

Oversight Committee Mandate: Investment Committee

1. PURPOSE

1.1. The purpose of the Investment Committee (“IC”) is to assist the Board of Directors (BOD) in fulfilling its investment, governance and oversight responsibilities for the Workplace Safety and Insurance Board (WSIB).

1.2. The IC provides advice and assistance to the BOD on issues relating to the administration of the investments of the Insurance, Employees’ Pension, Supplementary Pension and Loss of Retirement Income funds (collectively, the “Funds”).

2. SCOPE

The mandate of the IC is implemented in accordance with the Delegation of Investment Authority.

3. AUTHORITY

3.1. In accordance with the Statements of Investment Policies and Procedures (SIPP), approval of operational investment policies, specifically:

3.1.1. Investment Benchmarks and Rebalancing Policy

3.1.2. Investment Derivatives Policy

3.1.3. Investment Currency Hedging Policy

3.1.4. Investment Compliance Policy

3.1.5. Investment Securities Lending Policy

3.2. Approval of Investment strategy statement for each asset class strategy.

3.3. Approval of:

3.3.1. Appointment of agents to provide advice and analysis to the Chief Investment Officer, the President and Chief Executive Officer, the IC, and/or the BOD.

3.3.2. Appointment of the securities lending agent.

4. COMPOSITION, SKILLS & COMPETENCIES

- 4.1. The IC will comprise a minimum of three members of the BOD. The Chair of the BOD and the President and Chief Executive Officer are members of this Committee.
- 4.2. Financial literacy in order to read and understand reports and presentations on strategies, managers and performance.
- 4.3. Understanding of investment risks and opportunities as they pertain to the insurance industry or worker's compensation system.
- 4.4. Experience and knowledge in investment matters, which preferably include previous oversight of an investment function.
- 4.5. Understanding of actuarial principles.

5. QUORUM

The majority of the BOD members appointed to the IC and a minimum of one external advisor constitute a quorum for the transaction of business. A decision of the majority is the decision of the IC.

6. FREQUENCY OF MEETINGS

The IC will meet quarterly, and more frequently as circumstances dictate.

7. ROLE OF COMMITTEE CHAIR

The IC Chair provides leadership and direction in carrying out the Committee's responsibilities and duties. The IC Chair also fosters relationships among the Committee participants and ensures that the IC operates as a cohesive unit. The Committee Chair encourages full participation, facilitates consensus, and ensures clarity. In addition, the IC Chair shall:

- 7.1. Lead and manage the IC to ensure its effectiveness
- 7.2. Ensure that members of the IC are acquainted with, and their knowledge of the WSIB is sufficient, for them to perform their duties
- 7.3. Create the best possible working conditions for members of the IC, individually and collectively

- 7.4. Ensure that the expertise and skill of each member of the IC are used in the best possible manner to benefit the WSIB.
- 7.5. Maintain communications with the Chair of the BOD, ensuring the Chair is kept apprised of issues and concerns of the IC.

8. IC RESPONSIBILITIES

8.1 Investment Governance

8.1.1 Recommend to the BOD:

8.1.1.1 Delegation of Investment Authority

8.1.1.2 Statements of Investment Beliefs

8.1.1.3 SIPP

8.1.1.4 Any warranted amendments to SIPPs in light of fundamental changes to the Funds' liabilities, capital markets, applicable regulations, or other relevant factors

8.1.1.5 Appointment of one or more custodians to hold the investments of the Funds in safekeeping (jointly with Audit and Finance Committee)

8.1.1.6 With respect to private market transaction:

8.1.1.6.1 IC Chair to report to the BOD all direct infrastructure investments opportunities being contemplated prior to commitments being made

8.1.1.6.2 BOD approval of all private market investments which exceed 2% of the cumulative value of the Funds at the time of purchase

8.1.2 The IC approves:

8.1.2.1 Operational investment policies, as listed in section 3.1 above

8.1.2.2 Investment strategy statement for each asset class strategy

8.1.2.3 Appointment of agents to provide advice and analysis to the Chief Investment Officer, the President & Chief Executive Officer, the IC, and/or the BOD

8.1.2.4 Appointment of the securities lending agent

8.2 Investment Performance Reporting

Report to the BOD:

- 8.2.1 Financial status and performance of the Funds
- 8.2.2 Activities of the Funds and all appointed agents
- 8.2.3 Investment operations