



2025 Task Force on Climate-related Financial Disclosures

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The following information is prepared in accordance with the requirements of California SB 261 legislation. Using the Task Force on Climate-related Financial Disclosures (TCFD) framework as a reference point, Omega has compiled disclosures where information is currently available. This document covers the period Jan. 1, 2025, through Dec. 31, 2025, unless otherwise noted.

Note on Materiality

The topics, statements, and data presented in this report are included because we believe they may be of interest to our diverse stakeholders. Their inclusion should not be interpreted as an indication that we consider our actions in these areas—or the related metrics, while potentially relevant to us—to meet the definition of materiality used for financial reporting, SEC filings, or other regulatory reporting purposes.

Executive-Level Oversight

Management is responsible for identifying the significant risks facing the Company, implementing risk management strategies that are appropriate for the Company's business and risk profile, integrating consideration of risk and risk management into the Company's decision-making process and communicating information with respect to material risks to the Board or the appropriate committee.

The senior management team is responsible for preparing an enterprise risk management assessment (ERM), which includes climate and sustainability risks and is formally reviewed and discussed semi-annually by the Board.

In addition to the ERM, Omega also maintains a Sustainability Steering Committee to assist in identifying certain risks and how to mitigate those risks. The Sustainability Steering Committee generally meets quarterly to discuss, among other topics, climate and sustainability related issues.

The members include the Company's President, Chief Investment Officer, Chief Financial Officer, Chief Legal Officer and General Counsel, Vice President, Technology, Vice President, Human Resources and Director, Corporate Strategy and Investor Relations. Also attending the standing quarterly meeting are the Vice President, Financial Reporting and Vice President, Operations.

Members of the committee present on sustainability risks and opportunities relating to their respective functions, including but not limited to, capital-expenditure ("Capex") sustainability initiatives, regulatory / legal reports, climate-related risks and opportunities, and potential financial impacts as well as a physical climate risk assessment performed across our portfolio of assets evaluating both acute and chronic hazards.

The Chief Legal Officer and General Counsel is responsible for assessing legal risks associated with climate change, including litigation, regulatory exposure, and contractual obligations.

Board-Level Oversight

The Board of Directors provides oversight of the company's overall risk management framework, receiving regular updates from management on material risks and emerging issues. The Nominating and Corporate Governance Committee (NCGC) has primary responsibility for overseeing the company's governance, sustainability, and social responsibility matters, including updates on environmental and climate-related risks and opportunities.

The NCGC oversees the work of the Sustainability Steering Committee and receives quarterly reports on relevant policy developments, disclosure changes, and sustainability-related initiatives. This includes updates on the company's Capex sustainability program, which encourages operators to pursue projects that both enhance environmental performance and deliver favorable financial returns.

The Board and its Investment Committee also review environmental considerations as part of the approval process for new investments above respective designated thresholds. Materials provided in connection with these investment approvals include environmental and site-quality assessments, as well as analysis of potential physical climate risks, such as natural disasters or extreme weather impacts, on proposed investments.

Identified Risks and Opportunities and their Impacts

A large number of our properties are located in areas particularly susceptible to revenue loss, cost increase or damage caused by severe weather conditions or natural disasters such as hurricanes, earthquakes, tornadoes, fires and floods, as well as the effects of climate change. To the extent that climate change impacts changes in weather patterns, our markets could experience more frequent and severe natural disasters. Operationally, such events could cause a major power outage, leading to a disruption of our operators' operations or require them to incur additional costs associated with evacuation plans. Over time, any of these conditions could result in increased operator costs, delays in construction, resulting in increased construction costs, or in the inability of our operators to operate our facilities at all. Climate change and severe weather may also have indirect effects on our business by increasing the costs to our operators of, or decreasing the availability to our operators of, property insurance on terms they find acceptable, and by increasing the cost of energy, maintenance, repair of water and/or wind damage, and snow removal at our properties. In the event of a loss in excess of insured limits, we could lose our incremental capital invested in the affected property.

The Company seeks to identify potential adverse financial impacts in the short-, medium-, and long-term primarily related to increased operating costs, capital expenditures, and asset valuation risks, and where possible to mitigate these impacts through active portfolio management, including acquisition underwriting and asset sales, where appropriate, and physical mitigation.

We evaluate our risks in the short term (0 – 5 years), medium term (6 – 15 years) and long term (16 – 30 years).



Climate-related Risks Identified by Omega

Physical Climate Risk	Time Horizon	Description	Potential Business Impacts	Mitigation Strategies & Opportunities
Hurricane / Cyclone	Short-Term; Medium-Term; Long-Term	Increased exposure to hurricanes or hail could result in severe property damage, permanent loss of property value, increased costs, reduced insurance coverages, relocation costs, and business interruptions	• Business interruptions • Loss of property/value • Higher insurance costs	• Diversify properties geographically • Utilize flood zone assessments to inform flood risk and response decisions • Investments in flood awareness preparedness • Work with operators to ensure adequate property coverage and mitigate financial losses
Inland Flood	Long-Term	Changes in rainfall conditions and the size and frequency of possible floods could result in property damage, compromised infrastructure, business interruptions, increased costs, and reduced insurance coverages	• Business interruptions • Loss of property/value • Higher insurance costs	• Diversify properties geographically • Utilize flood zone assessments to inform flood risk and response decisions • Investments in flood awareness preparedness • Work with operators to ensure adequate property coverage and mitigate financial losses
Wildfire	Long-Term	Changes in fire potential and wildfire seasons could result in property damage, permanent loss of property value, stress on human health and ecosystem services, business interruptions, increased costs, and reduced insurance coverages	• Business interruptions • Loss of property/value • Higher insurance costs	• Diversify properties geographically • Proper inspection and maintenance of all fire detection and fire sprinkler systems • Investments in air-purifying technologies and embedded fire retardants • Work with operators to ensure adequate property coverage and mitigate financial losses
Heat	Long-Term	Increases in temperature could result in increased energy costs, heightened risk of brownouts/power outages and stress on human health/labor force	• Increased energy costs • Heightened risk of power outages	• Diversify properties geographically • Implement energy-saving technologies throughout properties, including LED lighting retrofits, energy-efficient HVAC systems and smart thermostats • Work with operators to ensure adequate property coverage and mitigate financial losses
Air Quality	Long-Term	Deterioration in air quality could result in heightened respiratory and cardiovascular diseases, elevated healthcare expenditures, diminished labor productivity, ecosystem degradation, and stricter emissions regulations	• Increased energy costs	• Diversify properties geographically • Investments in air-purifying technologies and embedded fire retardants
Drought	Long-Term	Changes in water supply and demand could result in reduced water supply, increased water costs, and disruption to residents	• Reduced water supply • Increased water expense	• Diversify properties geographically • Initiatives and awareness, including drought-resistant landscaping, smart watering technologies and efficient plumbing

Climate-related Risks Identified by Omega

Transition Risk	Time Horizon	Description	Potential Business Impacts	Mitigation Strategies & Opportunities
Regulatory	Short-Term; Medium-Term; Long-Term	There is an increasing number of national, state, and local policies and ordinances around energy and carbon reduction in the U.S. and the U.K. Legislation continues to increase, and there is the potential for additional legislation to require companies to meet certain energy, water, and/or efficiency or carbon reduction standards	Inability to meet efficiency or carbon reduction jurisdictional requirements could result in non-compliance and/or high fines or fees	Review legislative requirements for the portfolio to support ongoing reporting and compliance efforts. Expanded attention from emerging regulation can drive internal and external buy-in on capital investments and building improvements, reinforce the company's long-term resilience strategy, and increase confidence in our ability to deliver and comply with future regulation
Reputation	Medium-Term; Long-Term	Stakeholders are demanding accountability around climate-related topics	Tenant failure to meet market requirements for sustainable, energy-efficient buildings could lead to reduced occupancy and revenue loss for outdated facilities	Increasing interest among tenants in building efficiency and sustainability could enhance brand reputation, and strengthen relationships with capital partners and investors who prioritize sustainability performance
Technology	Long-Term	Transitioning to low-emission technologies (e.g., efficient HVAC, building automation systems)	This may require significant upfront investment, and delayed adoption may increase costs for our operating partners	Proactively assessing and promoting appropriate energy-efficient technologies (e.g., LED lighting, high-efficiency HVAC systems) can generate long-term cost savings and operational efficiency. These investments may also lower building operating costs, boosting competitive advantage

Climate Resilience

Climate-related risks and opportunities are expected to influence our financial performance across short-, medium, and long-term horizons.

In considering climate-related scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), we assess both a transition scenario consistent with limiting warming to approximately 2°C aligned with Representative Concentration Pathway (RCP) 2.6 and a high-emissions physical risk scenario aligned with RCP 8.5. These scenarios provide structured views of how climate change and global policy responses may evolve. Using these IPCC pathways, we seek to identify potential adverse financial impacts primarily related to increased operating costs, capital expenditures, and asset valuation risks.

In a low-carbon transition scenario, potential higher compliance costs associated with carbon pricing and building efficiency standards may reduce earnings and require capital investments for energy efficient property retrofits and renewable energy integration to maintain asset value and tenant demand.

In a high physical-risk scenario, increased frequency of extreme weather events could result in higher insurance premiums, community safety risk, property damage, and potential impairment of assets located in high-risk regions. These factors may lead to reduced cash flows and could impact long-term portfolio valuation if not mitigated through proactive adaptation and resilience measures. To mitigate these risks, we plan to continue to prioritize resilience investments such as sustainability upgrades and explore options such as flood protection which may require significant upfront capital but are expected to reduce long-term financial exposure.

Alternatively, these investments present opportunities to enhance portfolio resilience, attract operators seeking sustainable facilities, and access green financing and tax incentives. We expect any of these measures to support long-term revenue stability and attract investors as sustainability factors become a more material concern to investors.

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Identification of Climate-Related Risks

We identify and assess climate-related risks through a combination of due diligence processes and advanced risk modeling. Environmental assessments are conducted during real estate acquisitions to evaluate property conditions, compliance with environmental standards, and exposure to physical hazards such as flooding, wildfire, and extreme weather events. These assessments also consider building code compliance, often leading to sustainability improvements.

In addition to physical risks, we evaluate transition risks associated with climate change, including potential policy changes, evolving regulatory requirements, and market shifts toward low-carbon solutions. These factors are considered in strategic planning to anticipate impacts on asset valuation, operational costs, and long-term investment performance.

To enhance accuracy and financial relevance, we leverage a climate risk financial modeling tool that provides asset-level projections of climate-related impacts under multiple scenarios. This enables the Company to quantify estimates of potential financial exposure and prioritize mitigation strategies across its portfolio.

Management of Climate-Related Risks

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Climate risk management is embedded in our sustainability initiatives and capital planning processes. Physical risk mitigation occurs through remediation during property acquisition and sustainability upgrades aimed at improving resilience. We encourage our operators to invest in environmentally beneficial projects as part of Capex programs. Oversight is provided by the Sustainability Steering Committee, which meets quarterly to review climate and sustainability issues, including Capex initiatives and physical risk assessments across the portfolio.

Climate-Related Risk Integration

The senior management team is responsible for preparing the ERM, which includes climate and sustainability risks and is formally reviewed and discussed semi-annually by the Board. The ERM process involves senior management and is supported by the Sustainability Steering Committee, which includes executives from investment, finance, legal, technology, HR, and strategy functions. This integration ensures that climate risks are considered alongside other strategic and operational risks, enabling a coordinated approach to governance and decision-making.

We place a high priority on the protection of our assets, communities and the environment. Based on our business model, the properties in our portfolio are primarily net leased to our tenants, and each tenant is generally responsible for maintaining the buildings, including controlling their energy usage and the implementation of environmentally sustainable practices at each location.

Recognizing the environmental impact associated with our controlled operations, we are actively taking steps to neutralize our carbon footprint in our corporate headquarters. While we occupy a modest office space for our corporate headquarters, in 2021, we announced our commitment to carbon neutrality for Scope 1 and Scope 2 emissions by 2024. In 2024, we achieved this standard by purchasing carbon offsets. Our decision to purchase carbon offset credits reflects our dedication to sustainable business practices. By investing in carbon offset credits, we are not only offsetting unavoidable emissions but also contributing to impactful environmental projects that align with our commitment to sustainability. We purchase and validate carbon offset credits through a third-party, Lune, which certified in 2025 that 185t CO2 were retired on behalf of Omega via carbon offset projects, which fully offset the prior year's carbon footprint in our corporate headquarters. The space occupied by our corporate headquarters was approximately 41,500 square feet in 2024.

Our focus on environmental responsibility is also demonstrated by how we manage our day-to-day activities at our corporate headquarters, which has earned the LEED Silver Certification in Existing Buildings: Operations & Maintenance, and where we also promote energy efficiency with features such as an automatic lighting control system, water efficient features, low-VOC paints and floor adhesives and a single-stream recycling service. 62% of Omega's development projects from 2015 – 2025 were built to LEED certification standards.

For more information on our climate-related metrics, carbon footprint, and targets, please refer to the Environment section of this report.



Metrics & Targets

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For more information on our climate-related metrics, carbon footprint, and targets, please refer to the Environment section of our [2025 Corporate Sustainability Report](#).