

2026 Ontario Teachers' Finance Trust

# Green Bond Report

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The Ontario Teachers' Pension Plan Board (Ontario Teachers' or OTPPB) guarantees the bonds, fully and unconditionally, issued by Ontario Teachers' Finance Trust (OTFT) and manages \$279.4 billion in net assets as of December 31, 2025. Ontario Teachers' invests for, and administers the pensions of, 346,000 working members and pensioners.

Our approach to sustainable investing is rooted in the belief that our effectiveness in managing sustainability-related risks and opportunities is an important component of our long-term success and profitability. As a long-term and global investor, Ontario Teachers' is an active steward and engaged owner of businesses.

Our Sustainable Investing Guidelines provide a full description of our definition, approach and framework and can be found on [our website](#).

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# Our 2026 Green Bond Report

OTFT, a wholly owned subsidiary of Ontario Teachers', is an established global issuer with outstanding bonds in U.S. dollars, Euros, Pounds Sterling and Canadian dollars. OTFT's green bond issuance allows us to access capital to support the investments in eligible asset classes under the Green Bond Framework.

Ontario Teachers' Green Bond Framework describes four key elements of our green bond issuance:

- i) what assets the proceeds will be used for;
- ii) how the assets will be selected;
- iii) how the proceeds will be managed; and
- iv) how we will report back to bond investors.

The framework is aligned with the International Capital Market Association (ICMA) Green Bond Principles and is summarized on the next page. The framework was updated in 2023 and independently reviewed by S&P Global Shades of Green, which provides a second party opinion on the quality of the framework and the governance around how assets are selected.

The framework received a "Dark Green" assessment by S&P Global Shades of Green, indicating, among other things, overall alignment with the International Capital Market Association's (ICMA) Green Bond Principles.

**CAD\$5.4  
billion**  
total issued

**Rated**

**Aa1**  
Moody's

**AAA**  
S&P

**AAA**  
DBRS

## Green Bond Framework

### Use of proceeds

#### Eligible Green Assets<sup>1</sup> will be chosen from the following investment categories:<sup>2</sup>

- Renewable Energy
- Clean Transportation
- Energy Efficiency
- Green Buildings
- Circular Economy
- Water and Wastewater Management
- Natural Resources and Land Use
- Pollution Prevention and Control
- Climate Change Adaptation
- Terrestrial and Aquatic Biodiversity

### Process for Asset selection and evaluation

#### An internal Green Bond Council regularly assesses Eligible Green Assets with considerations given to:

- The Eligibility Criteria, which identify Eligible Green Assets
- Alignment with Ontario Teachers' Green Investment Principles and the ICMA Green Bond Principles<sup>3</sup>

In addition, ESG considerations are integrated, alongside other factors in the Ontario Teachers' investment process, to manage risk and add value.

### Management of proceeds

#### We intend to continue maintaining Eligible Green Assets that are at least equal to net outstanding green bond issuances:

- We track Eligible Green Assets through our Green Bond Register
- In the event of unallocated proceeds, funds will be used where feasible in accordance with OTFT's normal liquidity activities

### Reporting

#### Allocation and impact reporting on the portfolio of Eligible Green Assets is provided annually:

- Allocation reporting includes:
  - Assets by ICMA Green Bond Principles category
  - Assets by geography where practical
  - Select case studies on assets that are being financed
- Impact reporting may include qualitative and quantitative environmental and societal performance indicators, where appropriate
- Reporting is externally reviewed

<sup>1</sup> Eligible Green Assets are assets that satisfy the criteria as set out in the OTTP Green Bond Framework and have been approved by the Green Bond Council and included in the Green Bond Register.

<sup>2</sup> ICMA Green Bond Principles Categories.

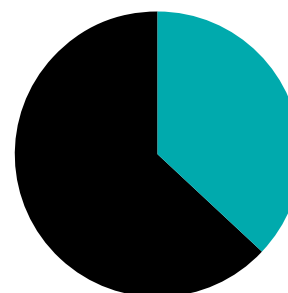
<sup>3</sup> See our Green Bond Framework for additional detail.

# Green Bond Issuance and Register

## Issuance Details

OTFT's inaugural green bond was issued in November 2020. Since then, OTFT has completed four additional issuances in both Euros (EUR) and Canadian dollars (CAD). All issuances are detailed in the table below. All amounts are in Canadian dollars unless otherwise stated. Foreign currency amounts were converted to Canadian dollars using the exchange rate as of the issuance date.

Eligible Green Assets have been fully allocated to cover the net proceeds of outstanding green bonds.



Green Bond Issuances by Currency

CAD	37%
EUR	63%

## GREEN BOND ISSUANCES (figures expressed in millions)

Issuance Date	Maturity Date	Format	Issuance Currency	Outstanding Size (local currency)	Outstanding Size (CAD equivalent)
November 25, 2020	November 25, 2030	Reg S	EUR	€750	\$1,161
November 24, 2021	November 24, 2051	Reg S	EUR	€500	\$710
November 16, 2022	June 2, 2032	Reg S & 144A	CAD	\$1,000	\$1,000
March 1, 2023	November 1, 2029	Reg S	CAD	\$1,000	\$1,000
June 4, 2025	December 4, 2031	Reg S & 144A	EUR	€1,000	\$1,563
<b>Total amount outstanding</b>					<b>\$5,434</b>



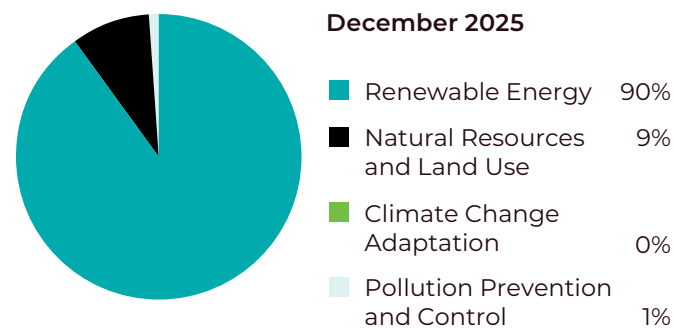
## Green Bond Register

Below we report on the use of proceeds of OTFT's green bond issuances and allocation to the portfolio of outstanding Eligible Green Assets within the Green Bond Register. The Green Bond Council is responsible for approving the Eligible Green Assets included in the Green Bond Register. The Green Bond Register reflects eligible assets meeting the Green Bond Framework criteria at the reporting date.

A portfolio approach is used since Ontario Teachers' and OTFT's intention is to maintain, directly or indirectly, an aggregate amount of Eligible Green Assets that is at least equal to the aggregate net proceeds of all green bond issuances that are currently outstanding. This is in line with the guidance provided by ICMA. As of the reporting date, all proceeds from outstanding green bonds remain fully allocated.

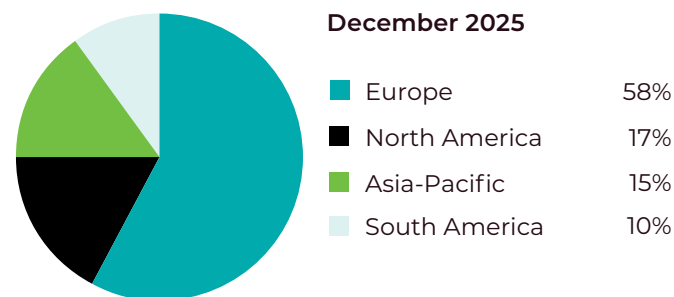
### ELIGIBLE ASSETS BY ICMA CATEGORY

Asset Category	December 2025	December 2024
Renewable Energy	90%	91%
Natural Resources and Land Use	9%	7%
Climate Change Adaptation	0% <sup>1</sup>	1%
Pollution Prevention and Control	1%	1%
Total Eligible Assets (\$ millions)	\$6,533.6 <sup>2</sup>	\$7,954.3



### ELIGIBLE ASSETS BY GEOGRAPHIC REGION

Geographic Region	December 2025	December 2024
Europe	58%	66%
North America	17%	14%
Asia-Pacific	15%	12%
South America	10%	8%
Total Eligible Assets (\$ millions)	\$6,533.6 <sup>2</sup>	\$7,954.3



<sup>1</sup> There were no assets under the Climate Change Adaptation category in 2025 due to the removal of the associated assets from the Green Bond Register

<sup>2</sup> Changes in register size between periods may arise from turnover in the portfolio and ongoing eligibility review conducted in accordance with the Framework

# Impact Reporting

On the next page, we report on certain quantitative and qualitative environmental performance indicators (“impact metrics”) on our Eligible Green Assets. The Eligible Green Assets as of December 31, 2025 fall into three main categories: i) renewable energy generation and transmission, ii) natural resources and land use, and iii) pollution prevention and control.

The Eligible Green Assets continue to be aligned with the principles set out in the EU Taxonomy ‘Do No Significant Harm’. We make efforts to align our impact reporting with market practices and follow ICMA’s Handbook, Harmonised Framework for Impact Reporting (June 2024 edition), to identify relevant impact metrics for each category. Consistent with ICMA’s Framework, we collect and aggregate available impact metrics as reported and/or calculated by Eligible Green Assets in our Green Bond Register. We then allocate impact metrics according to proceeds as a percentage of each asset’s enterprise value.<sup>1</sup> This practice is encouraged by ICMA’s Harmonised Framework for Impact Reporting and we believe it reflects a conservative approach as the consideration of financing across the capital structure prevents double counting of impact, in the event that our partners or assets themselves issue green bonds.

The table on the next page includes the proportionate share of impact based on proceeds as of December 31, 2025. We have also pro-rated impacts attributable to green bond investors.

Lastly, we specify which impacts are ex-post, or “after the fact” and based on actual measurements or estimations, and ex-ante, which uses estimates to gauge future performance.

All metrics were independently reviewed by S&P Global Shades of Green.

<sup>1</sup> Enterprise value = market cap of equity + book value of debt. Cash is not deducted.



## Impact Metrics by Category and Ownership<sup>1</sup>

As of December 31, 2025, 83% of impact metrics are attributable to green bond investors.

Most assets in our Green Bond Register were operational during 2025, and for these assets we provide ex-post metrics. Ex-post impact is based on the aggregated metric from the calendar year indicated. Assets that are starting operations in 2025 or beyond have impact metrics reported on an ex-ante basis. Ex-ante impact is based on annual estimates for an average year once the assets become operational. When assets have both ex-ante and ex-post metrics (i.e., a company has both assets in development and in operation), only ex-post metrics are considered.

ICMA Category	Impact Metric <sup>2</sup>	Ante/Post	Impact metrics attributable to:		
			Green Bond Investors (December 31, 2025)	Green Bond Register (December 31, 2025)	Green Bond Register (December 31, 2024)
<b>Renewable Energy</b>	Renewable energy generated and/or transmitted (GWh)	Ex-Post	28,768	34,592	32,437
	Renewable energy generated and/or transmitted (GWh)	Ex-Ante	122	147	5,877
	GHG emission avoided (tCO <sub>2</sub> e)	Ex-Post	2,530,714	3,043,054	3,332,190
	GHG emission avoided (tCO <sub>2</sub> e)	Ex-Ante	22,498	27,053	2,145,336
	Battery usable energy capacity (MWh)	Ex-Post	34,644	41,658	64,926
<b>Pollution Prevention and Control</b>	GHG emission avoided (tCO <sub>2</sub> e)	Ex-Post	6,513	7,832	4,934
	Pollution avoided (tNO <sub>x</sub> e)	Ex-Post	2	2	1
<b>Natural Resources and Land Use</b>	Total surface financed and certified (Ha)	Ex-Post	19,658	23,637	24,070
<b>Climate Change Adaptation</b>	Water produced and treated (m <sup>3</sup> )	Ex-Post	n/a	n/a	1,035,214

<sup>1</sup> Following the portfolio approach, each ICMA category may include various portfolio companies or assets. Each asset has at least one impact metric, but not all assets necessarily report on more than one impact metric.

<sup>2</sup> Selected and calculated in accordance with the ICMA Handbook – Harmonised Framework for Impact Reporting (June 2024).

## Impact Metrics Measurement, Calculation and Commentary

Detailed below is the methodology, data sources and other information we use when calculating impact metrics. We collect available impact metrics reported and/or calculated by Eligible Green Assets in our Green Bond Register. We also provide commentary about year-over-year changes for the Register where relevant.

### Impact Metrics Measurement and Calculation Methodology

- Renewable energy generated and/or transmitted are directly measured by appropriate equipment at the asset level when ex-post metrics are presented, and reported by eligible assets in these categories.
- GHG emissions avoided from the renewable energy category are calculated in accordance with Greenhouse Gas (GHG) protocol, using country- and, when available, state- or provincial-specific emission factors in accordance with the technical guide available to the region. The data sources for the emission factors include the Central Electricity Authority of India; the International Energy Agency; U.S. Government Agencies; Taiwan's Bureau of Energy, Ministry of Economic Affairs; and the United Kingdom Department for Business, Energy and Industrial Strategy (BEIS). Values are presented in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e).
- Total surface financed and certified is obtained from independent appraisal and certification reports. Certifications for the management system include Well Managed Plantation Certification in accordance with the Forest Stewardship Council's Principles & Criteria, and third-party assessment in accordance to AS/NZS 4708 (Australian/New Zealand Standard for sustainable Forest Management).
- GHG emissions and/or local pollution avoided from pollution prevention and control category are calculated and reported by eligible assets using independently reviewed comparative life-cycle assessment (LCA) in accordance with ISO 14040 and ISO 14044.
- Ex-ante metrics are based on engineering and technical estimations, which are based on power generation capacity. Actual performance may vary due to weather, demand and/or operational conditions once the assets become operational.



We note that OTFT and OTTP do not account for the carbon avoidance and/or removals reported on the previous page against their own carbon emissions – i.e., the emissions avoided and removed, as reported on the previous page, are not netted out from the reported emissions of OTTP.

## Impact Metrics Analysis

### Renewable Energy

- The increase in ex-post renewable energy generated and/or transmitted is mainly due to increased output from the Eligible Green Assets in this category.
- The ex-post GHG emissions avoided decreased due to the reduction of renewable energy generated in relation to the previous year.
- Ex-post battery usable energy capacity decreased due to decreased output from the Eligible Green Asset in this category.

### Pollution Prevention and Control

- Both GHG emissions avoided and Pollution avoided increased compared to the previous year, driven by increased business activities.

### Natural Resources and Land Use

- The total surface financed remained relatively stable.

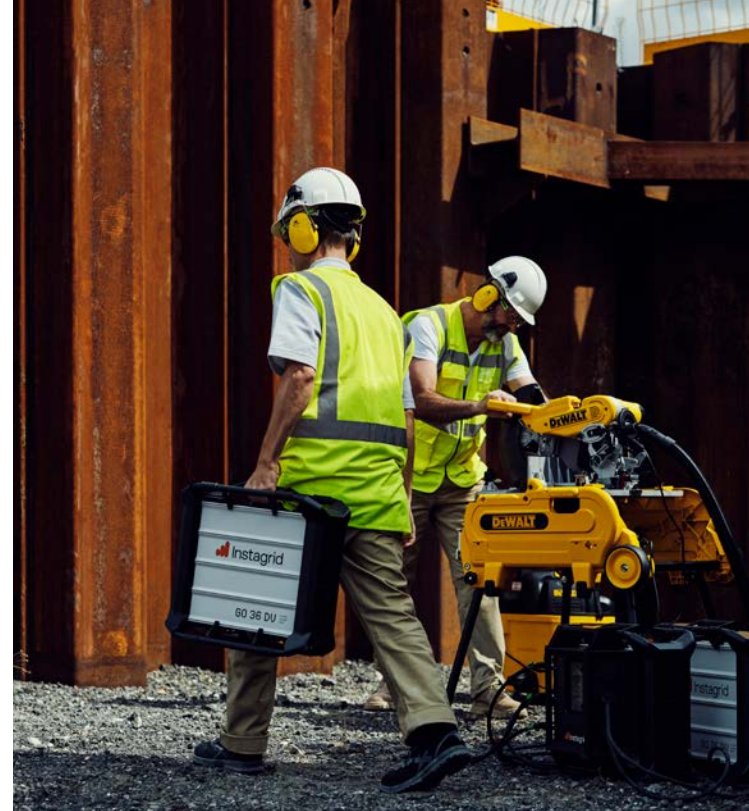
The following categories and impact metrics reflect changes due to the updates to the composition of the Green Bond Register during the reporting period.

### Renewable Energy

- The ex-ante renewable energy generated and/or transmitted decreased due to the removal of the associated assets in this category. This also resulted in a decrease in ex-ante GHG emissions avoided.

### Climate Change Adaptation

- There is no impact metric for 2025 under Climate Change Adaptation category due to the removal of the associated assets from the Green Bond Register.



# Green Asset Case Studies

The following are examples of Eligible Green Assets included in our Green Bond Register as of December 31, 2025.



In 2022, Ontario Teacher's acquired a 30% stake investment in Mahindra Susten, a premier independent power producer (IPP) and a leader in EPC (Engineering, Procurement, and Construction) services. The company aims to build a 5.5 GW portfolio across solar, wind, energy storage, and green hydrogen projects. In 2023, 2024, and 2025, Ontario Teachers' deployed additional capital to projects focused on solar energy, hybrid energy and integrated energy storage. Sustainability is embedded across operations through decarbonization targets, water-positive practices and a strong focus on circularity, including a 90% solar panel waste recycling rate in 2024. The company also supports local economic development through job creation and skills training, reaching more than 15,000 individuals in 2024. Mahindra Susten's [2024-2025 Sustainability Report](#).



In 2022, Ontario Teachers' acquired a 25% stake investment in Scotland-based SSEN Transmission, an electricity transmission network business, one of the fastest growing networks in Europe. SSEN Transmission's network transports electricity generated from renewable resources – including onshore and offshore wind and hydro – from the north of Scotland to areas of demand across the United Kingdom, thereby supplying this electricity to more than 3.8 million homes and businesses. Learn more about SSEN Transmission in its [2024/25 Sustainability Report](#).



Instagrid, a European technology company, provides an alternative to off-grid power solutions. Its innovative portable battery system offers those working with combustion generators an alternative which is lower cost, and easier to use. In addition, those portable battery systems contribute to significantly lower levels of certain local air pollutants during usage if used instead of gasoline or diesel generators.<sup>1</sup> Instagrid's flagship product serves professionals working in off-grid locations such as construction workers, emergency responders, events and media crews and trades people needing access to mobile power.

<sup>1</sup> Based on an average user profile as described in the third-party validated lifecycle analysis (LCA): 2024. Critical review of comparative Life Cycle Assessment of a battery power supply system and two new efficient gasoline and diesel generators.



# Cautionary Statement

“Green,” “green asset,” “green bonds,” and similar terms in this report refer to OTPP’s internal criteria, and do not necessarily reflect any specific regulatory definitions. Our Green Bond Framework is informed by various laws, guidelines, taxonomies, methodologies, frameworks, market practices, and other standards (collectively, “**Standards**”).

Given the evolving nature of the definition of “green”, these Standards may change over time. If any Standards change significantly, we may need to update our Green Bond Framework and this report, including our categories of Eligible Green Assets. We have also made good faith assumptions and estimates in developing our Green Bond Framework and reporting, including with respect to impact metrics. Although we believe these assumptions and estimates are reasonable, they may prove to be incorrect or inaccurate due to factors that are beyond our control or that we cannot foresee or predict. These assumptions and estimates relate to, among other things, the growth, outlook, and strategy of our business, the ability of our portfolio companies to implement changes, the feasibility of third-party decarbonization and energy transition scenarios, the development and availability of low-carbon technologies, the ability of certain assets and activities to displace or remove greenhouse gas emissions or local air pollution, economic and political trends, stakeholder participation, and the evolution of legal regimes and policies to address climate change. If any of these assumptions are incorrect, the information in our report may be inaccurate. In addition, the standards, metrics, and measurements used are evolving and based on reasonable assumptions at the time of this report but may change or be replaced over time.

Any forward-looking information and statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond Ontario Teachers’ control or may change over time. Actual results or events may differ materially from those expressed or implied by such forward-looking statements. Although Ontario Teachers’ believes that the estimates and assumptions underlying the forward-looking information and statements are reasonable, they are not guarantees of future performance and readers are cautioned not to place undue reliance on such information or statements due to the inherent uncertainty involved.

To monitor and report on our Green Bond Framework, we rely on data obtained from our portfolio companies and other third-party sources. Although we believe these sources are reliable, we have not independently verified this data, or the assumptions underlying it, and cannot guarantee its accuracy or completeness. Data quality and availability may vary and may change over time as Standards evolve. These factors may require us to update our Green Bond Framework and this report.

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