

Detailed Roles and Responsibilities

The purpose of this appendix is to provide more detail on the roles and responsibilities of the Board, the Financial and Investment Committee, Staff, and the OCIO within the investment governance structure at WorkSafeNB.

The Board

The Board is responsible for approving policy. Currently there are two policies governing the investment function: Policy 34-200 Investment Goals and Objectives, and Policy 34-205 Statement of Investment Philosophy and Beliefs. The Board has retained responsibility for the following decisions included in these policies:

- Setting the policy asset mix (with the help of an asset liability study)
- Setting the allowable ranges for the policy asset mix
- Determining the rebalancing policy
- Determining the currency hedging policy
- Setting constraints on the types of investments along with minimum diversification requirements.
- Setting performance objectives
- Setting the asset class benchmarks
- Setting value-added objectives for the investment managers
- Setting performance measurement tools
- Setting the risk management policy
- Setting the proxy-voting policy
- Setting the related-party transaction policy
- Determining the Board's Investment Philosophy and Beliefs

The Financial and Investment Committee (FIC)

The FIC is responsible for:

- Recommending policy changes to the Board
- Performance evaluation
- Monitoring the characteristics of the investment portfolio for compliance with the policies and directives
- Monitoring staff decisions for compliance with the policies and directives
- Monitoring OCIO decisions for compliance with policies, applicable directives and the OCIO Agreement
- Approving related-party transactions
- Selecting the consultant to perform the asset liability study
- Monitoring for conflicts of interest arising out of the investment activities of the Fund

Staff

Staff involved in the investment function at WorkSafeNB are the President/CEO, the Chief Financial Officer, the Chief Investment Officer - Alternatives, and the Manager, Investment Compliance and Reporting . The Chief Investment Officer - Alternatives is primarily responsible for the investment of Alternatives. Staff are responsible for:

- Recommending policy changes to management and to the FIC
- Drafting, approving and implementing directives governing the investment function
- The day-to-day implementation of policy and strategy (directives)
- Engaging, terminating and monitoring the performance of external service providers such as: the custodian, the performance measurement provider, manager search consultants, portfolio analytics providers, investment education consultants, governance consultants, and prime brokers
- Development and approval of manager mandates and agreements related to the Alternatives investments
- Providing research on new asset classes or strategies
- Monitoring and projecting cash flow so that cash is available to fund operations and any excess cash is invested
- To help determine and prepare appropriate disclosure of investment information for financial reporting purposes

The Outsourced Chief Investment Officer is responsible to:

- Adhere to the Agreement for Investment Management Services.
- Adhere to the Board's investment policies and applicable directives.