

# OMERS Administration Corporation

## INVESTMENT COMMITTEE MANDATE

### Purpose

The purpose of the Investment Committee (the Committee) is to assist the OMERS Administration Corporation (AC) Board of Directors (AC Board) with respect to its oversight of investment strategy, risk, policies, and performance, and the approval of large transactions which exceed limits delegated to Management.

### Composition

The Committee is to be comprised of seven Directors. Committee members will be recommended for AC Board approval by the Board Chair after consultation with the Governance & Risk Committee. Members will serve for one-year terms. The AC Board may reappoint 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 as determined by the Committee Chair.

### Responsibilities

The Committee fulfills its purpose by:

#### A. Investment Matters

1. Approving, or recommending to the AC Board, on a periodic basis those investment and other related policies designated in this Mandate.
2. Recommending AC's investment asset classes and mix to the AC Board, other than in circumstances where the AC Board has established an *ad hoc* committee to undertake this responsibility, for example an *ad hoc* Asset-Liability Study Committee.
3. Reviewing the strategy for each Investment Business Unit and reporting such strategies to the AC Board.
4. Recommending the AC annual operating plan with respect to benchmark net returns from the Investment Business Units.
5. Reviewing Investment Risk, as defined in the AC Risk Framework and the Investment Risk Appetite Statement and recommending changes thereto, as required, to the Governance & Risk Committee for further recommendation to the AC Board.

6. Reviewing investment risk reporting quarterly and monitoring investment risk limits in accordance with the Investment Risk Policy.
7. Recommending delegations of authority with respect to investment approvals and related decisions.
8. Reviewing, as required, Management proposals relating to governance practices and policies regarding investment entities and approaches relating to portfolio companies.
9. Recommending third-party capital programs where OMERS commitment exceeds the Board-approved delegation of authority referenced in Paragraph 7 or where SC approval is required.
10. Approving investments where the approval has not been delegated to Management by Board-approved delegation of authority.
11. Recommending to the AC Board related party transactions and transactions that may be determined by the Investment Committee from time to time to be outside the ordinary course of business or carry unusual forms of reputational risk, including the recommendation of policies to manage such transactions.
12. Reviewing management reports to monitor the investment performance and the effectiveness of the investment strategies and related performance of the asset classes and Investment Business Units.
13. Monitoring investment activity against requirements of the OMERS Act, the *Pension Benefits Act*, the *Income Tax Act* and other applicable legislation and AC's investment policies.
14. Reviewing and recommending the Committee's mandate to the AC Board via the Governance & Risk Committee and approving a work plan for the Committee.
15. Reviewing OMERS Finance Trust (OFT) strategy and plans regarding borrowings, either by way of credit facilities or note offerings.
16. Approving any AC guarantees of OFT borrowings that exceed the Board-approved delegation of authority.
17. Approving annual investment return range metrics, including relative return benchmarks and investment return hurdles utilized in compensation plan calculations, and reviewing the application of any relative return benchmarks against prior year returns.
18. Reviewing plan design and contribution rate proposals and decisions made by SC regarding their impact on investment strategy.

**B. Other Matters**

19. Retaining independent advisors to provide investment management and any other expertise the Committee deems appropriate or necessary.
20. Ensuring members are provided with the appropriate resources and education to fulfil the Committee's responsibilities.
21. Conducting *in camera* sessions at the end of its meetings with the Chief Executive Officer and Chief Investment Officer together, the Committee alone and any other party 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 & Risk Committee.

### Applicable Policies

The Committee is responsible for approving the following policy:

- Investment Risk

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

- Related Party Transactions Review
- Statement of Investment Authorities
- Statement of Investment Beliefs
- Statements of Investment Policies and Procedures for the Primary Plan, the RCA and the Supplemental Plan
- Sustainable Investing

**HISTORY**

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Effective Date: May 18, 2023

Approval Dates: May 22, 2014; December 12, 2014; February 26, 2015;  
December 10, 2015; December 15, 2016, December 14, 2017;  
February 22, 2018; December 13, 2018; December 12, 2019;  
November 19, 2020; December 9, 2021; February 28, 2022;  
December 8, 2022; May 17, 2023