OMERS Submission To: **Board of Directors of OMERS Administration Corporation**

For meeting to be held on:	Agenda Item #	Submitted By:	For
June 5, 2026	**2**	**C. Chiovitti**	**Approval**
Subject: **SPONSORS COUNCIL INITIAL BY-LAW**			

Note to Reader: *For the purposes of the meeting, it will be assumed by the presenters that the information below and any attachments hereto have been read by the Board.*

SUMMARY

Following Special Advisor Robert Poirier's final report (Poirier Report) dated September 2025, regarding the OMERS Governance Review, amendments were made to the *Ontario Municipal Employees Retirement System Act, 2006* (OMERS Act). These amendments provide for the replacement of the OMERS Sponsors Corporation (SC) with a new Sponsors Council, which will be established on a date to be named by order of the Lieutenant Governor in Council, and that OMERS Administration Corporation (AC) "shall prepare the Sponsors Council's initial by-laws, which shall be for the purposes of governing the proceedings and generally for the conduct and management of the Sponsor Council's affairs and the composition and method of choosing its members". These initial by-laws are subject to requirements prescribed by regulations under the OMERS Act.

The purpose of this report is to share with the AC Board the following:

1. a summary of Management's engagement and discussions with OMERS existing 14 Sponsor organizations and the five proposed observer organizations (Non-Voting Organizations) identified in the Poirier Report in the development of the initial Sponsors Council by-laws (the By-Law) which, as currently drafted, is largely consistent with the Poirier Report;
2. attachments outlining the eight-week consultation process, including summaries of the areas where there is consensus, where compromise positions were taken, and a further acknowledgement of areas that still require input from the Government in the form of regulations; and
3. a request for approval from the AC Board of Directors (the AC Board) to transmit the attached report to the Ministry of Municipal Affairs and Housing (the Ministry).

RECOMMENDATION

It is hereby recommended that the following resolution be approved by the AC Board.

Resolved that:

1) The AC Board Chair is authorized to transmit to the Ministry the report prepared by the Chief Pension Officer and all attachments thereto, with such report collectively attached hereto as Attachment 1.

2) The AC Board Chair is authorized to advise the Ministry:

a) that the draft initial Sponsors Council By-Law in Attachment 1 does not contain provisions relating to the composition, term of office, remuneration, reimbursement of expenses and method of appointing AC Board members;

b) that the draft initial Sponsors Council By-Law in Attachment 1 differs from the recommendation in the Poirier Report to permit Non-Voting members full access to meetings and materials by restricting such access of Non-Voting members during in-camera meetings; and

c) as it relates to subsection 28(2)(c) of the amended OMERS Act, which is yet to be proclaimed, there was consensus among Sponsors that insurance is required for Sponsors Council members.

3) The Chief Pension Officer is authorized to release this submission to the AC Board and Attachment 1 thereto to Sponsors organizations and the proposed Non-Voting Organizations.

4) AC Management under the direction of the President and Chief Executive Officer is authorized to take all necessary action to implement and give effect to the foregoing.

Attachment:

1. Memo to AC Board of Directors from Celine Chiovitti, Chief Pension Officer, dated June 1, 2026, Re: Sponsors Council Initial By-Law

To: AC Board of Directors	**From:** Celine Chiovitti, Chief Pension Officer
Date: June 5, 2026	
Re: **Sponsors Council Initial By-Law**	

CONTEXT

Special Advisor Robert Poirier's final report (Poirier Report) dated September 2025 recommended retaining the core jointly sponsored pension plan (JSPP) model for the OMERS Plans while replacing the existing corporate overlay of the Sponsors Corporation and providing for direct Sponsor[1] representation on a new Sponsors Council. Consistent with this approach, the amended OMERS Act contemplates a Sponsors Council with responsibility for plan design, contribution decisions, deciding whether to file valuations more frequently than required under the *Pension Benefits Act* and related statutory duties. Similar to the Sponsors Corporation, this work would be supported by by-laws governing the Sponsors Council's proceedings, management of affairs, and composition and method of choosing its members. The framework is intended to preserve the authorities of Sponsors over "ABCs"— appointments[2], benefits and contributions – while creating a Sponsors Council that promotes a more transparent and efficient decision-making model.

To support a smooth transition, the Poirier Report recommended that OMERS Administration Corporation (AC) establish an initial "charter" for the new Sponsors Council, which would include mandatory: minimum standards regarding transparency; consultations prior to specified changes to plan design; and reporting to plan members and participating employers on the outcome of such consultations. The amended OMERS Act uses the term "by-laws" rather than "charter", which is consistent with existing language in the OMERS Act. The minimum standards regarding communications and transparency referenced in the Poirier Report are not contained within the OMERS Act (but could be subject to regulations).

A letter dated January 23, 2026 from the Honorable Robert J. Flack, Minister of Municipal Affairs and Housing (Minister), indicated that, "[i]n the coming months" the government would, among other things, bring into effect "the requirement that the AC develop the initial governance bylaws for the Sponsors Council to support the transition".[3]

Following this direction, Management chose to engage Sponsors directly in the drafting of the initial by-laws of the Sponsors Council (By-Law) through a comprehensive eight-week engagement process bringing together 14 different Sponsor organizations to share information, engage in dialogue and receive feedback on the content of the initial By-Law. This process has been a journey designed to ensure Sponsors have had input into the By-Law before its submission to the AC Board, while respecting the legislated responsibilities of AC to create the initial By-Law (pending further regulatory requirements being set forth by the government). Once the Sponsors Council is established, the By-Law can be amended with a two-third vote of the Sponsors Council.

More information regarding the background, intentions and sentiment of the engagement process is outlined in the enclosed PowerPoint presentation (*Background: By-Law Engagement Journey*),

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[1] The composition of the Sponsors Council will be set out by regulation to the amended OMERS Act. It is expected that the same 14 sponsors organizations (referred to herein as "Sponsors") that appoint members to the Sponsors Corporation will be entitled to appoint voting members to the Sponsors Council and that the amended OMERS Act (along with its regulations) will set out the "Non-Voting Organizations" (i.e., observer groups) that will be responsible for appointing Non-Voting members to the Sponsors Council.

[2] The approach to the appointments process is discussed in detail below.

[3] The relevant provision of the amended OMERS Act (section 25.2) was brought into force on March 13, 2026.

which was designed to collaborate and co-create the provisions of the By-Law as much as possible, while recognizing that it would be impossible to achieve total alignment on all matters given the broad diversity of perspectives from Sponsors. At the end of the process, many Sponsors reported feeling that they had an opportunity to speak and be heard, to help create solutions around matters of importance, and to engage meaningfully with the AC and each other throughout the process. At the same time, given the tight timeline that Management was working towards providing the Minister with a draft of the initial By-Law (early June), many Sponsors felt that the process was rushed.

SPONSOR ENGAGEMENT PROCESS

Consulting with Sponsors and, on a more limited scale, proposed Non-Voting Organizations, in the development of the By-Law has been an opportunity to embed the views of OMERS diverse membership into the creation of the rules that will govern a new path forward for OMERS and ensure a solid foundation to operationalize the Sponsors Council. Further, it provided an opportunity for all parties to come together and build stronger working relationships and demonstrate how the Sponsors Council can and will function.

Management followed a robust engagement approach that commenced on March 31, 2026. Over approximately eight weeks, the process included a kick-off meeting, five By-Law development meetings[4], a final wrap-up session, and additional discussions with the proposed Non-Voting Organizations. The process was designed to be transparent, structured and iterative. Sponsors received briefing materials in advance of meetings, summary notes identifying areas of alignment and non-alignment shortly following meetings, and draft By-Law language for review and comment as the process unfolded.

Management retained an experienced and well-respected external facilitator, Caroline Blouin, to help guide discussions, keep meetings on track and ensure that constructive dialogue was maintained throughout each meeting. Ms. Blouin is the Founder of Blue Sun Partners and the former Executive Vice President at the Financial Services Regulatory Authority of Ontario (FSRA). As facilitator, Ms. Blouin led each session and quickly gained the trust and respect of the Sponsor representatives participating in the engagement process.

The engagement was guided by clear principles: transparency, collaboration, timely information sharing, two-way communication, inclusiveness, clarity of roles and responsibilities, and the use of established governance practices. Sponsors were engaged through regular discussion sessions (e.g., bi-weekly meetings) and established their own broader Sponsor caucus meetings as needed. Draft By-Law language was shared at each stage, with Sponsor feedback documented and considered throughout the process. Information was shared with the representatives of Non-Voting Organizations related to their role in the functioning of the Sponsors Council through the process, as described below.

The deliverables of the engagement process were to:

(i) provide Sponsors with meaningful input into the initial By-Law before submission to the AC Board and the Minister;
(ii) identify areas of consensus that could be reflected directly in the By-Law;
(iii) identify areas of material disagreement to permit further discussion or working sessions where possible;
(iv) clarify areas that require further input or regulations from the government; and

[4] Each Sponsor organization expected to appoint a voting Sponsors Council member was asked to select a representative to attend all meetings.

(v) produce a “day-one” governance framework that is workable, aligned with applicable legislated requirements, and informed by the Poirier Report.

The engagement process concluded on June 1, 2026. Ahead of that meeting, on May 22, 2026, Sponsors received:

- comprehensive draft By-Law language that considered all feedback received after all the By-Law development meetings, except for the draft material discussed at Meeting 5 (May 14), which was newly shared on May 22; and
- detailed charts setting out the draft By-Law language distributed to Sponsors after each prior meeting, any comments received, and revised language where applicable.

Sponsors were asked to provide feedback on the May 22 draft By-Law language and appended documents (i.e., the Code of Conduct and Transparency Framework) by May 28, 2026. All of the feedback received has been considered in the drafting of the By-Law attached to this report.

The final engagement meeting on Monday, June 1 provided Sponsors with an opportunity to engage with Management and the AC Chair to provide comments on the complete By-Law package submission to the AC Board. In addition, there were two discussions with representatives of the proposed Non-Voting Organizations.

The process was, overall, constructive and collaborative. Sponsor representatives engaged substantively on complex governance issues, generally approached the discussions in a respectful and solutions-oriented manner, and demonstrated a willingness to work through difficult matters together in a common forum. The meeting summaries reflect that Sponsors were focused on ensuring the initial By-Law would be practical, transparent, and consistent with the long-standing governance principles of a JSPP.

The process also confirmed that there are several governance topics on which Sponsors hold strongly divergent views, particularly where the amended legislation is silent or unclear (i.e., in the absence of regulations) and where existing practices of the Sponsors Corporation and the recommendations in the Poirier Report conflict. In those areas, discussions were robust and, in some cases, reflected broader concerns about preserving Sponsors’ full authority at the new Sponsors Council, maintaining clear accountability and separation of responsibilities between the Sponsors Council and AC, and ensuring the new model remains compliant with the JSPP structure in accordance with the requirements of the *Pension Benefits Act*.

Key recommendations of the Poirier Report are reflected in the By-Law

While there were differing views on several topics, the draft By-Law gives effect to many of the recommendations of the Poirier Report, which included amongst other things:

- moving to a direct representation sponsor model to reduce perceived fiduciary constraints related to a corporate model and support greater transparency in the work of the Sponsors Council;
- introducing standardized “share by default” practices and streamlined support from Management at AC to promote consistency, efficiency, and transparency in Sponsors Council operations and communications;
- establishing a transparent specified change process with an extended member, employer, sponsor, and stakeholder consultation period to enable more meaningful stakeholder engagement prior to making decisions on changes to the OMERS Plans; and

- creating five "observer" (i.e., Non-Voting) member seats (to be appointed by the Non-Voting Organizations named in regulation) who will participate in Sponsors Council meetings.

AC Support for the Sponsors Council

AC Management Support

In recommending the replacement of the Sponsors Corporation with a Sponsors Council, the Poirier Report stated:

Page 33:

> *"This change will eliminate fiduciary responsibilities and reduce the growing institutionalization that has hindered communication, transparency, and engagement, thereby eroding trust and confidence. The new structure will ensure that the Administration Corporation is directly accessible to both Sponsors and Non- Sponsors."*

In addition, the Poirier Report noted:

Page 33:

> *"The new Council will:*
>
> *Be fully supported by the Administration Corporation, eliminating the need for a separate Sponsors Corporation management team, staff and overhead. This streamlining reduces duplication, cuts costs, and improves operational efficiency with anticipated savings of over $10 million annually in direct and indirect costs. Feedback during consultations indicates that many organizations feel confident they have the in-house expertise and or resources within their organization to participate without additional support from SC staff."*

Through the By-Law development discussions, Sponsors generally accepted that AC must provide advice, assistance and administrative support to the Sponsors Council as contemplated by the OMERS Act; however, there was sustained discussion about how that support should be structured to preserve the independence of the Sponsors Council. The central issues were whether the role of a "Designated Officer" should be expressly recognized in the By-Law (see draft language below); questions about who should direct the provision of support from AC staff; whether AC staff support should be limited to facilitation and execution of Sponsors Council decisions, ensuring that Sponsors could meet without the Designated Officer if they chose to do so; and whether the By-Law should avoid language that appears to give AC or its staff decision-making authority over Sponsors Council processes.

In addition, there was discussion about the structure of Management support and the need to have appropriate separation between responsibilities related to supporting the work of the Sponsors Council (at the direction of the Sponsors Council); retention of data and information that would be safeguarded and stored separately from information of the AC; and Management's responsibilities to AC. Sponsors also requested assurances that, should independent advice be required, it would be appropriately provided by AC staff or otherwise be engaged and payable from the Primary Plan fund.

While this topic generated significant discussions, Sponsors generally supported practical administrative and technical support from AC, while seeking safeguards to ensure that the Sponsors Council remains independent in its governance role.

The following definition of the Designated Officer was created to give effect to the statutory requirements of the Act, while providing the safeguards requested by Sponsors:

*"**Designated Officer**" means the Chief Pension Officer of the Corporation, or such other person designated by the Chief Executive Officer of the Corporation, who, at the direction of the Sponsors Council, facilitates the Corporation's advice and assistance to the Sponsors Council in exercising its powers and performing its duties by, among other things: executing the decisions of the Sponsors Council; overseeing the day-to-day operations of the Sponsors Council; and acting as the liaison between the Sponsors Council and the Corporation."*

Insurance and Indemnities

Another area of concern was ensuring that the Sponsors Council members had appropriate insurance and indemnities in place in order for Sponsors Council members to conduct their work.

Appendix 4 of the Poirier Report (page 78), recommended that a provision in the OMERS Act be included as follows:

> *"The Administration Corporation may indemnify a present or former member of the Sponsors Council against costs, charges and expenses, including any amount paid to settle any action or satisfy a judgment, reasonably incurred by that person with respect to a civil, criminal or administrative action or other proceeding to which such person is a party by reason of holding such position if that person acted honestly and in good faith, such indemnity to be on such terms and conditions as the Administration Corporation my determine."*

While the amendments to the OMERS Act did not specifically adopt this provision, Sponsors were aligned in their belief that Sponsors Council members should be insured against liability relating to the exercise of their duties, and Management agrees with this. The newly introduced subsection 28(2)(c) of the OMERS Act, which has yet to be proclaimed, provides that the fees for such insurance may be the type of expense paid for via a levy on members and participating employers as opposed to being payable out of the Primary Plan fund. This issue may be remedied by the Government, and in the interim Management will explore the provision of an indemnity by AC against liability for any claims arising out of a Sponsors Council member's role on the Sponsors Council and will report back to the AC Board on obtaining such indemnity.

Areas where consensus was not reached

While progress was made towards reaching consensus on draft By-Law language, it was not reached on several important matters. As a result, Management ultimately created provisions based on compromises between Sponsor views and by referencing existing practices and/or referencing guidance from the Poirier Report.

AC Board Appointments

First, the most significant divergence concerned appointments to the AC Board, including: (i) the degree to which the Sponsors Council should hold any direct appointment authority (as opposed to direct appointment by Sponsors); (ii) the appropriateness of any veto to be held by the AC Board with respect to appointments to the AC Board; and (iii) the extent to which appointment procedures should be embedded in the initial By-Law (as opposed to being addressed through future regulations or Sponsors Council policy work).

Page 44 of the Poirer Report sets out the recommendation with respect to the veto to be held by the AC Board as follows:

> 18. *Establish a requirement at the Administration Corporation Board for a two-thirds (2/3) majority vote to exercise a veto on Sponsor appointments to the AC Board and establish a formal procedure to ensure that directors pass the necessary background checks, possess the necessary expertise and authority to assess and, if warranted, veto Sponsor nominations deemed unsuitable.*

Page 52 of the Poirier Report provided the following further recommendation:

> 27. *The Sponsors will have the right to directly appoint members to the Administration Corporation board.*
>
> *As per Recommendation #3, Sponsors will retain their power to appoint to the AC Board. With direct representation on the Sponsors Council, Sponsors will now directly appoint to the Administration Corporation Board, rather than nominating through the SC Board.*

Views diverged on this topic because some Sponsors sought to preserve the framework employed by the Sponsors Corporation (specifically SC By-Law No. 4, "*AC Board Composition*"), which is in conflict with the Poirier Report. While all Sponsors understood that AC would have a role in working directly with Sponsors on appointments to the AC Board, some Sponsors felt that the authority to appoint members to the AC Board should ultimately lie with the Sponsors Council.

Further, the majority of Sponsors felt that the engagement group should attempt to solve for this directly, instead of waiting for further regulations to the OMERS Act or a further framework from the Minister. Management advised that it would await further instruction by the Government.

Non-Voting Member Participation

Second, although there was broad recognition of the need to include Non-Voting members in the new OMERS governance model, some details regarding Non-Voting member participation remained sensitive. Sponsors were generally aligned that Non-Voting members should be able to attend meetings, receive meeting materials and participate in discussions in line with the recommendations in the Poirier Report. The engagement discussions also involved a review of the amended OMERS Act that introduced the concept of "Non-Voting" members and, other than the voting element, do not identify other differences between voting Sponsors Council members and Non-Voting members.

The key area of divergence related to in-camera meetings. Sponsors unanimously felt that Non-Voting members should, by default, be excluded from in-camera discussions. The Sponsors expressed that in camera discussions are expected to be infrequent and relate to highly sensitive situations (e.g., reviewing harassment claims under the Code of Conduct, pending litigation, or other legally privileged matters). Sponsors did agree that Sponsors Council members could determine to include such Non-Voting members to participate in certain in-camera sessions if appropriate.

The Non-Voting Organizations strongly believed that this does not accord with the spirit of the Poirier Report, which states:

> *"Add Observers to section 23 of the OMERS Act 2006, that an Observer will be entitled to notice of the meeting, copies of all materials provided to members of the Sponsors Council, attend such meetings, but will not be entitled to vote on any matters brought before a Sponsors Council meeting"*

The Non-Voting Organizations felt that this was particularly the case because they are subject to the same obligations under the Code of Conduct and, therefore, Non-Voting members ought to be included in all meeting discussions, including in-camera meetings.

Management ultimately wrote the By-Law to reflect the views of Sponsors regarding the exclusion of Non-Voting members during in-camera meetings, while pointing out this divergence from the Poirier Report.

Compensation-related Matters

Third, Sponsors expressed differing views on compensation-related matters, including the appropriate approach to compensation and expense rules for Sponsors Council members and the relationship between those rules and the broader principle of a lean governance model. Some Sponsors emphasized the need for appropriate recognition of the time and responsibility of Sponsors Council members, while others stressed restraint due to the understanding that sponsorship of pension plans is a core duty of many Sponsor organizations. On this particular matter, Management was able to create an approach to establishing an appropriate honorarium for Sponsors Council members that was generally agreed to by Sponsors and is included in the initial By-Law.

Transparency and Information-sharing

Fourth, there were differing views on certain areas of transparency and information-sharing (including the extent to which voting outcomes or other deliberative information should be reported more broadly to plan members at large), and there were also differing views on the role of Non-Voting members, including the scope of their participation and their access to in-camera discussions. These issues were difficult because, while Sponsors broadly supported transparency, there were differing views about how far to go in sharing information, given the need to foster practical decision-making and the desire to create a clear distinction between Sponsor-facing and public-facing information. Following significant discussion on these topics, Management was able to create a transparency framework that received general buy-in from the Sponsors and forms part of the initial By-Law (see Schedule “B” of the By-Law).

Finally, through the engagement process, Management worked through policy considerations to build a robust By-Law, which includes (among other things), a Code of Conduct, in-camera protocols, and a method to select Co-Chairs. All of these topics required a level of negotiation and balance amongst broadly divergent perspectives. In each of these cases, Management attempted to reach reasonable positions, considering all the feedback. When that was not possible, Management codified – for day-one operational readiness of the Sponsors Council – the approach most consistent with the amended OMERS Act, the Poirier Report and existing governance practices, while clearly identifying topics that should be prioritized for early review by the Sponsors Council as part of its initial work plan.

Taking together, areas of non-consensus have not undermined the overall progress achieved through the engagement process. Rather, they identify the relatively narrow set of matters where further refinement will be required as the new OMERS governance framework becomes operational.

Attachment 3 to this report provides a more detailed summary of the discussions and resulting action for a number of “Key Topics” where there was significant discussion and divergent opinions.

Initial By-Law

The engagement process has resulted in a substantially complete initial By-Law that reflects significant Sponsor input and a meaningful narrowing of contentious issues over the course of the process. The meeting summaries indicate broad or general alignment on a number of foundational matters, including the need for a clear operating framework, a Co-Chair leadership model, baseline meeting and notice provisions, mechanisms for in-camera discussions, principles for regular review of key governance matters, and a transparency framework that supports Sponsor and stakeholder engagement while preserving necessary confidentiality.

The initial By-Law also directly responds to some of the key concerns raised in the Poirier Report. Specifically:

- moving to a more balanced level of annual meetings with a minimum of four meetings (the Poirier Report indicates that the SC Board met 17 times in 2024 and 19 times in 2023);
- having AC support the Sponsors Council directly through a Designated Officer that performs its function "at the direction of the Sponsors Council" and will enable advisory and administrative support (versus the SC, which had a team including a CEO, actuary, general counsel, stakeholder/communications advisor, board secretariat staff, etc.);
- enabling a more structured three-year cycle to consider Specified Plan Change (SPC) proposals (versus an annual cycle) that will result in greater efficiency and effectiveness while preserving the ability of the Sponsors Council to consider certain necessary plan changes when required; and
- having documented transparency standards, including a 120-day consultation period prior to decisions about plan design/contribution changes, and moving away from the default of confidentiality to a default of sponsor organization access to information.

In addition to the initial By-Law, the process also produced supporting governance materials and a clearer delineation between matters that should be fixed for the initial By-Law of the Sponsors Council and matters better addressed through subsequent consideration by the Sponsors Council. The draft By-Law attached to this report is therefore the product of iterative drafting, Sponsor feedback, targeted revisions after each meeting, and a final wrap-up session intended to validate the overall draft By-Law and identify any remaining priority refinements.

The Sponsors were advised throughout the process that, where the group was not able to reach consensus, Management would be guided by the amended OMERS Act, the Poirier Report's recommendations, and existing practices. We are very satisfied that we have delivered against those objectives.

Finally, the Sponsors were advised, as the AC Board was also advised on May 22nd, that the current draft By-Law will not contain any provisions with regard to AC Board Appointments. Management proceeded on the basis that, as per the Minister's letter dated January 23, 2026, the Government will be, "Establishing a framework to govern appointments to the Board of the AC by the Sponsors Council". On May 21, 2026, a number of Sponsors wrote to the Minister regarding this matter.

Next Steps

Subject to the consideration and review of the AC Board, the draft By-Law (the first attachment to this report) will be submitted to the Minister.[5]

In parallel, Management will continue transition planning for day-one readiness to operationalize the Sponsors Council, including actioning the steps required to facilitate the establishment of the initial honorarium for Sponsors Council members, as contemplated in the draft By-Law; providing for orientation for Sponsors Council members; identifying inherited Sponsors Corporation policies requiring immediate adaptation; and preparing an initial work plan identifying the matters that should be reviewed by the Sponsors Council, once established.

Management also anticipates further work may be required as regulations to the OMERS Act are issued or further legislative amendments are introduced. Accordingly, the next phase should focus not only on finalizing the By-Law but also on ensuring the Sponsors Council is positioned to undertake early governance reviews in an orderly and transparent manner.

CONCLUSION

The By-Law development process achieved its principal objective of producing, to the extent possible given the need for regulatory guidance, a By-Law that is informed by the recommendations in the Poirier Report, the requirements of the amended OMERS Act, existing governance materials, and extensive Sponsor engagement.

The process was constructive and produced meaningful areas of alignment, while also enumerating several topics that remain sensitive or contentious and that will require continued attention after the Sponsors Council is established. Further, there is work to do in continuing to build trust between AC and the new Sponsors Council and demonstrating how this new model can and will succeed; however, this transition process has demonstrated that our diverse Sponsor organizations, supported by AC, can work together in the best interest of 665,000 members and over 1,000 participating employers towards a new more transparent path forward for OMERS.

Attachments:

1. *Draft Initial By-Law and Schedules thereto*
2. *PowerPoint Presentation entitled "Background: By-Law Engagement Journey"*
3. *Summary: Discussions of Key Topics*

[5] Under subsection 25.2(3) of the amended OMERS Act, the Minister may also formally request to receive the initial By-Law and under subsection 25.2(4) may also approve the By-Law.

Draft: June 1, 2026

Attachment 1
Memo from Chief Pension Officer re: Sponsors Council Initial By-Law
Board of Directors of OMERS Administration Corporation
June 5, 2026

DRAFT

OMERS Sponsors Council

By-Law

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Draft: June 1, 2026

As at ●, 2026

OMERS Sponsors Council By-Law

Overview

The Sponsors Council (Conseil de promotion) was established by Section 22 of the OMERS Act (as defined below). The OMERS Act sets out objects of the Sponsors Council and mandates, in accordance with Section 25.2, that OMERS Administration Corporation prepare an initial By-Law for the purposes of governing the proceedings and generally for the conduct and management of the Sponsors Council's affairs and the composition and method of choosing its members.

This By-Law constitutes the initial By-Law of the Sponsors Council.

This By-Law is effective as of the Effective Date (as defined below).

1. Definitions

(a) "**Background Check**" means a background check performed by an agency engaged by the Corporation (including with respect to, criminal, bankruptcy and litigation matters) in accordance with a background check policy established by the Sponsors Council, if any.

(b) "**Corporation**" means OMERS Administration Corporation.

(c) "**Code of Conduct**" means the Sponsors Council Code of Conduct attached as Schedule "A".

(d) "**Consultant**" has the meaning given to such term in subsection 7(a)(i) of this By-Law.

(e) "**Council Member**" means an individual appointed to be a voting member of the Sponsors Council pursuant to **[either the Regulation or Section 4 of this By-Law]**.

(f) "**Council Participant"** means a Council Member, Plan Sponsor, Non-Voting Member or an organization entitled to appoint Non-Voting Member.

(g) "**Designated Officer**" means the Chief Pension Officer of the Corporation, or such other person designated by the Chief Executive Officer of the Corporation, who, at the direction of the Sponsors Council, facilitates the Corporation's advice and assistance to the Sponsors Council in exercising its powers and performing its duties by, among other things, executing the decisions of the Sponsors Council; overseeing the day-to-day operations of the Sponsors Council; and acting as the liaison between the Sponsors Council and the Corporation.

(h) "**Effective Date**" means the date on which Section 22(1) of the OMERS Act is repealed and substituted with a new provision creating the Sponsors Council, as provided by the OMERS Act.

(i) "**Emergency**" has the meaning given to such term in subsection 8(l) of this By-Law.

(j) "**Employee Members**" means the Council Members that have been appointed by Employee Plan Sponsors.

(k) "**Employer Members**" means the Council Members that have been appointed by Employer Plan Sponsors.

(l) "**Employee Plan Sponsors**" means, as of the **[Effective Date]**, the following organizations:

- (i) Canadian Union of Public Employees (Ontario) ("**CUPE Ontario**");
- (ii) CUPE Local 79 of the Canadian Union of Public Employees ("**CUPE Local 79**") and CUPE Local 416 (Toronto Civic Employees Union) of the Canadian Union of Public Employees ("**CUPE Local 416**"), together;
- (iii) Ontario Professional Fire Fighters Association ("**OPFFA**");
- (iv) Ontario Public Service Employees Union ("**OPSEU**");
- (v) Ontario Secondary School Teachers Federation ("**OSSTF**");
- (vi) Police Association of Ontario ("**PAO**"); and
- (vii) Retiree Group.

(m) "**Employer Plan Sponsors**" means, as of the **[Effective Date]**, the following organizations:

- (i) Association of Municipalities of Ontario ("**AMO**");
- (ii) Electricity Distributors Association ("**EDA**");
- (iii) Police Governance Ontario, formerly known as Ontario Association of Police Service Boards ("**PGO**");
- (iv) Ontario Catholic School Trustees' Association ("**OCSTA**") and Ontario Public School Boards' Association ("**OPSBA**") together;
- (v) City of Toronto; and
- (vi) Ontario Association of Children's Aid Societies ("**OACAS**").

(n) **"Honorarium**" has the meaning given to such term in subsection 7(a) of this By-Law.

(o) "**Income Tax Act**" means the *Income Tax Act*, RSC 1985, c 1 (5th Supp) and any regulation made thereunder.

(p) "**Meeting Chair**" has the meaning given to such term in subsection 8(a) of this By-Law.

(q) "**Non-Union Non-Employer Organizations**" means, as of the **[Effective Date]**, the following non-union, non-employer organizations: **[NTD: to be confirmed by regulation]**

(i) The City of Toronto Administrative, Professional, Supervisory Association ("**COTAPSA**");

(ii) The Association of Municipal Managers, Clerks and Treasurers of Ontario ("**AMCTO**"); and

(iii) The Ontario Municipal Human Resources Association ("**OMHRA**").

(r) "**Non-Voting Member**" means a person appointed pursuant to Section 5 as a non-voting member of the Sponsors Council to attend meetings of the Sponsors Council as a non-voting member.

(s) "**OMERS Act**" means the *Ontario Municipal Employees Retirement System Act*, 2006, as amended up to and including by Schedule 13 to the *Plan to Protect Ontario Act (Budget Measures)*, 2025 (No. 2) S.O. 2025, C-15.

(t) "**OMERS Pension Plans"** means the Primary Plan, the Supplemental Plan and the RCA.

(u) "**Pension Benefits Act" or "PBA"** means the *Pension Benefits Act,* R.S.O. 1990, c. P.8 and any regulation made thereunder.

(v) "**Peers**" has the meaning given to such term in subsection 7(a)(i) of this By-Law.

(w) "**Peer Comparators**" has the meaning given to such term in subsection 7(a)(ii) of this By-Law.

(x) "**Plan Sponsor**" means, on the **[Effective Date]**, an Employee Plan Sponsor or an Employer Plan Sponsor (collectively, the "**Plan Sponsors**").

(y) "**Primary Plan**" means the OMERS Primary Pension Plan, registered with the Financial Services Regulatory Authority of Ontario and with the Canada Revenue Agency under registration number 0345983.

(z) **"Regulation" means** any regulation that may be made from time to time under the OMERS Act, as the same may be amended, supplemented or replaced from time to time. **[NTD: To be confirmed]**

(aa) "**Retiree Group**" means, as of the **[Effective Date]**, the Ontario Retired Fire Fighters Association, the Municipal Retirees Organization Ontario and the Police Pensioners Association of Ontario, collectively.

(bb) “**RCA**” means the Retirement Compensation Arrangement for the OMERS Primary Pension Plan.

(cc) “**Specified Change**” means a specified change as defined in Section 26(2) of the OMERS Act.

(dd) “**Sponsors Corporation**” has the meaning prescribed by the OMERS Act.

(ee) “**Sponsors Council**” means the Sponsors Council established as of the **[Effective Date]** by Section 22(1) of the OMERS Act.

(ff) “**Study**” has the meaning given to such term in subsection 7(a)(i) of this By-Law.

(gg) “**Supplemental Plan**” means the OMERS Supplemental Pension Plan for Police, Firefighters and Paramedics, registered with the Financial Services Regulatory Authority of Ontario and with the Canada Revenue Agency under registration number 1175892.

(hh) “**Transparency Framework”** means the Sponsors Council Transparency Framework attached as Schedule “B”.

2. Interpretation and Adoption of Certain Sponsors Corporation By-Laws and Policies

(a) All terms in this By-Law that are not defined herein but which are defined in the OMERS Act shall have the meaning given to such terms in the OMERS Act unless the context requires otherwise.

(b) The headings used in the By-Law are for reference purposes only and are not to be considered or taken into account in construing the terms or provisions hereof or to be deemed in any way to clarify, modify or explain the effect of any such term or provision.

(c) To the extent that there is any inconsistency between the provisions of the OMERS Act, a Regulation and this By-Law, the OMERS Act or a Regulation, as applicable, will prevail and take precedence over the provisions of this By-Law.

(d) In this By-Law, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(e) All references to a Co-Chair means a Co-Chair of the Sponsors Council appointed in accordance with the terms hereof.

(f) All references to $ or dollars are to Canadian dollars.

(g) Section references are to sections or subsections of this By-Law, unless stated otherwise.

(h) All references to days are to calendar days, unless specified otherwise.

(i) All references to statutes and regulations in this By-Law shall be construed as including any amendments to such laws that may become effective following the Effective Date and shall include any successor laws enacted to supplement or replace the referenced statute or regulation.

(j) As of the Effective Date, this By-Law shall supersede and replace all by-laws and policies of the Sponsors Corporation as they existed as of the date immediately prior to the Effective Date, except for the following:

i. By-Law No. 12 – Specified Changes By-law

ii. By-Law No. 20 – Determination of Inflation Adjustment

iii. Conditions of Participation for Associated Employers Policy

iv. Contribution Rate Policy

v. Funding Management Statement

vi. RCA Funding Mechanism Policy

vii. Termination of Participation for Traditional Employers Policy

The above policies and by-laws will remain in effect, but with the necessary modifications to account for the replacement of the Sponsors Corporation with the Sponsors Council and as may otherwise be provided for in this By-Law. Should any of the provisions of the above policies or by-laws conflict with the provisions of this By-Law, the provisions of this By-Law will govern.

The above policies and by-laws will remain in effect until such time as the Sponsors Council undertakes a review and resolves to maintain (including with amendments), repeal or substitute the same. All other Sponsors Corporation by-laws and policies will be presented to the Sponsors Council within one year of the Effective Date in order for it to consider which by-laws and policies, if any, the Sponsors Council may wish to adopt.

3. Powers and Responsibilities of the Council

Pursuant to Section 23 of the OMERS Act, and in accordance with the Pension Benefits Act, the Sponsors Council shall have the following objects, powers and responsibilities:

(a) *Plan Design and Contributions*

The Sponsors Council shall make decisions about the design of benefits to be provided by and contributions to be made to the OMERS Pension Plans.

(b) *Contribution Rates*

The Sponsors Council may set contribution rates under the OMERS Pension Plans.

(c) *Plan Amendments*

The Sponsors Council may make and amend the texts of the OMERS Pension Plans.

(d) *Timing of Plan Valuations*

The Sponsors Council may decide whether to file an actuarial valuation of the OMERS Pension Plans more frequently than is required under the Pension Benefits Act.

(e) *Corporation Reports*

The Sponsors Council may receive and review any and all reports from the Corporation.

(f) *Other*

The Sponsors Council shall have such other objects and perform all other duties and responsibilities as may be provided under the OMERS Act and the Pension Benefits Act.

Notwithstanding subsections 3(a), (b) and (c) above, the Sponsors Council will cause, at least every five (5) years from the Effective Date, a review to be undertaken and shall consider amendments to the terms and conditions of the OMERS Pension Plans and set the contribution rates under the OMERS Pension Plans.

4. Sponsors Council Member Composition

(a) As of the Effective Date, the Sponsors Council will consist of nineteen (19) members: fourteen (14) Council Members and five (5) Non-Voting Members.

(b) Each Employee Plan Sponsor and each Employer Plan Sponsor will be entitled to appoint one (1) Council Member to the Sponsors Council, except that AMO will be entitled to appoint two (2) Council Members.

(c) There shall be an equal aggregate number of votes allocated to the Council Members appointed by the Employer Plan Sponsors and to the Council Members appointed by the Employee Plan Sponsors.

(d) CUPE Local 79 and CUPE Local 416 will, as between them, appoint a Council Member to the Sponsors Council, on an alternating basis, each for a three (3) year period; provided that for the period from the Effective Date to April 14, 2029, such Council Member shall be appointed by CUPE Local 416.

(e) OCSTA and OPSBA will, as between them, appoint a Council Member to the Sponsors Council, on an alternating basis, each for a three (3) year period; provided that for the period from the Effective Date to April 14, 2029, such Council Member shall be appointed by OPSBA.

(f) The Retiree Group will, as among them, appoint a Council Member to the Sponsors Council on a basis to be agreed by the Retiree Group.

(g) If the Retiree Group is unable, collectively, to agree on a basis for the appointment of a Council Member, the Sponsors Council will, by random draw, select one organization that is part of the Retiree Group to appoint a Council Member and such organization will have the power to appoint the Council Member for a three (3) year period, following which the Retiree Group appointment provisions of subsection 4(f) will again apply.

(h) A Plan Sponsor that is entitled to appoint a Council Member to the Sponsors Council will do so by giving written notice to the Designated Officer in the first instance and thereafter to the Co-Chairs and the Designated Officer.

(i) A person who: (i) is or has been a member of the Corporation or a committee established for the purpose of advising the Corporation; or (ii) has been a member of the Sponsors Corporation or of a committee established for the purpose of advising the Sponsors Corporation, is not eligible to hold office as a Council Member on the Effective Date.

(j) Proposed Council Member appointees are required to undergo a Background Check arranged by the Corporation. The Co-Chairs will review the results of the Background Check with the proposed Council Member and the appointing Plan Sponsor, if in the Co-Chairs' discretion, it is necessary or advisable to do so.

(k) Except as otherwise provided herein, there is no specified term of office for a Council Member. A Plan Sponsor entitled to appoint a person as a Council Member may at any time on thirty (30) days prior written notice to the Co-Chairs and the Designated Officer, replace the Council Member appointed by it.

(l) A Council Member may be removed as a Council Member by the Sponsors Council in the following circumstances:

(i) if the Council Member is charged with or convicted of a criminal offence;

(ii) if the Sponsors Council determines that: (i) the Council Member has breached the Code of Conduct; and (ii) dismissal as a Council Member is the appropriate remedy for such breach; or

(iii) the Sponsors Council determines that the Council Member's attendance and participation are unsatisfactory having regard to the Code of Conduct.

Removal of a Council Member by the Sponsors Council will require an affirmative vote of two-thirds (2/3) of Council Members (excluding the Council Member subject to the removal decision).

(m) A Council Member may resign by giving written notice thereof to the Co-Chairs and the Designated Officer. The effective date of a resignation shall be stated in the Council Member's notice of resignation, but in no event shall the effective date precede the date that the written notice of resignation is received by the Co-Chairs and the Designated Officer.

(n) If a Council Member dies, resigns, or is removed from office, a replacement shall be appointed by the Plan Sponsor that made the appointment of such Council Member.

(o) If a Plan Sponsor is entitled to appoint a Council Member, but fails to do so within one hundred and twenty (120) days of the Effective Date, or if a Plan Sponsor is entitled to appoint a Council Member to replace a Council Member who has died, resigned, or been removed pursuant to subsection 4(l) but fails to do so within one hundred and twenty (120) days of the Council Member's death, resignation or removal, then the Council Member's vote(s) shall be assigned to the Co-Chair selected by the Council Members appointed by Employee Plan Sponsors, if such vacancy is an Employee Plan Sponsor's, or the Co-Chair selected by the Council Members appointed by the Employer Plan Sponsors, if such vacancy is an Employer Plan Sponsor's. The assignment of votes in accordance with this subsection 4(o) shall cease on the date the Plan Sponsor who was entitled to appoint a Council Member or a replacement Council Member, as applicable, duly appoints a Council Member or a replacement Council Member in accordance with the provisions of this By-Law.

(p) The foregoing persons are disqualified from being a Council Member:

(i) a person who is less than eighteen (18) years of age;

(ii) a person who has been found under the *Substitute Decisions Act*, 1992, S.O. 1992, c 30, or under the *Mental Health Act*, R.S.O. 1990, c. M.7, to be incapable of managing property or who has been found to be of unsound mind by a court in Canada or elsewhere;

(iii) a person who is not an individual;

(iv) a person who has the status of a bankrupt;

(v) a person who is not eligible by virtue of subsection 4(i) of this By-Law or is otherwise not eligible to be a Council Member pursuant to the OMERS Act or any Regulation; and

(vi) a person previously removed as a Council Member pursuant to subsection 4(l) of this By-Law or as a Non-Voting Member pursuant to subsection 5(i) of this By-Law.

5. Appointment of Non-Voting Members

(a) As of the Effective Date, the following organizations will be entitled to appoint one person to attend Sponsors Council meetings as a Non-Voting Member:

(i) either CUPE Local 79 or CUPE Local 416, whichever local at such time is not entitled to appoint a Council Member to the Sponsors Council;

(ii) OCSTA and OPSBA, whichever organization at such time is not entitled to appoint a Council Member to the Sponsors Council;

(iii) Metrolinx;

(iv) Amalgamated Transit Union Ontario ("**ATU**"); and

(v) the Non-Union Non-Employer Organizations, as a group.

(b) The Non-Union Non-Employer Organizations, collectively, will, as among them, appoint a Non-Voting Member to attend Sponsors Council meetings on a basis to be agreed by the Non-Union Non-Employer Organizations.

(c) Organizations that are entitled to appoint a Non-Voting Member to attend the Sponsors Council meetings will do so by giving written notice of the person to the Co-Chairs and to the Designated Officer not less than thirty (30) days prior to a meeting of the Sponsors Council. The designation of such person as a Non-Voting Member will apply to all subsequent meetings of the Sponsors Council unless the organization entitled to appoint such Non-Voting Member sends a written notice to the Designated Officer and the Co-Chairs, not less than thirty (30) days prior to a Sponsors Council meeting revoking the appointment and appointing a successor person to act as the Non-Voting Member in which case such successor person will be the Non-Voting Member until replaced in accordance with this subsection 5(c).

(d) Proposed Non-Voting Member appointees are required to undergo a Background Check arranged by the Corporation. The Co-Chairs will review the results of the Background Check with the proposed Non-Voting Member and the appointing organization if, in the Co-Chairs' discretion, it is necessary or advisable to do so.

(e) A person who: (i) is or has been a member of the Corporation or a committee established for the purpose of advising the Corporation; or (ii) has been a member of the Sponsors Corporation or of a committee established for the purpose of advising the Sponsors Corporation is not eligible to hold office as a Non-Voting Member on the Effective Date.

(f) The foregoing persons are disqualified from being a Non-Voting Member:

(i) a person who is less than eighteen (18) years of age;

(ii) a person who has been found under the *Substitute Decisions Act*, 1992, S.O. 1992, c 30, or under the *Mental Health Act*, R.S.O. 1990, c. M.7, to be incapable of managing property or who has been found to be of unsound mind by a court in Canada or elsewhere;

(iii) a person who is not an individual;

(iv) a person who has the status of a bankrupt;

(v) a person who is not eligible by virtue of subsection 5(e) of this By-Law or is otherwise not eligible to be a Non-Voting Member pursuant to the OMERS Act or any Regulation; and

(vi) a person previously removed as a Non-Voting Member pursuant to subsection 5(i) of this By-Law or as a Council Member pursuant to subsection 4(l) of this By-Law.

(g) A Non-Voting Member shall receive notice of all Sponsors Council meetings, copies of all materials provided to Council Members, the minutes of the meetings of the Sponsors Council and shall be entitled to observe and participate in meetings but will not be entitled to add items to any agenda without permission from the Co-Chairs or as resolved by the Sponsors Council or to vote on any matters.

(h) Notwithstanding the above, a Non-Voting Member is not entitled to attend an in camera meeting (or portion thereof) or receive materials or minutes relating thereto, unless determined by resolution of the Sponsors Council to permit such attendance or receipt.

(i) A Non-Voting Member may be removed as a Non-Voting Member by the Sponsors Council in the following circumstances:

(i) if the Non-Voting Member is charged with or convicted of a criminal offence;

(ii) if the Sponsors Council determines that (i) the Non-Voting Member has breached the Code of Conduct and (ii) dismissal as a Non-Voting Member is the appropriate remedy for such breach; or

(iii) the Sponsors Council determines that the Non-Voting Member's attendance and participation are unsatisfactory having regard to the Code of Conduct.

Removal of a Non-Voting Member by the Sponsors Council will require an affirmative vote of two-thirds (2/3) of Council Members.

6. Appointment of Co-Chairs

(a) Two Co-Chairs shall be selected by the Council Members from among the Council Members and the names of the two Co-Chairs shall be provided to the Designated Officer. One Co-Chair will be selected by the Council Members appointed by the Employee Plan Sponsors from among the Council Members appointed by the Employee Plan Sponsors and one Co-Chair will be selected by the Council Members appointed by the Employer Plan Sponsors from among the Council Members appointed by the Employer Plan Sponsors. If the Council Members fail to select either of the two Co-Chairs pursuant to this subsection 6(a), then the Co-Chair(s) not so selected will be elected pursuant to subsections 6(c) to (e).

(b) The terms of the first Co-Chairs will commence immediately upon being selected or elected as applicable. Thereafter, a Co-Chair's term will commence on April 15th of a calendar year for a period of two (2) years ending on April 14 of a calendar year, and may be renewed in accordance with the process set out in this Section 6 for so long as such person remains a Council Member, provided that the terms of the first Co-Chairs will be staggered such that one Co-Chair's initial term will be two (2) years and the other Co-Chair's initial term will be three (3) years, and will extend to April 14, 2028 and April 14, 2029, respectively. Which Co-Chair has the three (3) year initial term shall be determined by the flipping of a coin at the first meeting of the Sponsors Council.

(c) If either or both Co-Chairs have not been selected in accordance with subsection 6(a), the Designated Officer will solicit nominations: (i) from the Council Members appointed by the Employee Plan Sponsors from among such Council Members for the position of Co-Chair; and/or (ii) from the Council Members appointed by the Employer Plan Sponsors from among such Council Members for the position of Co-Chair, as applicable. A Council Member wishing to nominate another Council Member to serve as a Co-Chair shall submit the nomination to the Designated Officer. The Designated Officer will notify each nominee of their nomination. Such nominee may, for clarity, decline a nomination.

(d) If more than one (1) nominee is received for a Co-Chair position in accordance with subsection 6(c) a vote to elect the Co-Chair will be conducted by secret ballot of the Council Members appointed by the Employee Plan Sponsors or the Employer Plan Sponsors, as the case may be. The Designated Officer will coordinate the voting process and will issue, receive and count all votes. If there are more than two (2) candidates for a Co-Chair position and on the first voting round no candidate receives more than 50% of the applicable votes, the candidate with the least number of votes will be dropped from the ballot and another vote will be held, with the process continuing until a candidate for the Co-Chair receives more than 50% of the votes of the Council Members appointed by the Employee Plan Sponsors or the Employer Plan Sponsors, as applicable. Voting will be on an unweighted basis. A tie vote for a Co-Chair will be resolved by the flipping of a coin.

(e) If only one (1) individual is nominated for the position of a Co-Chair, in accordance with subsection 6(c), that nominee will be deemed appointed by acclamation of the Council Members entitled to vote on such appointment, as the case may be.

(f) Any two Council Members entitled to participate in the selection of, or vote on such an appointment of Co-Chair may, by notice to the Designated Officer and the other Council Members entitled to select or vote on such appointment, require a vote to remove or replace a Co-Chair prior to the expiry of the Co-Chair's term. A decision of the Council Members to remove or replace a Co-Chair shall require an affirmative vote of two-thirds (2/3) of the Council Members entitled to select or vote on such appointment, determined on an unweighted voting basis.

(g) If a Co-Chair ceases for any reason to be a Council Member, they will cease to be the Co-Chair.

(h) If for any reason a Co-Chair is not appointed by the Council Members entitled to make such appointment for the following term by the end of the term of the incumbent Co-Chair, then the incumbent Co-Chair shall remain in office until the appointment of their successor in accordance with the preceding provisions of this Section 6, provided that and for so long as they remain a Council Member. For clarity, such successor shall retain their position as Co-Chair for the balance of the applicable term.

(i) If a Co-Chair dies, resigns their position, is removed by a vote of the Council Members entitled to vote on such appointment pursuant to this Section 6 or ceases to be a Council Member, a new Co-Chair will be elected in accordance with the process set out in this Section 6 for the balance of the term of the Co-Chair who died, resigned, was removed or is no longer a Council Member.

7. Honorarium and Reimbursement of Expenses

(a) Council Members and Non-Voting Members may be paid a reasonable annual honorarium (the "**Honorarium**"), through the Corporation, for carrying out their responsibilities as Council Members and Non-Voting Members, as applicable, subject to the following:

(i) the Corporation shall engage the services of a compensation consultant ("**Consultant**") to undertake a study ("**Study**") of comparable Canadian public sector pension plan sponsor bodies ("**Peers**");

(ii) the Study shall, to the extent practicable, report as to remuneration paid to individuals who, in the opinion of the Consultant, perform a similar function to Council Members, including the Co-Chairs, and Non-Voting Members at Peers ("**Peer Comparators"**); and

(iii) the Study shall be reviewed by the Sponsors Council and the Council Members may resolve to adopt a policy for the establishment and payment of the Honorarium, subject to the following:

1. the Honorarium shall be set with reference to what is paid to Peer Comparators as set out in the Study;
2. the Honorarium may vary based on whether an individual serves as a Council Member, including as a Co-Chair, or as a Non-Voting Member;
3. the Honorarium may be increased annually with reference to the annual inflation adjustment provided under the Primary Plan; and
4. a new Study may not be commissioned, and the Honorarium may not be amended, until three years from the Effective Date.

(b) Council Members and Non-Voting Members shall be reimbursed through the Corporation for their reasonable and necessary expenses incurred by them in connection with carrying out their responsibilities as Council Members and Non-Voting Members, as applicable, as provided for in a policy to be adopted by the Sponsors Council.

8. Council Meetings

(a) At the first meeting of the Sponsors Council following the appointment of the first Co-Chairs, the two (2) Co-Chairs shall decide which Co-Chair will act as the chair (the "**Meeting Chair**") of such first meeting. If the Co-Chairs cannot decide among themselves as to who will be the first Meeting Chair, it will be determined by the flipping of a coin. Thereafter, the Co-Chairs shall alternate as Meeting Chair of successive Sponsors Council meetings.

(b) Meetings of the Sponsors Council shall be held from time to time on such day and at such time as the Co-Chairs may determine.

(c) Subject to subsections 8(d), (e) and (f), there shall be no less than four (4) meetings of the Sponsors Council held during each calendar year.

(d) Notwithstanding subsection 8(b), a majority of the Council Members may call a meeting of the Sponsors Council by submitting a written notice to the Co-Chairs and the Designated Officer setting out the business to be transacted at the meeting.

(e) The Corporation may call a meeting of the Sponsors Council to address an Emergency by providing notice to the Co-Chairs.

(f) The Council Members may, at a validly held meeting of the Sponsors Council at which there is a quorum, call a meeting of the Sponsors Council and the Co-Chairs will provide notice thereof to each Council Member, the Non-Voting Members and the Designated Officer.

(g) Meetings of the Sponsors Council shall be held at the head office of the Corporation or elsewhere in the Province of Ontario as the Council Members may by resolution determine.

(h) A quorum for a meeting of the Sponsors Council will be Council Members present representing a majority of the eligible votes of the Sponsors Council. A meeting may be conducted if quorum is present at the meeting.

(i) Subject to subsection 8(k) below, notice of any regular or special meeting of the Sponsors Council shall be sent by mail, electronic mail, facsimile or other similar means of communication at least twenty (20) days prior to the meeting. Such notice will indicate the location of the meeting, the purpose of the meeting and the general nature of the business to be transacted at the meeting and will be accompanied by such written materials as are readily on hand and as are relevant to such business. No good-faith error or omission in giving notice of any meeting of the Sponsors Council or any adjourned meeting of the Sponsors Council shall invalidate such meeting or make void any proceedings taken thereat.

(j) A resolution to change this By-Law, to effect any change in the OMERS Pension Plans (including contribution rate changes) or to effect any other Specified Change may be validly enacted at a meeting of the Sponsors Council only if the proposed text of such resolution has been included with the notice of such meeting to be given pursuant to this Section 8, unless at such meeting two-thirds (2/3) of the Council Members waive their right to have received the proposed text. For clarity, if the proposed text of a resolution described in the foregoing sentence has been included with the notice of a meeting in accordance with the foregoing sentence, proposed amendments to the wording of such resolution may be considered and voted upon and enacted at such meeting.

(k) Notwithstanding subsection 8(i), if the purpose of the meeting of the Sponsors Council includes consideration of a Specified Change, notice of the time and place of the meeting must be given at least sixty (60) days in advance of the meeting.

(l) Except for matters relating to a change in the By-Law, the enactment of any change in the OMERS Pension Plans (including contribution rate changes) or to effect any other Specified Change, the advance notice requirements set out in subsection 8(i) of this By-Law shall not apply in the event of an Emergency, in which case the Co-Chairs should give as much prior notice in the manner set out in this Section 8 as is practicable. An "**Emergency**" means an unusual, infrequent or sudden circumstance that requires a meeting to be held without delay to avoid damage to the interests of the OMERS Pension Plans, or as otherwise resolved by the Council Members. Waiver of notice shall not be required for a meeting called in accordance with this subsection 8(l) for the meeting to be a validly constituted meeting as long as a quorum of the Council Members accounting for a majority of the eligible votes are present, but the required number of votes to authorize any action or matter shall be as required by this By-Law.

(m) A Council Member may in any manner and at any time waive notice of a meeting of the Sponsors Council, and attendance of any such person at a meeting of the Sponsors Council is waiver of notice of the meeting required under this Section 8, except where such person attends a meeting for the express purpose of objecting to the transaction of any business of the Sponsors Council on the grounds that the meeting is not lawfully called.

(n) A resolution in writing signed by all of the Council Members entitled to vote on that resolution at a meeting of the Sponsors Council is as valid as if it had been passed at a meeting of the Sponsors Council. For clarity, electronic mail and other similar means of communication will be considered a written signature.

(o) Any Council Member or Non-Voting Member may participate in a meeting of the Sponsors Council by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate simultaneously and instantaneously and the notice for the meeting must include instructions for attending and participating in the meeting by telephonic or electronic means.

(p) Except as otherwise provided in this By-Law, when Council Members are voting on any matter, each Council Member shall have the number of votes specified in Section 9 of this By-Law.

(q) The meetings of the Sponsors Council are not public meetings, and no person other than Council Members and Non-Voting Members shall attend a meeting unless invited by the Co-Chairs or as resolved by the Council Members.

(r) The Sponsors Council will make available to Plan Sponsors and other stakeholders a summary of the business transacted at a meeting of the Sponsors Council within thirty (30) days of the completion of such meeting.

(s) The minutes of all meetings of the Sponsors Council, will be written and, following approval of the Co-Chairs, will be provided to all Council Members, the Non-Voting Members, and, unless the Sponsors Council otherwise directs, the Designated Officer, within 30 days following such meeting, except that any Council Member or Non-Voting Member who has declared a conflict with respect to a particular matter shall not receive that portion of the minutes relating to that matter. Any resolution passed in writing signed by all Council Members entitled to vote thereon that was passed between meetings of the Sponsors Council will be recorded in the minutes of the next following meeting. Where all or a part of a meeting is held in camera, the Sponsors Council will determine by resolution whether minutes will be taken and, if so, who will take such minutes.

(t) It is the duty of the Meeting Chair:

(i) to ensure compliance at meetings with this By-Law, any policies, resolutions and protocols;

(ii) to preside at the meeting of the Sponsors Council;

(iii) together with the other Co-Chair, to set the agenda for all meetings of the Sponsors Council;

(iv) together with the other Co-Chair, to invite Corporation employees including the Designated Officer, and other non-Council Members to attend meetings of the Sponsors Council;

(v) to commence the meetings of the Sponsors Council and calling the Council Members to order as soon as a quorum is present;

(vi) to announce the business before the Sponsors Council and the order in which it is to be acted upon;

(vii) to receive and submit, in proper manner, all motions presented by the Council Members;

(viii) to put a vote to all motions which are moved, or which necessarily arise in the course of the proceedings and to announce the result;

(ix) to decline to put to a vote motions which are beyond the jurisdiction of the Council Members;

(x) to enforce on all occasions the observance of order and decorum among the Council Members;

(xi) where it is not possible to maintain order, to adjourn or suspend the meeting to a time specified by the Meeting Chair, without any motion being put forth;

(xii) to permit any question to be asked through the Meeting Chair of any employee of the Corporation in attendance at the meeting in order to provide information to assist any debate when the Meeting Chair deems it proper;

(xiii) to conclude the meeting when the business is completed or upon a motion to conclude; and

(xiv) to carry out any other duties as assigned by the Sponsors Council, in concert with the other Co-Chair as applicable.

In the absence of the Meeting Chair, the other Co-Chair shall act as the Chair of a meeting of the Sponsors Council and shall have the same authority as the absent Meeting Chair would have if present. If neither the Meeting Chair or the other Co-Chair is in attendance at a Sponsors Council meeting that has a quorum, the Council Members in attendance may elect a Council Member from among those present to act as Meeting Chair of that meeting.

(u) Meetings of the Sponsors Council will be conducted in accordance with this By-Law and any procedures and guidelines adopted by the Sponsors Council from time to time.

(v) Any meeting of the Sponsors Council may be adjourned to any time and from time to time and such business may be transacted at such adjourned meeting as may be considered at the original meeting or indicated in a subsequent notice of the adjourned meeting. Notice of an adjourned meeting of the Sponsors Council is not required if the time and place of the adjourned meeting is announced at the original meeting.

(w) Pursuant to Sections 34 and 35, and subject to Section 27, of the OMERS Act, the Corporation will, through the Designated Officer and at the direction the Sponsors Council, provide or otherwise make available such administrative assistance and technical support as may be reasonably required to facilitate the proper functioning of the Sponsors Council, including secretariat and logistics, actuarial, policy, legal and plan design support.

(x) In Camera Meetings

(i) The Sponsors Council may hold a meeting in camera, or part of a meeting in camera, excluding matters related to a Specified Change other than as provided in subsection 8(i)(d.) below, if the subject matter contains confidential information including, but not limited to:

a. compliance with the Code of Conduct or any personal matters about any identifiable individual, including any Council Member, Non-Voting Member, Corporation employee or member of an OMERS Pension Plan;

b. commercially sensitive business matters, including matters subject to confidentiality agreements with third parties;

c. litigation or potential litigation including, without limitation, matters before administrative tribunals affecting the Corporation, the Sponsors Council and/or the OMERS Pension Plans; and

d. receiving of advice that is subject to legal privilege, including communications necessary for that purpose.

(ii) Before holding a meeting or part of a meeting that is to be held in camera, the Council Members shall state by resolution:

a. The fact of the holding of the in camera meeting; and

b. The general nature of the matter to be considered at the in camera meeting.

(iii) The Sponsors Council may hold a vote during an in camera meeting.

9. Voting

(a) Except as otherwise provided herein, each Council Member will be entitled to one (1) vote, except that:

(i) each of the Council Members appointed by AMO shall have two (2) votes; and

(ii) the Council Member appointed by CUPE Ontario shall have three (3) votes.

(b) Except as otherwise provided herein or in the OMERS Act or in any Regulation, a resolution of the Sponsors Council will be validly enacted if passed by an affirmative vote of Council Members casting a majority of the eligible Council Member votes.

(c) Except as otherwise provided herein or in the OMERS Act or in any Regulation, for clarity, voting requirements for this By-Law and the OMERS Act and any Regulation shall be based on the following:

(i) the requirement for an affirmative vote of a majority of the Council Members shall be satisfied if a majority of the eligible Council Member votes are cast in favour of a motion; and

(ii) the requirement for an affirmative vote of two-thirds (2/3) of the Council Members shall be satisfied if two-thirds (2/3) of the eligible Council Member votes are cast in favour of a motion.

(d) The vote of the Council Members concerning the removal of a Council Member shall be made without the Council Member who is the subject of such vote or the vote(s) associated with the Council Member whose removal is being voted upon and such vote(s) will not be considered "eligible" for purposes of such vote.

(e) For the purposes hereof "eligible votes" or a similar expression means all votes that may be cast on the subject matter including any multiple votes that particular Council Members may cast and irrespective of whether or not the Council Member is in attendance at the meeting and whether or not they abstain but excluding any conflicted Council Members.

(f) For the purposes hereof "unweighted voting" or a similar expression means a simple majority of the Council Members present at the meeting and entitled to vote on the subject matter without giving effect to any multiple votes that a particular Council Member may cast.

(g) In the case of an equality of votes at a meeting of the Sponsors Council, the Meeting Chair will not be entitled to a second (other than in the circumstances set out in subsection 4(o)) or casting vote.

(h) The number of votes required to approve a Specified Change or to change the composition of the Corporation and the method of choosing its members as provided in Section 33(1) of the OMERS Act is the affirmative vote of two-thirds (2/3) of all eligible votes that may be cast by Council Members.

10. Code of Conduct and Conflicts of Interest

Council Members and Non-Voting Members must comply with the Code of Conduct and the provisions relating to conflicts of interest set out thereunder.

11. Disclosure and Transparency to Stakeholders

(a) The Sponsors Council shall prepare an annual report on its affairs during the preceding year in accordance with Section 31 of the OMERS Act.

(b) Subject to this By-Law and the Transparency Framework, disclosure and transparency from the Sponsors Council to all stakeholders shall initially include:

i. an annual report to members of the OMERS Pension Plans detailing the activities of the Sponsors Council;

ii. posting of meeting summaries within thirty (30) days of a meeting of the Sponsors Council (which, for greater certainty, shall exclude summaries of in camera meetings or portions of meetings that are held in camera);

iii. a meeting of stakeholders to occur at least bi-annually;

iv. a requirement to consult on Specified Changes, other than Exceptional Specified Change (as defined in Sponsors Corporation By-Law 12), at least one hundred and twenty (120) days before a decision; and

v. a published governance manual.

(c) The Sponsors Council will provide a report to the members of the OMERS Pension Plans and participating employers detailing any Specified Changes and a summary of the reasoning therefor.

(d) The Sponsors Council will provide a report to the members of the OMERS Pension Plans and participating employers on the outcome of its review of Plan Sponsors and Sponsors Council composition conducted in accordance with this By-Law and a summary of the reasoning therefor.

(e) The Designated Officer, at the direction of Sponsors Council, will assist the Sponsors Council in preparing reports and making filings as may be required or otherwise requested by the Sponsors Council or the Co-Chairs. The Designated Officer, or any other employee of the Corporation designated by the Designated Officer, may certify materials, reports and other documents on behalf of the Sponsors Council at the request of the Sponsors Council or the Co-Chairs.

12. Establishment of Rules and Policies

The Sponsors Council may by resolution establish such rules and policies as it determines desirable for the proper discharge of its responsibilities, provided that any such rules and policies are not inconsistent with the Sponsors Council's objects, powers and responsibilities under the OMERS Act, any requirements prescribed by the OMERS Act, any applicable Regulation, the PBA, the Income Tax Act and this By-Law.

13. Review and Amendments to By-Law

(a) The Sponsors Council will, at least every five (5) years starting from the Effective Date, review and consider amendments to this By-Law, with the first review commencing no later than 2031.

(b) An amendment to this By-Law shall require an affirmative vote of two-thirds (2/3) of the Council Members.

(c) Any amendment to the terms of this By-Law must be consistent with and comply with the OMERS Act and any Regulation, the PBA, and the Income Tax Act.

14. Review of Plan Sponsors and Sponsors Council and Corporation Composition

The Sponsors Council shall develop a framework to review the composition of the Sponsors Council and the Corporation and will conclude such review no later than December 31, 2029. Such reviews will be conducted every five (5) years thereafter. Such framework may address the following:

(a) the identity and number of Plan Sponsors and which Plan Sponsors are entitled to appoint Council Members to the Sponsors Council;

(b) whether any particular Plan Sponsor is entitled to appoint more than one Council Member to the Sponsors Council;

(c) the number of Council Members of the Sponsors Council;

(d) whether a Council Member appointed to the Sponsors Council by a particular Plan Sponsor will be entitled to more than one vote;

(e) the identity of organizations that may appoint Non-Voting Members to the Sponsors Council;

(f) the organizations that constitute the Retiree Group;

(g) designating Plan Sponsors to be Employee Plan Sponsors and Employer Plan Sponsors entitled to appoint Council Members based on the nature of the organization and who they represent;

(h) which Plan Sponsors will be Employee Plan Sponsors and which will be Employer Plan Sponsors entitled to appoint members to the Corporation; and

(i) whether any particular Employee Plan Sponsor or Employer Plan Sponsor is entitled to appoint more than one member to the Corporation.

15. Specified Change Process

The Sponsors Council shall establish a policy setting out the process and procedures required to make a Specified Change. Such policy shall provide for, among other things, the following requirements:

(a) A Specified Change may be proposed in one of the following three ways:

(i) by a Council Participant by submitting a proposal in writing to the Co-Chairs and the Designated Officer by January 1 of 2028 (or January 1 of every third (3rd) year thereafter) for consideration by the Sponsors Council in the immediately following calendar year;

(ii) by resolution of the Sponsors Council, on a two-thirds (2/3s) affirmative vote, to make a proposal at any time, to address an emerging issue as defined in the policy, including following its five (5) year review of the OMERS Pension Plan terms and conditions and contribution rates; and

(iii) by the Corporation making a proposal to the Sponsors Council, on the consent of the Co-Chairs, for an Exceptional Specified Changes (as defined in Sponsors Corporation By-Law 12).

(b) At least one hundred and twenty (120) days prior to a meeting of the Sponsors Council at which a Specified Change proposal is being considered for final decision, the Sponsors Council shall direct the Designated Officer to provide advance notice, with the form and content to be approved by the Co-Chairs, of such proposals to OMERS Pension Plan members and participating employers and arrange for a consultation session to invite feedback to the Sponsors Council.

(c) Exceptional Specified Change (as defined in Sponsors Corporation By-Law 12) proposals made pursuant to subsection 15(a)(iii) shall not be subject to the consultation requirements of subsection 15(b) nor be referred to mediation/arbitration in accordance with Section 26(6) of the OMERS Act.

(d) A Specified Change proposal shall be considered approved and the Specified Change contemplated therein shall be implemented if the proposal is approved by affirmative vote of two-thirds (2/3) of the Council Members.

(e) A proposal to make a Technical Plan Change (as defined in Sponsors Corporation By-Law 12) may be submitted by any Council Member or, on the consent of the Co-Chairs, the Corporation, to be considered at any Sponsors Council meeting. A Technical Plan Change may be adopted, amended or rejected by a majority vote of the Council Members.

16. Financial Statements

(a) To the extent that financial statements are prepared for the Sponsors Council, the Sponsors Council will appoint one or more persons licensed under the *Public Accounting Act* (Ontario) to audit its accounts and transactions and to express an opinion on its financial statements based on the audit.

(b) To the extent that financial statements are prepared for the Sponsors Council for any year, such financial statements as certified by the auditor will be included in the report prepared by the Sponsors Council in accordance with subsection 11(a).

17. Schedules

The following schedules are attached to and form a part of this By-Law:

Schedule “A” **– Sponsors Council Code of Conduct**

Schedule “B” **– Sponsors Council Transparency Framework**

Schedule "A"

SPONSORS COUNCIL CODE OF CONDUCT

ARTICLE 1
OVERALL PRINCIPLES AND APPLICATION

The Code of Conduct ("Code") sets out standards that support effective decision-making and mutual respect, maintain confidence in the Sponsors Council's work, and uphold the reputation of OMERS. For purposes of this Schedule "A", "member" means a Council Member or a Non-Voting Member, as applicable.

The Code cannot directly address every situation in which members may find themselves. It does not preclude the use of common sense and good judgment.

ARTICLE 2
CONDUCT AND COMMITMENT

2.1 Compliance

Members must ensure that their conduct is in compliance with the OMERS Act and other applicable law, the By-law and any other by-laws, policies, rules or resolutions of the Sponsors Council.

2.2 Harassment, Discrimination & Violence

Members are all responsible for maintaining a culture of dignity, respect, and courtesy.

The Sponsors Council strives to provide an environment that supports diversity, where all members have an equal opportunity to discharge their responsibilities and duties and which is free from: (i) all forms of discrimination; (ii) sexual and other forms of harassment; and (iii) violence. Harassing conduct, including any behaviour that a reasonable person would conclude contributes to an intimidating or offensive environment, will not be tolerated.

2.3 Commitment and Attendance

Members are expected to demonstrate behavior and commitment that promotes the effectiveness of the Sponsors Council, and to regularly attend meetings and any other scheduled events of the Sponsors Council as much as reasonably possible. In those circumstances where a member cannot attend a meeting, they are requested to notify the Co-Chairs as soon as possible, as this could impact the ability to maintain quorum for a meeting.

ARTICLE 3
CONFLICTS OF INTEREST

Members must avoid situations where their personal interests conflict, have the potential to conflict, or could be perceived as conflicting with, their duties as members of the Sponsors Council. Members must disclose any real, potential, or perceived conflicts of interest promptly to the Co-Chairs.

Members are in a conflict of interest if their personal interests may influence their decision-making or conflict with any of their responsibilities. The fact that a member is a representative or an employee of an organization with the authority to appoint a Council Member or a Non-Voting Member to the Sponsors Council, has an entitlement to a benefit or potential benefit under the OMERS Pension Plans, or is a representative or an employee of a participating employer, does not, in and of itself, constitute a personal interest.

While conflicts must be avoided wherever possible, some conflicts may be appropriately managed or cured through full disclosure to the Sponsors Council and separation of duties.

When a matter is before the Sponsors Council that could possibly benefit a member or a person directly associated with a member, the member must advise the Co-Chairs in writing in order to enable the Sponsors Council to determine whether the situation is material.

If a member believes there may be a conflict of interest, the member may ask the Co-Chairs for guidance.

When a member has a conflict of interest in a matter before the Sponsors Council, the member shall, if present:

i. disclose the existence of the conflict of interest prior to discussion of the matter,
ii. abstain from voting on any question relating to the matter,
iii. abstain from discussing the matter, and
iv. leave the room in which the meeting is being held (or virtual meeting room) until the discussion and voting on the matter are concluded.

The abstention of a member and disclosure of a member's conflict of interest shall be recorded in the minutes of the meeting.

3.1 Outside Activities

Members carrying on outside activities should not use the Sponsors Council’s resources or the Corporation’s facilities to do so and must not imply the Sponsors Council’s sponsorship or support for same.

3.2 Gifts and Improper Payments

To avoid a conflict of interest or the appearance of a conflict of interest, members must not accept gifts, fees, commissions or other payments or benefits that are connected with their role as members. The receipt by a member of compensation from a Plan Sponsor or, in the case of a Non-Voting Member, from the organization that appointed them, and with which they are affiliated for other work or services does not violate this Section 3.2.

ARTICLE 4
CONFIDENTIALITY AND USE OF CORPORATION’S RESOURCES

While the intent is that the Sponsors Council will operate as transparently as possible, there will be limited circumstances in which certain information must be held confidentially, as provided for under the By-Law (or as may otherwise be determined by the Sponsors Council). In such cases, members must maintain such information confidentially, not share it with others (including their appointing Plan Sponsor or in the case of a Non-Voting Member, the organization that appointed them) and take appropriate steps to safeguard such information.

To the extent that members are provided with resources by the Corporation, including technology or use of facilities, members should only utilize them for the purpose of the business of the Sponsors Council. The Corporation retains the right to ensure the proper and effective use of such resources.

ARTICLE 5
REPORTING VIOLATIONS

Matters involving a violation by a member of this Code of Conduct must be reported to the Co-Chairs of the Sponsors Council. Where a Co- Chair is involved, reports must be directed to the other Co-Chair of the Sponsors Council. Reports may be sent to the Co-Chair(s) in confidence.

ARTICLE 6
ANNUAL ACKNOWLEDGEMENT OF COMPLIANCE

All members are required to complete an annual acknowledgement agreeing to abide by the Code of Conduct.

ARTICLE 7
NON-COMPLIANCE WITH CODE

Where a member has not complied with a requirement of the Code ("Code Breach"), the Co-Chairs shall discuss the matter with the member and seek an explanation. Such explanation shall be reported to the Plan Sponsor that appointed them or, in the case of a Non-Voting Member, the organization that appointed them. Depending on the nature of the Code Breach or if the Code Breach continues after the Co-Chairs have notified the appointing Plan Sponsor or in the case of a Non-Voting Member, the organization that appointed them, the Co-Chairs will report such Code Breach to the Sponsors Council to determine whether any further action, including removal of the member from the Sponsors Council, is appropriate in the circumstances.

Schedule "B"

SPONSORS COUNCIL TRANSPARENCY FRAMEWORK

SPONSORS COUNCIL TRANSPARENCY STANDARDS

This Schedule "B" establishes minimum transparency standards and principles for the Sponsors Council and the appointing organizations that appoint Council Members and Non-Voting Members (referred to in this Schedule "B" as "Appointing Organizations"), in order to address issues outlined in Special Advisor Robert Poirier's final report on the OMERS governance review to the Minister of Municipal Affairs and Housing dated September 2025. They are designed to support informed participation and meaningful stakeholder awareness, while managing legal, privacy, and proprietary information risks. The expectation is that the Sponsors Council will adopt additional standards as appropriate, with supporting tools, through its Year 1-3 Work Plan.

PRINCIPLES

- **Transparency within the system (Council ↔ Appointing Organizations):** Default expectation is shareability to Appointing Organizations to enable the Sponsors Council to do its work effectively and promote transparency with Appointing Organizations. In most cases, information transmitted to the Sponsors Council will be able to flow to Appointing Organizations, either in full or in summary.

- **Transparency to members of the OMERS Pension Plans ("OMERS Members") (Council/Appointing Organizations ↔ OMERS Members and/or the Public):** Requires a separate standard, recognizing the Corporation's primary responsibility for OMERS Member communications related to OMERS Pension Plan administration. Appointing Organizations should use their best judgement and consult with the Sponsors Council and the Corporation in order to ensure OMERS Members are provided with accurate and high-quality information before sharing information that goes above the minimum standards developed by the Sponsors Council.

- **Disclosure restrictions on information delivered to Appointing Organizations:** Only applies when clear legal, privacy or proprietary information requires restriction. The Sponsors Council commits to avoid reverting to a model where all materials are confidential by default.

MINIMUM TRANSPARENCY STANDARDS

It is expected that the majority of the transparency guidelines and standards applicable to the Sponsors Council will be set by the Sponsors Council as part of its Year 1-3 Work Plan and the following are minimum standards with respect to levels of distribution that the Sponsors Council will follow.

LEVELS OF DISTRIBUTION

- **Public:** May be posted publicly and shared with all OMERS Members and stakeholders.
- **OMERS Membership:** Contained in OMERS Member communications and/or permitted to be shared by Council Members and Non-Voting Members with their Appointing Organizations and the membership of those organizations, as applicable.
- **Sponsors Council / Council Members / Non-Voting Members:** Delivered to Council Members, Non-Voting Members and their Appointing Organizations but does not include the Appointing Organization's broader membership.
- **Sponsors Council-Only:** Restricted to Council Members, including Non-Voting Members.
- **In Camera / Legal / Privileged:** Restricted to the in camera attendees; not shareable, may be subject to legal privilege, privacy, or sensitive risk management considerations**.**

The following Transparency Tools (i.e., communication vehicles) are designed to provide examples of the way in which information may flow from the Sponsors Council to Appointing Organizations and OMERS Members. Ultimately, the Sponsors Council will direct the way in which information is shared.

Transparency Tool	Distribution	Why?	Timelines	Delivery Mechanism
Meeting Materials (including reports, etc.)	**Include a Recommended Distribution Level on All Materials**	Supports transparency-by-default amongst Appointing Organizations: Council Members and Non-Voting Members should generally be able to share materials with their Appointing Organization to enable effective governance and engagement. Confidentiality is applied only where required (e.g., in camera, or other defined exceptions). All other materials should be designated as shareable with Appointing Organizations, with OMERS Members, and/or public, as appropriate.	At least: 20 days prior to a regular meeting, 60 days prior to a meeting to consider a Specified Change (and subject to a minimum 120-day consultation period) other than an Exceptional Specified Change	Materials would be circulated directly to Council Members and Non-Voting Members through the Designated Officer. **Transparency Level: Council Members / Appointing Organizations and their membership. Individual reports and materials may be designated as shareable or restricted from member/public distribution.**
Meeting Minutes & Summaries	**Meeting Summary: OMERS Members / Public** **Detailed Minutes: Sponsors Council / Council Members / Non-Voting Members**	Detailed minutes that capture key discussion points and the rationale for recommendations and decisions, including options considered, disclosures/conflicts, and any formal motions. They will also record outcomes clearly (decisions made, votes, action items, owners, and timelines) so Appointing Organizations and other stakeholders can understand what was decided and why, while protecting legally	Within 30 days of each meeting	Meeting *summaries* posted to public OMERS website and sent directly to Appointing Organizations and other stakeholders who may share with their stakeholders and OMERS Members. **Transparency Level:** OMERS Members and the public. Detailed minutes, as approved by the Co-Chairs, shared with Council Members, Non-Voting Members and their Appointing Organizations and updates provided if minutes are amended.

Transparency Tool	Distribution	Why?	Timelines	Delivery Mechanism
		sensitive and other materials requiring additional confidentiality. Maintain meaningful records while protecting sensitive deliberations. In camera items are recorded separately and remain restricted. Summaries of meetings will also be prepared (and will not, for clarity, include contents from in camera discussions). Co-Chairs will approve meetings summaries prior to distribution.		**Transparency Level: Council Members/Non-Voting Members/Appointing Organizations** In camera minutes remain confidential to Sponsors Council **Transparency Level: Confidential to Council Members (may also exclude some Council Members and Non-Voting Members due to particular conflicts of interests)**
Appointing Organizations and Stakeholder Meetings	**Sponsors Council / Council Members / Non-Voting Members + Additional Stakeholder Groups**	Keep the Appointing Organizations and other stakeholders informed of the Sponsors Council's work through timely updates, so information remains current and actionable.	Minimum two per year	Hybrid meetings that convene Appointing Organizations and the broader stakeholder community to provide timely updates and education on issues before the Sponsors Council. **Transparency Level: Council Members, Non-Voting Members, Appointing Organizations, broader stakeholder organizations.** Meetings not open to OMERS Members but Appointing Organizations and other stakeholder organizations would be free to report back to their own membership/employees on discussions.

Transparency Tool	Distribution	Why?	Timelines	Delivery Mechanism
Specified Change Consultations	**OMERS Members**	120-day period where OMERS Members and participating employers have an opportunity to make written submissions to the Sponsors Council and/or attend an open session to provide feedback.	Every 3 years, as Specified Changes (other than Exceptional Specified Changes) are considered (as provided for in Section (17 of the By-Law), or as such changes may otherwise be considered	As part of a broader Specified Changes consideration framework, fulsome, clear, impartial materials developed and shared broadly to ensure that OMERS Members and participating employers are able to fully understand nature of proposed Specified Changes before Sponsors Council, potential reasons for adoption or rejection, and impact on present and future OMERS Members. In accordance with the By-Law, discussions relating to Specified Changes will not occur in camera unless required for reasons relating to legal privilege.
Annual Report	**Public /OMERS Members**	Compliance with OMERS Act	Annually	Prepare and make available an annual report of the Sponsors Council activities and decisions for the previous year. **Transparency Level: OMERS Members and the public.** This will be completed through posting on OMERS website.
Sponsors Council By-laws and Policies	**Public / OMERS Members**	The Sponsors Council by-laws (including this By-Law) and any policies will be made available for all OMERS Members to view online.	Posted online upon the establishment of the Sponsors Council and updated following any amendments	Posted online, similar to the previous Sponsors Corporation Governance Manual. **Transparency Level: OMERS Members and the public.** This will be completed through posting on OMERS website.

Attachment 2
Memo from Chief Pension Officer re: Sponsors Council Initial By-Law
Board of Directors of OMERS Administration Corporation
June 5, 2026

AC Board of Directors
June 2026

Background: By-Law Engagement Journey

Celine Chiovitti
Chief Pension Officer

OMERS

Management has adopted a phased approach to By-Law development

This enabled Sponsors to provide input on By-Law language and will allow the AC Board to validate the draft initial By-Law and authorize its submission to the Ministry on June 5

1. **Sponsor Meetings and By-Law Drafting**
   March 31 to June 1
2. **AC Board Review & Approval**
   June 1 to 5
3. **Government Submission**
   June 5
4. **Sponsors Council Operational**
   July*

OMERS

*If enabled by Government

The engagement achieved its objectives despite a condensed timeline

1

Deliver the initial By-Law to fulfill OMERS legislated responsibilities, as outlined in the amendments to the *OMERS Act*

2

Ensure there is opportunity for Sponsors to provide input on the By-Law before it is submitted for Ministry review

3

Facilitate productive Sponsor discussions by circulating in advance relevant materials and documenting views

4

Support the effective functioning of the Sponsors Council by enabling constructive dialogue

Our approach was designed to build trust among Sponsors and address the challenges identified in the Poirier Report

Issue areas highlighted in the Poirier Report

Transparency

Communication

Engagement

How are you feeling about the By-Law development process as a whole?

Combined results from pulse checks in Meetings 1-4

The initial By-Law has been shaped by many inputs and diverse perspectives

Stakeholder consultations

- Sponsor organizations
- Non-Voting Member groups

Source materials

- Sponsors Corporation By-Laws and Policies
- Report of the Special Advisor
- *OMERS Act* & any regulations

Sponsors Council By-Law

Schedule A – Code of Conduct

Schedule B – Transparency Framework

Participants in By-Law consultations

OMERS Administration Corporation representatives*

- **Celine Chiovitti**, Chief Pension Officer
- **Michael Duffy**, SVP, Pension Operations, Engagement & Strategic Initiatives
- **Sukhvinder Dulay**, VP, Pension Policy & Legal
- **Paul Migicovsky**, Director, Enterprise Legal
- **Laura Kobsa**, Associate Director, Stakeholder Relations
- **Lindsay Chick,** Manager, Sponsor Council Administration
- **Michael Wiseman**, Senior Stakeholder Relations Advisor
- **Sara Willoughby,** Senior Specialist, Business Operations & Pension Events
- **Vanessa Carapinha,** Executive Assistant

Sponsors organization representatives

- **AMO: Lindsay Jones**, Executive Director
- **City of Toronto: David McIsaac**, Executive Director, Finance Shared Services
- **CUPE Local 79: Keith Fiering**, First Vice President
- **CUPE Local 416: Ted Aivalis**, Vice President/Chief of Stewards
- **CUPE Ontario: Mark Janson**, Senior Pensions Officer, CUPE National
- **EDA: Teresa Sarkesian**, President & CEO
- **OACAS: Solomon Owoo**, CEO
- **OCSTA: Patrick Daly**, Executive Director
- **OMERS Retiree Group: Wayne Omardeen**, President, PPAO
- **OPFFA: Frank Ramagnano**, Assistant to the General Secretary-Treasurer, IAFF
- **OPSBA: Stephanie Donaldson**, Executive Director
- **OPSEU: Cheri Hearty**, Supervisor, Worker Safety and Pension & Benefits Units
- **OSSTF: Tom Golightly**, Executive Assistant, Protective Services/Member Protection
- **PAO: Mark Baxter**, President
- **PGO (formerly OAPSB): Lisa Darling**, Executive Director

Non-Voting Member participants

- **AMCTO:** David Arbuckle, Executive Director
- **COTAPSA:** Andrew Waters, Past President and Director; Michael Major, Executive Director
- **OMHRA:** Lori Bolton, President; Susan Hsiung, Vice President
- **ATU Canada:** Jack Jackson, Vice President
- **Metrolinx:** Brian Davies, Board Member; Ramneet Aujla, CHRO

*Additional team members attend based on topics under consideration

Meetings were professionally facilitated

Caroline Blouin

Founder of Blue Sun Partners

Caroline Blouin is a senior leader in financial services with over 30 years of experience spanning regulatory affairs, pensions, insurance, and consulting. She is the Founding Partner of Blue Sun Partners Consulting, a boutique advisory firm specializing in strategy, governance, education, and stakeholder engagement.

Caroline previously served as the inaugural Executive Vice-President, Pensions at the Financial Services Regulatory Authority of Ontario, and held several executive roles at RBC across pensions and benefits, human resources, investments, and insurance.

She currently serves on the boards of Canadian Scholarship Trust, FCT, Normandin-Beaudry, Plannera, and the Canadian Institute of Actuaries. Caroline holds a Bachelor of Science in Actuarial Science from Western University, is a Fellow of the Canadian Institute of Actuaries, and a Chartered Director.

Discussions covered a wide range of By-Law topics

Stage	Date	Topics
Kick Off	March 31	By-Law engagement process overview
Meeting 1	April 7	Governance Mechanics, Council Members & Member Duties
Meeting 2	April 21	Observers, Regular Reviews & Transparency to Stakeholders
Meeting 3	May 5 *Morning session*	Code of Conduct, Minimum Standards for SPCs, Financial and Administrative Support for the Council, Validation of Year 1 Work Plan
Meeting 4	May 5 *Afternoon session*	
Meeting 5	May 14	Contributions and Funding, SRI & Appointments
Review	May 19	Wrap up session with Sponsors working group
Update	May 26	Non-Voting Member update
	May 28	**All feedback received**
Update	June 1	Plenary update for Sponsors
Review	June 1	Discussion of final comments
	June 1-5	**Review and approval of By-Law by AC Board and submission to the Ministry**
Update	June 18	Status update for Sponsors and Non-Voting Members
	July	**Operationalization of the Sponsors Council (if enabled by Government)**

We received broad and active engagement in the process

14
Sponsor organizations participated

5
Non-Voting Member groups consulted

8
Working sessions held to discuss By-Law provisions

40+
Feedback submissions received

The initial By-Law responds to Poirier's key concerns and sets the Council up for Day 1

Moving to a direct representation model to reduce perceived fiduciary constraints and support greater transparency in the work of the Council

Introducing standardized, "share by default" practices and streamlined support from the AC to promote consistency and efficiency in Council communications

Establishing a transparent triennial plan change process with extended consultation periods to enable meaningful engagement prior to decisions

Creating five Non-Voting Member seats who will participate in Council Meetings and be appointed by various, currently unrepresented, stakeholder groups

Management also prepared a draft workplan for the Council to consider once operational

Indicative 3-year Sponsors Council Work Plan

Based on a standard of four Council meetings per year

Year 1 2026-27

- Onboard Council Members
- Elect Co-Chairs
- Define near-term Council deliverables
- Establish legacy plan change proposals process
- Conduct review of inherited policies/guidelines
- Adopt 2027 threshold for RCA (Retirement Compensation Arrangement)
- Review funding management statement and SRI policy

Year 2 2027-28

- Execute the legacy plan change proposal process
- Direct strategic plan design review
- Review employer participation policies

Year 3 2028-29

- Establish a composition review framework and conclude review
- Approve approach to Specified Plan Changes + launch first 3-year cycle
- Discuss strategic plan design and contribution review
- Review Council policies

Recurring Council activities

- Receive investment results
- Actuarial valuation
- Apply the RCA framework

Next steps

June 5

Initial By-Law submitted to Minister by AC Board and thereafter shared with Voting and Non-Voting Members

June 18

Status update for Voting and Non-Voting Members

July

Sponsors Council operational (if enabled by Government)

Summary: Discussion of Key Topics

Key Topics Where Solution Achieved for Initial By-Law		
Topic	**Discussion**	**Result**
a) Transparency and disclosure	An area of non-consensus concerned the scope of transparency and disclosure obligations that should be entrenched in the initial By-Law. There was general alignment on core items such as annual reporting, regular meeting summaries, consultation obligations for specified changes, and a published governance manual. Divergence arose, however, on how far the initial By-Law should go in requiring more expansive disclosure, including reporting on plan change deliberations before decisions are made, publication of additional supporting materials, disclosure of voting information, and the articulation of minority views or policy rationales. Some Sponsors favoured a stronger transparency framework from the outset. Others cautioned that overly prescriptive requirements could impair candid deliberation, create administrative burden, or require disclosure of materials that are not appropriate for broad distribution. Consensus was difficult because all Sponsor representatives generally supported improved transparency but drew the line differently between Sponsor-facing transparency, public reporting and maintaining a protected deliberation space.	Through continued discussion, a principles-based transparency framework for “day one” operations was developed. This Transparency Framework is focused on clear transparency to Sponsor organizations, and required reporting and consultation with the broader plan membership, including practical tools such as meeting summaries and stakeholder briefings and various levels of disclosure, while leaving more details to be validated and refined by the Sponsors Council through its Year 1 to Year 3 work planning.

Attachment 3 – Summary: Discussion of Key Topics

Topic	Discussion	Result
b) Continued policies on day-one versus future-state design	A cross-cutting issue that affected several topics was the extent to which existing Sponsors Corporation By-Laws and policies should be rolled forward for day-one of the Sponsors Council in order to maintain continuity (as opposed to being re-opened immediately for redesign). Some Sponsors supported a practical rollover approach for provisions and policies necessary to ensure continuity on day one, provided that it was recognized that this did not imply endorsement of all legacy content. Others were concerned that carrying forward existing materials without more immediate review could entrench approaches that are not well suited to the Sponsors Council model and that they may have disagreed with when the Sponsors Corporation was operating. Consensus was difficult because the group was working within a compressed timeline and with incomplete certainty regarding pending regulations to the OMERS Act that may impact certain policies, while also trying to create a framework that is both operationally ready and conceptually sound.	The proposed next step is to continue using a day-one/future-state distinction; in other words, preserve what is required for immediate operability, identify where legacy documents should be superseded by the By-Law, and refer priority policy and governance reviews to the Sponsors Council's early work plan.
c) Sponsors Council honorarium and expenses	Sponsors also did not reach full consensus on the appropriate approach to an honorarium and expense rules for Sponsors Council members. There was broad support for the principle that members should not be "out of pocket" for reasonable expenses incurred in carrying out their duties as Sponsors Council members. However, views diverged on the honorarium. Some Sponsors supported a modest honorarium on the basis that the role carries significant responsibility, requires preparation and ongoing engagement, and may involve retaining external representatives for Sponsor organizations without the internal capacity to absorb the time commitment. Others expressed concern that introducing honoraria too early, or at a level seen as too high, could be inconsistent with the Poirier Report's objective of a lean governance model and could risk recreating features of a corporate-board structure that the new Sponsors Council model is intended to avoid. There were also different views on whether honorarium should be paid to individuals or, in some cases, to Sponsor organizations, and on whether the initial By-Law should set amounts now or instead establish a process for external benchmarking and later validation by the Sponsors Council. Consensus was difficult because Sponsors agreed in principle on the need for a workable and fair approach but differed on the symbolic and practical implications of compensation in a representative governance model.	The proposed next step is to reflect reasonable expense reimbursement for day-one operations and to proceed with an external benchmarking approach to inform any honorarium proposal, with this issue identified for early review by the Sponsors Council.

Attachment 3 – Summary: Discussion of Key Topics

Topic	Discussion	Result
d) Role of Non-Voting Members	The Poirier Report recommended the establishment of five (5) Non-Voting (i.e., “observer”) seats for the new Sponsors Council and this recommendation was reflected in the amendments (yet to be proclaimed) to the OMERS Act. Poirier wrote: Page 39: “Observers are not uncommon within Jointly Sponsored Pension Plans, and OMERS can benefit from having non-voting observers on the Sponsors Council. At the next Council composition review, Sponsors would likely have considered changes, at least at the margin, based on updates to “Active Membership Headcounts.” The Observer status enables Sponsors to roll on and off in an orderly manner, while providing engagement with largely unrepresented sectors such as the relatively fast-growing transit sector. Poirier recommended the following legislative amendment: Page 41: “Add Observers to section 23 of the OMERS, Act 2006, that an Observer will be entitled to notice of the meeting, copies of all materials provided to members of the Sponsors Council, attend such meetings, but will not be entitled to vote on any matters brought before a Sponsors Council meeting.” **Sponsors Discussion** There was general recognition from the Sponsors for the rationale for including Non-Voting members in the new model; however, some details regarding Non-Voting member participation remained sensitive. Sponsors were generally aligned that Non-Voting members should be able to attend meetings, receive meeting materials and participate in discussions, subject to their non-voting status. The key area of divergence related to in-camera meetings and certain agenda-management rights, with all Sponsors expressing that Non-Voting members should be excluded from in-camera meetings. These issues were difficult because Sponsors were seeking to balance the Poirier Report’s rationale for including Non-Voting Members on the Sponsors Council—namely broader representation and transparency—with the practical need to preserve a confidential deliberative space for voting	The proposed next step was to maintain a day-one approach that permits full Non-Voting member participation in regular meetings, excluding from in-camera sessions, unless otherwise resolved by the Sponsors Council, with the understanding that detailed operating practices will be clarified through early Sponsors Council experience and policy development.

Topic	Discussion	Result
	members in limited circumstances. Through several discussions the Sponsors felt very strongly and aligned about their view that the By-Law should provide for the exclusion for Non-Voting Members when the Sponsors Council is conducting in-camera meetings. Particularly, since Sponsors agreed that in-camera sessions will only be held in limited circumstances. **Non-Voting Organizations Discussion** The discussion with the Non-Voting Organizations focused on in-camera meetings and whether Non-Voting members should be excluded from certain discussions. While it was contemplated that some exclusions would be possible, the Non-Voting Organizations argued that exclusions should not be automatic or overly broad, particularly where Non-Voting members are already bound by the Code of Conduct. The general sentiment expressed was that participation should be as inclusive as possible, and that any exclusion authority should be applied carefully and not be specifically applied to Non-Voting members.	
e) Member qualifications and conduct	Sponsor representatives generally aligned on the need for both Sponsors Council member qualification requirements and a Code of Conduct framework as foundational governance tools for the new Sponsors Council. Qualification requirements were felt to be necessary feature of the initial By-Law, with general support for establishing baseline standards that would support the credibility and effective functioning of the Sponsors Council from inception. There was likewise broad support for having a formal but simple Code of Conduct that would articulate expectations for professionalism, integrity, respectful participation, and appropriate behavior in carrying out Sponsors Council duties. The overall area of alignment was that both qualifications and conduct rules were appropriate and necessary, and that they should be reflected in the initial governance framework. At the same time, there was some divergence on how detailed and prescriptive these provisions should be in the By-Law itself. For qualifications, while there was support for including requirements, some of the design details were left unresolved, including how specific eligibility expectations should be, how closely they should track existing Sponsors Corporation practices, and whether certain matters should be addressed directly in the By-Law or through supporting rules and policies. On the Code of Conduct, the divergence was less about whether such a code should exist and more about its scope, enforcement, and relationship to other governance tools such as conflict of interest provisions and future policies. Sponsors were often aligned on the objective, but not always on the degree of detail or the exact mechanism to be embedded in the initial By-Law.	The outcome was that both topics were included in the initial By-Law, while leaving room for refinement where consensus on particulars had not yet been fully reached. Qualifications and a stream-lined Code of Conduct, which includes conflict of interest provisions, were both accepted as core elements of the governance framework. The discussions produced enough alignment to justify inclusion of these subjects in the initial By-Law, while transparently acknowledging that certain aspects would continue to be shaped through related policies, and the Sponsors Council's future governance development work.

Key Topics Where Solution Not Achieved		
Topic	**Discussion**	**Result**
f) **Appointments to the AC Board**	Appointments to the AC Board was the most significant area of non-consensus. A number of Sponsors emphasized that appointment authority is one of the core Sponsors Council powers preserved under the JSPP model and others supported a direct individual Sponsor appointment approach that maintains meaningful Sponsor control. Those Sponsors expressed concern that any framework permitting the AC Board to effectively control, screen or veto Sponsor appointments, particularly beyond narrow governance safeguards, could erode the Sponsor role over appointments. Other views accepted that some structured governance safeguards may be appropriate, including competency considerations, background checks, and a defined role for the AC Board in identifying skills needs, particularly given the scale and complexity of OMERS and the Poirier Report's emphasis on maintaining a skilled-based AC Board. A related point of divergence concerned whether the initial By-Law should include a fuller appointments framework now, or whether that matter should be deferred pending regulations. Consensus was difficult because Sponsors were attempting to reconcile three competing considerations: preserving long-standing Sponsor authority over appointments, respecting the Poirier Report's recommendation for governance safeguards and a possible veto model, and addressing the uncertainty created by anticipated regulations that may establish a framework to govern appointments to the AC Board. There was a strong concern from many Sponsors that the engagement process ought to have attempted to draft a process for AC Board appointments within the initial By-Law (despite the absence of regulations).	Given that the Poirier Report contemplated a direct Sponsor to AC appointment model that did not contemplate involvement from the Sponsors Council, and that the Government has indicated that it would provide a framework to govern this matter, AC determined that moving forward in the drafting provisions respecting appointments in the initial By-Law would be premature. Instead, clarification from the Government is being requested.