GREEN BOND VIDEO SCRIPT

This October, the OFA marks the tenth anniversary of Ontario's Green Bond Program, offering a chance for us to share an update on the impact of the Program as well as how Ontario plans to remain a leader in the Canadian dollar green bond market.

Issuing Green Bonds to support important projects across the Province has been a very fulfilling experience. Green Bonds continue to play an important role for the Province, as they are part of Ontario's Environment Plan to address Climate Change.

Ontario's Green Bond program has and will continue to evolve in conjunction with the Green Bond market, to ensure that we reflect industry best practices and align with internationally recognized standards.

In January 2024, Ontario announced its new Sustainable Bond Framework, replacing its Green Bond Framework from 2014. The new Framework allows for a broader range of potential bond offerings including Social and Sustainable bonds, in addition to Green.

Ontario's new Sustainable Bond Framework was developed to align with the four core components of the International Capital Market Association (ICMA) guidelines and principles. Additionally, the Framework references alignment with the United Nations Sustainable Development Goals (UN SDGs).

Ontario's approach to sustainability is embedded in its policies, programing, capital expenditures and other initiatives that govern the people, places and business' resident in the Province. As part of broader clean energy initiatives, efforts are being made to support deployment of nuclear energy that will contribute to reducing carbon emissions.

The Ministry of the Environment, Conservation and Parks has forged a strong partnership with OFA over the past ten years, supporting the development of the first Green Bond Framework, leading to the issuance of our first green bond, the first in Canada, in 2014. We have also been an active member of the OFA's Green Bond Advisory Panel since the very beginning, helping identify government projects that provide beneficial environmental outcomes, in alignment with the interests of investors.

More recently, MECP worked closely with the OFA to ensure our new Sustainable bond framework aligns with Ontario's strategic priorities, including transitioning to a cleaner economy in Ontario. Mobilizing capital for this transition is a crucial part of Ontario's approach to meet its emissions reduction target and to future-proof our economy over the long term.

Ontario remains the largest and most consistent issuer of Canadian dollar Green Bonds. With the latest Green Bond issuance, we have reached the milestone of CAD 20 billion. To date, the Province has issued seventeen Green bonds, of which approximately 18.0 billion CAD is outstanding.

One decade ago, Ontario was the first Canadian province to issue a Green Bond and was recognized for this achievement with a Pioneering Award from the Climate Bonds Initiative in 2016.

Ontario has continued its leadership role in the Canadian dollar Green Bond market, paving the way for other issuers. Over the years, there has been a significant increase in issuers including participation from utilities, pension funds, corporations, and all levels of government in Canada.

Ontario is a benchmark borrower with an issuance program averaging around 38 billion Canadian dollars annually since 2010. The role of Green Bonds in our annual borrowing program has continued to grow as they are a core component of the Province's funding plans and complement our regular issuance in Canadian and foreign currencies.

A total of 29 different projects have received funding from Ontario's Green Bond issues, with an emphasis on Clean Transportation, Energy Efficiency and Conservation, and Climate Adaptation and Resilience.

One of the Clean Transportation projects funded through a majority of our Green Bond issues is GO Expansion. GO Expansion will shift the GO Rail network from a largely commuter system to a comprehensive regional rapid transit service, decreasing GHG emissions and criteria air contaminants. Electrification of GO rail is a key component of the Province's commitment to deliver a comprehensive, all-day rapid transit network.

Over the past decade, Green Bonds have consistently funded energy efficiency and conservation improvements to hospitals, university campuses, and other institutional buildings across Ontario to save water and energy and reduce emissions from our public buildings.

The Port Lands Flood Protection project is the first climate resiliency project to receive Green Bond funding. It is a $1.25 billion project to protect southeastern portions of downtown Toronto that are at risk of flooding.

Most recently, Green Bonds have supported Ontario's EV ChargeON program, which provides funding for the installation of public electric vehicle chargers in Ontario communities outside of major cities, with that we can support the use of EVs right here in Ontario.

Over the years, we have endeavoured to be a leader in our transparency and impact reporting efforts with the publication of an annual Green Bond newsletter. We plan on publishing our tenth newsletter before the end of the year.

Ontario has a mature Green Bond program and expects Green Bonds to have a continuing role in its borrowing program going forward. The Province looks to issue a broader range of bonds under its new framework and issue multiple bonds every fiscal year, subject to market conditions.

We look forward to expanding our work in the Sustainable Bond space and collaborating with other Canadian issuers on updating their own Green Bond programs.