

Charities Policy

COMMUNICATIONS & PUBLIC AFFAIRS



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Effective
January 1, 2016

OVERALL PRINCIPLES

Charitable giving should, at all times, be based on the fiduciary obligation OMERS has to its plan members.

We will only support registered charitable organizations and charitable events that align with our business objectives. This Policy provides specific types of organizations with which we will not participate.

The President and CEO of OMERS and the Chief Investment Officers (CIOs) have the authority to approve expenditures, except specific activities in excess of \$50,000 that require the approval of the OMERS Administration Corporation (OAC) Board.

This Policy establishes criteria and authorities for OMERS charitable activities, ensuring they are assessed, approved and reported in a consistent and transparent manner.

This Policy applies to all OMERS employees, Directors and third-party contractors acting on our behalf. For the purpose of this Policy, OMERS is comprised of OMERS Administration Corporation (OAC) and its Business Units. It does not apply to portfolio companies.

Next scheduled date for review:	December 2019
Frequency of review:	Every 3 years

Fiduciary Duty and Charitable Giving

OMERS has a fiduciary duty to act in the best interests of our Plan members. The expenditure of funds must meet these fiduciary standards. OMERS may promote its bona fide commercial interests by participating in charitable events provided that:

- participation receives the necessary prior approvals
- there is a commercial rationale for the participation, including stature in the community at large. Broadly speaking, we would expect the charitable event to be in Ontario, and where relevant business activities are undertaken
- participation is within the approved annual budget, and reported to the OAC Board
- participation must only be made to charities that are registered with the Canada Revenue Agency or equivalent government bodies in other jurisdictions
- where appropriate, OMERS should receive clear and appropriate recognition for its participation as an organization, such as through the display of corporate logos or recognition in promotional material
- where possible, the charitable activities promote the broad and active participation of OMERS employees, enhancing employee engagement and facilitating community involvement, and
- obey all laws and regulations applicable to charitable participation including, but not limited to, the OMERS Act, the *Pension Benefits Act* and the *Income Tax Act*

How Do We Participate?

OMERS can participate in the following ways:

- provide contributions that support charitable organizations

- participate in a charitable event
- provide financial sponsorship of a charitable event, where it meets requirements set out in this Policy, and
- contribute time, money and/or materials

Where Don't We Participate?

OMERS does not provide charitable funds for:

- individuals
- religious organizations
- political organizations or activities (please refer to *Political Donations Policy*)
- pageants
- recreational and competitive sport teams
- individual schools' extra-curricular programs and activities
- organizations that discriminate on the basis of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, marital status, family status or disability, and
- for-profit community endeavours

Budgets and Approvals

The Corporate and Pension Business Units, collectively, and the Business Units reporting to their respective CIOs must establish an annual budget for charitable giving. The CIOs have the authority to approve charitable participation within their respective business units.

The President and CEO of OMERS has the authority to approve charitable participation within the Corporate and Pension Business Units.

In all instances, such approvals should be within the approved annual budgets.

Specific initiatives that are long-term in nature or that involve significant expenditure of funds (over \$50,000) must be presented to and approved by the OAC Board.

Oxford Properties

Property-level marketing and promotional charitable participation only requires approval from the property's General Manager.

Contributions to Charitable Organizations

In all instances, we must ensure we are knowledgeable about the charitable organizations that receive funds and/or donations in the form of volunteers or other non-monetary forms.

We can become knowledgeable by undertaking the following activities. The extent of these activities is within the discretion of the approver, provided that the first two items on this list are documented formally:

- the Registered Charity Number
- a background search on the Charity that provides reasonable assurance of its purpose and alignment with our business objectives. Minor payments can be excluded from this requirement, at the discretion of the approver
- formal operational documents, such as list of board members, previous funders or municipal/community support or partnership for reference
- copy of approved operating budget and financial statements from the previous year
- list of confirmed financial supporters of the organization, along with amount of support

Exceptions

Exceptions to this Policy may be made with the authorization of the Policy Sponsor. Such exceptions must be reported in a timely fashion to the Governance Committee of the OAC Board.

This Policy is not intended to limit:

- the ability of employees to make a personal contribution to a charity or community organization, provided that their contribution is not associated, or perceived to be associated, with OMERS
- reasonable support provided to employees in their fund-raising efforts for charities and community organizations that are intended to foster employee engagement
- providing short-term (i.e., less than two weeks) use of space to registered charities and community organizations at any Oxford property
- participation in professional, commercial or trade associations related to furthering the business mandate, and/or attendance at a charitable event, as a guest of a third party, and
- minor payments to registered charities in support of life events (retirements and deaths)

Responding to Incidents of Non-Compliance

The Policy Manager is accountable for identifying incidents of potential non-compliance under this Policy based on established procedures, and reporting such incidents to the Policy Sponsor.

Monitoring and Reporting

Annually: The Policy Sponsor will provide a report on charitable giving to the Governance Committee of the OAC Board.

ROLES & RESPONSIBILITIES

Policy Approver	Governance Committee of the OAC Board	Responsible for approving the Policy
Policy Sponsor	Chief Operating Officer and Pension Services	Ultimately accountable for the Policy, including its development, implementation and administration
Policy Manager	SVP, Communications & Public Affairs	Responsible for the design and operational effectiveness of the day to day administration of the Policy
Policy Monitor	VP, Corporate Social Responsibility	Responsible for the monitoring, compliance and reporting functions of the Policy