

# OMERS Administration Corporation

## PENSIONS COMMITTEE MANDATE

### Purpose

The purpose of the Pensions Committee (the Committee) is to assist the OMERS Administration Corporation (AC) Board of Directors (AC Board) in meeting its fiduciary oversight and related obligations in relation to plan administration and funding and actuarial matters, overseeing risks under the purview of the Committee, measurement and progress on sustainability-related goals relating to OMERS internal operations, and reviewing plan design and contribution rate proposals and decisions made by OMERS Sponsors Corporation (SC) regarding their impact on the current membership.

### Composition

The Committee is to be comprised of up to seven Directors. Committee members will be recommended for AC Board approval by the AC Board Chair after consultation with the Governance Committee. The Committee should also possess relevant actuarial or pension experience.

Members will serve for one-year terms. The 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 additional times as needed to carry out its duties effectively as determined by the Committee Chair.

### Responsibilities

The Committee fulfills its purpose by:

#### A. Pensions Matters

1. Reviewing plan design and contribution rate proposals and decisions made by SC regarding their impact on the current membership.
2. Overseeing plan administration issues, including:
  - i) pension administration systems and development programs;
  - ii) pension communications with plan members, employers, sponsors and stakeholders, including in relation to pension administration, plan education and defined benefit pension advocacy; and
  - iii) pension administration performance.

**B. Funding and Actuarial Matters**

3. At least once every five years, recommending to the AC Board the appointment of the External Actuary to the AC Board to undertake annual valuations of the OMERS Pension Plans, and the general terms of engagement and remuneration of the External Actuary.
4. Recommending to the AC Board actuarial methods and assumptions to be used for the actuarial valuations of all OMERS Pension Plans.
5. Recommending to the AC Board annual actuarial valuations of all OMERS Pension Plans.
6. Recommending to the AC Board funding policies of all OMERS Pension Plans.
7. At least once every five years, recommending to the AC Board the value of indexing to be applied to the portion of pensions accrued after December 31, 2022 that is subject to Shared Risk Indexing, for use in the actuarial calculation of commuted values.
8. Monitoring Plan Design & Funding risk through trend analysis, sensitivity and stress testing, forecasts, asset/liability studies and evaluation of the long-term real discount rate target, prepared by Management and reporting to the AC Board and SC on key risks and options (including, where appropriate, valuation filing recommendations) to manage them.
9. Reviewing plan design and contribution rate proposals and decisions made by SC regarding their impact on plan funding.
10. Reviewing with Management and the External Actuary relevant changes to actuarial and funding principles and standards, and emerging trends.
11. Annually evaluating the performance of the External Actuary and, if appropriate, confirming the continued appointment of the External Actuary.

**C. Risk Matters**

12. Overseeing risk categories assigned to the Pensions Committee, including Actuarial Assumptions & Methods Risk, including Liability Assumptions & Methods and Asset Valuation Methods Risk, AC Pension Administration Risk, including AC Stakeholder Relations Risk, Administration and Services Risk, Member and Employer Remittance and Payment Risk, and SC Stakeholder Relations Risk, in each case as described in the Enterprise Risk Appetite Statement.
13. Reviewing the Pension Risk Report annually and Actuarial Assumptions & Methods reporting relating to the Enterprise Risk Report bi-annually, in each case as described in the AC Risk Framework, and monitoring relevant risks.
14. Reviewing Pension Risk within the Enterprise Risk Appetite Statement, and recommending changes thereto, as required, to the Audit & Risk Committee for further recommendation to the AC Board.

**D. Other Matters**

15. Reviewing and recommending the Committee's mandate to the AC Board via the Governance Committee and approving a work plan for the Committee.

16. Retaining independent advisors to provide any expertise the Committee deems appropriate or necessary.
17. Ensuring members are provided with the appropriate resources and education to fulfil the Committee's responsibilities.
18. Conducting *in camera* sessions at the end of its meetings with the CEO, the Chief Pension Officer and the Chief Financial & Strategy Officer, together, the Committee alone and any other party the Committee determines. The Committee will also meet in camera with the External Actuary annually and otherwise as the Committee determines.

### 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 its mandate;
- work in conjunction with Management to ensure that the Committee fulfills its mandate and completes its work plan efficiently and effectively;
- move the Committee's discussion towards a constructive and timely resolution; and
- promote a culture of integrity, compliance, ethical decision-making and conduct, and inclusion.

### Reporting and Accountability to the AC Board

The Committee will report to the AC Board on its activities, findings, recommendations and approvals. This will be accomplished by:

- the distribution of meeting materials and minutes of all Committee meetings to all Directors;
- an oral report from the Committee Chair at the next regularly scheduled quarterly AC Board meeting; and
- annually evaluating the Committee's performance in fulfilling its mandate and reporting its findings to the AC Board via the Governance Committee.

### Applicable Policies

The Committee is responsible for recommending the following policies to the AC Board:

- Funding Policy – Primary Plan
- Funding Policy – RCA

**HISTORY**

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Effective Date: January 1, 2026

Approval Dates: December 11, 2025