

OMERS Provides Investment Update for First Six Months of **2021**

Net Return

8.8%

Net Investment Income

\$9.2 billion

Net Assets

\$114 billion

OMERS earned an investment return, net of expenses of 8.8% or \$9.2 billion for the period from January 1 to June 30, 2021, while net assets increased to \$114 billion.

“Our results during the first six months of 2021 were driven by strong returns across our asset classes and by the commitment of our global teams,” said Blake Hutcheson, OMERS President and CEO. “Our Board and senior leadership thank and commend those teams for their dedication. Over the twelve months ended June 30, 2021, the Plan earned a net investment return of 18.2%.”

“Our diverse portfolio is actively participating in the global economic recovery and our investment strategy remains focused on enhancing value over the long-term in service of our more than 525,000 members who are essential to the health, safety and strength of communities across Ontario,” he added.

“This first-time interim update provides insight into OMERS investment performance at the mid-year mark,” said Jonathan Simmons, OMERS Chief Financial and Strategy Officer. “We will provide our full-year financial results, and our detailed annual update, early in 2022.”

Founded in 1962, OMERS is a jointly sponsored, defined benefit pension plan, with 1,000 participating employers ranging from large cities to local agencies, and over half a million 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 public markets, private equity, infrastructure and real estate.

Six-Month Investment Update 2021

Net Return

8.8%

Net Investment Income

\$9.2 billion

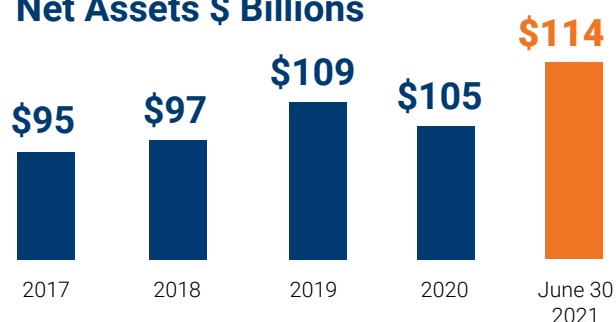
Net Assets

\$114 billion

Investment Performance Highlights

- Our **public equities** earned more than \$4 billion, reflecting strong gains across the high-quality value stocks that are core to our portfolio;
- Our **private equity** investments delivered a double-digit return, due to the continued recovery of the businesses in our buyout portfolio, the ongoing success of our ventures and growth equity strategies, and the gain we generated through our agreement to sell Environmental Resources Management, a global provider of sustainability consulting services which we've owned since 2015;
- Our **infrastructure** investments delivered consistent, strong performance, with stable operating income and higher valuations across our portfolio of large-scale businesses;
- Our **real estate** asset class recorded significantly improved performance, driven by strength in Oxford's industrial logistics and residential assets, gains in select office sectors, and progress on development programs;
- Foreign currency movements had a negative impact on our results, and reduced our return by \$0.9 billion, as the Canadian dollar strengthened relative to most of the other currencies in which OMERS invests. Our credit asset class return reflects most of this unrealized foreign currency loss for the period.

Net Assets \$ Billions



Annualized Net Return History to June 30, 2021

18.2%

1-Year

July 1, 2020 -
June 30, 2021

5.8%

3-Year
avg

July 1, 2018 -
June 30, 2021

7.6%

5-Year
avg

July 1, 2016 -
June 30, 2021

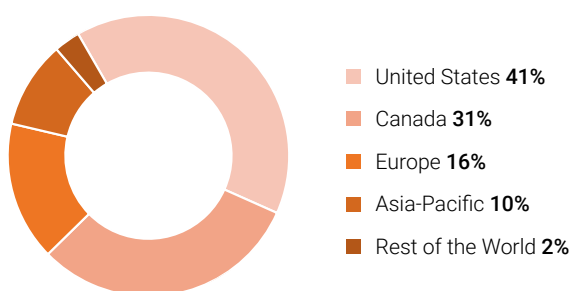
Asset Class Investment Performance

	Net Returns	
	Six-months ended June 30, 2021	Five-year average annualized (July 1, 2016 - June 30, 2021)
Bonds	0.2%	0.3%
Credit	1.2%	4.1%
Public Equity	12.8%	9.4%
Private Equity	15.8%	9.0%
Infrastructure	4.9%	10.2%
Real Estate	8.8%	6.4%
Total Plan	8.8%	7.6%

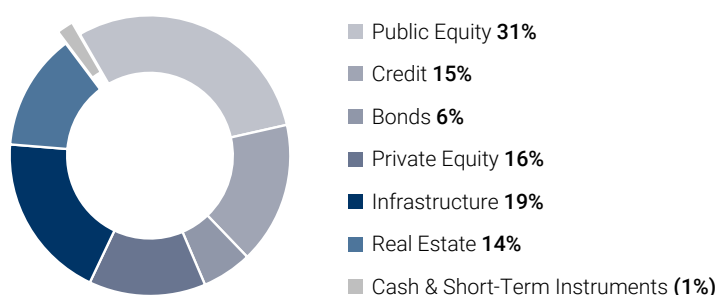
Six-Month Investment Update 2021

Diversified by Geography and Asset Class

Geographical Distribution



Asset Mix



OMERS portfolio of high-quality investments continues to be diversified across asset type and geography. Our asset mix at June 30, 2021 reflects a slight increase in allocation towards private equity, primarily as a result of the particularly strong valuation increases in these investments. This increase was offset by a decrease in private credit.

During the period, we deployed \$3.6 billion into our private asset classes, including into European logistics and warehousing real estate, into US solar energy development, and our growing, global platform of life sciences assets. We continue to target increased capital allocation to the Asia-Pacific region, with over \$13 billion invested as of June 30 across each of our asset classes.

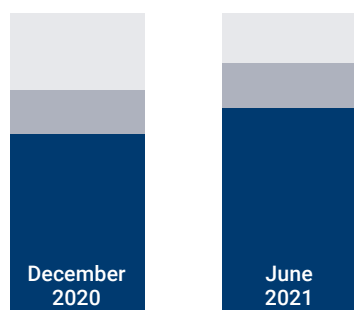
Recourse Debt

\$ Billions

Leverage %

9.3%
\$11.2 billion

8.8%
\$11.3 billion



Commercial Paper
Guaranteed Bank Facilities
Medium Term Notes

- We continue to use leverage prudently to enhance our investment returns and to take advantage of low interest rates. At June 30, we had \$11.3 billion of debt outstanding, equating to a leverage level of 8.8%, down from 9.3% at December 31.
- In addition to this low leverage, we continue to maintain ample liquidity. At June 30, 2021, OMERS had \$22.9 billion of cash and short-term deposits and \$19.2 billion of marketable securities available to meet our pension obligations, to fund investment opportunities, to satisfy potential collateral demands related to our use of derivatives, and to fund expenses.

Long-Term Issuer Credit Ratings

AAA
DBRS

AAA
Fitch

Aa1
Moody's

AA+
S&P

This Investment Update presents certain non-GAAP measures. These measures are calculated on the same basis as those calculated and presented in our 2020 Annual Report. This Investment Update and the [Condensed Interim Consolidated Financial Statements](#) (the "Interim Financial Statements") are unaudited. OMERS Administration Corporation's financial performance set out in this Investment Update is only for the period ended June 30, 2021. Past performance may not indicate future performance because a broad range of uncertainties (including without limitation the future course of the global pandemic) could have an impact on the performance of various asset classes. The financial information included in this Investment Update should be read in conjunction with the Interim Financial Statements.