2025 Ontario Green Bond Newsletter

Ontario Financing Authority
December 2025

Ontario

Aguasabon Falls and Gorge, Terrace Bay, ON

Ontario's Green Bonds

LETTER FROM THE CEO

More than a decade after the launch of Ontario's Green Bond program, I am truly inspired by the remarkable progress the Province has made in advancing and shaping the Canadian dollar Green Bond market. With a total of 21 Green Bond issues to date, including three this fiscal year, we are committed to maintaining our leadership in this dynamic space.

For the first time ever, the Province issued a dual-tranche Green Bond last month. This is comprised of a $600 million re-opening of our 30-year Green Bond, and a new 5-year Canadian dollar Green Bond Floating Rate Note for $1.5 billion. It was also the first time Ontario had offered a floating rate note as part of its Green Bond program.

Green Bonds are a core component of the Province's annual borrowing program. At $3.1 billion issued so far this fiscal year, Green Bonds account for approximately eight per cent of total borrowing, inline with the average over the last few years.

Ontario's Green Bonds have successfully funded 29 projects across three key categories outlined in our Sustainable Bond Framework. These bonds continue to garner strong interest from major institutional investors in Canada and globally.

The *2025 Ontario Economic Outlook and Fiscal Review* outlined planned infrastructure investments totaling more than $201 billion over the next decade, including $33 billion this fiscal year. Assuming adequate demand, Ontario's green project pipeline should easily support an ongoing Green Bond program for many years to come.

Ontario remains dedicated to transparent and impactful reporting, setting a strong example through the release of our annual newsletter. This publication highlights the progress of projects supported by bonds issued under Ontario's Sustainable Bond Framework, ensuring that stakeholders receive clear and timely updates. We are prepared to adopt future impact reporting practices recommended by the International Capital Market Association (ICMA), reinforcing our commitment to global standards.

Green Bonds play a pivotal role in financing initiatives that benefit our communities. Ranging from investments in public transit and climate-resilient infrastructure to programs that enhance energy efficiency and conservation efforts in Ontario. I sincerely extend my appreciation for the confidence and support shown by investors, whose partnership strengthens Ontario's borrowing program and helps drive sustainable growth.

Gadi Mayman
Chief Executive Officer, Ontario Financing Authority

Ontario's Green Bond Features

Ontario's Green Bonds

- Carry the full faith and credit of the Province of Ontario.
- Rank *pari passu* with Ontario's other bonds and are payable without any preference or priority.
- Payments of principal of the bonds and interest on the bonds will be a charge on and payable out of the Consolidated Revenue Fund of Ontario.
- An amount equal to the net proceeds of each Green Bond issue is recorded in a designated account in the Province of Ontario's financial records. These designated accounts are used to track the use and allocation of funds to eligible projects.
- Green Bond issues are available through Ontario's current domestic syndicate for placement with Canadian and international institutional investors. They are also made available to retail investors through Canadian financial institutions.

Ontario Sustainable Bond Framework

The framework allows the Province to issue any of Green Bonds, Social Bonds and Sustainability bonds to fund eligible projects with Green and/or Social objectives. "Eligible Projects" means all projects funded by the Province of Ontario that promote environmental benefits, socially beneficial outcomes, or a combination of both, including climate change mitigation, adaptation, and initiatives that improve life for Ontarians.

Alignment with Green Bond Principles (GBP)

Ontario's Green Bond program aligns with the GBP. Since March 2016, Ontario has been a member of the GBP group, maintained by the ICMA. In 2021, Ontario became a member of the GBP Impact Reporting Working Group.

As recommended by the GBP, the Province of Ontario reports annually on the use of proceeds and impact statistics for the projects that received Green Bond funding until full allocation. Ontario uses widely recognized core indicators for its projects and expects to adopt any future impact reporting recommendations of the GBP.

Alignment with United Nations Sustainable Development Goals

Ontario's Green Bond proceeds fund project categories which support many of the United Nations Sustainable Development Goals (UNSDGs).

Assurances

Sustainalytics provided a second opinion on Ontario's *Sustainable Bond Framework*.

Each fiscal year, the office of the Auditor General of Ontario provides an assurance audit on the use of Green Bond proceeds.

Georgian Bay, ON

Ontario's Green Bond Issues

$500M
2014–15
First Green Bond issue

$750M
2015–16
Introduced basket of projects

$800M
2016–17
First Green Bond Reopening

$1B
2017–18
Environmental Finance Winner – Green Bond of the Year (Local/ Municipality)

$950M
2018–19
Plans for multiple issues a year starting next fiscal

$1.25B
2019–20
First project selected in Climate Adaptation & Resilience category

$2.75B
2020–21
Two domestic medium-term re-openings over $1 billion each

$4.5B
2021–22
Largest issue of $2.75 billion and largest total Green Bond issuance

$2.5B
2022–23
Longest maturity of nine years introduced

$3B
2023–24
Sustainable Bond Framework released in January 2024

$3.5B
2024–25
First ever 30-year Green Bond by a Canadian province

$3.1B
2025–26
First Green Bond Floating Rate Note issued by the Province

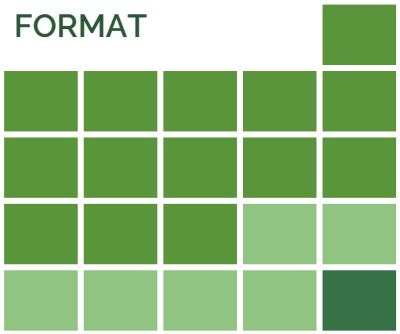
300+
Green Bond Investors

$24.6 Billion
Total Issuance

21 GREEN BOND ISSUES

Ontario is the largest and most frequent issuer of Canadian dollar Green Bonds

FORMAT



14 Domestic Medium Term Note

6 Global Canadian Dollar

1 Floating Rate Note

EXCHANGE LISTINGS

Luxembourg Stock Exchange Euro MTF

Luxembourg Green Exchange

INCLUSION IN GREEN BOND INDICES

Bloomberg MSCI Global Green Bond Index	ICE BofA Green Bond Index
S&P Green Bond Index	Solactive Green Bond USD CAD DM Hedged Index

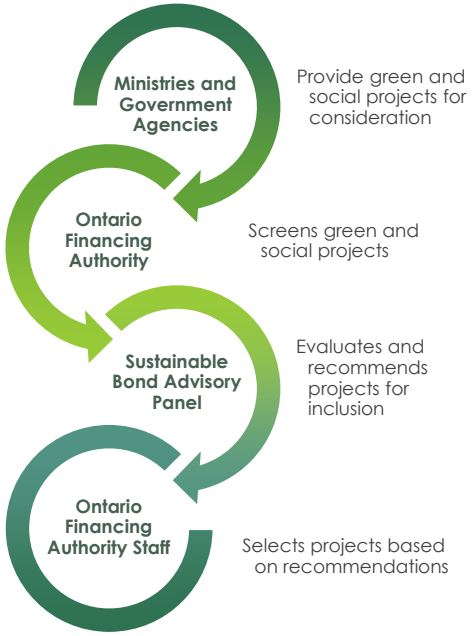
FUTURE ISSUANCE PLANS

Ontario remains committed to the Green Bond market. Subject to market conditions, Ontario plans to continue to issue multiple Green Bonds each fiscal year.

Project Evaluation and Selection

The selection of eligible green projects is done on behalf of the Province by Ontario Financing Authority (OFA) staff with advice from the Province's Sustainable Bond Advisory Panel (SBAP). The SBAP, which includes staff from various ministries and agencies, including the Ministry of the Environment, Conservation and Parks, the OFA, and the OFA Board, evaluates and recommends projects for inclusion in Ontario's Sustainable Bond program.

Since inception of Ontario's Green Bond program, the Province has worked on refining its project evaluation and selection process. Ontario released its *Sustainable Bond Framework* in 2024. This update involved aligning the Framework with the four core components of the ICMA GBP, ICMA Sustainable Bond Principles (SBP) and the ICMA Sustainability Bond Guidelines.



Ontario Sustainable Bond Framework

Without limitation, projects in the following Green categories have generally been considered eligible:

- Clean Transportation
- Green Buildings
- Energy Efficiency
- Pollution Prevention and Control
- Clean Energy
- Environmentally Sustainable Management of Living Natural Resources and Land Use
- Terrestrial and Aquatic Biodiversity
- Climate Change Adaptation
- Sustainable Water and Wastewater Management
- Circular Economy, Adapted Products, Production, Technologies and Processes

EU TAXONOMY

Ontario funds Green Bond projects that contribute to environmental objectives set out in the EU Taxonomy, primarily in Climate Change Mitigation and Climate Change Adaptation.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Ontario funds eligible Green Bond projects within Framework Categories which primarily support the following UNSDGs:

Use and Management of Proceeds Overview

Clean Transportation Projects	Green Bond Allocation																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Eglinton Crosstown Light Rail Transit (LRT)	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓										
GO Expansion		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
York Viva Bus Rapid Transit		✓	✓	✓																	
Finch West LRT			✓	✓			✓	✓	✓	✓	✓	✓									
Hazel McCallion Line			✓	✓					✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ontario Line Subway									✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Scarborough Subway Extension											✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hamilton LRT[1]			✓																		
Electric Vehicle (EV) ChargeON															✓			✓			
Energy Efficiency and Conservation Projects	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Macdonald Block Reconstruction									✓	✓			✓	✓							
Michael Garron Hospital									✓												
West Park Healthcare Centre									✓		✓										
Centre for Addiction and Mental Health — Phase 1C Redevelopment					✓		✓														
Cortellucci Vaughan Hospital					✓		✓	✓													
New Toronto Courthouse							✓			✓											
Brockville General Hospital							✓														
Groves Memorial Community Hospital							✓														
William Osler Health System — Etobicoke General Hospital Phase 1 Patient Tower Project					✓																
Whitby Rail Maintenance Facility				✓																	
Seneca College King Campus Expansion				✓																	
Joseph Brant Hospital — Redevelopment Project Phase 1				✓																	
St. Joseph's Healthcare Hamilton — West 5th Campus		✓	✓																		
St. Joseph's Healthcare London (Parkwood) and St. Thomas		✓	✓																		
Waypoint Centre for Mental Health		✓	✓																		
Centre for Addiction and Mental Health — Phase 1B		✓	✓																		
ErinoakKids Centre for Treatment and Development			✓																		
Woodstock General Hospital			✓																		
Sheridan College Hazel McCallion Campus Expansion		✓																			
Climate Adaptation and Resilience Project	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Port Lands Flood Protection							✓	✓	✓	✓	✓										

1: Province announced the cancellation of the procurement for the Hamilton LRT project as of December 16, 2019.

Funding Allocation and Disbursements

Each fiscal year, an assurance audit by the Office of the Auditor General (AG) of Ontario verifies the amounts allocated for selected projects and the balance of proceeds remaining.

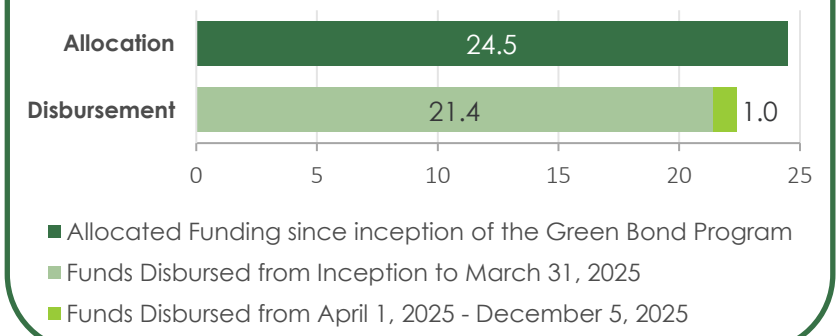
Post-March 31, 2025 amounts will be included in the AG's assurance audit of the use of Green Bond proceeds next fiscal year.

29
Projects across three project categories[1]

22.4
Total Funds Disbursed ($ Billions)

91.5
Total Funds Disbursed (Per Cent)

ALLOCATIONS & DISBURSEMENTS
($ Billions)

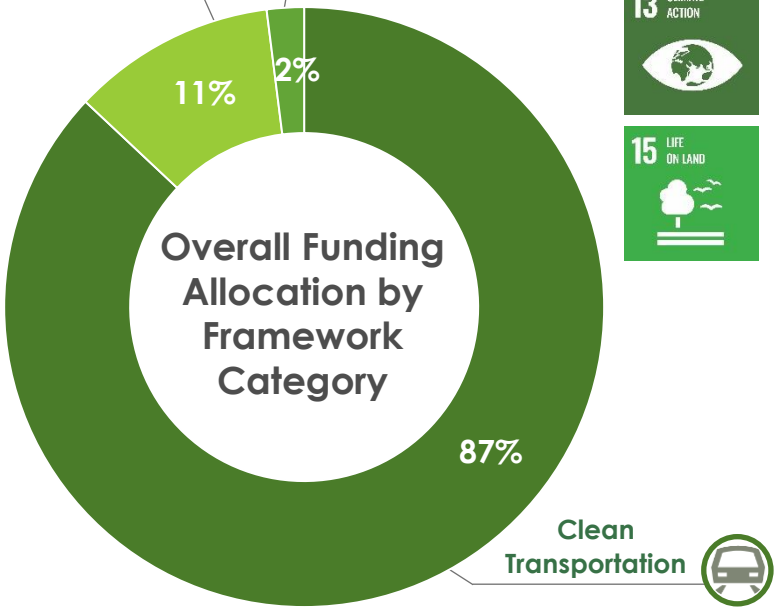


Energy Efficiency & Conservation

19 Projects
$2.8 Billion

Climate Adaptation & Resilience

1 Project
$0.4 Billion



Clean Transportation

9 Projects
$21.3 Billion

1: Figures include the Hamilton LRT project. The Province announced the cancellation of the procurement for the Hamilton LRT project as of December 16, 2019.
Notes: Total funds disbursement figures as of December 5, 2025. Numbers may not add due to rounding.

Funding Allocation and Disbursements

During fiscal 2025–26, the Province allocated and disbursed Green Bond proceeds to 6 projects:

Project Name	Total Project Cost[1] ($ millions)	Allocated Funding from Green Bond Program ($ millions)	Funds Disbursed since Inception of the Green Bond Program as of March 31, 2025 ($ millions)
Clean Transportation			
GO Expansion	13,500 (2014$)	7,751.7	6,620.4
Hazel McCallion Line	2,966 (2019$)	2,073.0	1,783.0
Ontario Line Subway	10,900 (2020$)	5,421.7	4,039.9
Scarborough Subway Extension	10,200 (2025$)	1,157.6	896.3
EV ChargeON[2]	183.5	2.8	0.3
Energy Efficiency and Conservation			
Macdonald Block Reconstruction	1,536.0	670.0	670.0

Note: As recommended by the GBP, the Province of Ontario reports annually on the use of proceeds and impact reporting statistics, for the projects that received Green Bond funding until full allocation.
1: For Clean Transportation projects, this is referring to the base capital construction costs. For Energy Efficiency & Conservation projects, the "Total Project Cost" represents contract value (the payment(s) to be made by the Sponsor for a P3 project, as defined in the Project Agreement and prior to taking into account inflation).
2: Green Bond funding is typically fully disbursed to projects within a period of 6 months prior to and 12 months following the issue of the Green Bond. Green Bond funding was allocated to the EV ChargeON Program from Ontario's eighteenth Green Bond issued in January 2025, for which the funding is to be disbursed by January 31, 2026. Some of this funding has been re-allocated to the GO Expansion to allow proceeds from the eighteenth Green Bond to be fully disbursed within the defined time period.

Clean Transportation – Electrification

Through investments in Ontario's priority subway projects, the GO Rail Expansion Program, and light rail transit projects across the Province, Ontario is delivering an integrated transit network that will support the development of sustainable communities and travel patterns.

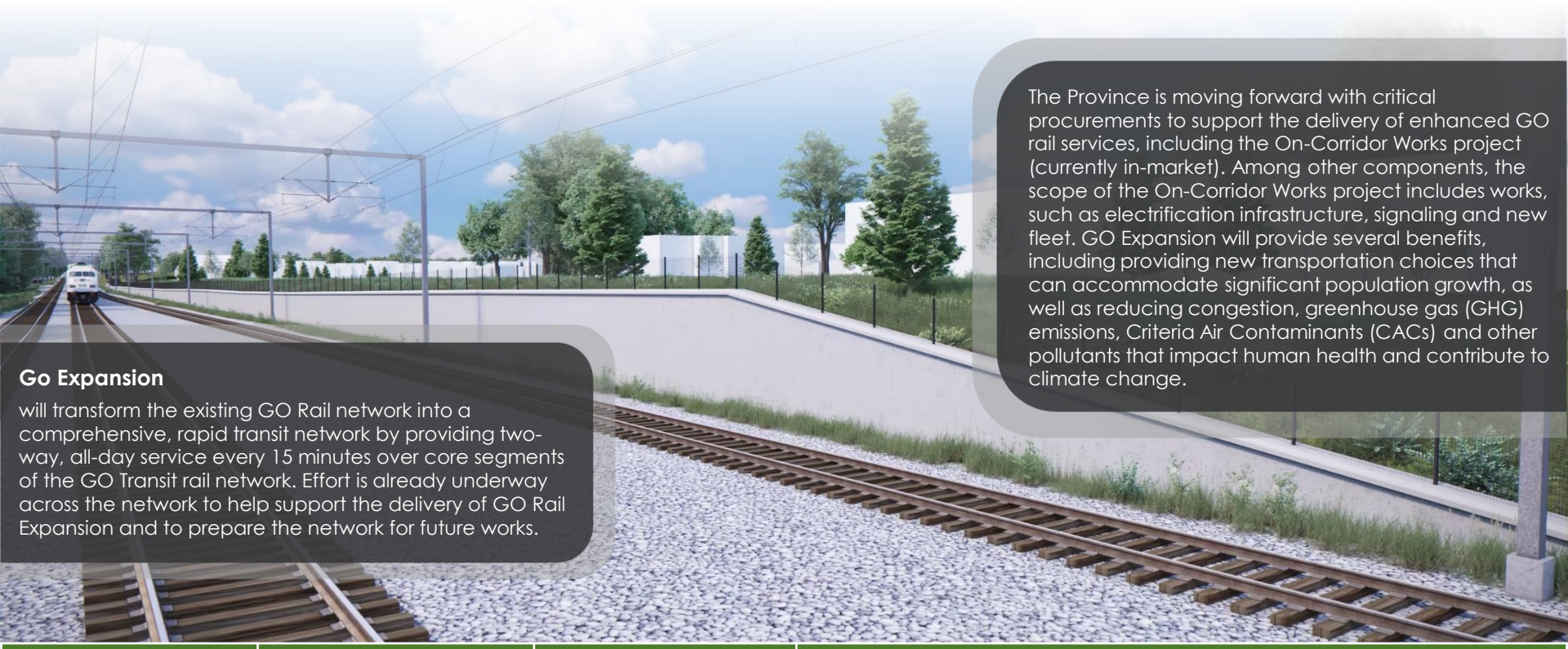
Electric rail technology will be used across all new subway and light rail projects currently in delivery. In addition, electrification of the GO rail network is a key component of the Province's commitment to transform the GO Transit rail network into a comprehensive, all-day rapid transit network.

Electric vehicles will provide faster journey times and support lower operating costs per kilometer, delivering safe, fast and reliable service while reducing localized emissions and noise impacts.

In 2024, Ontario's electricity generation mix was approximately 85 per cent emissions-free.

ELECTRIFICATION
is a major focus in Ontario's mass transit system buildout

Impact Reporting – Clean Transportation



Go Expansion

will transform the existing GO Rail network into a comprehensive, rapid transit network by providing two-way, all-day service every 15 minutes over core segments of the GO Transit rail network. Effort is already underway across the network to help support the delivery of GO Rail Expansion and to prepare the network for future works.

The Province is moving forward with critical procurements to support the delivery of enhanced GO rail services, including the On-Corridor Works project (currently in-market). Among other components, the scope of the On-Corridor Works project includes works, such as electrification infrastructure, signaling and new fleet. GO Expansion will provide several benefits, including providing new transportation choices that can accommodate significant population growth, as well as reducing congestion, greenhouse gas (GHG) emissions, Criteria Air Contaminants (CACs) and other pollutants that impact human health and contribute to climate change.

Expected Completion	Estimated GHG Reductions (CO2 [or equivalent] tonnes / yr)	Equivalent Passenger Vehicles Off the Road (vehicles / yr)	Other Environmental Benefits
Enhancements incrementally introduced over the life of the program	480,000 (starting 2030)	111,628 (starting 2030)	• GO Expansion will shift the GO Rail network from a largely commuter system to a comprehensive regional rapid transit option, thereby contributing to mode shift and decreasing GHG emissions and CACs. • New facilities will be minimum LEED Silver and are targeting LEED Gold certification where possible.

Note: Estimated timelines for completion and GHG projections will be confirmed following the conclusion of the procurement process.

Impact Reporting – Clean Transportation

Project	Expected Completion	Project Description	Estimated GHG Reductions (CO_2 [or equivalent] tonnes / yr)	Equivalent Passenger Vehicles Off the Road (vehicles / yr)	Other Environmental Benefits
Ontario Line Subway	2030	A new 15.6-kilometre rapid transit line in Toronto that will connect Exhibition/Ontario Place through downtown Toronto to the Ontario Science Centre. The project will include 15 stations.	14,000 (starting 2030)	3,256 (starting 2030)	• Reductions in auto usage and the switch from diesel buses to electric rail vehicles contributes to decreasing GHG emissions and CACs, manages traffic congestion, and encourages mode shift from auto trips to transit trips.
Hazel McCallion Line	2024[1]	The Hazel McCallion Line (formerly Hurontario LRT) will be a new 18-kilometre LRT line with 19 stops, connecting the cities of Mississauga and southern Brampton.	4,000 (starting 2030)	930 (starting 2030)	• Reductions in auto usage and the switch from diesel buses to electric LRVs contributes to decreasing GHG emissions and CACs, manages traffic congestion, and encourages mode shift from auto trips to transit trips. • Maintenance and storage facility will aim to meet LEED Silver certification.
Scarborough Subway Extension[2]	2029	The Scarborough Subway Extension will bring the TTC's Line 2 subway service 7.8-kilometres farther into Scarborough, extending from Kennedy Station to Sheppard Avenue and McCowan Road. The project includes three new stations, and up to six transit connections.	10,000 (starting 2030)	2,326 (starting 2030)	• Reductions in auto usage and the switch from diesel buses to electric rail vehicles contributes to decreasing GHG emissions and CACs, manages traffic congestion, and encourages mode shift from auto trips to transit trips.

1: Completion date pending update/confirmation.
2: Estimated timelines for completion and GHG projections will be confirmed following the conclusion of the procurement process.

Impact Reporting – Clean Transportation

EV ChargeON

Through the EV ChargeON program's initial funding round (a second funding round was announced in the 2025 Budget for an additional $92 million), the Ontario government is providing $91 million in funding to build new EV charging stations outside of large urban centres. The program consists of two streams: the Community Sites Stream ($63 million), a competitive grant subsidy program for eligible private and public sector entities, and the Government Sites Stream ($28 million), which will build EV chargers on government-owned land.

In November 2024, the Ontario government announced it is building up to 1,300 new public EV charging ports as part of the Community Sites Stream. The chargers will be located at up to 270 sites in small and medium-sized communities across the province, such as arenas, hospitals, parks and recreation centres. This includes 190 charging ports in northern Ontario, providing drivers across the north with more options when travelling.[1]

To support the implementation of the Government Sites Stream, the Ontario government issued a Request for Bids from June 25 to September 25, 2024, and awarded the contract to eCamion. Construction of the initial sites have begun, and design is underway for the remaining sites. The first site went live in October 2025. Remaining sites are targeted to be completed in 2026.

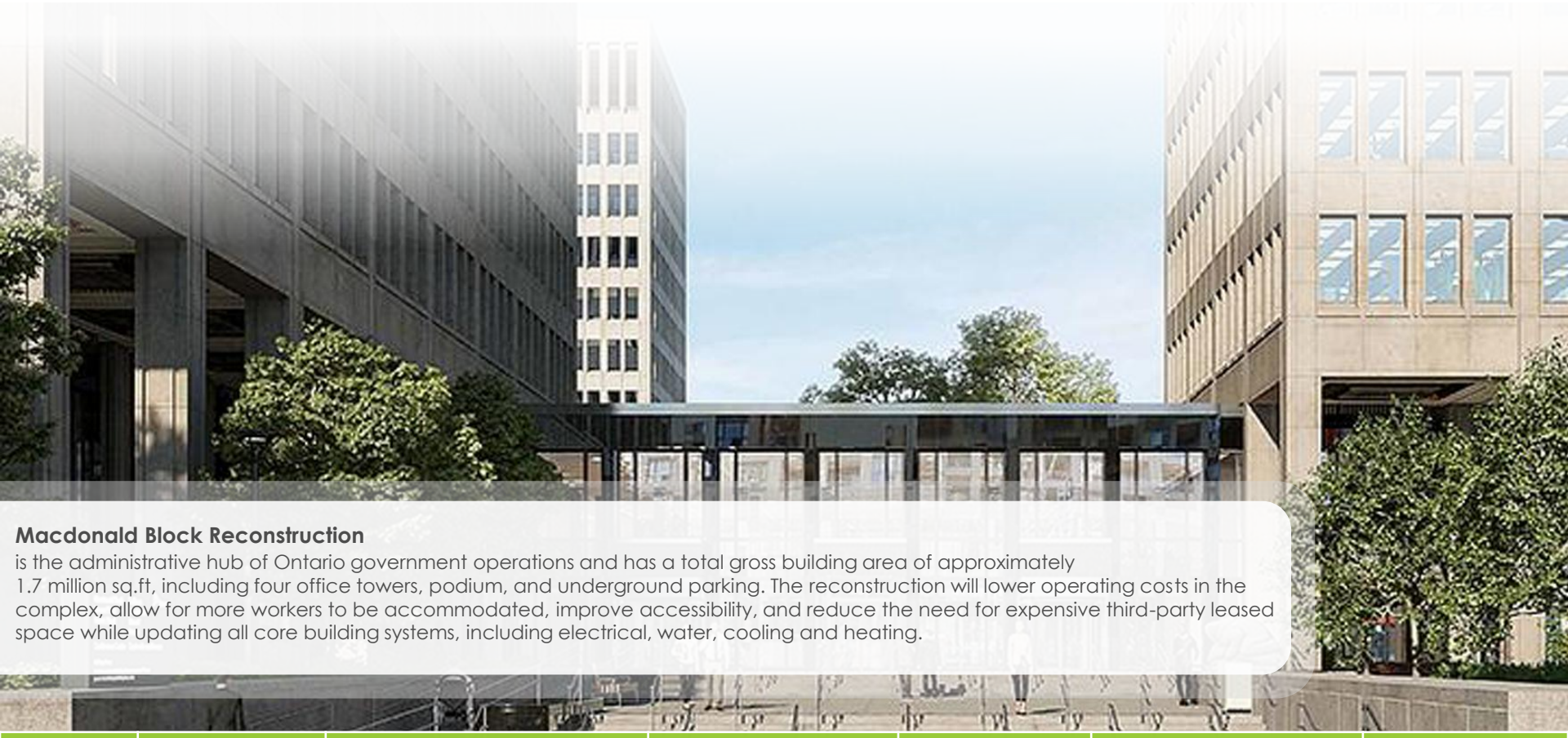
Each new EV charging site will include Level 2 or Level 3 charging stations, or a combination of the two.

Electric Vehicles

As of October 2025, there were more than 247,011 EVs registered in Ontario, including both battery-electric vehicles and plug-in hybrid electric vehicles.

1: Approved projects must be completed within 12 months from the date of the approval letter, with recipients having the ability to request an extension of up to 12 months or up to November 2026.

Impact Reporting – Macdonald Block Reconstruction



Macdonald Block Reconstruction
is the administrative hub of Ontario government operations and has a total gross building area of approximately 1.7 million sq.ft, including four office towers, podium, and underground parking. The reconstruction will lower operating costs in the complex, allow for more workers to be accommodated, improve accessibility, and reduce the need for expensive third-party leased space while updating all core building systems, including electrical, water, cooling and heating.

Expected Completion	Estimated Energy Savings (kWh / yr)	Estimated GHG Reductions (CO2 [or equivalent] tonnes / yr)	Equivalent Passenger Vehicles Off the Road (vehicles / yr)	Estimated Water Savings (litres / yr)	Equivalent Water Usage per Household (Ontario households / yr)	Other Environmental Benefits
2024[1]	25,067,940	5,464	1,271	28,534,719	150	Targeting LEED Silver Certification

1: Completion date pending update/confirmation.

Ontario

Ontario Financing Authority

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The Ontario Financing Authority is an agency of the Province of Ontario and is responsible for provincial borrowing and debt management activities.

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