

# Sustainable Investing at OMERS

Presentation to City of Toronto  
General Government & Licensing Committee (GGLC)

January 6, 2020



# Why we're here today



# OMERS Sustainable Investing

## Key Pillars of our Approach

**Policies and  
Procedures**

**Governance  
Framework**

**Coordination  
Across  
Investment  
Platforms**

**Collaboration  
with Peers**

**Reporting and  
Communications**



**“OMERS believes well-run organizations with sound environmental, social and governance (ESG) practices will perform better, particularly over the long-term. “**



## INTEGRATION

Integrating ESG factors into our investment analysis provides a more holistic view of value and risk



## ENGAGEMENT

We favour engagement over divestment in managing ESG related risks



## COLLABORATION

Collaborating with like-minded organizations creates a more powerful voice and influence on sustainable investing practices



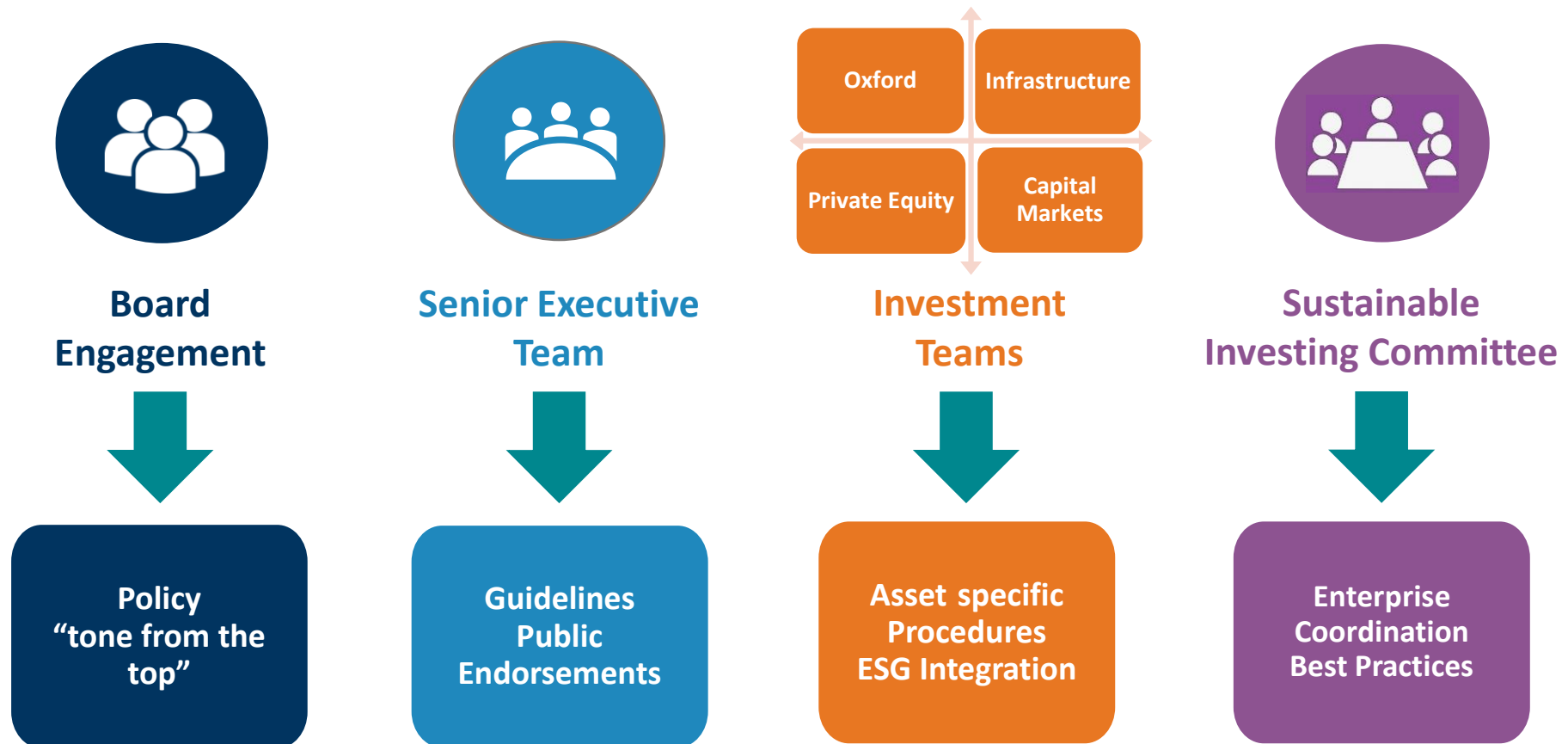
## ADAPTATION

Leadership in sustainable investing requires a nimble mindset to adapt to emerging issues

# What does 'ESG' mean to OMERS?

Environmental	Social	Governance
<p>Climate Change</p> <p>Pollution</p> <p>Natural Resources Impact</p> <p>Waste and Hazardous Materials</p> <p>Resource Efficiency</p> <p>Extreme Weather Events</p>	<p>Human Rights</p> <p>Labour Practices</p> <p>Government and Community Relations</p> <p>Inclusion &amp; Diversity</p> <p>Health and Safety</p> <p>Human Capital Management</p> <p>Indigenous Rights</p> <p>Product Stewardship</p>	<p>Shareholder Rights</p> <p>Board Structure</p> <p>Executive Compensation</p> <p>Anti-Corruption and AML</p> <p>Business Conduct</p> <p>Risk Management</p> <p>Cybersecurity</p> <p>Data Protection and Privacy</p>

Integrate ESG factors into underwriting and asset management ➡ Both Risks AND Opportunities



# How We Collaborate



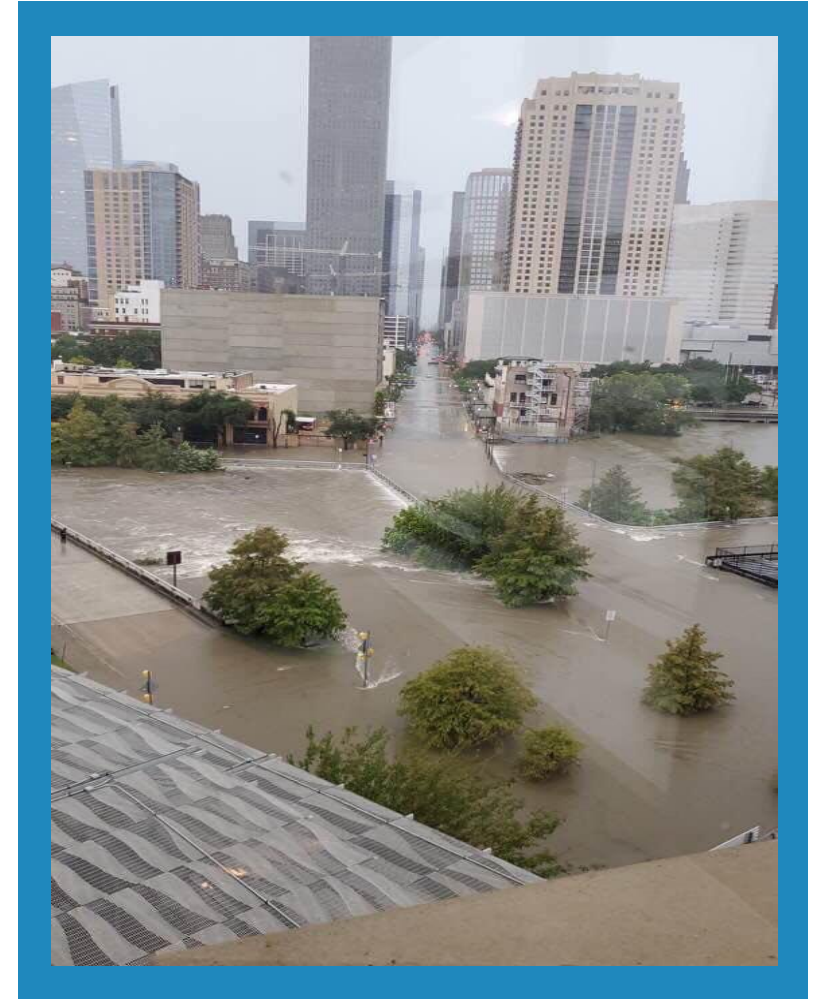
A G7 initiative



Expert Panel on Sustainable Finance



- Climate change is impacting the businesses in which we invest
- **Physical risk** – flooding, rising temperatures, wildfires
- **Transition risk** – policies, regulation, technology development, consumer demand
- We endorse the Task Force on Climate-related Financial Disclosures (TCFD) to enhance the information available to make capital allocation decisions
- How do we consider climate change in OMERS portfolio?
  - Climate Risk Working Group
  - Carbon footprinting
  - Scenario Analysis





# Activity Across Our Global Portfolio Includes...



## ERM

A leading global provider of environmental, safety, risk and social consulting services. ERM delivers sustainable solutions for clients by helping them to improve their business, organizational and environmental performance.



## The Stack

The largest office development currently underway in Vancouver, BC. The property will feature smart building technology and is one of only two highrise towers in Canada to be part of the Net Zero Carbon pilot.



## Leeward Renewable Energy

A leading asset owner, operator and developer of wind projects in the U.S. which owns and operates 19 wind farms across nine states, comprising 1.7 GW.



## Bruce Power

OMERS is invested in Canada's only private-sector nuclear generator. It is the world's largest operating nuclear facility. Bruce Power produces 30% of Ontario's power with zero carbon emissions.



## ArcTern Ventures

A global, early-stage venture capital company focused on clean technologies. ArcTern works closely with MaRS Discovery District to find the highest potential companies in renewables, energy storage and the circular economy.



Questions?

 OMERS