

OMERS SC

Conflict of Interest Policy



Michael Rolland, CEO

Effective
January 1, 2021

SUMMARY

The OMERS Act incorporates conflict of interest provisions from the Business Corporations Act (Ontario). Section 5.14 of By-Law No. 2 establishes broad requirements relating to when conflicts arise and required disclosures relating to those conflicts. The purpose of this Policy is to provide more detailed steps that should be followed in those circumstances.

This Policy applies to SC Board members, SC management and SC employees.

Initial approval date:	December 8, 2020
Next review date:	November 2023
Frequency of review:	Every three years

A. Conflict of Interest

A Member or officer of the Corporation who:

- i. is a party to a material contract or transaction or proposed material contract or transaction with the Corporation; or
- ii. is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation,

shall disclose in writing to the Corporation or request to have entered in the minutes of meetings of Members the nature and extent of his or her interest.

B. By a Member

The disclosure required by a conflict of interest shall be made, in the case of a Member:

- i. at the meeting at which a proposed contract or transaction is first considered;
- ii. if the Member was not then interested in a proposed contract or transaction, at the first meeting after he or she becomes so interested;
- iii. if the Member becomes interested after a contract is made or a transaction is entered into, at the first meeting after he or she becomes so interested; or
- iv. if a person who is interested in a contract or transaction later becomes a Member, at the first meeting after he or she becomes a Member.

C. By an Officer

The disclosure required by a conflict of interest shall be made, in the case of an officer who is not a Member:

- i. forthwith after the officer becomes aware that the contract or transaction or proposed contract or transaction is to be considered or has been considered at a meeting of Members;

- ii. if the officer becomes interested after a contract is made or a transaction is entered into, forthwith after he or she becomes so interested; or
- iii. if a person who is interested in a contract or transaction later becomes an officer, forthwith after he or she becomes an officer.

D. Where Contract or Transaction does not Require Approval

Despite Sections B and C, where Section A applies to a Member or an officer in respect of a material contract or transaction or proposed material contract or transaction that, in the ordinary course of the Corporation's business, would not require approval by the Members or officers, the Member or officer shall disclose in writing to the Corporation or request to have entered into the minutes of meetings of Members the nature and extent of his or her interest forthwith after the Member or officer becomes aware of the contract or transaction or proposed contract or transaction.

E. Member Not to Vote

A Member referred to in Section A shall not vote on any resolution to approve the contract or transaction unless the contract or transaction is:

- i. an arrangement by way of security for money lent to or obligations undertaken by the Member for the benefit of the Corporation;
- ii. one relating primarily to his or her remuneration as a Member, officer, employee or agent of the Corporation;
- iii. one for indemnity or insurance under Section 136 of the Business Corporations Act (Ontario); or
- iv. one with an affiliate.

F. General Notice of Interest

For the purposes of this section, a general notice to the Members by a Member or officer disclosing that he or she is a Member or officer of or has a material interest in a person and is to be regarded as interested in any contract made or any transaction entered into with that person, is a sufficient disclosure of interest in relation to any contract so made or transaction so entered into.

G. Effect of Disclosure

Where a material contract is made, or a material transaction is entered into between the Corporation and a Member or officer of the Corporation, or between the Corporation and another person of which a Member or officer of the Corporation is a director or officer or in which he or she has a material interest:

- i. the Member or officer is not accountable to the Corporation for any profit or gain realized from the contract or transaction; and
- ii. the contract or transaction is neither void nor voidable,

by reason only of that relationship or by reason only that the Member is present at or is counted to determine the presence of a quorum at the meeting of Members that authorized the contract or transaction, if the Member or officer disclosed his or her interest in accordance with Sections B, C, D and F, as the case may be, and the contract or transaction was reasonable and fair to the Corporation at the time it was so approved.

H. Effect of Disclosure

A Member is deemed to have a conflict of interest in a matter where the sponsor organization that appointed such Member has threatened or is involved in litigation with the Corporation, and such matter shall be treated as a "transaction" under this Policy.

ROLES & RESPONSIBILITIES

Policy Approver	OMERS Sponsors Corporation Board	Responsible for approving the Policy
Policy Sponsor	CEO, OMERS Sponsors Corporation	Ultimately accountable for the Policy, including its development, implementation, and administration
Policy Manager	Executive Director, Operations & General Counsel, OMERS Sponsors Corporation	Responsible for the design and operational effectiveness of the day to day administration of the Policy
Policy Monitor	Executive Director, Operations & General Counsel, OMERS Sponsors Corporation	Responsible for the monitoring, compliance, and reporting functions of the Policy