

OMERS Administration Corporation

GOVERNANCE COMMITTEE MANDATE

Purpose

The Governance Committee assists the Board of Directors (AC Board) of OMERS Administration Corporation (AC) in meeting its fiduciary oversight and related obligations in relation to governance, plan administration, and technology matters and particularly in relation to AC's governance principles by identifying governance, plan administration, and technology practices and standards (and supporting processes and practices) that promote and enhance effective Board and Management decision-making to ensure the OMERS Plan is administered in the best interest of its members and beneficiaries.

Composition

The Committee is to be comprised of up to seven Directors. Committee members will be recommended for AC Board approval by the Board Chair. Members will serve for one-year terms. The AC Board may reappoint any or all members of the Committee for additional one-year terms.

Meeting Schedule and Frequency

The Committee will meet four times per year and as many additional times as needed to carry out its duties effectively.

Responsibilities

The Committee fulfills its purpose by:

1. approving and implementing regular performance assessments of the AC Board, its Committees and individual Directors and assessing the governance effectiveness;
2. approving appropriate processes and programs to enable the AC Board to fulfil its duties and obligations including:
 - (i) orientation of newly appointed Directors; and
 - (ii) ongoing development, education and training for all Board members;
3. approving processes and procedures for the regular ongoing assessment of Board and Committee meeting effectiveness;
4. approving a form of governance manual and director's handbook for AC;

5. recommending changes to the AC Board to address effectiveness issues arising out of the annual performance assessments implemented by the Governance Committee;
6. recommending changes to AC's current approach to governance as part of ongoing reporting obligations to the AC Board on governance trends and best practices;
7. recommending, where appropriate, to the AC Board changes to the mandate of the AC Board, each of its Committees, the Board Chair and Committee Chairs based on the needs of AC and evolving governance standards;
8. annually reporting on the state of governance of AC as a whole including taking into account Sponsor Corporation and Sponsor considerations as they affect AC and recommending changes;
9. at least once every three years reviewing and recommending changes to the AC's Governance Principles;
10. reviewing and recommending changes to the AC Board regarding the AC Board Chair role description as required;
11. consulting with the AC Board Chair as the Chair develops recommendations to the AC Board regarding Committee leadership and membership of the Committees;
12. recommending to the AC Board management proposals relating to governance practices and policies regarding investment entities and approaches relating to portfolio companies;
13. assessing the competency requirements of the AC Board, recommending skills and experience needs and requirements for the AC Board to the AC Board, and confirming the specific competencies of individual Directors;
14. assessing the adequacy of the quality and timeliness of information provided to the AC Board and its Committees and making recommendations to the AC Board for change where appropriate;
15. reviewing policies approved by the AC Board and its Committees that are identified as the responsibility of the Governance Committee;
16. assessing the needs of the AC Board and its Committees in terms of the frequency and location of AC Board and Committee meetings, meeting agendas, and meeting conduct issues and making recommendations to the AC Board with respect to such matters from time to time;
17. reviewing governance standards published by other relevant organizations from time to time including peer group organizations and industry bodies such as the Canadian Association of Pension Supervisory Authorities;
18. making recommendations to the AC Board with respect to governance and related considerations involving the Sponsors Corporation, Sponsors and other stakeholders;
19. overseeing the AC's role with the Sponsors Corporation in the nomination process for AC Board members and the recruitment process for the AC Board Chair;

20. reviewing the framework for how the Corporation communicates with plan members and other stakeholders on issues such as financial results, pension plan matters and financial performance and the timely disclosure of such information;
21. overseeing, on behalf of the AC Board, plan administration issues, including:
 - i) reviewing pension administration systems and development programs;
 - ii) pension administration communication and education channels; and
 - iii) pension administration performance;
22. overseeing, on behalf of the AC Board, and making recommendations to the AC Board regarding:
 - i) the enterprise information technology plan in support of the OMERS strategic plan;
 - ii) technology projects that have strategic significance, including governance and implementation;
 - iii) technology risk management and risk assessments; and
 - iv) OMERS approach to cyber security;
23. reviewing reports from Management relating to oversight of the business continuity program (which for greater certainty will cover the full program and not just technology-related aspects);
24. overseeing, on behalf of the AC Board, risks assigned to the Committee including risks relating to the governance model, member & employer services, stakeholder relations & communications, information & technology, and business continuity & security; and
25. reviewing and confirming or recommending amendments to the Committee's mandate and procedures annually and approving a work plan for the Committee.

Committee Leadership

The role of the Committee Chair is to:

- foster a constructive tone so that the Committee works as a cohesive team;
- assist the Board Chair in developing and fostering a healthy Board culture;
- ensure that the informational needs of Committee members are met;
- promote the independent thinking and decision-making of the Committee;
- build consensus among Committee members;
- ensure meeting time is used effectively;
- monitor Committee activities to ensure the work undertaken is consistent with the mandate;
- work in conjunction with Management to ensure that the Committee fulfills its mandate and completes its work plan efficiently and effectively; and
- move Committee discussion towards a constructive and timely resolution.

Reporting and Accountability to the AC Board

Following each Committee meeting, report to the AC Board on the activities, findings and any recommendations of the Committee. This will be accomplished by:

- the distribution of the minutes of all Committee meetings to all Directors; and
- an oral report at the next scheduled AC Board meeting.

Other Matters

The Committee will:

- retain external advisors to provide governance expertise and any other support as required or deemed appropriate, following the AC Board-approved selection process;
- ensure members are provided with the appropriate resources and education to fulfill the Committee's responsibilities;
- generally conduct *in camera* sessions at the end of its meetings; and
- annually evaluate the Committee's performance in fulfilling its mandate and report findings to the AC Board.

Applicable Policies

The Committee is responsible for approving the following policies:

- Board Education and Expense
- Charities
- Director Remuneration
- Lobbying
- Political Donations
- Sponsors Corporation Support and Reimbursement

HISTORY

Effective Date: *January 1, 2020*

Approval Dates: *November 23, 2007, November 20, 2008, December 17, 2008, December 17, 2009, December 16, 2010, December 15, 2011, December 14, 2012, December 13, 2013, December 12, 2014, February 26, 2015, December 10, 2015, December 15, 2016, December 14, 2017, December 13, 2018, February 22, 2019, December 12, 2019*