
Policy Sponsor:	CLO and Legal
Summary:	Sets out the principles and scope of political donations by the OAC, the Investment Entities and portfolio companies in which the OAC has a significant investment. This policy must be approved by the Governance Committee.

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1. PRINCIPLES AND PURPOSE

1.1 Donations

It is appropriate and in the best interest of the members of OMERS Pension Plans that the OAC participate in the political process through the appropriate use of political donations. The purpose of this policy is to provide guidance for such donations, bearing in mind the OAC's objects and powers under the OMERS Act, 2006, including the object to act as administrator of the OMERS Pension Plans, acting in furtherance of the best interest of the OMERS plan members.

The OAC believes that the political systems and processes in Ontario and in the other jurisdictions where it invests are important factors in relation to the OAC realizing its investment objectives and priorities. Participation in the political process may be directly relevant to minimizing risk and achieving the investment objectives of the OAC, the Investment Entities and the portfolio companies. There may be circumstances where it is appropriate and in the best interest of the members of the OMERS Plans for participation in the political process to take place, and the purpose of this policy is to establish the rules and requirements of that participation. The OAC will limit its activities to its function as the administrator of the Pension Plans and the manager of the investment funds. For greater certainty, donations will not be motivated by how OMERS or the OMERS Pension Plans are governed.

1.2 Variable Participation

The nature and level of participation through the provision of donations as support for the political process is different at the OAC level, the Investment Entity level and the portfolio company level, respectively.

1.3 Personal Participation

Individual directors, officers and employees of the OAC, the Investment Entities and the portfolio companies may voluntarily participate in the political process as individuals as they see fit, provided that such participation is conducted personally as private citizens, at their own expense, and does not create the impression that their views are those of the OAC, the Investment Entities or the portfolio companies, as the case may be.

1.4 Local Requirements

In the event that a local law imposes a restriction on the activities regulated by this policy, the local restrictions shall apply, unless OAC policies such as the Code of Conduct create a higher standard, in which case the higher standard shall apply.

1.5 Transparency

All contribution expenditures made by the OAC and each of the respective Investment Entities must be made directly by the OAC or such Investment Entity.

2. OAC LEVEL**2.1 Reason for Participation**

It is important for the OMERS Pension Plans members' interests to be heard and considered by governments and other participants in the political process in order to advance such interests as they relate to administration of the plans and investment of the funds. This is particularly relevant in Ontario, but as the OAC diversifies its global investments, other jurisdictions become increasingly important in connection with the OAC's management of the assets of the OMERS Pension Plans. While this participation may occur across the political spectrum, it is recognized that the OAC may have more interaction with the government in power at the time, as the OAC has significant interaction with the Province in the course of discharging its responsibilities under the OMERS Act, 2006 and the PBA.

2.2 Participation in Events with a Related Business Purpose

Unless authorized by this policy, the OAC will not make any direct political contribution, in cash or cash equivalent, to any political party or individual politician.

Subject to the approval processes set out in this policy, OAC Board members and management may however participate in events such as dinners, sporting events or similar occasions organized by a politician or a political party, even though the event may have a fund-raising component, if the event is relevant to the OAC's strategy or business and its responsibility to advance the interests of the members of the OMERS Pension Plans. The OAC shall not organize or conduct these events, but may attend.

2.3 Entertaining Government Officials

Entertaining government officials is permitted and is acceptable, subject to the standards set out in the Code of Conduct.

2.4 Restriction on Municipal and School Board Politics in Ontario

This participation does not include events for municipal and school board politicians in Ontario, as OMERS is the pension plan for municipalities and other local government bodies in Ontario and the OAC has determined that it would not be appropriate for the OAC to participate in events at this order of government.

2.5 Use of Premises

The OAC shall not use its premises for any political activity.

2.6 Restriction During Political Campaigns

This participation shall not take place during an election campaign at the applicable order of government.

2.7 Required Approvals

Participation by OAC Board members in a political fund-raising event in their capacity as a Board member is subject to prior approval of the OAC Board Chair and the OAC CEO. Participation by management is subject to the approval of the OAC CEO. Participation by the OAC CEO is subject to the approval of the OAC Board Chair.

2.8 Reporting and Accountability

The CEO shall make a recommendation to the Governance Committee annually, at its last regularly scheduled meeting in each year, regarding the OAC's overall enterprise plan and budget for political contributions in the upcoming year. At the first regularly scheduled meeting of the Governance Committee in each year, the CEO shall provide a report on political contributions in the previous year by the OAC and the Investment Entities pursuant to this policy.

The OAC shall report on said political contributions in the previous year by publishing a report on its website.

The OAC Board Chair shall, where practical, provide notice to OAC Board members by email of upcoming political fund-raising events where an OAC Board member is planning on participating, to provide assurance that the OAC's activities are co-ordinated and efficient.

3. INVESTMENT ENTITY LEVEL**3.1 Participation in Events with a Related Business Purpose**

Investment Entity officers and senior employees may participate in events such as dinners, sporting events or similar occasions organized by a politician or a political party, even though the event may have a fund-raising component, if the event is relevant to the Investment Entity's business, in connection with the Investment Entity's management of assets on behalf of the OAC. An example would be a fund-raising dinner organized for a Minister, where the Ministry regularly interfaces with the Investment Entity or one of its businesses. The Investment Entity may organize and conduct these events, if the CEO of the Investment Entity determines that it is appropriate to do so.

3.2 Required Approvals

Any participation in the political process by an Investment Entity is subject to the approval of the CEO of the Investment Entity. The OAC CEO shall be advised of any participation in advance (such as by way of an email memorandum) to assist in coordinating the overall OAC political and government relations objectives. Expenditures will be provided for in the Investment Entity operating plans. Any event involving the expenditure of more than \$10,000, and participation in any event outside of Canada, must also be approved by the OAC CEO.

3.3 Reporting

The CEO of the Investment Entity shall report annually to the OAC CEO on all activities conducted under this policy by the Investment Entity by means of a compliance certificate which shall include in summary form a description of the political activity conducted by the Investment Entity.

4. PORTFOLIO COMPANY LEVEL

Portfolio companies are expected to make their own decisions around political support in the best interests of the portfolio companies. It is acknowledged that all directors on the portfolio companies, including directors appointed by the Investment Entities in their capacity as shareholders of such portfolio companies, have a fiduciary duty to make decisions that are in the best interests of the corporation on whose board they sit, which includes decisions regarding political participation by the portfolio companies.

Each Investment Entity is responsible for monitoring any political participation undertaken by its portfolio companies in accordance with any political participation policy that such portfolio companies choose to adopt.

HISTORY

Effective Date:	November 16, 2011
Approval Dates:	May 20, 2010, November 16, 2011
Next Scheduled Date for Review:	November 2013