

**THE WORKERS' COMPENSATION BOARD****MEETING OF THE BOARD OF DIRECTORS****MINUTES**

**DATE:** April 27, 2021  
**PLACE:** Zoom Video Conference  
**TIME:** 8:30 a.m. to 11:18 a.m.

**BOARD MEMBERS**

Erna Ference, Chair  
Mike Boyle, Member  
William Hnydyk, Member  
Brian McConkey, Member  
Shawna Miller, Member  
Mary Phillips-Rickey, Member  
Jane Sustrik, Member

**EXECUTIVE**

Trevor Alexander, President & Chief Executive Officer \*\*  
Tarick Ahmad, Chief Technology Officer \*  
Ron Helmhold, Chief Financial Officer \*  
Wendy King, Senior Vice President, Operations & Innovation \*  
Marcela Matthew, Vice President, Millard Health & Special Care Services \*  
William P. Ostapek, Secretary and General Counsel \*  
Roxy Shulha-McKay, Vice President, Employee & Corporate Services \*

**ALSO PRESENT**

Leslie Henkel, Board of Directors' Secretariat  
Laurent Charron, Corporate Controller, (Items 9 and 10)  
Donna Emsley, Senior Manager, Treasury and Investments, (Items 9 and 10)  
Nadia Mursky, Senior Manager, Financial Performance and Risk, (Items 9 and 10)

\* excused for item 14

\*\* excused for item 14 (part 2)

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**Board of Directors**

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The Chair called the meeting to order at 8:30 a.m.

1. **Agenda**

The agenda as distributed was approved.

2. **Proposed Motions**

The list of proposed motions was received for information.

3. **Minutes of the Meeting of March 22, 2021**

**MOTION**

2021/03/14

It was moved that,

The Board of Directors approve the minutes of the meeting of March 22, 2021.

CARRIED

4. **Business Arising from the Minutes of March 22, 2021**

There was no business arising from the minutes of the March 22, 2021 meeting.

5. **2021 Meetings and Activities Schedule**

The meetings and activities schedule was received for information.

6. **Report of the Chair**

The Chair reported on:

- Bill 47 implementation,
- WCB Pandemic response,
- virtual Annual General Meeting – June 10, 2021,
- 2020 Annual Report – available June 1, 2021, and
- Labour Coalition meeting.

7.1 **Report of the President**

The President reported on the following:

- investment and financial results,
- operations results and updates,
- technology and innovation,
- stakeholder engagement and legislative relations,
- Secretary and General Counsel update, and
- risk profile and emerging issues.

7.2 **Strategy Map and Objectives Update**

The 2021 Strategy Map and Objectives update was received for information.

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**Board of Directors**

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**COMMITTEE REPORTS**

8. **Policy Committee**

The committee had nothing to report.

9. **Audit Committee**

The committee chair provided a report on the committee's recent meeting.

9.1 **Financial Statements – 2020**

The financial statements and accompanying notes, as recommended by the Audit Committee, reflect the financial position of the corporation as at December 31, 2020. The financial statements and notes have been prepared in accordance with International Financial Reporting Standards.

MOTION  
2021/03/15

It was moved that,

The Board of Directors approve the Corporation's consolidated financial statements and accompanying notes for the year ended December 31, 2020, and the Chair of the Board of Directors and the President and Chief Executive Officer be authorized to sign the Statement of Financial Position on its behalf for delivery to the Minister of Labour and Immigration before May 31, 2021.

CARRIED

10. **Finance Committee**

The committee chair provided a report on the committee's recent meeting.

10.1 **Investment Policy**

The WCB Investment Policy is the Board of Director's primary governing document through which the BoD articulates WCB's investment beliefs, objectives, and risk tolerances. The Investment Policy sets the parameters and constraints which guide the investment decisions of the managing investment fiduciary.

With the legislative requirement to transition management of WCB's Accident Fund to AIMCo, the managing fiduciary responsibility for WCB's \$11 billion investment portfolio will fully shift to AIMCo upon final transfer of all assets and completion of the two stages of WCB investment policy amendments noted below. The transition of assets to AIMCo and transfer of managing fiduciaries will necessitate a comprehensive review of WCB's Investment Policy to ensure that the policy remains effective and is aligned with the governing fiduciary responsibilities that remain with the WCB BoD.

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## Board of Directors

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In order to expedite the transition of certain assets into AIMCo pooled funds while recognizing the need to conduct a detailed comprehensive review of all aspects of the Investment Policy, WCB has adopted a two-stage approach to Investment Policy amendments as follows:

Stage 1 (2021) – This stage is very focused and limited to recommending amendments to various policy constraints within the ‘in-scope’ asset classes in order to allow movement of WCB assets into AIMCo pooled funds in an expeditious and cost-effective manner. In-scope asset classes are defined as Fixed Income, Infrastructure, and Real Estate. During this stage, the WCB Investment team retains managing fiduciary responsibility over the Accident Fund including oversight for key aspects of the investment portfolio such as portfolio level asset mix and oversight whereas AIMCo performs all manager monitoring, performance reporting, and compliance functions for the assets that have transitioned under their management. During this period, from an investment policy perspective, AIMCo continues to operate as an external manager under WCB’s existing ‘manager of manager’ structure.

Stage 2 (Q4 2021/Q1 2022) – This stage will involve a comprehensive review of the Investment Policy, including a review of investment beliefs, strategic objectives, and any specific policy changes required to move equity assets into the AIMCo pooled fund structure. This stage cannot be completed until the restructuring of AIMCo’s equity platform is finalized and can be reviewed by WCB for alignment with policy constraints.

**MOTION**  
2021/03/16

It was moved that,

The Board of Directors approve the Investment Policy amendments, effective May 1, 2021.

CARRIED

### 10.2 **Monthly Financial Reports**

The monthly financial reports were received for information.

## 11. **Human Resource and Governance Committee**

The committee chair provided a report on the committee’s recent meeting.

### 11.1 **Corporate Governance Policy Manual Update**

The following changes to the Corporate Governance Policy Manual reflect all outstanding updates required since the last update in June 2020. These changes reflect Bill 47 legislation, as well as policy updates.

- Modify Section 6(a) (Legislative Authority) to amend the reference from Appendix C to Appendix D. Appendix D is the correct reference for the Relevant Portions of the *Workers’ Compensation Act*.
- Modify Section 9(b) (Role of the Board of Directors) to include a new duty of the Board of Directors related to the designation, role and mandate of the Fairness Review Officer, as legislated by Bill 47 and approved by the Board of Directors in March 2021:

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**Board of Directors**

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9(b)(vii) designate an employee of the WCB as the Fairness Review Officer and define the Fairness Review Officer’s role and mandate.

- Modify Appendix C (Principles of Alberta Workers’ Compensation) to reflect changes to the Principles of Alberta Workers’ Compensation by the Board of Directors in March 2021. Legislative changes were made to reinstate maximum compensable earnings through Bill 47. WCB’s Board of Directors subsequently approved the inclusion of this item as a Principle of Alberta Workers’ Compensation:

13. Maximum Compensable Earnings - The Board of Directors sets maximum compensable earnings annually to achieve coverage for the full wages of at least 90 per cent of workers in the province. The annual amount will change when the percentage of workers covered drops below 90 per cent.

- Modify Appendix D (Relevant Portions of the *WCA*) to reflect Bill 47 legislative changes. Bill 47 repealed section 2(2) related to the location of the office of the Board and section 5(1.1) related to the nomination process for the appointment of members.

**MOTION**  
2021/03/17

It was moved that,

The Board of Directors approve updates to Sections 6 and 9, and Appendices C and D of the Corporate Governance Policy Manual.

**CARRIED**

12. **New Business**

There was no new business.

13. **Meeting Evaluation**

The members were asked to complete the meeting effectiveness self-assessment form.

14. **In Camera**

The Board of Directors held an *in camera* session in two parts. During the first part, all of senior management were excused, with the exception of the President. During the second part, the President was also excused. The Board Secretariat remained for the entire *in camera* session.

There being no further business, the meeting ended at 11:18 a.m.