

OMERS Sponsors Corporation

BOARD COMPETENCY FRAMEWORK

The SC Board is responsible for Pension Plan design, determination of contribution rates, filing of valuations, reserves, and composition of the SC and AC Boards. The SC Board wants Directors who satisfy all of the attributes and commitments in the shaded box. The SC Board as a whole needs to adequately satisfy the seven specific competencies below; each Director is expected to satisfy on joining the Board or commit to developing not less than three specific competencies.

Each Director must possess the following attributes:

- Independence, integrity, and sound judgment
- Curiosity and courage to ask the right questions
- Long-term, strategic outlook
- Commitment to the DB Model
- Demonstrated ability to operate effectively as part of a diverse team to arrive at a conclusion benefitting all

Each Director must be willing to:

- Understand and exercise his or her fiduciary responsibilities
- Attend and actively contribute to Board and Committee meetings
- Devote the time and effort necessary to be an effective Board member
- Act in a manner that sustains and improves trust in OMERS
- Participate in director development programs as determined by the SC

Stakeholder Relations

- Experience working within a stakeholder or similar organization
- Knowledge and understanding of the views of stakeholders
- Experience articulating the interests of stakeholders
- Experience in managing or overseeing effective communications with members, employers, or other stakeholders
- Ability to oversee or participate in healthy relations in a diverse, multi-stakeholder environment
- Understanding of the broader relationship between management and workers, both unionized and non-unionized

Pensions – Design

- Ability to understand pension design, policy and regulation

<ul style="list-style-type: none"> • Ability to understand plan or trustee administration • Literacy in personal financial and related retirement concepts • Ability to understand interrelationship between political, legal, tax, economic concepts • Familiarity with global pension landscape and related trends
<p>Pensions – Funding</p> <ul style="list-style-type: none"> • Knowledge of actuarial practice in the pension, insurance or similar fields • Knowledge of asset-liability management • Knowledge of DB pension plan funding • Knowledge relating to overseeing an effective and sustainable retirement income or social security system
<p>Governance</p> <ul style="list-style-type: none"> • Understanding of the relationship among people, process and policy in a large or multi-stakeholder environment • Experience evaluating and selecting Board members to create an effective Board • Ability to understand consequences of large-scale strategic decisions
<p>Government/Regulatory/Public Policy</p> <ul style="list-style-type: none"> • Experience in, or demonstrated understanding of, the workings of government and public policy • Strong understanding of relevant regulatory regimes • Experience with macro-economic considerations and their impact on pension obligations and government decision-making
<p>Risk</p> <ul style="list-style-type: none"> • Ability to identify principal risks of an organization or oversee risk management programs • Understanding of risk and return dynamics in complex pension environment • Familiarity with financial and management systems and concepts
<p>Leadership Experience</p> <ul style="list-style-type: none"> • Experience as a leader within a stakeholder organization or other large organization or government body • Experience using processes to analyze and make decisions on large strategic initiatives • Experience with strategic planning and development

Key Considerations Relating to Personal Attributes

<p>Independence and integrity</p> <ul style="list-style-type: none"> • Ability to take action regardless of the wishes of management, the interests of the Sponsor Organization that appointed him/her, and any personal interests of the Director. • Demonstration of a commitment to high ethical standards, and holding others to the same standard
<p>Curiosity and courage</p> <ul style="list-style-type: none"> • The Board needs to challenge management and advisors to deliver the tools they need to imagine and deliver better outcomes • Directors need to deal with difficult or uncomfortable topics deliberately and centrally

<ul style="list-style-type: none"> • A courageous conversation is one that invites participants to not only ask questions, but to question answers
<p>Long term and strategic</p> <ul style="list-style-type: none"> • Boards can't just look backwards. Directors need the right forward-looking information about strategy and stakeholders that cuts through the noise and enables decisions • Directors need to combine multiple risks/opportunities and question what the compounded impacts could be
<p>Commitment to the DB Model</p> <ul style="list-style-type: none"> • Statutory requirement in the OMERS Act • Demonstration of a commitment to comprehensive retirement income security
<p>Teamwork</p> <ul style="list-style-type: none"> • Orientation towards working together collaboratively • Complementary expertise • Effective and respectful interaction • Caution against group-think
<p>Diversity</p> <ul style="list-style-type: none"> • Diversity of thought and perspectives is important to reach good decisions • Fundamental diversity helps achieve the objective of diversity of thought – gender, race, age, ethnicity, orientation, physical and mental abilities

HISTORY

Effective Date: *January 1, 2020*
 Approval Dates: *November 14, 2019*
 Next Review Date: *December 2022*