

STRATEGY | Ensuring a disciplined approach to investment management, financial management, and fiscal and economic planning

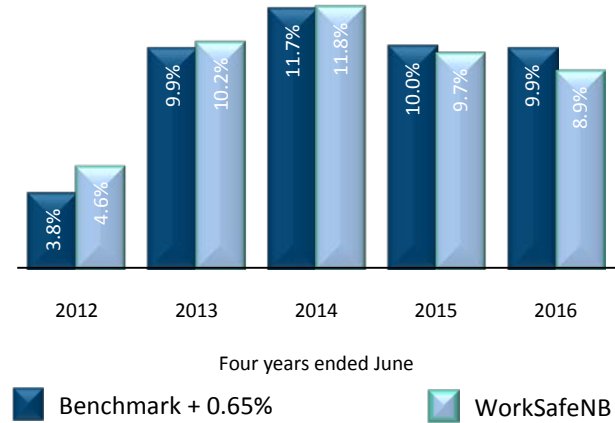
Performance Objective 1

The investment portfolio's rate of return is to exceed the increase in the CPI+3.75% on a four-year, moving-average basis



Performance Objective 2

The investment portfolio's rate of return is to exceed the return generated by the investment policy-defined benchmark portfolio by 0.65% on a four-year, moving-average basis

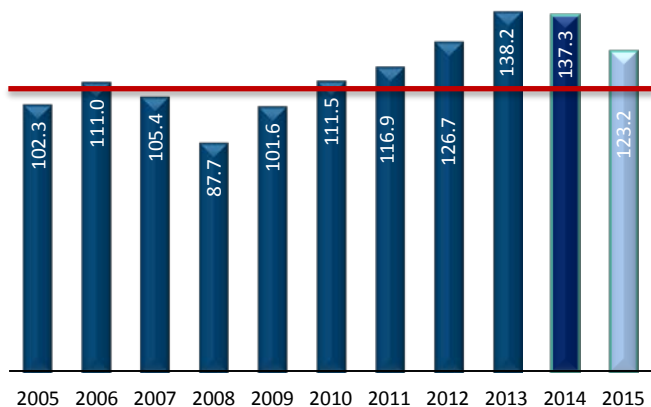


WorkSafeNB's investment portfolio gained 2.31% in the second quarter of 2016. Year to date to June 30, 2016, the portfolio has gained 1.05%. Equity markets were mixed over the quarter, as North American equities experienced gains while international equities moved lower. The quarter was dominated by the Brexit vote in the U.K., and most equity markets sold off initially following the vote to "leave" the European Union. Markets recovered as it became evident that little will change in the short term as a result of this vote. Bond markets experienced gains in the quarter as the Brexit vote triggered a flight to safety. The FTSE TMX Canadian Overall Bond index gained 2.62% and Canadian equities gained 5.07% for the quarter. U.S. stocks gained 2.87% in CAD terms. International (EAFE) stocks lost 1.06%. Emerging markets equities gained 1.21%.

STRATEGY | Maintaining the current funding strategy to achieve the 110% funding goal

STRATEGY | Protecting the integrity of the system

Funding History



■ Percent Funded
— Funding Target 110%

WorkSafeNB's long-term fiscal strategy and investment policies document WorkSafeNB's strategy for maintaining a fully funded status and maintaining investment discipline in volatile market conditions. The funding history is WorkSafeNB's ratio of assets over liabilities.

WorkSafeNB dedicates resources to protect the workers' compensation system. We are responsible to workers and employers to ensure funds are used appropriately for providing compensation, rehabilitation, medical aid, and prevention services. To fulfill this responsibility, WorkSafeNB provides education, information, assistance, and investigations related to claims management and employer services to protect system integrity.

Investigations	Q1	Q2
Claims management	42	36
Employer services	12	34
3 rd party claims (typically motor vehicle accidents)	4	4