure the risks taken are commensurate with their expected returns. AC monitors key market risk metrics such as volatility, drawdown, interest rate sensitivity, credit spread risk, and credit ratings, to assess the sensitivity to each type of market risk. AC manages the strategy for foreign currency at the total portfolio level, as well as the related risk. For investment teams who invest in public equities and certain fixed income investments, actions may be taken to adjust portfolio exposures if risk sensitivities exceed the desired level. At the security level, the investment teams develop fundamental or quantitative models to help assess the expected value of securities. When the observed price significantly deviates from a security's expected value, the portfolio manager may take action to reduce or increase position sizes.

(i) Foreign Exchange Rates

AC pays pensions in Canadian dollars and manages a highly diversified portfolio of long-term investments, many of which are denominated in foreign currencies. AC centrally manages the strategy for foreign currency and assumes certain foreign exchange risks, measuring and considering them in the context of overall portfolio objectives, alongside other investment related risks discussed elsewhere.

Net investment assets by currency exposure, after the impact of currency hedging, are as follows:

As at December 31,	2025		2024	
	Fair Value By Currency		Fair Value By Currency	
Currency	Net Exposure	% of Total	Net Exposure	% of Total
United States Dollar	\$ 51,540	35 %	\$ 46,005	33 %
Euro	4,555	3	10,619	7
Australian Dollar	4,099	3	4,286	3
Indian Rupee	1,687	1	1,769	1
Hong Kong Dollar	809	1	1,599	1
British Pound Sterling	363	—	6,230	4
Swedish Krona	56	—	2,315	2
All Other	2,499	1	2,406	1
Total Foreign Currency Exposure	65,608	44	75,229	52
Canadian Dollar	83,168	56	66,817	48
Total	\$ 148,776	100 %	\$ 142,046	100 %

Foreign Currency Sensitivity

After giving effect to the impact of foreign currency hedges and holding constant all other variables and underlying values, a five per cent increase or decrease in the value of the Canadian dollar against all foreign currencies to which AC is exposed, would result in an approximate \$3,280 (December 31, 2024: \$3,761) decrease or increase in AC's net investment assets as shown below:

As at December 31,	2025		2024	
	Change in Unrealized Loss/Gain		Change in Unrealized Loss/Gain	
Currency				
United States Dollar	\$	-/+ 2,577	\$	-/+ 2,300
Euro		-/+ 228		-/+ 531
Australian Dollar		-/+ 205		-/+ 214
Indian Rupee		-/+ 84		-/+ 88
Hong Kong Dollar		-/+ 40		-/+ 80
British Pound Sterling		-/+ 18		-/+ 312
Swedish Krona		-/+ 3		-/+ 116
All Other		-/+ 125		-/+ 120
Total	\$	-/+ 3,280	\$	-/+ 3,761

(ii) Interest Rate Risk

AC's primary exposure to interest rate changes in its investment assets relates to capital deployed in fixed income products, which include bonds and debentures, private debt and mortgages, and interest rate swaps. AC also has indirect exposure to interest rate changes through its selection of discount rates and EBITDA multiples used in the valuation of real estate, private equity and infrastructure investments. Sensitivities of these Level 3 investments are presented in Note 3B(c). AC's exposure to interest rate changes in its investment liabilities relates primarily to term notes. Investments with fixed rates of interest will decrease in market value while liabilities with fixed rates of interest will increase in market value as interest rates rise, and vice versa.

Sensitivity to changes in interest rates

AC's exposure to a 100 basis point increase (decrease) in interest rates on instruments directly impacted by interest rate changes, with all other variables held constant, would result in an approximate decrease (increase) in the value of directly managed fixed income investments and interest rate swaps, net of term note liabilities, of \$1,601 (December 31, 2024: \$991). This would be recognized as a change in unrealized loss (gain) within Net Investment Income.

(iii) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from foreign currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument, its issuer or factors affecting similar financial instruments traded in the market.

AC invests in publicly-traded equities to achieve capital gains, income through dividends, or both over time. These investments are exposed to price risk and volatility. Investments in publicly-traded equities are actively managed with due regard for risk and return objectives through country-, sector- and entity-specific analyses as well as through diversification.

AC's investment in publicly-traded equities is achieved through both physical holdings and derivative exposures. A ten per cent increase (decrease) in the aggregate value of these public equities would result in an approximate increase (decrease) in public equity exposures and an unrealized gain (loss) of \$2,958 (December 31, 2024: \$2,909).

AC's investments in private equity, infrastructure, real estate, private debt and mortgages are also subject to price risk. For each significant private investment, Management engages accredited, independent external valuation experts to assess the reasonableness of the investment's valuation, at least once every three years. Where independent external valuation experts complete the valuation, Management reviews the valuation techniques applied and assumptions used to ensure that they are reasonable and supportable based on current market conditions and industry practice.

Fair values are impacted by a number of variables as described in Note 3B(c).

AC is also subject to price risk through changes in credit spreads on certain of its fixed income investments and term note liabilities. A 50 basis point increase (decrease) in the credit spreads of those applicable interest bearing instruments would result in an approximate net decrease (increase) in the value of fixed income investments and term note liabilities, and a net unrealized loss (gain) of \$301 (December 31, 2024: \$364).

b) Credit Risk

Credit risk is defined as the financial loss that results from the failure of a counterparty to honour its contractual obligations. AC is subject to credit risk primarily in connection with issuers or guarantors of securities, debtors, structured securities, derivatives, repurchase agreements and securities lending arrangements. Credit risk for uncleared over-the-counter (OTC) derivatives is mitigated through the exchange or posting of margin. Credit risk for cleared OTC derivative contracts and futures contracts is typically limited, as the counterparty is an exchange or central clearing counterparty which is designed for reducing counterparty risk and improving financial system stability. For these trades, initial margin is posted and margin receivables and payables are settled daily.

To manage counterparty credit risk, AC:

- requires collateral from its counterparties in certain circumstances, as outlined in contractual arrangements;
- limits how much exposure it has with individual counterparties;
- regularly performs financial analyses of its counterparties, which includes reference to credit rating agencies and other relevant external sources. AC only trades OTC derivatives with high quality counterparties;
- estimates ratings for credit investments using an internal rating process if no rating is available from selected reputable credit rating agencies; and
- enters into enforceable master netting agreements.

(i) Credit Quality

The credit ratings for fixed income and short-term instruments are set out in the table below:

As at December 31,						2025
	Sovereign Governments	Provincial Governments	Corporate	Total	% of Total	
AAA	\$ 6,851	\$ —	\$ 151	\$ 7,002	16 %	
AA	6,696	—	7,862	14,558	33	
A	—	—	2,251	2,251	5	
BBB	—	—	6,628	6,628	15	
Below BBB	—	—	8,142	8,142	18	
Unrated	—	—	6,066	6,066	13	
Total	\$ 13,547	\$ —	\$ 31,100	\$ 44,647	100 %	

As at December 31,						2024
	Sovereign Governments	Provincial Governments	Corporate ⁽ⁱ⁾	Total	% of Total	
AAA	\$ 12,347	\$ —	\$ 53	\$ 12,400	29 %	
AA	1,898	4	8,727	10,629	25	
A	—	—	1,708	1,708	4	
BBB	—	—	6,322	6,322	15	
Below BBB	—	—	7,114	7,114	17	
Unrated	—	—	4,339	4,339	10	
Total	\$ 14,245	\$ 4	\$ 28,263	\$ 42,512	100 %	

(i) The 2024 previously reported credit facilities amounts totalling \$1,618 were reclassified from Unrated to Below BBB with no change to Total balances.

Unrated securities in the table above relate to private real estate debt and mortgages with a weighted average loan-to-value ratio at the time of issuance of no greater than 75%, and agreements that entitle AC to receive royalties on sales of established pharmaceutical products.

(ii) Margin and Collateral

AC is a counterparty to financial instruments that are subject to margin arrangements. AC pledges and receives collateral consisting of securities and cash in the ordinary course of managing net investments. Collateral pledged continues to be recognized as AC's assets if AC retains substantially all the risks and rewards of ownership. AC has enforceable contractual rights to realize upon collateral and to set-off against amounts owing under financial contracts following a counterparty default or other termination right. Additional collateral is exchanged if the value of the collateral falls below a predetermined level, based on the value of the underlying transaction(s) or interest, and the value of the collateral posted. Specifically:

- In the case of OTC derivatives, variation margin collateral is collected from and provided to counterparties according to the Credit Support Annex (CSA), which forms part of International Swaps and Derivatives Association (ISDA) Master Agreements. Initial margin collateral is pledged to and provided by counterparties, as required by ISDA initial margin credit support or collateral transfer documentation (IM CSA). Initial margin collateral is held by third party custodians in segregated accounts.
- In the case of prime brokerage and securities borrowing, collateral is exchanged to the full extent of the liability with the counterparty, with a borrower required to pledge marketable securities or cash of higher value than the securities borrowed as collateral. AC does not recognize any securities borrowed as its investment assets because the risks and rewards of the securities remain with the lender.

AC enters into securities repurchase and reverse repurchase transactions under Global Master Repurchase Agreements (GMRA). Securities repurchase transactions represent the sale of securities to counterparties with a simultaneous agreement to buy them back at a predetermined price in the future. AC does not derecognize such securities from its financial assets because the associated risks and rewards remain with AC. Securities reverse repurchase transactions (from AC's perspective) represent the purchase of securities from counterparties with a simultaneous agreement to sell them back at a predetermined price in the future. AC does not recognize such securities as financial assets because the associated risks and rewards remain with the counterparties. Collateral is exchanged between the counterparties based on the current value of the securities purchased (sold) under the agreements.

AC is permitted to sell or repledge collateral in the absence of default, with the exception of initial margin on OTC derivatives. The equivalent cash or securities must be returned to the counterparty should the counterparty demand a return of collateral. The fair value of collateral sold or repledged is \$nil (December 31, 2024: \$nil).

The fair value of collateral pledged and received, as well as securities purchased under reverse repurchase agreements and securities sold under repurchase agreements is as follows:

As at December 31,	2025	2024
Derivative-related		
Collateral received	\$ 1,309	\$ 25
Collateral pledged	1,491	1,994
Securities borrowing		
Collateral pledged	605	1,586
Securities under reverse repurchase and repurchase agreements		
Gross amounts of securities purchased under reverse repurchase agreements	300	523
Collateral held	300	523
Gross amounts of securities sold under repurchase agreements	2,915	2,247
Collateral pledged	3,021	2,266

(iii) Right of Netting and Offset

AC is a counterparty to financial instruments that are subject to netting and offset arrangements. AC enters into enforceable master netting agreements, such as ISDA Master Agreements, GMRA and securities lending agreements. Under these agreements, following a counterparty's event of default or other early termination event, AC is entitled to liquidate transactions under each of the above derivative, repurchase and securities lending arrangements and to net amounts payable under all transactions under that agreement, provided that in the case of bankruptcy or insolvency of the counterparty, AC's actions are subject to applicable bank recovery and resolution regulations and bankruptcy stays. Master netting agreements might include contractual rights of set-off, enforceable following the occurrence of an event of default or other termination event, that might allow, in certain circumstances, AC or its counterparty to set-off amounts owing under one agreement against amounts owed under another agreement, on a counterparty by counterparty basis. In the Consolidated Statement of Financial Position, financial instruments are not offset, as a party's rights of offset across agreements are conditional.

Certain financial transactions, such as derivative transactions, involve a legally enforceable right to offset the recognized amounts and to settle payments on a net basis, or to realize upon an asset and settle a liability simultaneously. Financial assets and liabilities that are offset are reported as a net amount in these Consolidated Financial Statements.

AC may not be permitted to net and set-off upon the default of a clearer in respect of exchange traded derivatives and cleared OTC derivatives. In the Consolidated Statement of Financial Position, financial instruments are not offset where the rights of offset are conditional.

In the following table, the Net amount presents the effect of the amounts that do not qualify for offsetting but which are subject to conditional netting arrangements or similar arrangements, including ISDA Master Agreements, GMRA, security lending agreements and any related rights to financial collateral:

As at December 31,	2025						
	Gross amounts of recognized Financial Instruments	Less: Amounts offset in Consolidated Financial Statements	Net amounts presented in Consolidated Financial Statements	Related amounts not set off in the Consolidated Statement of Financial Position		Net amount	
				Amounts subject to netting arrangements	Financial collateral (received) pledged		
Financial Assets							
Derivative assets	\$ 893	\$ —	\$ 893	\$ (81)	\$ (724)	\$ 88	
Securities purchased under reverse repurchase agreements	300	—	300	(300)	—	—	
Total Financial Assets	\$ 1,193	\$ —	\$ 1,193	\$ (381)	\$ (724)	\$ 88	
Financial Liabilities							
Derivative liabilities	\$ (134)	\$ —	\$ (134)	\$ 81	\$ 10	\$ (43)	
Securities sold short	(403)	—	(403)	—	403	—	
Securities sold under repurchase agreements	(2,915)	—	(2,915)	300	2,615	—	
Total Financial Liabilities	\$ (3,452)	\$ —	\$ (3,452)	\$ 381	\$ 3,028	\$ (43)	

As at December 31,								2024
	Gross amounts of recognized Financial Instruments	Less: Amounts offset in Consolidated Financial Statements	Net amounts presented in Consolidated Financial Statements	Related amounts not set off in the Consolidated Statement of Financial Position		Net amount		
				Amounts subject to netting arrangements	Financial collateral (received) pledged			
Financial Assets								
Derivative assets	\$ 248	\$ —	\$ 248	\$ (110)	\$ (1)	\$ 137		
Securities purchased under reverse repurchase agreements	523	—	523	—	(523)	—		
Total Financial Assets	\$ 771	\$ —	\$ 771	\$ (110)	\$ (524)	\$ 137		
Financial Liabilities								
Derivative liabilities	\$ (1,266)	\$ —	\$ (1,266)	\$ 110	\$ 1,120	\$ (36)		
Securities sold short	(1,078)	—	(1,078)	—	1,078	—		
Securities sold under repurchase agreements	(2,247)	—	(2,247)	—	2,247	—		
Total Financial Liabilities	\$ (4,591)	\$ —	\$ (4,591)	\$ 110	\$ 4,445	\$ (36)		

c) Liquidity Risk

Liquidity risk is the risk that AC will encounter difficulty in meeting cash flow obligations as they come due. AC may use repurchase agreements, derivative contracts, securities lending and securities borrowing arrangements to gain exposure to equities, fixed income, credit, commodities and currency. Using these instruments increases AC's collateral requirements and liquidity risk.

AC has developed forward-looking liquidity risk and cash flow models and implemented metrics that facilitate monitoring of liquidity across multiple time horizons. AC evaluates 30-day liquidity requirements daily by monitoring a Board-approved liquidity coverage ratio, as well as 1-month and 3-month liquidity coverage ratios monitored by the Financial Services Regulatory Authority of Ontario. Liquidity monitoring also includes scenario-based liquidity crisis simulation. A diverse set of funding sources are maintained to meet AC's liquidity needs, including a portfolio of highly marketable assets that could be sold or funded on a secured basis to generate liquidity, as well as undrawn capacity of the revolving credit facility held by OFT, which issues debt unconditionally and irrevocably guaranteed by AC.

As at December 31, 2025, AC maintained \$18,325 of liquid assets comprised of \$7,497 cash and short-term deposits, \$6,246 inflation-linked bonds, \$6,591 Canadian and United States government securities, all net of \$2,009 pledged collateral (December 31, 2024: \$18,221 of liquid assets comprised of \$10,364 cash and short-term deposits, \$4,718 inflation-linked bonds, \$7,226 Canadian and United States government securities, all net of \$4,087 pledged collateral).

(i) Terms to Maturity

The term to maturity of AC's derivative and investment, and other liabilities is as follows:

As at December 31,	2025				2024			
	Within 1 Year	1 to 5 Years	Over 5 Years	Total	Within 1 Year	1 to 5 Years	Over 5 Years	Total
Debt (undiscounted principal and interest (re)payments)	\$ 2,791	\$ 8,454	\$ 7,012	\$ 18,257	\$ 3,273	\$ 8,421	\$ 5,600	\$ 17,294
Securities sold short ⁽ⁱ⁾	403	—	—	403	1,078	—	—	1,078
Securities sold under repurchase agreements	2,915	—	—	2,915	2,247	—	—	2,247
Payables and other liabilities	1,071	—	—	1,071	850	—	—	850
Derivative liabilities ⁽ⁱⁱ⁾	134	—	—	134	1,266	—	—	1,266
Other liabilities	290	—	—	290	272	—	—	272
Total	\$ 7,604	\$ 8,454	\$ 7,012	\$ 23,070	\$ 8,986	\$ 8,421	\$ 5,600	\$ 23,007

(i) The 2024 previously reported balances of \$542 within 1 to 5 years and \$33 over 5 years were reclassified to within 1 year.

(ii) Related notional value of \$24,381 (December 31, 2024: \$46,317).

(ii) Commercial paper

OFT is authorized to issue up to an equivalent of \$5,000 (December 31, 2024: \$5,000) in commercial paper, which is unconditionally and irrevocably guaranteed by AC. As directed by the OMERS Investment Risk Policy, total debt with recourse to AC cannot exceed 10 per cent of total Net Investment Assets (gross of total Debt) at the time the new recourse debt is incurred. Commercial paper of \$937 was issued as at December 31, 2025 (December 31, 2024: \$1,179).

Commercial paper generally has short-term maturities, and the requirement to repay this debt at maturity increases liquidity risk. OFT manages this risk by maintaining a high credit rating and a \$4,600 (December 31, 2024: \$4,600) revolving credit facility with a syndicate of well-capitalized banks to backstop the commercial paper program and to use for other general corporate purposes. The revolving credit facility matures on July 1, 2028 and was undrawn as at December 31, 2025 and December 31, 2024.

Note 4

Investment Liabilities

AC's investment liabilities at fair value are as follows:

As at December 31,	2025	2024
Debt	\$ 15,123	\$ 14,114
Securities sold short	403	1,078
Securities sold under repurchase agreements	2,915	2,247
Payables and other liabilities	1,071	850
Total	\$ 19,512	\$ 18,289

Total Debt with recourse to AC is comprised of the following:

As at December 31,	2025			2024		
	Fair Value	Cost	Weighted Average Interest Rate	Fair Value	Cost	Weighted Average Interest Rate
Credit facility	\$ —	\$ —	— %	\$ 209	\$ 209	5.14 %
Secured debt	—	—	—	153	—	6.45
Commercial paper ⁽ⁱ⁾	937	937	3.99	1,179	1,179	4.60
Term notes	14,186	13,820	3.51	12,573	12,350	3.10
Total	\$ 15,123	\$ 14,757	3.54 %	\$ 14,114	\$ 13,738	3.29 %

(i) As at December 31, 2025, commercial paper outstanding has maturities from January 6, 2026 to March 18, 2026 (December 31, 2024: January 6, 2025 to March 17, 2025) with interest rates ranging from 3.81% to 4.14% (December 31, 2024: 3.00% to 4.85%).

OFT is authorized to issue term notes, which are unconditionally and irrevocably guaranteed by AC. The details of outstanding term notes are shown in the table below:

As at December 31,	2025			2024	
	Original Term	Currency	Coupon	Principal Amount ⁽ⁱ⁾	
May 13, 2025	5 years	EUR	0.450%	—	1,000
March 26, 2026	5 years	USD	1.100%	1,000	1,000
April 21, 2027	7 years	CAD	1.550%	1,250	1,250
April 20, 2028	5 years	USD	4.000%	1,000	1,000
January 25, 2029	5 years	EUR	3.125%	750	750
May 14, 2029	10 years	CAD	2.600%	1,000	1,000
October 16, 2029	5 years	AUD	4.500%	750	750
March 20, 2030	5 years	USD	4.375%	1,000	—
March 26, 2031	7 years	USD	4.750%	1,000	1,000
April 19, 2032	10 years	USD	3.500%	600	600
November 15, 2033	10 years	USD	5.500%	1,000	1,000
January 28, 2035	10 years	EUR	3.250%	1,000	—
April 19, 2052	30 years	USD	4.000%	500	500

(i) Principal amount is stated in its respective denominated currency.

Note 5

Amounts Payable Under Contractual Agreements

Amounts payable under contractual agreements are comprised of two balances:

- (i) AC invests funds on behalf of an external party under a contractual agreement (the Administered Funds) and may recover expenses for administering such funds. In accordance with the terms of the agreement, the Administered Funds are adjusted for income (loss) based on their share of the Primary Plan's net investment income and would become payable upon receipt of notice to AC.
- (ii) Through its subsidiary OMERS Investment Management Inc., AC established investment arrangements (OMERS Return Agreements) that provide eligible clients with access to the performance of all or parts of the annual investment return of the Primary Plan. The amounts due under the OMERS Return Agreements are adjusted for income (loss) based on an investment return equal to part of the Primary Plan's return. The term to maturity for the amounts due is \$264 within 1 year and \$1,384 within 1 to 5 years.

Amounts payable under contractual agreements are comprised of the following:

As at December 31,	2025	2024
Administered Funds	\$ 2,094	1,993
OMERS Return Agreements	1,648	2,085
Amounts payable under contractual agreements	\$ 3,742	\$ 4,078

Note 6

OMERS Primary Pension Plan

A summary of the financial statements for the Primary Plan is as follows:

STATEMENT OF FINANCIAL POSITION

As at December 31,	2025	2024
Net Assets Available for Benefits	\$ 145,238	\$ 138,170
Accrued Pension Obligation and Deficit		
Defined benefit component		
Accrued pension obligation	\$ 149,575	\$ 140,766
Deficit		
Funding deficit	(1,322)	(2,913)
Actuarial value adjustment to net assets available for benefits	(4,805)	(1,406)
	(6,127)	(4,319)
Additional Voluntary Contributions component obligation	1,790	1,723
Accrued Pension Obligation and Deficit	\$ 145,238	\$ 138,170

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31,	2025	2024
Total changes due to investment activities	\$ 8,176	\$ 10,577
Contributions	5,906	5,613
Benefits	(6,874)	(6,504)
Pension administration expenses	(140)	(130)
Total Increase	7,068	9,556
Net Assets Available for Benefits, Beginning of Year	138,170	128,614
Net Assets Available for Benefits, End of Year	\$ 145,238	\$ 138,170

Accrued Pension Obligation of the Defined Benefit Component

The actuarial assumptions used in determining the value of the defined benefit accrued pension obligation of \$149,575 as at December 31, 2025 (December 31, 2024: \$140,766) are best estimate assumptions and reflect management's judgment about the most likely set of conditions affecting future events, except for the discount rate which incorporates a margin for conservatism. Under the PBA, an actuarial valuation report must be filed with FSRA at least once every three years. A Primary Plan valuation report was last filed for the December 31, 2024 year-end.

The following are the primary economic actuarial assumptions used in the actuarial valuation of the Primary Plan as at December 31:

Actuarial Assumptions	2025	2024
Assumed rate of long-term inflation	2.00	2.00
Real discount rate	3.70	3.70
Nominal discount rate	5.70 %	5.70 %

For the actuarial valuation as at December 31, 2025 all assumed future cost of living adjustments are 2.00%. The cost of living adjustments used in the actuarial valuation as at December 31, 2024 reflecting expected continuation of an elevated rate of price inflation in the short-term were 2.50% for the year 2026 and 2.00% for the years 2027 and beyond.

Member-specific assumptions are also used to estimate the amount and timing of future benefits to be paid to members and beneficiaries. Significant member-specific assumptions include pensionable earnings increases, mortality rates and patterns of early retirement. Each of these assumptions is updated periodically, based on a detailed review of the experience of the Primary Plan and on expectations for future trends. For the actuarial valuation as at December 31, 2025, the longevity assumption was updated to reflect higher life expectancy trends, informed by the most recent longevity improvement scale published by the Canadian Institute of Actuaries. AC's external actuaries have provided their opinion that the assumptions adopted are appropriate for valuing the Primary Plan's accrued pension obligation.

The assumed real rates of increase of pensionable earnings (i.e., increase in excess of the assumed long-term inflation rate) were last updated in 2023 to reflect recent experience of the Primary Plan and current expectations for future years. They are:

	2025 ⁽ⁱ⁾			
	NRA60 ⁽ⁱⁱ⁾		NRA65 ⁽ⁱⁱ⁾	
	Before 2029	After 2028	Before 2029	After 2028
Real rate of increase of pensionable earnings (weighted average of age related increases)	2.9%	1.9%	2.3%	1.3%
Rate of increase of pensionable earnings (assumed rate of long-term inflation plus real rate of increase of pensionable earnings)	4.9%	3.9%	4.3%	3.3%

(i) The 2025 rates remain unchanged from 2024.

(ii) Members with a Normal Retirement Age of 60 and 65 years of age respectively.

The following table provides the sensitivity of the accrued pension obligation to (i) changes in the nominal discount rate, and (ii) changes in the assumed real rate of increase of pensionable earnings. A 50 basis point change in these assumptions (with no change in other assumptions) would result in an approximate increase (decrease) in the value of the accrued pension obligation as follows:

As at December 31,	2025	2024
Nominal discount rate		
Decrease in assumption	\$ 11,100	\$ 10,300
Increase in assumption	(9,900)	(9,100)
Real rate of increase of pensionable earnings		
Decrease in assumption	(2,100)	(1,900)
Increase in assumption	2,200	2,000

The accrued pension obligation as at December 31, 2025 takes into account known changes in the Primary Plan membership up to October 31, 2025, actual inflationary increases to pension payments and deferred pension payments to be implemented as at January 1, 2026, and estimated pensionable earnings and credited service accruals in 2025.

Actuarial Value Adjustment

The change in the actuarial value adjustment is as follows:

For the year ended December 31,	2025	2024
Actuarial smoothing rate interest on beginning actuarial value adjustment ⁽ⁱ⁾	\$ (116)	\$ (263)
Current year returns (below) above the actuarial smoothing rate not recognized in the year ⁽ⁱ⁾	(2,434)	431
Prior years' returns (above) below the prior years' actuarial smoothing rates recognized in the year	(849)	1,795
Change in actuarial value adjustment	(3,399)	1,963
Actuarial value adjustment, beginning of year	(1,406)	(3,369)
Actuarial value adjustment, end of year	\$ (4,805)	\$ (1,406)

(i) The actuarial smoothing rate is 8.18% (2024: 7.83%).

The unrecognized net investment returns are presented in the table below by the initial year they were earned and by the years in which they are expected to be recognized from 2026 through 2029. These amounts accrete annually at the actuarial smoothing rate which is 8.02% for 2026. In the table below the amounts expected to be recognized are determined as if the smoothing rate remains unchanged through 2029.

Initial Year Earned	Actuarial Smoothing Rate in Effect for the Year	Actuarial Value Adjustment as at December 31, 2025	Unrecognized Excess of (Shortfall in) Investment Returns to be Recognized					Actuarial Value Adjustment as at December 31, 2024
			2026	2027	2028	2029		
2021	6.78 %	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,284	
2022	6.63 %	(755)	(815)	—	—	—	(1,395)	
2023	7.97 %	(1,966)	(1,062)	(1,147)	—	—	(2,726)	
2024	7.83 %	350	126	136	147	—	431	
2025	8.18 %	(2,434)	(657)	(710)	(767)	(828)	—	
		\$ (4,805)	\$ (2,408)	\$ (1,721)	\$ (620)	\$ (828)	\$ (1,406)	

As at December 31, 2025 and December 31, 2024 the constraint on the actuarial value adjustment described in Note 2 had no impact on the actuarial value adjustment.

Note 7

Retirement Compensation Arrangement

A summary of the financial statements for the RCA is as follows:

STATEMENT OF FINANCIAL POSITION

As at December 31,	2025	2024
Net Assets Available for Benefits	\$ 298	\$ 244
Accrued Pension Obligation and Deficit		
Accrued pension obligation	\$ 1,511	\$ 1,397
Deficit	(1,213)	(1,153)
Accrued Pension Obligation and Deficit	\$ 298	\$ 244

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31,	2025	2024
Total changes due to investment activities	\$ 25	\$ 30
Contributions	72	54
Benefits	(43)	(40)
Pension administration expenses	—	—
Total Increase	54	44
Net Assets Available for Benefits, Beginning of Year	244	200
Net Assets Available for Benefits, End of Year	\$ 298	\$ 244

The accrued pension obligation of the RCA incorporates distinct actuarial assumptions for pensionable earnings increases, mortality rates and retirement rates reflecting the recent experience of its membership and future expectations. The nominal discount rate used for the RCA as at December 31, 2025 is 3.10% (December 31, 2024: 3.10%), which reflects an expected long-term return on the long-term asset mix of the RCA, including the effect of the 50 per cent refundable tax.

The assumed real rates of increase of pensionable earnings (i.e., increase in excess of the assumed long-term inflation rate) were last updated in 2023 and are as follows:

	2025 ⁽ⁱ⁾	
	NRA60 ⁽ⁱⁱ⁾	NRA65 ⁽ⁱⁱ⁾
Real rate of increase of pensionable earnings (weighted average of age-related increases)	2.9%	2.3%
Rate of increase of pensionable earnings (assumed rate of long-term inflation plus real rate of increase of pensionable earnings)	4.9%	4.3%

(i) The 2025 rates remain unchanged from 2024.

(ii) Normal Retirement Age of 60 and 65 years of age respectively.

A 50 basis point change in these assumptions (with no change in other assumptions) would result in an approximate increase (decrease) in the value of the accrued pension obligation as follows:

As at December 31,	2025	2024
Nominal discount rate before reflecting the 50 per cent refundable tax		
Decrease in assumption	\$ 70	63
Increase in assumption	(65)	(59)
Real rate of increase of pensionable earnings		
Decrease in assumption	(91)	(81)
Increase in assumption	162	144

Note 8

Net Investment Income

The OMERS Pension Plans' net investment income by asset class is as follows:

For the year ended December 31,	2025						2024
	Investment Income	Net Gain on Net Investment Assets ⁽ⁱ⁾	Net Investment Income	Investment Income	Net Gain on Net Investment Assets ⁽ⁱ⁾	Net Investment Income	
Fixed Income							
Inflation-linked bonds	\$ 75	\$ 23	\$ 98	\$ 45	\$ 379	\$ 424	
Nominal bonds and debentures	784	(158)	626	644	599	1,243	
Private debt and mortgages ⁽ⁱⁱ⁾	788	44	832	856	521	1,377	
Total Fixed Income	1,647	(91)	1,556	1,545	1,499	3,044	
Equities							
Public Equities							
Canadian	75	334	409	44	281	325	
Non-Canadian	330	1,929	2,259	271	3,286	3,557	
Total Public Equities	405	2,263	2,668	315	3,567	3,882	
Private Equities	969	(932)	37	1,097	3,176	4,273	
Total Equities	1,374	1,331	2,705	1,412	6,743	8,155	
Real Assets							
Infrastructure investments	1,504	724	2,228	1,800	1,397	3,197	
Real Estate investments ⁽ⁱⁱⁱ⁾	626	550	1,176	597	(1,270)	(673)	
Total Real Assets	2,130	1,274	3,404	2,397	127	2,524	
Short-Term Instruments							
Cash and short-term deposits	213	7	220	583	114	697	
Derivatives	—	1,933	1,933	—	(1,563)	(1,563)	
Investment liabilities	(547)	(139)	(686)	(467)	(843)	(1,310)	
Net Investment Income	\$ 4,817	\$ 4,315	\$ 9,132	\$ 5,470	\$ 6,077	\$ 11,547	

(i) Includes net realized gains of \$672 (2024: \$667) from foreign exchange and sale of assets. Also includes transaction and pursuit costs of \$240 (2024: \$172) and external management performance and pooled fund fees of \$113 (2024: \$92).

(ii) Includes income from royalty agreements of \$299 (2024: \$337).

(iii) Net real estate investment income includes operating expenses (net of property management income) of \$140 (2024: \$137). The total audit costs were \$7 (2024: \$8).

Note 9

Investment Returns

AC investment returns are calculated using a time-weighted rate of return formula in accordance with industry standard methods, using the following principles:

- Returns are calculated as the percentage of applicable income to the fair value of the applicable net assets during the period.
- Fair value is determined as described in Note 2.
- Income is determined as described in Notes 2 and 8.
- The OMERS Primary Plan return includes all investments.

The percentage returns for the years ended December 31 are as follows:

For the year ended December 31,	2025	2024
OMERS Primary Plan		
Total Gross Return	6.59 %	8.90 %
Returns applicable to OMERS Return Agreements		
OMERS Infrastructure	6.68 %	9.47 %
Oxford Properties	4.03 %	(3.81)%

The above OMERS Primary Plan return and OMERS Infrastructure return are before the impact of external manager performance and pooled fund fees and before investment management expenses. The OMERS Primary Plan net return after all investment costs for the year ended December 31, 2025 was 6.0% (December 31, 2024: 8.3%).

Note 10

Contributions

For the year ended December 31,	2025	2024
Required contributions ⁽ⁱ⁾		
From employers	\$ 2,870	\$ 2,692
From members	2,870	2,692
	5,740	5,384
Other contributions		
Transfers from other pension plans	71	93
Past service contributions from employers	19	22
Past service contributions from members	80	98
AVC contributions received	68	70
	238	283
Total contributions ⁽ⁱⁱ⁾	\$ 5,978	\$ 5,667

(i) Contributions required by the OMERS Pension Plans are funded equally by employers and active members. For NRA 65 members, the 2025 contribution rate was 9.0% (2024: 9.0%) of earnings up to \$71,300 (2024: \$68,500) and 14.6% (2024: 14.6%) of earnings above that level. For NRA 60 members, the 2025 contribution rate was 9.2% (2024: 9.2%) of earnings up to \$71,300 (2024: \$68,500) and 15.8% (2024: 15.8%) of earnings above that level.

(ii) As at December 31, 2025, OMERS had 1,060 employers (December 31, 2024: 1,052). OMERS has a process which reconciles contributions for each employer on a member by member basis. This detailed process ensures that contributions are consistent with member information supplied by the employers.

Note 11

Benefits

For the year ended December 31,	2025	2024
Benefit payments		
Retirement benefits	\$ 6,153	\$ 5,851
Disability benefits	30	30
Death benefits	119	93
AVC withdrawals	101	90
Other lump sum payments	181	165
	6,584	6,229
Transfers		
Transfers to other pension plans	115	113
Transfers to other registered plans	218	202
	333	315
Total benefits	\$ 6,917	\$ 6,544

Note 12

Administrative Expenses

A. PENSION ADMINISTRATION EXPENSES

For the year ended December 31,	2025	2024
Salaries, incentives and benefits	\$ 86	\$ 83
Data and technology costs	30	27
Premises and equipment	6	6
Professional services ⁽ⁱ⁾	12	9
Travel and communication	6	5
Total Pension Administration Expenses	\$ 140	\$ 130

B. INVESTMENT EXPENSES

For the year ended December 31,	2025	2024
Salaries, incentives and benefits ⁽ⁱⁱ⁾	\$ 483	\$ 493
Data and technology costs	62	57
Premises and equipment	44	38
Professional services ⁽ⁱ⁾	46	37
Travel and communication	28	26
External management fees	57	45
Other net income	(1)	(13)
Total Investment Expenses	\$ 719	\$ 683

(i) Includes external audit costs of \$5 (2024: \$5).

(ii) Net of management fees of \$47 (2024: \$38) earned from portfolio investments.

Note 13

Related Party Disclosures

AC's related parties include employers whose employees are members of the Primary Plan, SC, key management personnel (defined below) and investment subsidiaries, joint ventures and associates.

AC enters into transactions, consisting primarily of investments and investment income, with subsidiaries, joint ventures and associates in the normal course of business. These transactions are measured at fair market value and will, therefore, have the same impact on Net Assets Available for Benefits and Net Investment Income as those investment transactions with unrelated parties.

Transactions with employers include the following through AC's investments in real estate and infrastructure:

- AC paid property taxes to employers of \$151 (2024: \$147), obtained development permits from employers of \$4 (2024: \$2) and paid utility payments to employers of \$50 (2024: \$35). The amounts of property taxes paid and services purchased were based on normal levies by the individual employers and were consistent with those that would be paid by an unrelated party. The utility payments made to employer entities were based on normal usage and rates that would be paid by an unrelated party.
- AC has entered into a lease arrangement with an agency of an employer. The terms of the lease are at fair market value and consistent with those that would be paid by an unrelated party.

Pursuant to its responsibilities under the OMERS Act, AC provides reimbursement of costs incurred by SC which AC believes may be lawfully paid (Reimbursement). Reimbursement is provided by AC only after receiving a formal request from SC and determining that such request is reasonably requested by SC to carry out SC's responsibilities. The total expenses reimbursed to SC were \$4 (2024: \$4). Pursuant to its responsibilities under the OMERS Act, AC also provides to SC information, advice, assistance and technical and administrative support at no cost to SC (Support). Support includes, among others, office space, data and technology, actuarial, accounting, member and stakeholder relations, human resources and communications services.

KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel consist of members of AC's Board of Directors and those senior executives responsible for planning and directing the activities of AC. Compensation of key management personnel is as follows:

For the year ended December 31,	2025	2024
Salaries, short-term employee benefits and termination benefits	\$ 18	\$ 15
Post-employment benefits	1	1
Other long-term benefits	18	13
Total	\$ 37	\$ 29

Other than the above, AC had no other transactions with key management personnel during the year.

Note 14

Capital

AC defines its capital as the funded status (deficit or surplus) of each of the OMERS Pension Plans. The funded status of the OMERS Pension Plans is discussed in Note 6 and Note 7.

AC's objective is to ensure that the Primary Plan's defined benefit component is funded sufficiently to address a variety of funding risks that could reasonably arise over the long term. AC aims to achieve this level of funding through managing investments; through setting the discount rate used in the actuarial valuation; and through assisting SC in its management of the Primary Plan's contribution rates and benefits.

Investments (Note 3), the use of derivatives (Note 3D) and leverage (Note 4) are based on asset mix and risk management policies and procedures. AC has a risk framework which describes overall risk-management governance and details the structure for categorizing risks to which the organization is exposed. This risk framework is inclusive of AC's risk appetite statements which help define the desired risk appetite with respect to relevant risk categories and determine the nature, types and degree of risk that AC is willing to assume through the articulation of qualitative statements and risk tolerances. This complements policies such as the Funding Policy, Statement of Investment Beliefs, Statement of Investment Authorities and Statement of Investment Policies & Procedures (SIP&P).

As the Primary Plan's administrator, AC has adopted a SIP&P for the Primary Plan, which sets investment objectives, guidelines and benchmarks used in investing the Primary Plan's assets, permitted categories of investments, asset-mix diversification and rate of return expectations. The SIP&P also establishes long-term strategic asset mix ranges and targets by asset class. The actual asset mix at December 31, 2025 was within the long-term asset mix ranges. The SIP&P was originally established in 1989 and is reviewed and approved annually by the Board. The SIP&P effective for the year ended December 31, 2025 was amended on December 12, 2024, with an effective date of January 1, 2025.

The funding target for the RCA is discussed in Note 1. The RCA investments are based on an asset mix and SIP&P separate from those of the Primary Plan. The RCA SIP&P was originally established in 2007 and is reviewed and approved annually by the Board. The SIP&P effective for the year ended December 31, 2025 was amended on December 12, 2024, with an effective date of January 1, 2025.

The Primary Plan's AVC component accrued pension obligation is based on AVC contributions and net investment rates of return of the defined benefit component of the Primary Plan; as such, it does not have a (deficit) surplus position.

The Supplemental Plan has no members, net assets or accrued pension obligations. The Supplemental Plan SIP&P effective for the year ended December 31, 2025 was amended on December 12, 2024, with an effective date of January 1, 2025.

Note 15

Segment Information

AC's reporting segments are the asset classes defined in the Primary Plan's SIP&P. Management uses the SIP&P asset classes to assess AC's investment diversification, risk management and performance.

A. INVESTMENTS AT FAIR VALUE BY SEGMENT

As at December 31,	2025	2024
Fixed Income		
Government Bonds	\$ 13,416	\$ 11,313
Public Credit	13,140	10,979
Private Credit	21,223	16,925
	47,779	39,217
Equities		
Public Equities	24,741	23,405
Private Equities	25,638	27,513
	50,379	50,918
Real Assets		
Infrastructure	32,516	31,542
Real Estate	22,026	18,656
	54,542	50,198
Cash and Funding	(5,584)	(214)
Total Investments	147,116	140,119
Reconciliation to Investments by asset class (note 3A)		
OMERS Return Agreements	1,648	2,085
RCA ⁽ⁱ⁾	180	147
Other	(168)	(305)
Net Investment Assets (note 3A)	\$ 148,776	\$ 142,046

(i) Excludes refundable tax account.

B. NET INVESTMENT INCOME BY SEGMENT

For the year ended December 31,	2025	2024
Fixed Income		
Government Bonds	\$ 413	\$ 264
Public Credit	696	820
Private Credit	1,522	1,856
	2,631	2,940
Equities		
Public Equities	3,460	4,595
Private Equities	(665)	2,323
	2,795	6,918
Real Assets		
Infrastructure	1,845	2,499
Real Estate	1,052	(936)
	2,897	1,563
Cash and Funding	(16)	(693)
	8,307	10,728
Less: Administered Funds	(117)	(151)
Total Primary Plan	8,190	10,577
Add: RCA	25	30
Other	(14)	—
Total Changes Due to Investment Activities	\$ 8,201	\$ 10,607

Note 16

Guarantees, Commitments and Contingencies

AC enters into guarantees, commitments and contingencies in the normal course of business.

Guarantees are provided to third parties with respect to certain investments. The maximum amount payable under guarantees, standby letters of credit and contingent amounts payable provided as part of investment transactions was \$1.9 billion as at December 31, 2025 (December 31, 2024: \$1.7 billion).

As at December 31, 2025, future financial commitments relating to the acquisition, development and refurbishment of investments include \$4.4 billion (December 31, 2024: \$2.3 billion) which is expected to be due within one year and \$6.7 billion (December 31, 2024: \$9.1 billion) which is expected to be due after one year. Future financial commitments relating to funds managed by third parties and private debt investments are \$6.4 billion (December 31, 2024: \$4.3 billion) and are payable on demand, subject to the terms and conditions of each agreement.

AC indemnifies its directors, officers, certain employees, its business units and certain others in connection with proceedings against them to the extent that these individuals are not covered under another arrangement. In addition, AC may in certain circumstances in the course of investment activities agree to indemnify a counterparty. Under the terms of such arrangements, AC may be required to compensate these parties for costs incurred as a result of various contingencies such as changes in laws and regulations or legal claims. The contingent nature of the liabilities in such agreements and the range of indemnification prevent AC from making a reasonable estimate of the maximum amount that would be required to pay such indemnifications.

As at December 31, 2025, AC was involved in certain litigation and claims. The outcome of such litigation and claims is inherently difficult to predict; however, in the opinion of Management, any liability that may arise from such contingencies would not have a material adverse effect on these Consolidated Financial Statements.



Sustainability-related Disclosures

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As a long-term investor, OMERS approach to sustainability is anchored in our objective to meet our financial obligations and fulfill the pension promise. Sustainability factors (often referred to as Environmental, Social, and Governance or “ESG” factors) may affect value, risk, and opportunity in our investments and in the broader business environment in which we operate. These considerations can influence performance across varying time horizons and are important to our stakeholders.

OMERS believes that well-run organizations with sound sustainability practices will perform better, particularly over the long term. We believe in the importance of integrating sustainability-related factors into our investment due diligence and asset management processes, and into the way we operate as an organization.



OMERS Sustainability-related Disclosures are the responsibility of Management. As part of our commitment to transparency and accountability, we continue to strengthen our sustainability reporting processes and practices. This includes progressing our disclosures towards closer alignment to the Canadian Sustainability Disclosure Standards (CSDS), comprising of CSDS 1 - *General Requirements for Disclosure of Sustainability-related Financial Information* (CSDS 1) and CSDS 2 - *Climate-related Disclosures* (CSDS 2), which are substantially aligned with the IFRS® Sustainability Disclosure Standards. By doing so, we aim to provide more comparable, consistent, and decision-useful sustainability-related disclosures for our stakeholders.

Our Sustainability-related Disclosures are organized around the key themes of **Governance, Strategy, Risk Management**, and **Metrics and Targets** that are foundational to sustainability reporting.

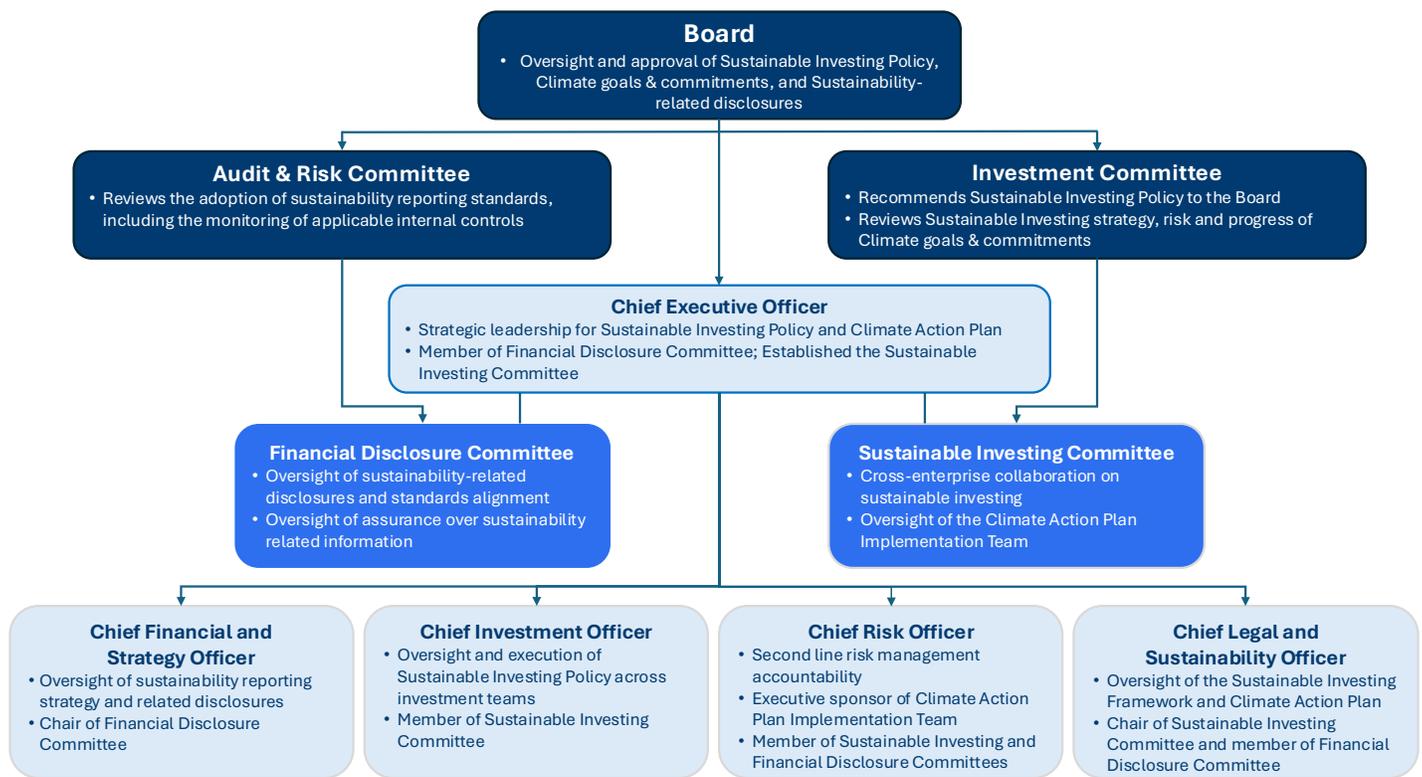
The AC Board of Directors (the Board) has reviewed and approved the contents of OMERS Sustainability-related Disclosures, as at February 23, 2026.

OMERS Sustainability-related Disclosures contain statements and other disclosures concerning OMERS-related sustainability matters. In making these statements and disclosures, OMERS has made various assumptions, including about technological, economic, scientific, and legal trends and developments, in light of an evolving policy and regulatory environment. Please refer to the Legal Notices on page 153 for a discussion of the factors, assumptions and risks relating to such statements and disclosures.

Governance

OMERS governs our sustainability-related matters through an established governance structure designed to support the long-term execution of our sustainable investing strategy. Oversight, management, and reporting of these matters are achieved through Board-level oversight, Board-approved policies and procedures, and coordinated execution across all levels of management.

This governance structure enables accountability and effective implementation of sustainability-related activities across the organization. The graphic below illustrates how our sustainability-related matters are governed and implemented across OMERS.



Board Oversight

Supported by the Investment Committee and Audit & Risk Committee, the Board provides strategic direction and oversight of sustainability-related matters as part of its mandate. The Board approves the Sustainable Investing Policy, the Climate Action Plan and its related goals, key sustainability-related disclosures, as well as related policies such as the Statement of Investment Beliefs and the Statement of Investment Policies and Procedures.

Board members stay engaged through regular reporting and education on sustainability-related topics, delivered by both internal and external experts. New Board member orientation includes coverage of these topics.

Management's Responsibilities

Our Sustainable Investing Committee (SIC), established by the President and Chief Executive Officer, provides strategic leadership for implementing the Sustainable Investing Policy. Acting as a cross-enterprise forum, the SIC brings together leaders from across OMERS to advance our goals and objectives under the Sustainability Investing Framework (SI Framework). This framework unifies key sustainability-related policies and procedures, including the Sustainable Investing Policy, the Sustainable Investing Guidelines, the Climate Action Plan, and the Investment Exclusion Procedures.

Our Chief Investment Officer and Chief Legal and Sustainability Officer are jointly accountable for overseeing the implementation and execution of the Sustainable Investing Policy. The Chief Legal and Sustainability Officer chairs the SIC, which brings together the Chief Investment Officer alongside representatives from investment groups and key functions including risk, finance, legal, human resources, and communications. Through this forum, the SIC facilitates discussion on sustainable investing topics, shares emerging industry practices, and builds enterprise-wide knowledge and expertise. It also approves Sustainable Investing-related guidelines and procedures.

Management leads day-to-day execution of the SI Framework, integrating sustainability factors into investment due diligence, engaging with

portfolio companies, and managing investments in alignment with OMERS goals and commitments. To support this, business leaders across the organization partner with the Sustainable Investing team who supports a coordinated implementation of OMERS sustainability considerations across investment activities and processes.

To advance the portfolio-related climate ambitions set out in the Climate Action Plan, OMERS established the Climate Action Plan Implementation Team, sponsored by the Chief Risk Officer. This cross functional team includes representatives from investment teams, sustainable investing, risk, finance, and economic research.

The Financial Disclosure Committee, chaired by our Chief Financial and Strategy Officer, plays a central role in overseeing OMERS key sustainability-related disclosures. The Finance team is responsible for preparing the sustainability-related reporting included in this Annual Report and related internal controls. Key controls are tested annually by our Internal Audit team.

OMERS links incentive compensation to the effective application of the SI Framework. Senior leader performance evaluations, including those of the Chief Executive Officer, Chief Investment Officer, and other investment executives, incorporate sustainability considerations and contributions towards our climate goals.



Strategy

OMERS approach to managing sustainability-related risks and opportunities across our investment portfolio and operations is anchored in our **SI Framework, Climate Action Plan** and, with respect to our own operations, our **Enterprise Sustainability Program**, each described below.

Sustainable Investing Framework

Our SI Framework has been developed around three guiding pillars - *Integration, Collaboration, and Engagement*. Our approach is also aligned with the Canadian Coalition for Good Governance Stewardship Principles, which we support as a signatory. These principles inform our actions in areas such as proxy voting, portfolio monitoring and engagement.

Integration

We integrate sustainability factors, where relevant and material, into our investment due diligence, decision-making processes, and asset management practices. Our investment and asset management teams assess these factors through processes tailored to the applicable asset class and investment strategy to better understand potential and actual investment performance impact.

Collaboration

We collaborate with like-minded institutions to advocate for stronger sustainability practices aimed at improving the overall sustainable finance ecosystem, which we believe can enhance our ability to make sound investment decisions. Collaboration can amplify our voice and potentially our impact. Examples of organizations we partner with include:



In 2025, we contributed to the Investor Leadership Network's publication outlining a strategic framework for collaborative decarbonization and advanced physical climate risk assessment methodologies and the development of a Climate Data Vendor Evaluation Tool. We also contributed to the Institutional Investors Group on Climate Change's Adaptation and Resilience Working Group, providing input on the Climate Resilience Investment Framework and Physical Climate Risk Appraisal Methodology 2.0. As a member of the Canadian Chapter of the Accounting for Sustainability (A4S) CFO Leadership Network, we participated in initiatives aimed at developing a deeper understanding of challenges and opportunities in deploying and scaling transition finance for high-emitting assets and sectors of the economy. We also contributed to the development of the A4S Transition Finance Playbook, a practical guide for financial institutions on supporting the transition to a net-zero economy.

Our advocacy work includes promoting the adoption of CSDS1 and CSDS 2 in Canada, as well as IFRS S1 and IFRS S2 internationally, to establish a clear global baseline for sustainability reporting and enhance reporting consistency across companies and jurisdictions. For a global investor like OMERS, we believe that more harmonized global standards enable us to make better investment decisions across multiple jurisdictions. OMERS responses to consultations with regulators and standard setters can be found on [omers.com](https://www.omers.com).

Engagement

We actively engage with our investee companies and other stakeholders to promote sustainable business practices and a long-term mindset. The manner in which we engage reflects our investment strategy, and level of control and influence.

Direct Company Engagement

Through active asset management and direct engagement, our teams regularly engage on material sustainability topics with companies and direct investments in our portfolio. Examples of our direct engagement include:

- We partnered with Modigent - a leader in HVAC, plumbing, and controls systems - to expand key aspects of Modigent's energy services including energy optimization, retrofitting and upgrades, and energy management, across the markets they serve.
- Gastro Health, a network of Gastroenterology Clinics across the United States, partnered with OMERS Private Equity in their effort to improve access to quality healthcare in the communities in which they operate.
- As the initial step in Aalto57 (a residential asset in Midtown Manhattan) decarbonization process, Oxford Properties focused on operational carbon emissions reduction in partnership with a specialist in

HVAC optimization. Proprietary software was implemented to continuously monitor and remotely adjust HVAC operations in real time enabling the team to set baselines, track progress, and identify further opportunities for optimization.

- We supported two infrastructure portfolio companies, Direct ChassisLink Inc. and Bruce Power, as they undertook materiality assessments this year to canvas a broad range of stakeholders, including local communities, customers, employees, and suppliers on their sustainability priorities.

Collaborative Engagement

To amplify our voice, we engage alongside other investors through collaborative platforms. Examples include: as a member of the Canadian Coalition for Good Governance, our Chief Legal and Sustainability Officer sits on the Board and is Chair of the Finance & Audit Committee. In this capacity, we participate in conversations with Canadian company boards on material sustainability topics. We are part of several climate-specific engagement initiatives such as Climate Action 100+ and Climate Engagement Canada. As a founding member of Climate Engagement Canada, OMERS contributes to the dialogue between the financial community and Canadian corporations regarding the transition to a net zero economy. Our VP, Sustainable Investing Chairs the Climate Engagement Canada's Industry Leaders Advisory Panel. Through these organizations and others, we have engaged with more than 200 companies on their climate transition plans, as well as broader sustainability topics based on materiality and relevance. Details regarding collaborative engagement progress can be found on the respective websites of Canadian Coalition for Good Governance, Climate Engagement Canada, and Climate Action 100+.

Proxy Voting

OMERS exercises its ownership rights in listed companies by voting proxies in a manner that seeks to optimize the long-term value of our investments. Our Proxy Voting Guidelines outline our approach to voting on climate change and GHG emissions-related proposals as well as other relevant sustainability topics.

While we generally support initiatives that encourage enhanced sustainability disclosures, there are circumstances where we may vote against such proposals. Examples include: (i) when we have an ongoing, meaningful dialogue with management on the issue, or (ii) when the structure of the proposal is unrealistic, lacks sufficient detail on the climate-related item being voted on, or detracts from shareholder value.

In 2025, we:

- Voted on 19,875 items at 2,074 shareholder meetings.
- Cast 256 votes on sustainability-related proposals, which included: 63 votes related to climate, 23 votes related to other environmental issues, and 170 votes related to social issues¹.
- Voted against 557 directors at companies with board gender diversity below 30%.

Our proxy voting record and guidelines can be found on omers.com.



Investment Exclusions

We recognize that restricting investments in entire industries or sectors limits the range of available investment opportunities and portfolio diversification. Accordingly, the criteria for any such exclusion must be stringent. Generally, our preferred approach is engagement rather than divestment. However, we may assess specific industries or sectors against sustainability factors to determine whether to exclude them from our investment portfolios. We have developed a risk-based, principled framework to determine these exceptional circumstances including international conventions and treaties where relevant.

Currently we exclude investments in entities engaged in the manufacturing of civilian firearms, anti-personnel landmines, cluster munitions, tobacco and those with more than 25% of aggregate revenue from thermal coal.

¹ These figures include anti-ESG proposals.

OMERS Climate Action Plan

Our Climate Action Plan is a key element of our SI Framework articulating how we aim to achieve our climate-related goals in recognition of the global transition toward a lower-carbon economy. We launched our Climate Action Plan in 2023 in support of our net zero by 2050 ambition, with the aim of reducing carbon emissions across our portfolio and operations in a prudent and thoughtful manner, mindful of our fiduciary obligations. While we recognize that macroeconomic and geopolitical conditions have continued to evolve since its launch, we have remained focused on advancing its implementation.

In 2025, our progress included:

- Deepening our understanding of the impact of physical climate risk on our portfolio.
- Engaging with investee companies and other stakeholders in transition planning.
- Evaluating climate scenario analysis models for their usefulness in capital allocation decisions.

The global transition to net zero is expected to be non-linear, which impacts the associated risks and opportunities. As pathways toward a lower-carbon economy continue to evolve across regions and sectors, we remain focused on the risks and opportunities climate change continues to pose to our investments, including the role we can play in supporting the transition through real-world decarbonization. Our ambition is consistent with the global goal of limiting the increase in the Earth's average temperature to 1.5°C above pre-industrial levels, to mitigate the worst impacts of climate change. We also acknowledge that we have a role to play in collaboration with governments, business, and civil society as a member of the global community that is working towards this shared goal.

We continue to monitor our climate-related progress across our portfolio within the context of the global energy transition. This includes working with portfolio companies on their decarbonization plans and making investments, although not exclusively, in certain green, low climate impact, and transition-enabling companies.

Transition Sleeve

In 2023, we introduced a transition sleeve that can include up to \$3 billion of new investments in high-carbon assets that are pursuing decarbonization with transition plans that are aligned to a net zero 2050 pathway. These investments aim to deliver real-world emissions reductions, both directly and indirectly, but whose near-term trajectories may not align with our interim reduction goals. Our methodology for defining the transition sleeve criteria draws on key frameworks from the Climate Bond Initiative, Glasgow Financial Alliance on Net Zero, and insights from peer practices.

In 2025, we approved our first transition sleeve investment - a fund focused on helping enable the energy transition in emerging markets. We continue to actively evaluate opportunities as they arise. Carbon-related metrics for the transition sleeve are tracked separately and excluded from our portfolio carbon footprint.

Climate Scenario Analysis

We recognize that climate change is manifesting in different ways, in different markets and across various time horizons. To address these dynamics, we incorporate climate scenario analysis into our strategic asset allocation process, which is determined through a triennial Asset Liability Study.

We have been conducting top-down climate scenario analysis² since 2019 using the capabilities of a third-party provider. Insights from these scenarios, combined with other analyses, inform our strategic asset allocation. Going forward, we will perform our climate scenario analysis concurrent to our periodic Asset Liability Study, which sets our refreshed strategic asset allocation. Candidate asset mixes will be stress-tested against multiple plausible climate scenarios, assessing transition and physical risks. Each scenario estimates impacts on macroeconomic variables (such as GDP growth and inflation), asset classes, and major regions and sectors.

Beyond top-down analysis, we also evaluate physical climate risks at the asset level for our private investments under multiple scenarios. Please refer to the Risk Management section for details.

As the use of climate scenario analysis for investors like OMERS is evolving, we will continue to refine our approach.

Enterprise Sustainability

OMERS Enterprise Sustainability Program refers to our approach to sustainability within our internal operations, versus our investment portfolio. This Program is focused on the material areas of our business where we can make the greatest impact. We have targeted key sustainability topics within this program to focus on:

- **People:** Employee engagement, retention and attraction; inclusion & diversity; learning and development; health, safety and wellbeing.
- **Business Conduct:** Responsible business practices, measuring our operational emissions and considering their impact on our net zero commitment outlined in our Climate Action Plan, and implementing responsible procurement considerations.
- **Communities:** The impact on our communities, including pension benefits to members and employee volunteering.
- **Communication and Reporting:** A commitment to engage with stakeholders on our sustainability activities and disclose our progress in our annual report.

² This analysis is based on proxies reflective of our broad sector, region and asset class exposure as of December 31, 2023. A bottom-up analysis based on our actual assets could lead to a materially different result. Results from our top-down analysis will change as the portfolio evolves, scenarios evolve, and new data or measuring techniques becomes available. These scenarios are based on estimated economic impacts of climate change but do not include the impact of population migration, geopolitical events or climate tipping points. Scenarios are not forecasts (they do not mean to predict future outcomes); rather they are projections designed to build an understanding of the nature and size of changes that may occur in the future. Predicting climate change and quantifying its impacts on our portfolio is inherently complex and the practice of climate change scenario analysis has limitations that are sensitive to key assumptions and parameters, which are themselves subject to uncertainty. There is a high margin of error.

Risk Management

OMERS integrates sustainability and climate risk into Plan-level risk management processes, policies, and approaches. Company-specific sustainability-related risks can impact OMERS ability to meet our return targets. OMERS manages these risks primarily through investment teams, guided by their respective established procedures.

Climate risk is recognized as an Investment Risk in our Enterprise Risk Appetite Statement and Investment Risk Policy. Related metrics are included in our Investment Risk Reports presented to the Investment Committee of the Board, supporting our identification, assessment, and management of both physical and transition related risks.

OMERS defines climate risk as the risk of adverse impact on asset values or performance resulting from the systemic manifestations of climate change encompassing both physical impacts and the transition to a low-carbon economy. As a globally diversified investor, we recognize that climate change poses systemic risks that vary across sectors and regions. Our focus is on understanding our climate-related exposures and embedding climate considerations throughout our decision-making processes, in alignment with our Sustainable Investing Policy and Climate Action Plan. Because climate-risk assessment tools continue to evolve, we are continually evolving our risk management practices to strengthen our resilience over the long term.

In 2025, we refreshed our annual transition risk assessment³ using a suite of metrics including sector-based carbon intensity benchmarking, peer and index benchmarking, and internal carbon price sensitivity.

We continue to advance physical climate risk assessments by building out our custom physical risk heatmap⁴ to assess climate exposures. In addition, we are engaging consultants and select portfolio companies with deep expertise on the topic to advise on vulnerability and resilience measures across our private asset portfolios.

Our custom physical risk heatmap covers a subset of our infrastructure, real estate and private equity portfolios (excluding cash, fixed income, public equity). For these in-scope assets, the heatmap includes location data for over 7,000 locations, representing approximately 90% of our total private asset portfolio (subject to data availability). It assesses our exposure to six different physical hazards - wildfire, flood, hurricane, heatwave, sea level rise, and water stress - across different time horizons (15 and 30 years) and global warming pathways (Representative Concentration Pathway (RCP) 4.5 and RCP 8.5). These insights, sourced from a third-party provider, inform due diligence, asset management, and engagement with portfolio companies on adaptation planning.

³ These metrics do not cover the full spectrum of all potential transition-related risks. Other risks could arise from technological changes, policy changes, litigation, market risks, reputational risks or others which have not been explicitly measured.

⁴ Our physical risk tool is designed to function as a high-level, top-down portfolio screening mechanism. The physical risk tool includes a subset of assets and hazards. Assets and hazards excluded from the modelling process may exhibit significantly different risk profiles. There may be false positives or false negatives. Additionally, while hazards are identified, their quantified impacts are not assessed, as these depend on an asset's inherent vulnerability, sensitivity, adaptive capacity, mitigation and preparedness. Significant physical climate risk may occur within value chains, as a result of population migration or conflicts which have not been considered. Future conditions may diverge materially from the scenarios modelled. Although the assessment leverages a reputable third-party vendor, the field of physical risk modelling remains dynamic and imprecise and different vendors may have materially different modelling approaches. Emerging methodologies, evolving data, and alternative modelling techniques could yield different insights on portfolio risks in the future.

Below are examples of how we are diving deeper into our physical climate risk assessments across the portfolio:

- All of Oxford's managed properties completed a physical climate risk vulnerability assessment. This work enables Oxford to identify assets where adaptation measures may be beneficial and to strengthen resilience across the portfolio.
- We collaborated with our portfolio companies and a third-party expert to conduct a physical climate risk vulnerability and preparedness assessment of our infrastructure portfolio in 2025, including the development of a playbook for investment due diligence and asset management. This provides us with insights to identify, anticipate and manage physical climate risk throughout the investment lifecycle.



Metrics and Targets

Our Climate Action Plan sets out clear, measurable goals anchored across three core areas:

1. **Carbon-related Metrics:** Reduce our portfolio carbon intensity by 20% by 2025 and 50% by 2030 from our 2019 baseline, as we progress towards our target to achieve net zero GHG emissions⁵ across both our portfolio and operations by 2050.
2. **Green Investments:** Grow our green investments to \$30 billion by 2030.
3. **Portfolio Alignment:** Engage with the top 20 weighted average carbon intensity (WACI) contributing portfolio companies with the expectation that they have credible net zero transition plans in place by 2030.

Carbon-related Metrics

To track our progress in achieving our target of net zero GHG emissions in our portfolio and operations by 2050, we report GHG emissions across three categories - Scope 1, Scope 2, and the most significant categories within our Scope 3 emissions.

	Scope 1	Scope 2	Scope 3
Definition	Direct GHG emissions from sources owned or controlled by the OMERS.	Indirect GHG emissions from the generation of purchased electricity, steam, heating, or cooling consumed by OMERS.	All other indirect GHG emissions that occur across the OMERS upstream and downstream value chain.
OMERS Sources	On-site building heating where OMERS has operational control.	Purchase of electricity, steam, and chilled water.	Key sources include: Business Travel (Category 6) Investments (Category 15)
	Corporate		Portfolio

OMERS emissions are classified between:

- **Portfolio Carbon Footprint:** Includes Scope 3 (Category 15) indirect emissions from OMERS investments and accounts for over 99% of OMERS total absolute emissions; and
- **Corporate Carbon Footprint:** Includes Scope 1, Scope 2, and Scope 3 (Category 6) relating to business travel and accounts for less than 1% of OMERS total absolute emissions.

Separate from portfolio carbon footprint, OMERS also reports sovereign bond emissions as per the guidance from the Partnership for Carbon Accounting Financials (PCAF) Standard. See Sovereign Bond Emissions on page 117.

⁵ GHG emissions is used interchangeably with carbon emissions throughout the document. Please refer to our Climate Action Plan for further details.

The table below outlines OMERS total Absolute Emissions (tCO₂e) by scope for the years ended 2025 and 2024 (where available):

As at December 31,		2025 ⁶	2024
	Scope 1 (On-site building heating where OMERS has operational control)	693	599
Corporate	Scope 2 (Purchase of electricity, steam, and chilled water) ⁷	1,110	882
	Scope 3 - Category 6 (Business Travel)	6,467	7,290
Portfolio	Scope 3 - Category 15 (Investments) ⁸	Not available ⁹	2,704,289

Portfolio Carbon Footprint

We compute our annual Portfolio Carbon Footprint as informed by the GHG Protocol, as well as the recommendations and guidance of and the PCAF.

We monitor and report our Portfolio Carbon Footprint using three key carbon metrics: WACI, Absolute Emissions, and Carbon Footprint (collectively, the "Portfolio Carbon Metrics"), which are each defined in the table below. These metrics serve different purposes and provide complementary information on portfolio emissions performance and transition progress. WACI and Carbon Footprint support comparability across asset classes, while Absolute Emissions provide insight into overall emissions levels across the portfolio. WACI is the metric we use for our interim goal setting.

Portfolio Carbon Metrics

Definition	Absolute Emissions represent the share of a portfolio company's Scope 1 and 2 emissions attributed to OMERS based on our ownership.	Carbon Footprint represents OMERS absolute emissions divided by the total in-scope portfolio exposure.	WACI measures the portfolio's carbon efficiency by considering each investment asset's total Scope 1 and 2 emissions relative to its revenue and its weight in the portfolio.
Unit of Measurement	tCO ₂ e Tonnes carbon dioxide equivalent	tCO ₂ e/\$M Invested Tonnes carbon dioxide equivalent per million dollars invested	tCO ₂ e/\$M Revenue Tonnes carbon dioxide equivalent per million dollars revenue

⁶ PricewaterhouseCoopers LLP provided limited assurance on select metrics.

⁷ Emissions are reported on a location-based basis.

⁸ Portfolio emissions are based on portfolio company disclosures, which do not consistently distinguish between location-based and market-based emissions. As a result, reported portfolio emissions may include a combination of both, to the extent to which portfolio companies report location-based and/or market-based emissions, and the type of emissions OMERS includes in its calculations.

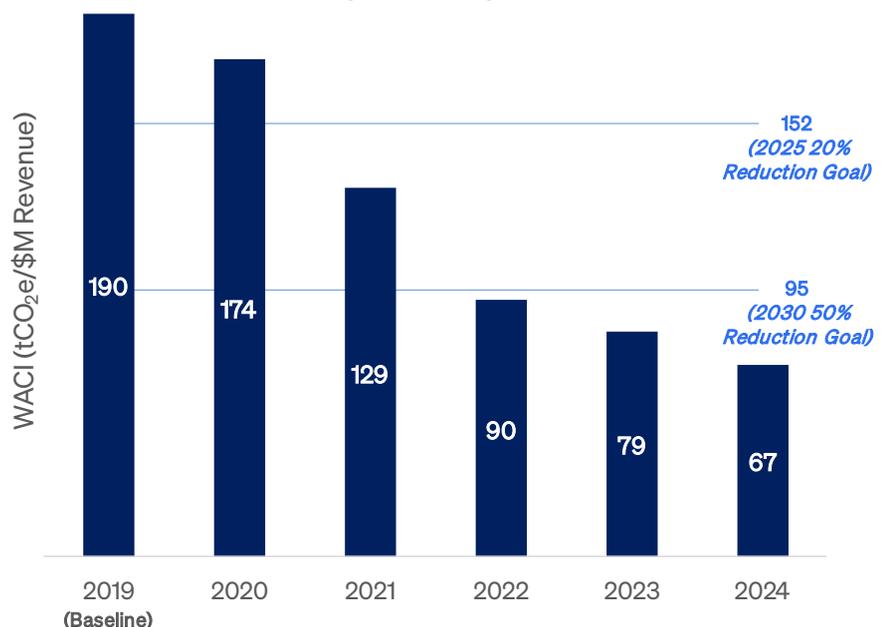
⁹ Portfolio carbon footprint metrics are reported on a one-year lag. Due to different reporting timelines for carbon data, companies typically provide this data on a 6-month lag relative to their financial data. Many companies also do not report this data, necessitating estimation. These metrics are calculated based on investment assets held as at the prior year-end (e.g., December 31, 2024, for this 2025 Annual Report) and the latest reported company emissions data. Where company data is not available, we use estimated data to calculate relevant metrics.

OMERS Portfolio Carbon Metrics are as follows:

As at December 31,	2024 ¹⁰	2023	2019 (Baseline)
Absolute Emissions (tCO ₂ e)	2,704,289	3,132,627	4,586,547
Carbon Footprint (tCO ₂ e/\$M Invested)	23	28	57
WACI (tCO ₂ e/\$M Revenue)	67	79	190

Consistent with prior years, we engaged PricewaterhouseCoopers LLP, an independent third party, to perform a limited assurance engagement on the Portfolio Carbon Metrics presented in the previous table. This year's limited assurance report follows OMERS Sustainability-related Disclosures in this Annual Report, and limited assurance reports for prior years are available in previous OMERS annual reports.

For the year ended December 31, 2024, our WACI was 67 tCO₂e/\$M Revenue, representing a 65% reduction from our 2019 baseline. The year-over-year WACI trend since 2019 is illustrated in the graph below:



65%
Reduction
of 2024 WACI to
2019 Baseline

While we are encouraged by the portfolio's intensity reduction to date, it is important to note that WACI is a snapshot in time measurement that can vary year-to-year, up or down, influenced by factors such as asset valuations and changes in business revenues. Overall, the decrease in our portfolio's carbon intensity to date reflects, at least in part, the strategic reallocation of capital from higher-emitting to lower-emitting assets and the reduction in emissions intensity across several carbon-intensive assets.

As at December 31, 2024, OMERS Net Investment Exposure for our total investment portfolio was \$140 billion, of which \$130 billion¹¹ are in-scope for our Portfolio Carbon Metrics (December 31, 2023: \$116 billion). In-scope assets include equities, fixed income, and real assets. Approximately 91% of

¹⁰ PricewaterhouseCoopers LLP provided limited assurance on select metrics.

¹¹ This is not equal to OMERS total net assets as not all financial instruments are in scope for portfolio carbon footprinting. This value specifically includes OMERS long only economic exposure where carbon footprinting methodologies are well established and understood and position level transparency is available. This exposure includes the notional value of equity derivatives. The following instruments and investment types are not in scope: cash, short-term notes, currency instruments, short positions, interest rate swaps, credit default swaps, equity futures, equity rights/warrants, commodities, collateralized loan obligations, royalties, government securities, exchange-traded funds and, externally managed funds (where look through data is not available). Investments in our transition sleeve are also out of scope.

these in-scope assets (or \$118 billion) are covered by our Portfolio Carbon Metrics, based on available emissions and financial data.

OMERS Portfolio Climate Metrics by equities, fixed income, and real assets are as follows:

As at December 31,	2024				2023			
	Equities	Fixed Income	Real Assets	Total Portfolio	Equities	Fixed Income	Real Assets	Total Portfolio
Value of In-Scope Exposure Analyzed (\$M)	49,658	17,226	51,352	118,236	47,058	13,763	49,644	110,465
Absolute Emissions (tCO ₂ e)	1,172,003	560,132	972,154	2,704,289	1,583,655	496,951	1,052,021	3,132,627
Carbon Footprint (tCO ₂ e/\$M Invested)	24	33	19	23	34	36	21	28
WACI (tCO ₂ e/\$M Revenue)	62	60	73	67	72	85	83	79
Company-Reported Emissions (% of Exposure)	76%	30%	88%	74%	69%	35%	83%	71%
Estimated Emissions (% of Exposure)	24%	70%	12%	26%	31%	65%	17%	29%

Company-reported emissions are emissions data directly reported by the company, versus estimates which can be less reliable. The percentage of company reported versus estimated emissions data (based on market values as of December 31, 2024) has increased overall compared to the prior year driven by increased availability of reported data from our equities and real assets portfolio companies.

Methodology: OMERS internal methodology outlines the approach used for our portfolio carbon footprinting exercise. Our approach is refined each year, in response to evolving guidance and market practices for carbon-related reporting. Key aspects of our methodology are as follows:

- Portfolio carbon footprint metrics are calculated based on investment assets held as at the prior year end (e.g., December 31st, 2024 for this 2025 Annual Report). Data is reported on a one-year lag given that company emissions data is typically released after, and separately from, the corporate annual report.
- Our approach is informed by the GHG Protocol, as well as guidance from PCAF. For portfolio carbon footprint attribution, we use the standard enterprise value (EV) metric rather than the enterprise value including cash (EVIC) metric recommended by PCAF, across all in-scope asset classes except in our physical real estate portfolio. This EV approach remains consistent with PCAF's attribution principle, which states that financial institutions should account for both the equity and debt share in a company when measuring absolute emissions. For our physical real estate portfolio, we use the property's total fair market value as the basis of our attribution calculation.
- We calculate OMERS share of an asset's absolute Scope 1 and Scope 2 emissions based on our proportionate ownership of the asset's EV. For physical real estate assets, we take 100% of landlord Scope 1 and Scope 2 emissions.
- We include only Scope 1 and Scope 2 emissions in our portfolio carbon footprint calculations.
- We separately track whether portfolio companies have reported Scope 3 emissions due to the limited disclosure of this information. Approximately 50% of the companies in our in-scope portfolio by economic exposure are disclosing at least one category of Scope 3 emissions (up from

47% last year). We continue to advocate that companies disclose material Scope 3 emissions as this is a key element to conducting climate risk assessments.

- We use company reported emissions data where it is available, otherwise we use estimates. For private assets, we estimate emissions using public proxies whenever available, and in cases where they are not available, we apply Global Industry Classification Standard sub-industry average emission intensities (from MSCI) to approximate emissions. For public companies we use estimated emissions provided by MSCI.
- For OMERS 2024 reporting, we incorporated emissions data for a subset of externally managed private credit investments where reliable portfolio-level information became available. These investments were previously excluded due to data limitations. Management assessed the historical impact of their inclusion on OMERS Portfolio Carbon Metrics and concluded that the effect was immaterial.

Corporate Carbon Footprint

As part of our commitment to include our internal operations in our net zero by 2050 ambition and now part of our Enterprise Sustainability Program, OMERS began measuring and reporting our corporate footprint in 2023. This included accounting for the GHG emissions scopes described below for all of OMERS corporate operations globally. Our corporate footprint is approximately 0.3% the size of our Portfolio Carbon Footprint.

OMERS Corporate Carbon Footprint is comprised of Scope 1 and Scope 2 emissions, and our indirect value chain emissions (Scope 3) from business travel.

Methodology: The following is a summary of our Corporate Carbon Footprinting methodology:

- Our organizational boundary is defined using the operational control approach under the GHG Protocol and includes all assets owned or leased by OMERS corporate functions. This includes corporate OMERS and Oxford employees.
- Our operational emissions inventory is aligned to the GHG Protocol Corporate Accounting and Reporting Standard.
- Given the global nature of our operations, we source emissions factors from reputable and jurisdiction-appropriate sources such as National Inventory Report, Energy Star, and other authoritative datasets.
- Where data gaps or time lag exists, we adopt estimation methodologies that are consistent with the GHG Protocol guidance.
- As emissions measurement methodologies become increasingly standardized and data availability improves, we expect to refine historical emissions to enhance accuracy and comparability over time.

Sovereign Bond Emissions

Sovereign bonds are debt securities issued by national governments and represent a component of OMERS government bonds asset class within the Fixed Income portfolio.

During 2025, OMERS calculated the emission intensity of its sovereign bonds in accordance with methodology prescribed by the PCAF. This approach attributes a portion of a country's annual GHG emissions to our sovereign bond investment for that country. The calculation is based on our investment's share of a country's purchasing power parity-adjusted economic output, or "PPP-adjusted Gross Domestic Product (GDP)", providing a more comparable measure of real-economy impact across

different countries. This allows us to report our sovereign bond emissions intensity in tonnes of CO₂ equivalent per million dollars invested (tCO₂e/\$M). We believe this disclosure enhances transparency and provides a more complete understanding of our portfolio's overall climate profile.

As the methodology for determining sovereign bond emissions is predicated on a country's GDP - a macroeconomic factor fundamentally different from the company-level metrics used for portfolio investments - sovereign emissions cannot be meaningfully combined with our other financed emissions. We report sovereign bond emissions separately from our portfolio carbon footprint (in line with PCAF requirements), as well as separate from our net zero targets.

The table below outlines OMERS sovereign bond emissions (tCO₂e/ \$ million invested):

As at December 31,	2024	2023
Sovereign Bond Emissions Intensity (tCO ₂ e/ \$M Invested)	176	201

Methodology: Using a production-based method in accordance with PCAF, national emissions (excluding emissions from Land Use, Land-Use Change, and Forestry) are allocated based on OMERS share of each country's sovereign debt and reported as an intensity metric relative to its exposure based on PPP-adjusted Gross Domestic Product (GDP). Certain instruments, including sub-sovereign and municipal debt, supranational bonds, and short-term positions, are excluded.

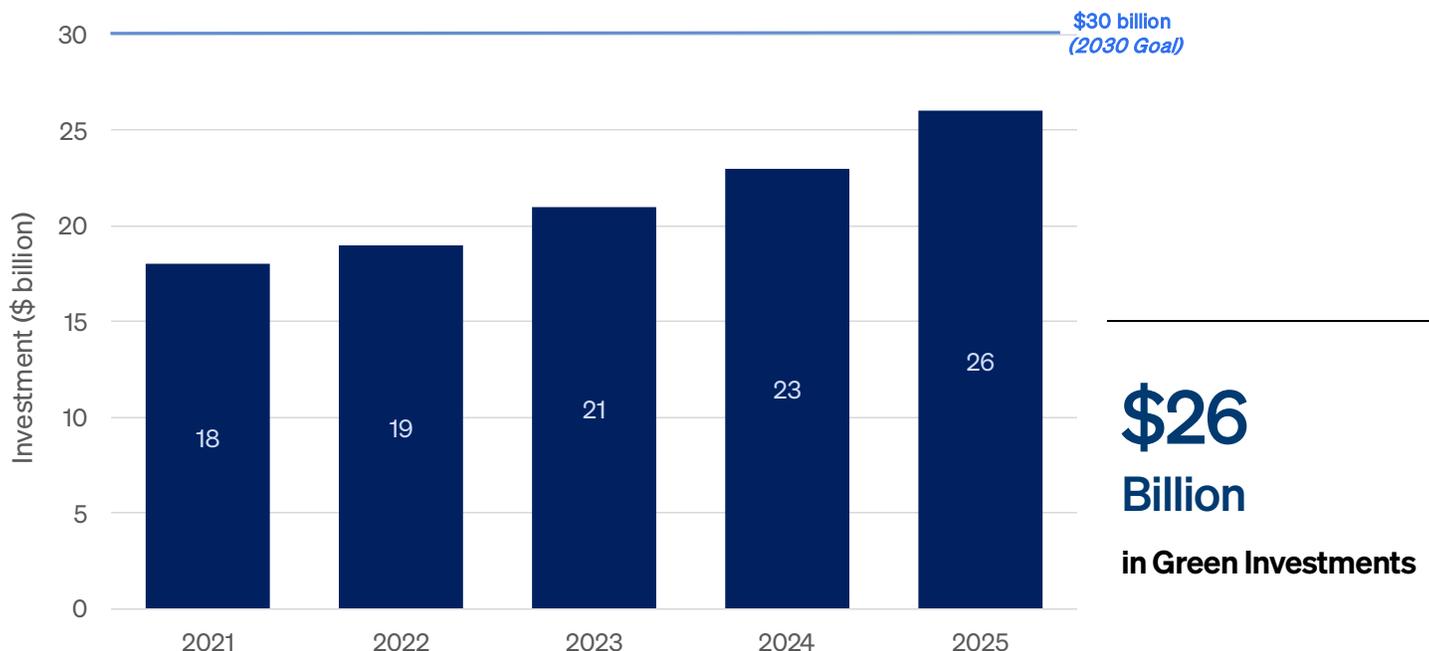
As industry practices for measuring sovereign emissions continue to evolve, OMERS will regularly review and refine its methodology to reflect emerging industry standards.

Green Investments and Climate Taxonomy

Green Investments

OMERS Climate Action Plan sets out a goal to grow our green investments to \$30 billion by 2030. Our approach to classifying investments as "green", and therefore eligible towards this goal, is informed by the International Capital Market Association's Green Bond Principles.

As at December 31, 2025, green investments totaled \$26 billion (December 31, 2024: \$23 billion) and include green buildings, renewable and low-carbon energy, and energy efficiency assets. This represents an \$8 billion increase since 2021, our first year of reporting. The year-over-year green investment growth is illustrated in the graph below:



OMERS Climate Taxonomy

When we set the goal to grow our green investments in the Climate Action Plan, we noted our intention to continue to review the market's evolving definition of "green" as sustainable finance taxonomies are defined. Taxonomies remain fragmented globally and are not entirely well suited for application to an investment portfolio. For example, most existing taxonomies are focused exclusively on "green" activities, ignoring the full spectrum of sectors in the economy that have climate-related attributes relevant to a global, diversified portfolio.

To address these challenges, OMERS has developed a bespoke, purpose-built classification system, OMERS Climate Taxonomy, to assess our portfolio exposure through a climate lens, driven by the sector attributes and primary business activities of an investment. Assessing climate risk and opportunity does not lend itself to a "one-size-fits-all" approach across all sectors and business activities in our portfolio. Our Climate Taxonomy allows us to tailor our approach based on the different climate attributes of each category. In shaping our approach, we drew on external taxonomies and standards, including the International Capital Market Association's Green Bond Principles, Climate Bond Initiative Taxonomy, Independent Science Based Taxonomy, and the Bank of Canada's Climate-Relevant Sectors. Additionally, we incorporated insights from investor-led taxonomies developed by Canadian peers, as well as country- and region-specific frameworks such as the European Union's taxonomy.

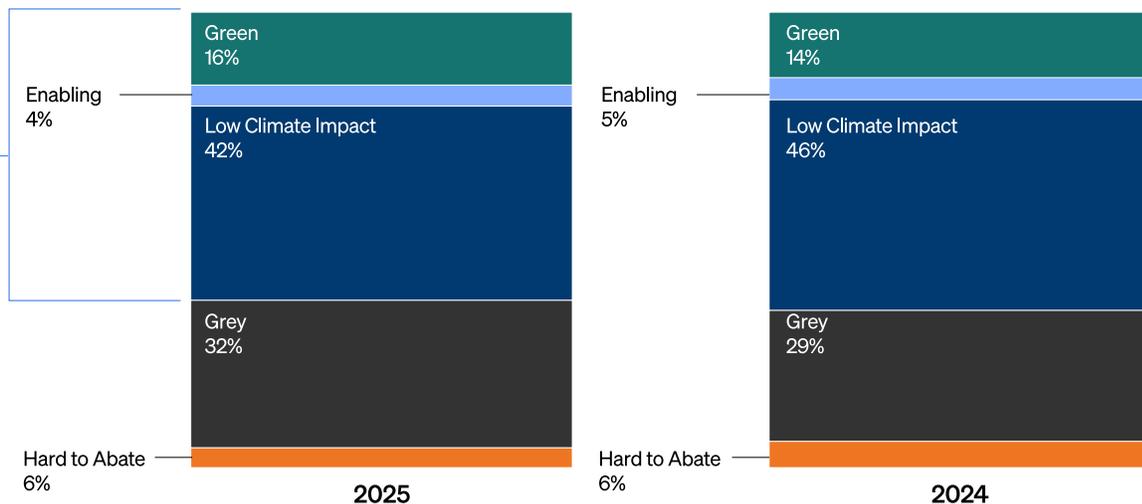
We classify our portfolio holdings into the following OMERS Climate Taxonomy categories:

Category	Definition	Examples
Green	Investments that derive at least 90% of revenues from business activities that are in alignment with green taxonomies such as the ICMA Green Bond.	Renewable Energy Green Buildings
Enabling	Investments whose business activities indirectly contribute to environmental objectives or can enable transition related activities.	Electricity Transmission and Distribution (T&D) Lithium and Copper Mining
Low Climate Impact	Investments whose business activities do not have a direct material climate impact as well as other financial instruments.	IT Consulting and Related Services Health Care Services
Grey	Investments whose activities have a direct material climate impact and where transition options are increasingly feasible.	Fossil Fuel Based Utilities Automobile Manufactures
Hard to Abate	Investments whose business activities have a material climate impact and where transition option are not currently feasible.	Steel Manufacturing Oil and Gas Exploration and Production

The composition of our investment portfolio, as mapped to the OMERS Climate Taxonomy and expressed as a percentage of the total portfolio, is as follows:

62%

of the portfolio is invested in assets that are expected to benefit from, or not be significantly impacted by, the energy transition



Portfolio Alignment

As part of the commitments in our Climate Action Plan, we expect that our top 20 WACI contributing portfolio companies will have credible net-zero transition plans in place by 2030. Based on our latest carbon footprint, the top 20 WACI contributors accounted for 66% of OMERS total WACI and 54% of absolute emissions. We continue to engage with companies in the top 20 in a variety of ways, based on our level of influence. We will continue to work with these companies and many more across our portfolio to advance progress on their transition plans.

To assess the credibility of a company's transition plan, OMERS developed a methodology that integrates key frameworks from international organizations such as the Transition Plan Taskforce, Institutional Investors Group on Climate Change, Glasgow Financial Alliance on Net Zero, Climate Engagement Canada and Climate Bonds Initiative. Our methodology reflects our expectations of companies today and the availability of data and we expect that this methodology will continue to evolve as our expectations of, and guidance regarding, credible net-zero transition plans advances. Key components that currently make up the assessment categories include whether the company has a net zero commitment, interim emissions reduction targets, strong climate governance, credible external-party validation, appropriate disclosure and capital expenditure alignment.

Advancing Engagement

with our Top 20 WACI Contributors



Independent practitioner's limited assurance report on OMERS Administration Corporation's (OMERS) select performance metrics as included in the OMERS 2025 Annual Report

To the Board of Directors of OMERS

We have conducted a limited assurance engagement on the select performance metrics, including the performance metrics that are part of the greenhouse gas statement, of OMERS (the "Entity") included within the Climate-Related Risk and Actions section of the OMERS 2025 Annual Report (the select performance metrics) as at December 31, 2024 and for the year then ended (as detailed in Exhibit 1A), and as at December 31, 2025 and for the year then ended (as detailed in Exhibit 1B).

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, detailed in Exhibit 2 (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 is 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.

Greenhouse gas quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

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.

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), and, in respect of the greenhouse gas emission statement, Canadian Standard on Assurance Engagements (CSAE) 3410, *Assurance Engagements on Greenhouse Gas Statements* issued by the Auditing and Assurance Standards Board (CSAE 3410).

As part of a limited assurance engagement in accordance with CSAE 3000 and CSAE 3410, 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 management and others within the entity responsible for the select performance metrics; and
- Inspecting relevant documentation relating to the Entity's reporting processes.
- evaluated whether all material information identified by management has been considered for reporting on the select performance metrics;
- performed analytical procedures on selected information in the select performance metrics;
- performed substantive assurance procedures on selected information in the select performance metrics;
- evaluated the appropriateness of quantification methods and reporting policies;
- evaluated the methods, assumptions and data for developing estimates; and
- read the select performance metric disclosures in the Climate-Related Risks and Actions Disclosures of the OMERS 2025 Annual 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 and for the year then ended (as detailed in Exhibit 1A), and as at December 31, 2025 and for the year then ended (as detailed in Exhibit 1B), are not prepared, in all material respects, in accordance with the applicable criteria.

Restriction on use

Our report has been prepared solely for the directors of the Entity 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, and are not to be used, for any other purpose. Our report is intended solely for OMERS.

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

February 23, 2026



Exhibit 1A

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

Select performance metrics	Reporting period	Results
Portfolio Carbon Footprint		
Weighted Average Carbon Intensity (WACI)	December 31, 2024	67 tCO ₂ e/\$M revenue
Carbon Footprint	December 31, 2024	23 tCO ₂ e/\$M invested
Absolute Emissions	December 31, 2024	2,704,289 tCO ₂ e

Exhibit 1B

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

Select performance metrics	Reporting period	Results
Corporate Carbon Footprint		
Scope 1 – Total GHG Emissions	December 31, 2025	693 tCO ₂ e
Scope 2 – Total GHG Emissions (location-based)	December 31, 2025	1,110 tCO ₂ e
Scope 3 - Category 6 – Total GHG Emissions	December 31, 2025	6,467 tCO ₂ e



Exhibit 2

Select performance metrics and criteria

Performance metrics	Description and Methodology	Applicable reporting criteria and scoping
Portfolio Carbon Footprint - as at December 31, 2024 and for the year then ended		
Weighted Average Carbon Intensity (WACI)	<p>WACI measures the portfolio's carbon intensity by considering each investment asset's total emissions relative to its revenue and the weight in the portfolio. It is expressed in metric tonnes CO₂-equivalent (tCO₂e)/\$M Revenue.</p> <p>Scope 1 and Scope 2 GHG emissions are allocated based on portfolio weights (the value of the investment relative to the portfolio value at the measurement date). Gross values are used.</p>	<p>Management's internally developed criteria as outlined in the <i>Sustainability-related Disclosures, Metrics & Targets</i> section of the OMERS 2025 Annual Report. The criteria is informed by the Partnership for Carbon Accounting Financials (PCAF) guidance for financed emissions and management's deviations are disclosed within the Portfolio Carbon Footprint methodology sub-section of the OMERS 2025 Annual Report.</p>
Carbon Footprint	<p>Carbon Footprint represents OMERS Absolute Emissions divided by the total in scope portfolio value. It is expressed in Metric tonnes CO₂e/\$M invested.</p> <p>Scope 1 and Scope 2 GHG emissions are allocated based on economic ownership of investments as described under methodology for Absolute Emissions. The in-scope portfolio value on the measurement date is used to normalize the data.</p>	<p>The following asset classes are included where data is available: Public and private equity holdings, single name equity derivatives, index and basket equity derivatives where look through data is available, corporate bonds, credit holdings, infrastructure, real estate holdings and external funds where look through data is available. Only long positions are included.</p>
Absolute Emissions	<p>The absolute GHG emissions represent the share of a portfolio company's emissions attributed to OMERS based on economic ownership.</p> <p>It is expressed in Metric tonnes CO₂-equivalent (tCO₂e).</p> <p>Scope 1 and Scope 2 GHG emissions are allocated to investors based on economic ownership.</p>	<p>The following instruments and investment types are not in scope: cash and equivalents, short-term notes, currency instruments, short positions, interest rate swaps, commodities, government securities and instruments not covered by existing standards or where data is not available.</p>
Performance metrics	Description and Methodology	Applicable reporting criteria
Corporate Carbon Footprint - as at December 31, 2025 and for the year then ended		
<p>Corporate Emissions:</p> <ul style="list-style-type: none"> • Scope 1 - Total GHG Emissions • Scope 2 – Total GHG Emissions (location-based) • Scope 3 – Category 6 – Total GHG Emissions 	<p>The GHG emissions associated with OMERS operations expressed in Metric tonnes CO₂-equivalent (tCO₂e).</p> <p>The organizational boundary includes all assets that are owned or leased by OMERS and Oxford's corporate functions and excludes Oxford property management teams.</p>	<p>The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard Revised Edition</p>



Report of the Human Resources Committee and Compensation Discussion & Analysis

Members in 2025

John Armstrong (Chair)

Karen Figueiredo

Bill Butt

Kevin Skerrett

Diane Kazarian

George Cooke (ex officio)

Our Human Resources Committee (HR Committee) assists the AC Board in meeting its fiduciary oversight and related obligations with regard to: (i) attracting, engaging and retaining excellent leadership at the senior executive level who are committed to the AC Mission Statement, Core Values and Leadership Principles; (ii) overseeing a robust succession management process for the position of Chief Executive Officer (CEO) and the C-Suite executives; and (iii) overseeing CEO performance, compensation and compensation policies.

In 2025, the HR Committee's work included:

- oversight of an annual performance assessment process for the CEO;
- making recommendations to the AC Board on compensation for the CEO;
- reviewing the candidates for CEO and C-Suite executive succession as part of the succession management process, including discussion of development plans;
- reviewing compensation awards for the C-Suite executives;
- reviewing performance assessments for the C-Suite executives;
- reviewing the People Strategy, including talent management, performance frameworks, wellness, inclusion and diversity, and employee surveys;
- approving compensation plans to ensure appropriate strategic linkages and risk mitigation;
- approving compensation-related disclosure in public documents; and
- continued focus on HR governance matters, including compensation reporting.

Independent Compensation Advisor

The HR Committee engages an independent compensation advisor to provide advice and assistance in executing its responsibilities. Since 2016, Hugessen Consulting (Hugessen) has been directly retained and instructed by, and reports directly to, the HR Committee.

During 2025, the independent advisor's scope of services included the following:

1. supporting the HR Committee in reviewing CEO pay and performance outcomes;
2. providing independent executive compensation advice pertaining to the CEO and C-Suite executives (i.e., compensation philosophy, comparator groups, competitive pay positioning and pay mix);
3. ensuring the HR Committee understood and was comfortable with the current compensation program for the CEO and C-Suite executives;
4. providing counsel to the HR Committee on any recommendations made by Management;
5. reviewing proposals for new compensation plan designs; and
6. assisting with any other items that the HR Committee requested.

While the HR Committee considers the information provided by Hugessen and the recommendations it makes, any decisions regarding compensation and incentive plan design are made by, and are the responsibility of, the AC Board on the recommendation of the HR Committee.

All fees related to Hugessen's work are approved by the Chair of the HR Committee as services are provided. Hugessen did not provide any non-HR Committee approved services to the organization during 2025. The following table outlines the fees paid for services provided in 2025 and 2024:

	Executive Compensation Related Fees	
	2025	2024
Hugessen Consulting	\$172,379	\$75,625

HR Committee Composition and Meetings

Members of the HR Committee are appointed by the AC Board from among the Board's members and are independent of Management. Collectively, HR Committee members have skills, knowledge and experience in investment management, pensions, economics and public policy, executive leadership and strategy, risk management, talent management and executive compensation. The HR Committee had five regular meetings during 2025 to review key items according to its mandate and annual work plan. At the invitation of the Chair of the HR Committee, members of Management, including the CEO and the HR Committee's independent advisor, attended the meetings. At each meeting, there was an in-camera session without Management present.

Chair of the Human Resources Committee Letter to Plan Members

2025 YEAR IN REVIEW

Amid ongoing market challenges and global instabilities, OMERS has maintained momentum in its ability to deliver against each pillar of the People Strategy. In partnership with global business leaders, the Human Resources team provided ongoing, proactive support to the enterprise throughout the year, while continuing to evolve the maturity of the function and elevate OMERS global employer brand. OMERS enhanced the use of data and insights to support decision making and demonstrate the ongoing impact of core programs on employee engagement, connection to their purpose, and intent to stay. The Human Resources team continues to partner with the business to invest in OMERS employees and make tough but thoughtful decisions to support business needs.

People Strategy

In 2025, the Human Resources team launched the 2030 People Strategy focusing on five main pillars that will empower OMERS employees in support of the business, members, and pension promise. These pillars are:

1. **Strengthening Our Culture:** Fostering a culture anchored on Inclusion, Humility, Integrity, and Excellence.
2. **Investing in Our People:** Developing high-performing teams.
3. **Delivering Exceptional Employee Experiences:** Creating enriching employee experiences in the moments that matter.
4. **Building for the Future:** Attracting and retaining talent.
5. **Leading with Data:** Implementing technology driven solutions to enhance value.

They supported these pillars in various ways in 2025, including:

- Integrated holistic well-being and inclusion and diversity (I&D) strategies to better reflect the diverse makeup of the workforce, fostering empathy and a sense of belonging;
- Continued meaningful investment in leadership growth at all levels, through a multi-faceted approach: proprietary learning programs, ongoing campaigns that promote continuous learning, and a new self-serve platform to build critical capabilities;
- Strengthened employee understanding of total rewards through targeted communications, learning activations, and enhanced compensation-related resources;

- Drove strong succession planning and talent action plans through the annual talent review process, with a focus on shifting to continuous discussions with C-Suite to deepen strategic talent conversations and align development with enterprise priorities;
- Expanded access to self-serve people data for leadership to empower them to make informed decisions on talent and improve employee engagement.

Compensation Governance and Risk

OMERS compensation plans are designed to align with the business strategy of attracting, engaging and retaining high-performing people who contribute to OMERS long-term success. OMERS delivers clear, competitive compensation plans that reward performance and align with local markets. They ensure the plans also continue to reflect leading governance principles by incorporating risk considerations. This allows the HR Committee to appropriately reward behaviors consistent with the desired risk culture. The aim is to achieve a balance between risk and reward so that employees are aligned with the long-term investment strategy of OMERS.

OMERS compensation plans are aligned to the interests of Plan members and sponsors. The AC Board has the discretion to withhold or grant awards to reflect significant unexpected or unusual events. It also has the ability to claw back any variable compensation or other long-term compensation awarded in the event of a material misrepresentation of results in the prior three years. To ensure long-term sustainability and the creation of long-term value, a significant portion of total compensation is deferred and aligned with enterprise-wide performance measures over the deferral period.

Compensation Highlights

The following factors influenced year-end compensation awards:

- Investment return performance is measured by the annual Primary Plan net absolute return against an annual return range which produces an annual multiplier; the annual multipliers are then averaged over a five-year period.
- OMERS strategies and teams delivered a steady Primary Plan net absolute return of 6.0% amid a challenging geopolitical environment. This return was below the Primary Plan net absolute return target of 7.5%. As a result, the 2025 annual multiplier was below target. The primary factors that explain this year's returns are presented on page 24 of this Annual Report.
- Including the 2025 annual multiplier along with the annual multipliers for the prior four years and then averaging over the five-year period, investment return performance resulted in a five-year average annual multiplier of 102% for that portion of the CEO and the other Named Executive Officers' balanced scorecards.

The Total Rewards programs are reviewed regularly to ensure they remain effective. More details on the Total Rewards programs are disclosed in the section Elements of Executive Compensation.

Conclusion

OMERS continues to dedicate significant attention to talent management, ensuring that they have the right people in the right roles to deliver long-term value for Plan members. They are confident that their approach to compensation attracts and engages a talented workforce through strong governance practices while achieving the appropriate balance between protecting against incenting excessive risk-taking and paying for performance.

The HR Committee remains committed to a pay-for-performance approach, being a leader in compensation governance and providing clear and transparent disclosure to Plan members, employers, sponsors and other stakeholders.

A handwritten signature in blue ink, appearing to read "John Armstrong".

John Armstrong
2025 Chair of the Human Resources Committee

Compensation Discussion and Analysis

This Compensation Discussion and Analysis section describes our executive compensation program and awards for the Named Executive Officers, which include the CEO, Chief Financial & Strategy Officer and the three highest paid C-Suite executives who are direct reports of the CEO.

Approach to Compensation

OMERS is committed to a pay-for-performance approach for all employees. To achieve this, the compensation programs are designed to incent the right behavior in the delivery of our business objectives within the appropriate risk parameters.

Compensation Principles

The executive compensation program is based on the following principles:

- **Driven.** Driven by the pension promise putting the best interests of Plan members and sponsors at the heart of everything we do; linking investment and human capital strategy to how people are rewarded.
- **Clear.** Clearly anchor performance expectations to rewards levels. Simple and transparent in our design and communication.
- **Flexible.** Be flexible to compete in our relevant talent markets and reflect the needs of our various business units; within one framework, as makes business sense.
- **Competitive.** For expected levels of performance, provide a level of total compensation (salary, incentives, and pension and benefits) competitive with our relevant talent markets.
- **Long-term.** Consider the long-term sustainability of OMERS. Emphasize retention of the best talent to deliver consistent, superior results.

Elements of Executive Compensation

Executive compensation for 2025 consists of the following elements:

- base salary;
- variable compensation – comprising short-term incentives (STIP) and long-term incentives (LTIP);
- other long-term compensation – Fund Return Units (FRU); and
- benefit and retirement programs.

Compensation Element	Description	Compensation Type
Base Salary	Based on market benchmarking and reviewed annually.	Fixed
Short-Term Incentives (STIP)	Based on business and individual performance against pre-established objectives. Payment of STIP awards occurs annually following the end of the fiscal year.	Variable (At-Risk)
Long-Term Incentives (LTIP)	Based on business and individual performance against pre-established objectives. LTIP awards are deferred and paid out 26 months after the end of the year in which they are awarded. Payment of LTIP awards is determined by applying a performance factor adjustment based on the OMERS Primary Plan's two-year net returns following the year of the award.	Variable (At-Risk)
Fund Return Units (FRU)	Aims to align and reward the OMERS CEO and CIO for achieving long-term OMERS Primary Plan returns. FRU awards are deferred and paid out 50 months after the end of the year in which they are awarded. Payment related to an FRU award is determined based on the 5-year compounded annual investment return on a notional investment in the OMERS Primary Plan (mirroring the investment return the participant would have earned had they held such a notional investment), conditional on the achievement of a pre-determined Performance Hurdle. If the Performance Hurdle is not met, payout is nil. The fair value at grant is determined using a valuation methodology that considers the time horizon, the risk-free rate of return, volatility, and the Performance Hurdle.	Variable – Selective (At-Risk)
Benefits and Retirement Programs	Includes vacation, life and disability insurance, health and dental benefits, and retirement programs	Fixed

Design of the Executive Compensation Plan

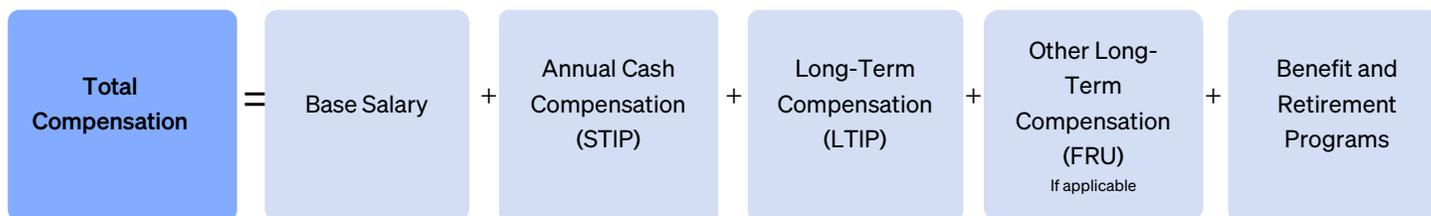
The CEO, Chief Financial & Strategy Officer and other Named Executive Officers participate in the Executive Compensation Plan. There are four key steps in determining annual variable compensation awards under the Executive Compensation Plan:

Step 1	Establish target total compensation
Step 2	Establish balanced scorecards
Step 3	Evaluate performance
Step 4	Determine variable compensation awards

The first two steps take place at the beginning of the plan year and establish the foundation through setting target compensation and performance objectives. Steps three and four occur at the end of the year when performance is measured against objectives and final awards are determined.

Step 1 Establish target total compensation

Target total compensation is determined at the beginning of the year, upon hire, or with changes in roles or responsibilities.



For all executives, target total compensation is reviewed annually as well as at the time of any material change in roles. Our philosophy is to set target total compensation to reflect the 60th percentile of the competitive market, on average. Targets for an individual executive may be positioned above or below the 60th percentile to reflect experience, potential, performance or other factors specific to the executive or role.

The HR Committee, with the advice from its independent advisor, reviews target total compensation for C-Suite executives with enterprise-wide accountabilities, while the AC Board of Directors approves the CEO's target total compensation based on the HR Committee's recommendation.

Step 2 Establish balanced scorecards

At the beginning of the year, a balanced scorecard is established for each participant, made up of their key objectives, and is used to assess performance at the end of the year. The balanced scorecard includes performance against net absolute returns and other key priorities.

The table below outlines the rationale for the inclusion of each performance measure.

Performance Measure	Rationale	2025 Weighting			
		CEO	Chief Investment Officer and President & CEO, Oxford Properties	Chief Financial & Strategy Officer	Other Senior Executives
Investment Returns	Net absolute returns aligning executives with the interests of Plan members	40%	50%	35%	35%
Key Strategy Executive and Leadership Objectives	Strategic initiatives aligning executives on collaborative enterprise and divisional priorities. Leadership objectives aligning executives with their impact on talent and culture	60%	50%	65%	65%

The CEO approves the objectives for each member of the C-Suite. The HR Committee will recommend the annual balanced scorecard for the CEO to the AC Board of Directors for approval.

Step 3 Evaluate performance

Following the end of the year, performance is assessed for each member of the C-Suite, which determines each individual’s balanced scorecard factor within a range of 0% to 200%. The AC Board of Directors evaluates the performance of the CEO. Commentary on 2025 performance for the CEO is discussed in the section Compensation of the CEO.

Step 4 Determine variable compensation awards

At the end of the year, individual variable compensation awards are determined as outlined below:



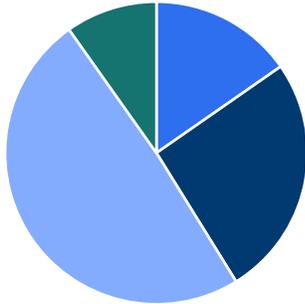
Final awards may range between 0% and 200% of target. The HR Committee, with advice from its independent advisor, reviews all variable compensation awards for the C-Suite executives with enterprise-wide accountabilities, while the AC Board of Directors approves the CEO’s annual awards based on the HR Committee’s recommendation. Once a participant’s variable compensation awards are determined, 35% is paid in cash (STIP) and 65% is deferred (LTIP). Notwithstanding the above, the AC Board has the ability to apply discretion to ensure compensation outcomes align to OMERS compensation principles.

2025 Target Compensation Mix

Aligned with OMERS pay-for-performance approach, total compensation for C-Suite executives primarily comprises variable compensation tied to investment and individual performance.

The majority of compensation for the CEO and the Named Executive Officer positions is variable and at-risk, as outlined in the following charts.

CEO

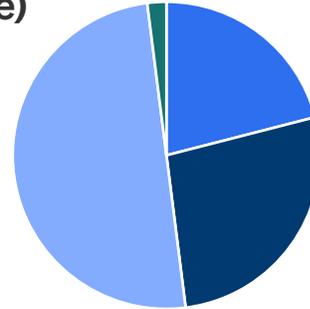


Target Compensation Mix

● Base Salary	15%
● Short-term incentive	26%
● Long-term incentive	49%
● Fund Return Unit	10%

Other Named Executive Officers

(Average)



Target Compensation Mix

● Base Salary	21%
● Short-term incentive	27%
● Long-term incentive	50%
● Fund Return Unit	2%

Comparator Groups Used to Set Competitive Pay

OMERS has identified comparator groups for its various businesses in setting competitive compensation to closely reflect the marketplace. The comparator groups include Canadian pension peers, large financial services organizations, and global investment management firms, where applicable. The comparator groups are reviewed on a regular basis by the HR Committee.

Typical considerations include other organizations that compete for similar talent, industry-specific organizations, or organizations with similar objectives. OMERS reviews compensation levels of comparable positions and assesses relative performance, size, geographical scope and complexity.

Compensation Governance

This section outlines key governance-related features to help ensure that compensation aligns with the short- and long-term interests of our Plan members.

OMERS Features	Description
Board Discretion	The AC Board may make the decision to withhold awards of any variable compensation, including the short-term and long-term incentive payments, and other long-term compensation, including FRU payments, to reflect significant unexpected or unusual events as determined by OMERS at its sole discretion
Clawback	All variable compensation awards and other long-term compensation awards, whether paid or unpaid, are subject to a clawback in the event of a material misrepresentation or financial restatement of results, within a 36-month look-back period. In the event of a material misrepresentation or financial restatement, the HR Committee will determine the extent of the clawback (i.e., who, on an individual or plan basis, will be impacted and to what extent) based on the specific circumstances

Alignment to Financial Stability Board Principles for Effective Governance of Compensation

The HR Committee has taken steps to further strengthen our approach to compensation, including incorporating the Financial Stability Board (FSB) Principles for Sound Compensation Practices and the associated Implementation Standards. These principles and standards, established in 2009, are intended to ensure effective governance of compensation, alignment of compensation with prudent risk-taking, effective supervisory oversight and stakeholder engagement in compensation. OMERS continues to adhere to these FSB principles and will continue to review our adherence on an annual basis.

Compensation of the CEO

This section examines the 2025 performance and resulting compensation for the CEO.

2025 Performance

A balanced scorecard was established for Mr. Hutcheson based on performance achieved against the Primary Plan net absolute return (40%) and execution against his strategic CEO priorities (60%) which include measures that are not related to financial performance. The AC Board assessed Mr. Hutcheson's 2025 performance against the following key non-financial individual objectives:

Stakeholder Engagement & Leadership:

- Achieve global brand recognition as a world-class pension, investor, partner and employer
- Lead the enterprise with integrity, drive, conviction and both realism and optimism
- Connect our regional Executives with each other to drive collaboration globally
- Ensure our leadership team supports our aspirations and goals to deliver 1,2,3,4,5 by 2030
- Show leadership across the industry and with our stakeholders

People:

- Foster a culture of Inclusion, Humility, Integrity & Excellence
- Develop world-class effective and efficient teams
- Create enriching employee experiences in the moments that matter
- Attract and retain the right talent
- Enforce the point that people are our most important asset

Risk Management:

- Articulate & operationalize risk appetite
- Enhance visibility of key risks to support proactive risk management
- Strengthen our culture of risk-consciousness and open communication

Plan Design & Funding:

- Evolve OMERS Plan Design for what our members / employers need in a changing world
- Strengthen funding and plan design stability
- Constantly evaluate the intersection between sustainable, affordable and meaningful

Pension Services:

- Build retirement and pension experience of tomorrow
- Strong relationships with employers and sponsors
- Deliver positive member experience across all touchpoints

Investments:

- Optimized portfolio that meets the needs of our liabilities
- Investment approach anchored on core expertise
- Sustainable portfolio to generate and protect value
- Operating model to deliver and reinforce our global strategy

Enabling Functions:

- Have a service mindset in all support functions
- Enable thought partnership by generating valuable insights for the business
- Develop skills to support the business' rapidly evolving needs and opportunities
- Build efficiency to support core functions

Governance:

- Espouse and support a governance model that is effective and collaborative long term
- Communicate regularly and transparently with the Board on matters affecting the enterprise

Total Compensation Awards

When determining compensation awards, the HR Committee aims to ensure there is a strong link between compensation and performance achieved. In determining Mr. Hutcheson's annual variable compensation awards for 2025, the AC Board assessed his performance against specific objectives that were agreed upon by the AC Board at the beginning of the year and that are consistent with the market-tested CEO compensation model utilized for several years at OMERS.

The 2025 Primary Plan net absolute return of 6.0% was below our Primary Plan net absolute return benchmark of 7.5%. When combined with the previous four years, the five-year average multiplier for investment return performance was 102% for that portion of Mr. Hutcheson's balanced scorecard.

In respect of key strategic priorities, Mr. Hutcheson had an outstanding year driving numerous initiatives forward, notably:

- Setting a balanced tone for the organization while driving confidence in our people, strategy and future in an environment of continued external market challenges and ongoing geopolitical volatility;
- Advancing our long-term strategy, ensuring the Plan remains sustainable, affordable and meaningful despite the rapidly changing environment;
- Ensuring we have the right leadership in place to support changing business needs across the enterprise by executing several strategic changes to critical leadership positions, most notably: the appointment of the President and CEO of Oxford Properties, Global Head of Private Equity, and Global Head of Internal Audit;
- Launching the inaugural CIO strategy, aligned with the OMERS 2030 strategy, and continuing to advance our balance sheet operating model to unify decision making and navigate challenges during market volatility;
- Strengthening our investment approach through a range of measures, including streamlined capital allocation, a new funding and leverage strategy, advancing our currency management approach, and new overlay capabilities which allow us to set up the balance sheet in a more coordinated way;
- Transacting over \$15 billion across our private asset classes including \$5 billion of deployment into new investments, \$3 billion of deployment into existing assets, and \$1.9 billion of dispositions;
- Remaining committed to our Climate Action Plan towards the OMERS net zero 2050 strategy, implementing enterprise-wide sustainability disclosure guidance and increasing our focus on physical climate risk while significantly reducing our exposure to carbon intensive assets and driving decarbonization efforts;
- Connecting regional leaders with each other to drive collaboration globally, ensuring our leadership team is committed to delivering on the 2030 strategy;
- Completing our annual employee experience survey where 93% of OMERS employees shared their feedback resulting in an engagement score of 87% (above the external best-in-class benchmark);
- Maintaining an excellent level of service as membership volumes continue to grow, with a 97% member service satisfaction score, all-time lows for average speed of answer, and 95% service-level performance;
- Implementing new enterprise-wide AI and analytic tools to elevate the user experience and improve the efficiency of our employees;

- Connecting throughout the year with a variety of OMERS employees, stakeholders, member employers, global government officials, and dignitaries at a range of events and conferences, forums, speaking engagements, and internal leadership programs across Ontario and throughout our global regions;
- Embedding wellbeing and inclusion and diversity into our organization’s culture by launching a range of global and regional programs, training, and events to support the emotional, mental, and physical wellbeing of our employees and to reflect the diverse makeup of our workforce; and
- Focusing and investing in our people and culture, resulting in several accolades, most notably multiple Great Place to Work awards.

Given the outstanding strategic execution and leadership demonstrated against the CEO priorities, a performance score of 200% was awarded on that portion of Mr. Hutcheson’s balanced scorecard.

As a result, the AC Board approved a total variable compensation performance factor of 161%, which translated in the actual awards shown below.

Compensation Element	Target	Award
2025 Salary	\$650,000	\$674,327
2025 Short-Term Incentive	\$1,090,000	\$1,752,720
2025 Long-Term Incentive	\$2,075,000	\$3,336,600
2025 FRU	\$400,000	\$400,000
Total	\$4,215,000	\$6,163,647

Summary Compensation Table

The table below represents disclosure of the compensation paid to or earned by each Named Executive Officer, represented in their local currency, during the three most recently completed financial years.

Non-Equity Incentive Compensation									
Name and Principal Position	Year	Currency	Salary	Short-Term Incentive Plan (STIP)	Long-Term Incentive Plan (LTIP) ¹	Other Long-term Compensation (FRU)	Pension Contribution ²	All Other Compensation	Total
Blake Hutcheson ³ CEO	2025	CAD	674,327	1,752,720	3,336,600	400,000	68,876	86,590	6,319,113
	2024	CAD	624,519	1,637,360	3,104,000	400,000	66,171	86,770	5,918,820
	2023	CAD	600,000	1,624,000	3,016,000	400,000	64,336	87,018	5,791,354
Jonathan Simmons ⁴ Chief Financial & Strategy Officer	2025	CAD	467,308	751,039	1,394,786	--	68,522	950	2,682,605
	2024	CAD	450,000	694,750	1,290,250		64,229	1,112	2,500,341
	2023	CAD	450,000	643,125	1,194,375		62,587	1,112	2,351,199
Ralph Berg ⁵ Chief Investment Officer	2025	GBP	500,000	1,309,000	2,431,000	250,000	10,000	18,783	4,518,783
	2024	GBP	500,000	1,335,600	2,480,400		8,902	19,431	4,344,333
	2023	GBP	500,000	1,391,250	2,583,750		4,205	19,941	4,499,146
Eric Plesman ⁶ President & CEO, Oxford Properties	2025	CAD	90,865	--	--	--	8,178	3,500,185	3,599,228
Bob Aziz ⁴ Chief Operating Officer	2025	CAD	467,308	665,490	1,235,910	--	68,522	48,903	2,486,163
	2024	CAD	450,000	626,483	1,163,468		66,022	48,890	2,354,863
	2023	CAD	450,000	569,625	1,057,875		64,154	48,890	2,190,544

Notes:

- 2023, 2024 and 2025 amounts shown represent the LTIP awards reflecting the Named Executive Officer's balanced scorecard performance for each calendar year.
- Reflects matching pension contributions that OMERS makes on behalf of employees. Pension contributions are based on capped pensionable earnings, as described in the Pension Plan Benefits table later in this report. Mr. Berg and Mr. Plesman's pension contributions reflect matching contributions to a defined contribution pension plan in the United Kingdom and Canada, respectively, based on specific plan provisions.
- Mr. Hutcheson received a 2025 FRU award of \$400,000 in 2025. Based on the valuation methodology employed, the underlying notional investment that the 2025 award represents is \$2,930,403. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Simmons and Mr. Aziz each received a one-time 2024 STIP of \$17,500 and a one-time 2024 LTIP of \$32,500 to recognize their extraordinary personal contributions, which are included in the 2024 values disclosed above.
- Mr. Berg was appointed Chief Investment Officer on April 1, 2023. Mr. Berg's 2025 total compensation is the equivalent of \$8,331,280 when converted to Canadian dollars using the December 31, 2025 foreign exchange rate of 1.844. Mr. Berg received a 2025 FRU award of £250,000 in 2025. Based on the valuation methodology employed, the underlying notional investment that the 2025 award represents is £1,831,502. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Plesman joined as President & CEO, Oxford Properties on November 3, 2025. The 2025 amounts disclosed under Salary represents base salary paid since joining and All Other Compensation represents the value provided in recognition of his appointment and for consideration of the incentive award he forfeited from his previous employer.

Incentive Plan Awards Table

The following table presents the outstanding deferred awards and the forecasted future payouts for each Named Executive Officer, represented in their local currency.

Mr. Hutcheson and Mr. Berg's FRU awards vest at the end of 5 years, at which point the awards will be conditional on the achievement of a pre-determined Performance Hurdle. Therefore, the payout values are not yet determined.

Name	Currency	Type of Award	Year	Award Value ¹	Vesting Date	Payout Value ²
Blake Hutcheson ^{3,4,5} CEO		LTIP	2025	3,336,600	December 31, 2027	3,837,090
		LTIP	2024	3,104,000	December 31, 2026	3,507,520
	CAD	LTIP	2023	3,016,000	December 31, 2025	3,468,400
		FRU	2025	400,000	December 31, 2029	To be determined
		FRU	2024	400,000	December 31, 2028	To be determined
		FRU	2023	400,000	December 31, 2027	To be determined
Jonathan Simmons Chief Financial & Strategy Officer	CAD	LTIP	2025	1,394,786	December 31, 2027	1,604,004
		LTIP	2024	1,290,250	December 31, 2026	1,457,983
		LTIP	2023	1,194,375	December 31, 2025	1,373,531
Ralph Berg ⁶ Chief Investment Officer	GBP	LTIP	2025	2,431,000	December 31, 2027	2,795,650
		LTIP	2024	2,480,400	December 31, 2026	2,802,852
		LTIP	2023	2,583,750	December 31, 2025	2,971,313
		FRU	2025	250,000	December 31, 2029	To be determined
Eric Plesman ⁷ President & CEO, Oxford Properties	CAD	Nil	Nil	Nil	Nil	Nil
Bob Aziz Chief Operating Officer	CAD	LTIP	2025	1,235,910	December 31, 2027	1,421,297
		LTIP	2024	1,163,468	December 31, 2026	1,314,718
		LTIP	2023	1,057,875	December 31, 2025	1,216,556

Notes:

- 2023, 2024 and 2025 amounts shown represent the LTIP awards reflecting the Named Executive Officer's balanced scorecard performance for each calendar year. FRU awards are not impacted by balanced scorecard performance for each calendar year.
- 2023, 2024 and 2025 amounts shown represent the LTIP award value adjusted by the Primary Plan performance factor.
- Mr. Hutcheson received a 2023 FRU award of \$400,000 in 2023. Based on the valuation methodology employed, the underlying notional investment that this award represents is \$2,675,585. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Hutcheson received a 2024 FRU award of \$400,000 in 2024. Based on the valuation methodology employed, the underlying notional investment that the 2024 award represents is \$3,439,381. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Hutcheson received a 2025 FRU award of \$400,000 in 2025. Based on the valuation methodology employed, the underlying notional investment that the 2025 award represents is \$2,930,403. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Berg received a 2025 FRU award of £250,000 in 2025. Based on the valuation methodology employed, the underlying notional investment that the 2025 award represents is £1,831,502. This award vests over 5 years and will result in a payment based on the growth of the notional value over the vesting period, contingent on whether the applicable Performance Hurdle is met.
- Mr. Plesman joined as President & CEO, Oxford Properties on November 3, 2025. No LTIP awards were provided to Mr. Plesman in respect of the 2025 performance year.

Pension Plan Benefits

The following section describes the OMERS Pension Plans in which some of the Named Executive Officers participate:

Lifetime Pension Formula	Two percent (2%) of the “best five” earnings (which is an average as explained below), multiplied by years of credited service (subject to a maximum of 35 years, if the member had 35 years of credited service prior to January 31, 2021) less 0.675% of “best five” earnings capped at the five-year average YMPE (Year’s Maximum Pensionable Earnings, under the Canada Pension Plan) multiplied by years of credited service
“Best Five” Earnings	<p>The annual average of the 60 consecutive months during which contributory earnings (as defined in the OMERS Pension Plan texts, inclusive of base salary, STIP and LTIP, subject to the caps below) were at their highest. Contributory earnings are subject to two caps, as follows:</p> <p>Cap on incentive pay: Post-2010 earnings are capped at 150% of contributory earnings calculated before incentive pay</p> <p>7x YMPE Cap: Total annual contributory earnings are limited to seven times the YMPE (applies to all earnings if the member enrolled on/after January 1, 2014, and to post-2015 earnings if the member enrolled before January 1, 2014)</p>
Normal Retirement Age	65
Early Retirement	Plan members are eligible to retire early when they reach age 55 and may be entitled to a bridge benefit. Each member’s unreduced date is the earliest of the date the member attains their 90 Factor (age and qualifying service), attains 30 years of qualifying service or turns age 65. If a member retires before their unreduced date, there is a 5% reduction factor per year short of their unreduced date
Form of Pension	The pension is paid monthly for the life of the member, with 66 2/3% of the member’s pension amount continuing to a surviving spouse after the member’s death

Termination Benefits

The treatment under each of the termination scenarios is governed by the terms of the 2025 Executive Compensation Plan, which are summarized in the following table:

	Short-Term Incentive Plan	Long-Term Incentive Plan	Fund Return Units
Resignation	Forfeited	Forfeited	Forfeited
Retirement (as defined by the Compensation Plan)	Entitled to a partial award for the current year, prorated to reflect the period of active employment	Outstanding awards granted in previous years will continue to mature in normal course	Outstanding awards granted in previous years will continue to mature in normal course
Termination without cause	Entitled to a partial award for the current year, prorated to reflect the period of active employment	Entitled to a partial award for the current year, prorated to reflect the period of active employment. Outstanding awards granted in previous years are also prorated to reflect the period of active employment over the vesting period and will continue to mature in normal course	Entitled to a partial award for the current year, prorated to reflect the period of active employment. Outstanding awards granted in previous years are also prorated to reflect the period of active employment over the vesting period and will continue to mature in normal course
Termination with Cause	Forfeited	Forfeited	Forfeited

Reference

OMERS ADMINISTRATION CORPORATION BOARD REMUNERATION AND EXPENSES

	2025		2024	
	Remuneration ^{(i) (iii)}	Expenses ⁽ⁱⁱ⁾	Remuneration	Expenses
Cooke, George (Chair)	\$ 199,000	\$ 2,858	\$ 199,000	\$ 1,133
Arab, Susan	89,000	33,246	89,000	24,214
Armstrong, John	106,500	22,482	106,500	14,420
Butt, William (BIII) ^(iv)	106,500	5,959	106,500	28
Elliott, Paul	106,500	5,969	106,500	4,553
Fenn, Michael ^(iv)	—	—	89,000	557
Figueiredo, Karen	89,000	9,096	89,000	6,810
Harrison, Danielle ^(iv)	89,000	4,444	89,000	27,459
Inskip, Cliff	89,000	837	89,000	250
Kazarian, Diane	89,000	232	89,000	1,074
Lanthier, Anik ^(iv)	89,000	33,012	—	—
Silgado, Rajiv	89,000	370	89,000	741
Skerrett, Kevin	89,000	13,492	89,000	8,869
Somerville, Penny	106,500	—	106,500	2,541
Tsubouchi, David	106,500	6,114	106,500	6,690
Wu, Yung	89,000	228	89,000	10,833
Other Expenses ^(v)	—	45,454	—	56,353
Total	\$ 1,532,500	\$ 183,793	\$ 1,532,500	\$ 166,525

(i) Remuneration of the Directors of the AC Board is in accordance with the Director Remuneration Policy effective January 1, 2023.

(ii) Includes reimbursement for normal out-of-pocket business expenses including education and meetings expenses incurred on behalf of AC. These expenses are reported to the Audit & Risk Committee annually.

(iii) All Directors are paid an annual technology allowance in the amount of \$4,000 to cover all equipment and line charges required to review electronic Board materials.

(iv) Member Changes:

- D. Harrison appointed to the Board effective January 1, 2024;
- M. Fenn retired from the Board effective December 31, 2024;
- A. Lanthier appointed to the Board effective January 1, 2025; and
- B. Butt retired from the Board effective December 31, 2025.

(v) Other Expenses include AC Board meeting and AC/SC Joint Session expenses not allocated by individual.

2025 OMERS ADMINISTRATION CORPORATION BOARD/COMMITTEE MEETINGS

Director (i)	Overall Attendance															
	AC Board (8)	Audit & Actuarial Committee (7)	Governance & Risk Committee (10)	Human Resources Committee (5)	Investment Committee (10)	Member Services Committee (4)	Appeals Committee (1)	Joint Council (5)	Committees (Total)	All Meetings	Scheduled Meetings (ii)					
	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%
Arab, Susan	8/8	100	7		4	1	1	100	12/12	100	20/20	100	20/20	100	16/16	100
Armstrong, John	8/8	100		5	10				15/15	100	23/23	100	23/23	100	16/16	100
Butt, William (Bill)	7/8	88		5	10				15/15	100	22/23	96	22/23	96	16/16	100
Cooke, George (Chair) ⁽ⁱⁱⁱ⁾	8/8	100	7		10	4	1	100	42/42	100	50/50	100	50/50	100	30/30	100
Elliott, Paul	8/8	100		10		4	1	100	20/20	100	28/28	100	28/28	100	15/15	100
Figueiredo, Karen	8/8	100		10		5	1	100	16/16	100	24/24	100	24/24	100	16/16	100
Harrison, Danielle	8/8	100	7		10				17/17	100	25/25	100	25/25	100	15/15	100
Inskip, Cliff	8/8	100		10		10			20/20	100	28/28	100	28/28	100	15/15	100
Kazarian, Diane	8/8	100	7		5				12/12	100	20/20	100	20/20	100	16/16	100
Lanthier, Anik	8/8	100			10	4			14/14	100	22/22	100	22/22	100	15/15	100
Silgado, Rajiv	8/8	100	7		9				16/17	94	24/25	96	24/25	96	16/16	100
Skerrett, Kevin	8/8	100	7		5				12/12	100	20/20	100	20/20	100	16/16	100
Somerville, Penny	8/8	100	7		10				32/32	100	40/40	100	40/40	100	20/20	100
Tsubouchi, David	8/8	100		10		4	1	100	15/15	100	23/23	100	23/23	100	15/15	100
Wu, Yung	8/8	100			10	4			14/14	100	22/22	100	22/22	100	15/15	100
Overall Attendance		99%	100%	100%	99%	100%	100%	100%	99%	99%	100%	99%	99%	99%	100%	100%

(i) AC Directors also attended other discretionary meetings such as the Annual Meeting, Joint Sessions with SC, Sponsor and Stakeholder Forums, and in-house education sessions.

(ii) Scheduled meetings are regularly scheduled Board and Committee meetings which exclude special meetings called on short notice.

(iii) Board Chair is an ex officio member of the Appeals, Audit & Actuarial, Governance & Risk, Human Resources, Investment, and Member Services Committees.

TEN-YEAR FINANCIAL REVIEW

(millions of Canadian dollars) As at As at December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net Assets Available for Benefits										
Public equities, Fixed income, and Short-term instruments	69,377	66,349	64,157	69,530	57,452	51,806	50,757	45,272	56,870	49,572
Private equities	37,475	37,669	32,672	29,484	25,365	20,811	22,561	20,246	10,759	10,981
Infrastructure investments	34,547	34,407	30,937	29,742	29,691	28,678	25,292	20,796	18,053	17,443
Real estate investments	24,497	21,555	22,586	24,633	23,604	18,316	20,497	22,110	15,470	15,084
	165,896	159,980	150,352	153,389	136,112	119,611	119,107	108,424	101,152	93,080
Investment-related assets	2,828	2,110	1,463	1,745	1,177	2,189	1,749	2,780	3,978	5,063
Investment-related liabilities	(19,948)	(20,044)	(19,354)	(27,095)	(12,850)	(13,185)	(8,616)	(10,923)	(7,175)	(10,254)
Net investment assets	148,776	142,046	132,461	128,039	124,439	108,615	112,240	100,281	97,955	87,889
Non investment assets (liabilities)										
Amounts payable under contractual agreements	(3,742)	(4,078)	(4,029)	(3,975)	(3,771)	(3,401)	(3,485)	(3,247)	(3,138)	(2,896)
Contributions receivable and other net assets	502	446	382	318	251	361	625	405	381	367
Net Assets Available for Benefits	145,536	138,414	128,814	124,382	120,919	105,575	109,380	97,439	95,198	85,360
Accrued Pension Obligation and Deficit										
Primary Plan										
Defined benefit component										
Accrued pension obligation	149,575	140,766	134,574	128,789	119,342	111,820	106,443	99,058	93,614	86,959
Deficit										
Funding deficit	(1,322)	(2,913)	(4,202)	(6,678)	(3,131)	(3,211)	(3,397)	(4,191)	(5,403)	(5,720)
Actuarial value adjustment of net assets available for benefits	(4,805)	(1,406)	(3,369)	578	3,062	(4,444)	4,928	1,401	6,008	3,379
	(6,127)	(4,319)	(7,571)	(6,100)	(69)	(7,655)	1,531	(2,790)	605	(2,341)
Additional Voluntary Contributions component	1,790	1,723	1,611	1,517	1,454	1,235	1,244	1,023	817	595
Accrued Pension Obligation and Deficit of the Primary Plan	145,238	138,170	128,614	124,206	120,727	105,400	109,218	97,291	95,036	85,213
Retirement Compensation Arrangement										
Accrued pension obligation	1,511	1,397	1,314	1,235	1,144	1,152	928	851	813	739
Deficit	(1,213)	(1,153)	(1,114)	(1,059)	(952)	(977)	(766)	(703)	(651)	(592)
Accrued Pension Obligation and Deficit of the Retirement Compensation Arrangement	298	244	200	176	192	175	162	148	162	147
Accrued Pension Obligation and Deficit	145,536	138,414	128,814	124,382	120,919	105,575	109,380	97,439	95,198	85,360

(millions of Canadian dollars)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
As at For the year ended December 31,										
Changes in Net Assets Available for Benefits										
Net Assets Available for Benefits, Beginning of the Year	138,414	128,814	124,382	120,919	105,575	109,380	97,439	95,198	85,360	77,245
Changes Due to Investment Activities										
Net investment income	9,132	11,547	6,336	5,895	17,536	(2,700)	12,362	2,957	10,477	8,575
Investment expenses	(719)	(683)	(612)	(693)	(657)	(276)	(581)	(540)	(409)	(427)
Income credited under contractual agreements	8,413	10,864	5,724	5,202	16,879	(2,976)	11,781	2,417	10,068	8,148
Total Changes Due to Investment Activities	8,201	10,607	5,606	4,912	16,437	(3,001)	11,455	2,205	9,735	7,856
Changes Due to Pension Activities										
Contributions										
Required contributions	5,740	5,384	4,878	4,414	4,276	4,186	4,054	3,988	3,858	3,690
Other contributions	238	283	254	210	252	229	295	382	335	275
Benefits (i)	5,978	5,667	5,132	4,624	4,528	4,415	4,349	4,370	4,193	3,965
Benefit payments	(6,584)	(6,229)	(5,823)	(5,488)	(5,145)	(4,793)	(4,299)	(3,967)	(3,698)	(3,356)
Transfers	(333)	(315)	(360)	(472)	(371)	(332)	(347)	(310)	(307)	(270)
Total Changes Due to Pension Activities	(6,917)	(6,544)	(6,183)	(5,960)	(5,516)	(5,125)	(4,646)	(4,277)	(4,005)	(3,626)
Assumption of City of Toronto Pension Plans	—	—	—	—	—	—	973	36	—	—
Pension administration expenses	(140)	(130)	(123)	(113)	(105)	(94)	(190)	(93)	(85)	(80)
Total Changes Due to Pension Activities	(1,079)	(1,007)	(1,174)	(1,449)	(1,093)	(804)	486	36	103	259
Net Assets Available for Benefits, End of Year	145,536	138,414	128,814	124,382	120,919	105,575	109,380	97,439	95,198	85,360
Nominal Discount Rate										
Primary Plan	5.70 %	5.70 %	5.75 %	5.75 %	5.75 %	5.85 %	5.90 %	6.00 %	6.00 %	6.20 %
Retirement Compensation Arrangement	3.10 %	3.10 %	3.10 %	3.10 %	3.10 %	3.15 %	3.15 %	3.15 %	3.15 %	3.15 %
Net Return										
Primary Plan - Defined Benefit Component										
Net rate of return	6.0 %	8.3 %	4.6 %	4.2 %	15.7 %	(2.7)%	11.9 %	2.3 %	11.5 %	10.3 %
Benchmark	7.5 %	7.5 %	7.0 %	7.2 %	6.6 %	6.9 %	7.5 %	7.3 %	7.3 %	7.9 %
Primary Plan - Additional Voluntary Contribution Component										
Net rate of return	6.0 %	8.3 %	4.6 %	4.2 %	15.7 %	(2.7)%	11.9 %	2.3 %	11.5 %	10.3 %
Retirement Compensation Arrangement Investment Fund (ii)										
Net rate of return	16.6 %	26.0 %	18.6 %	(10.4)%	20.7 %	11.6 %	20.9 %	(1.6)%	13.1 %	7.8 %
Benchmark	17.1 %	26.4 %	19.0 %	(10.1)%	20.5 %	12.6 %	21.5 %	0.1 %	12.8 %	8.7 %

(i) Comparative figures are revised to conform to the current year's presentation

(ii) Excludes the RCA refundable tax balance with the Canada Revenue Agency.

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This Annual Report contains certain statements that are forward-looking and reflect management's expectations regarding the future growth, results of operations, performance, and business of OMERS and the OMERS Pension Plans based on information currently available to OMERS. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements use forward-looking words, such as "anticipate", "continue", "expect", "intend", "estimate", "plan", "believe", "trend", "potential", "anticipate", "achieve" and "seek" or other similar words or expressions, or future or conditional verbs as "will", "may", "would", "could", "should" or other similar words or expressions.

These forward-looking statements concern, among other things, statements regarding management's strategy, objectives, outlook and expectations, including the material assumptions set out in the management's discussion and analysis ("MD&A"). Many factors affect OMERS organizational practices, the performance of the OMERS Pension Plans and the development of the MD&A, such as changes in market conditions, interest rates, inflation, demographics, technological factors, environmental and climate factors and ongoing geopolitical tensions. Investment returns and values will fluctuate. Past performance is not a guide to or indicative of future results.

These forward-looking statements also concern, among other things, statements regarding OMERS approach, projections, objectives and goals regarding sustainability matters, including statements related to OMERS environmental, social and governance factors, sustainable investing priorities and Climate Action Plan (collectively, "Sustainability Objectives"). These statements are subject to known and

unknown risks and uncertainties that may cause actual results or events to differ materially from those expressed or implied by such statements and, accordingly, should not be read as guarantees of future performance or results.

Other potential material factors or assumptions that were applied in formulating the forward-looking statements contained herein include the following: that economic conditions affecting OMERS and the OMERS Pension Plans will continue substantially in their current state, including, with respect to industry conditions, general levels of economic activity, laws and regulations, weather, taxes, inflation, and interest rates.

By their very nature, forward-looking statements require OMERS to make assumptions and are subject to inherent risks and uncertainties, which give rise to the possibility that OMERS predictions, forecasts, projections, expectations or conclusions will not prove to be accurate, that OMERS assumptions in the MD&A may not be correct and that OMERS Sustainability Objectives will not be achieved. OMERS cautions readers not to place undue reliance on these statements as a number of risk factors, many of which are beyond OMERS control and effects of which can be difficult to predict, could cause OMERS actual results to differ materially from the expectations, targets, estimates or intentions expressed in such forward-looking statements.

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