

## **ANNUAL INFORMATION MEETING**

*April 16, 2025*

*Questions and Answers*

### **1. Question:**

What proportion of investments are in oil & gas? Is that proportion declining or increasing? How does it compare with investment in alternative energy (wind, solar, batteries etc.)?

### **Answer (Vestcor):**

Over the past 5 years, investments in oil & gas have decreased from 2.5% to 1.8% of the total portfolio, while investments in renewable energy have increased from 0.6% to 2.8% of the total portfolio. As such, renewable energy currently represents a larger portion of the portfolio's investments than traditional oil & gas.

Most of the Plan's investments in the oil & gas and alternative energy sectors are made from the public equity and the private market sections of the Plan's portfolio.

In relation to public market investments, the Plan's investments in the oil & gas industry have slightly reduced over the past 5 years, moving from 1.6% of the total portfolio as of December 31, 2019, to 1.1% of the total portfolio as of December 31, 2024. This represents a modest underweight position relative to broad equity market benchmark indices. In contrast, the Plan's investments in renewable energy slightly increased over the same period moving from very little in 2019 to 0.1% of the total portfolio.

In relation to private markets, the Plan's investments in the oil & gas industry (including mainly investments in liquid storage and in pipelines) have also slightly reduced over the past 5 years, moving from 0.9% of the total portfolio as of December 31, 2019, to 0.7% of the total portfolio as of December 31, 2024. On the renewable front, private market investments (including mainly investments in solar and wind energy) increased over the same period from 0.6% of the total portfolio to 2.7% of the total portfolio.

As you may be aware, Vestcor is responsible for the management of AESRP's investments. In addition to the information above which is specific to AESRP's investments, additional information on Vestcor's total fund carbon footprint metrics is available from [their annual Responsible Investment Report](#). While figures at December 31, 2024 are not yet available, Vestcor's Financed Emissions Intensity did decrease from 52.9 tCO<sub>2</sub>e/\$M as of December 31, 2022, to 51.4 tCO<sub>2</sub>e/\$M as of December 31, 2023.