

Sent via email: [Peter.Fay@brampton.ca](mailto:Peter.Fay@brampton.ca)

April 14, 2022

Peter Fay  
City of Brampton  
2 Wellington Street West  
Brampton, ON  
L6Y 4R2

Dear Mr. Fay,

## **Re: Municipal Pension Investments and the Climate Crisis**

Thank you for your letter dated March 18, 2022, regarding municipal pension investments and the climate crisis. Climate change is a major, defining challenge for the world and municipal governments are on the front line of Canada's climate change mitigation and adaptation responses. AMO also knows that employers view the OMERS Plan as a key component of employee attraction and retention and are rightly interested in the management of the plan.

As an OMERS Plan Sponsor, AMO takes its role in OMERS governance very seriously. AMO's job is to ensure it appoints highly qualified members to the OMERS Sponsors Corporation (SC) and Administration Corporation (AC) Boards who are experts in governance, finance, and pension administration. Through the Municipal Employer Pension Centre of Ontario (MEPCO), AMO ensures that AMO's appointees to OMERS Boards have the resources, intelligence, and analysis they need to fulfill their governance responsibilities. AMO and MEPCO do not have a role in guiding or scrutinizing OMERS AC's investment decisions or strategies, nor should they.

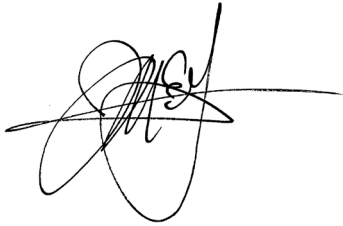
That said, AMO and MEPCO maintain a strong relationship with AMO's appointees to the OMERS Boards, the respective Board Chairs, and senior leadership at OMERS. This includes regularly inviting these groups to MEPCO Board meetings for information sharing. Over the years, we have had very frank discussions about Fund performance, risk assessment, Plan sustainability, and related environmental, social and governance (ESG) imperatives. This approach ensures that OMERS is fully informed of the perspectives and priorities of Ontario's municipal employers without compromising the integrity of the OMERS governance structure, where SC and AC Board members must make decisions in the best interests of the Plan. AMO and MEPCO will continue the discussion about the Plan's sustainable investment goals and practices, and the City of Brampton's resolution is very helpful in that regard.

In 2021, OMERS announced its goal to reach net-zero greenhouse gas emissions for the portfolio by 2050. OMERS will build on its initial goal of a 20% reduction in carbon

intensity by 2025 and establish successive five-year reduction goals. To assist with achieving this goal, members of the AC Board receive regular reporting on OMERS sustainable investing practices and education sessions on carbon accounting, the transition to net zero, and climate-related investment opportunities. OMERS provides significant detail on its sustainable investing practices in its [2021 Annual Report](#).

AMO and MEPCO will continue to work with other plan sponsors, the OMERS Boards and OMERS leadership to promote and support effective governance and management of the Plan and appropriate ESG accountability to all plan sponsors and members.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. McGarvey', with a long horizontal line extending to the right.

Jamie McGarvey  
Association of Municipalities of Ontario President  
Mayor of the Town of Parry Sound

cc: Blake Hutcheson, President & CEO, OMERS