

WHISTLE-BLOWING POLICY

Board Approved Policy

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1 General

1.1 Purpose and Scope

OPTrust is committed to complying with laws and regulations applicable to it, and with its internal policies and procedures, and relies on its employees and others to perform their duties and responsibilities in accordance with such laws, regulations and policies. OPTrust has put in place internal controls and procedures to detect and prevent improper activities; however, OPTrust welcomes information concerning potentially undetected violations of laws, regulations, policies or procedures related to its business practices.

The Whistle-Blowing Policy (the “Policy”) establishes procedures for reporting violations or suspected violations of laws or policies and outlines the process that will be followed by OPTrust in evaluating and investigating such reports. It is in the interest of all OPTrust stakeholders that such concerns be reported so that they can be properly addressed.

The Policy ensures that no individual who in good faith reports a violation or suspected violation will suffer harassment, retaliation or adverse employment consequences.

The reporting mechanism under this Policy is available to all OPTrust employees, including contract employees, as well as Trustees, agents, consultants and other advisors to OPTrust (collectively, “persons”).

1.2 Guiding Principles

The Policy is designed as a control to safeguard the integrity of OPTrust, its operational activities and to support compliance with legal and ethical requirements. The implementation of the Policy is based on the following principles and beliefs:

- All persons require accessible, confidential and reliable channels to report wrongdoing or suspected wrongdoing and robust protection from all forms of retaliation.
- A strong disclosure mechanism will promote reforms to correct policy or procedural inadequacies and prevent future wrongdoing.
- The communication of the availability of the whistle-blowing mechanism is critical to the effectiveness of the Policy.

1.3 Legal Framework

OPTrust operates in a highly-regulated environment and is accountable to the Plan beneficiaries for the proper administration of the pension plan and fund. The *Pension Benefits Act* (Ontario) (the “PBA”) and trust law impose a fiduciary standard of care and duty of loyalty on the plan administrator and its employees and agents. These fiduciary duties require OPTrust and its employees and agents to act honestly, with integrity and in good faith when discharging their obligations with respect to their duties at OPTrust. Fiduciary law also imposes a duty on OPTrust to establish and maintain appropriate internal controls and business policies and practices to ensure that all persons associated with OPTrust are performing their duties with integrity and in compliance with all applicable laws.

1.4 Related Policies

This Policy is to be read in conjunction with the various ethical policies established by management and the Board, including the Employee Handbook, the Respectful Workplace Policy, the Health and Safety at Work Policy, the Accessibility Policy, the Conflict of Interest Policy, the Personal Trading Policy, the Ethical Wall Policy, the Allegations of Third Party Wrongdoing Policy and the Trustee Code of Conduct.

1.5 Guidelines and Procedures

Operational guidelines and procedures, templates, forms and other material, including the Whistle-Blowing Procedures, may be utilized in the implementation of this Policy. Any such guidelines and other material will be available online.

1.6 Risk Management

The Board of Trustees (the “Board”) has established the Risk Appetite Statement which identifies the key risks facing OPTrust. This Policy is an integral component of the strategy for mitigating certain strategic risks identified in the Risk Appetite Statement. Specifically, the appropriate administration of this Policy, and related processes, will help mitigate four of OPTrust’s primary risks, namely, governance, reputational, legal and regulatory and operational risk (each as described more fully in the Risk Appetite Statement).

2 Accountabilities

The Board is accountable for ensuring that the intent of this Policy is carried out through the processes and procedures established in this Policy. The Board has delegated oversight of the whistle-blowing program to the Human Resources and Compensation Committee (the “HRCC”) and responsibility for administering this Policy to the Concern Assessment Panel (the “Panel”), a subcommittee of the Board described more fully in Section 4.6 of this Policy. The Managing Director, General Counsel (“MDGC”), the Office of the Corporate Secretary and the Human Resources Department also have responsibilities in connection with the administration of this Policy and are accountable to the Board for the performance of their respective duties.

3 Definition of Whistle-Blowing

Whistle-blowing is the confidential disclosure by a person of alleged dishonest or illegal activities occurring in OPTrust or a subsidiary. The alleged misconduct may include a violation of a law, rule, regulation, professional standard or internal policy and/or a direct threat to public interest, such as fraud, health/safety violations or corruption.

Employment-related issues that could affect OPTrust’s operations or reputation or harm the public interest, such as substance abuse in the workplace, could also be the subject of a whistle-blowing report.

However, whistle-blowing is not a process to be used to resolve perceived violations of the Collective Agreement. Processes for resolving employee grievances are set out in the Collective Agreement. It is also not appropriate to use the reporting mechanism under this

Policy to report day-to-day human resources (HR) concerns, e.g., problems with supervisors, etc. Routine HR issues affecting individuals (as opposed to the organization) should be dealt with through the normal channels.

4 The Reporting Process

4.1 Reporting Mechanisms

There are three main reporting mechanisms. Concerns may be reported (1) to the employees' manager; (2) to the MDGC; and (3) through the whistle-blowing service described in Section 4.5. All concerns reported under the Policy, regardless of the reporting mechanism used, will be considered by the Panel.

Please consult the Whistle-Blowing Procedures for contact information and additional details regarding the reporting and investigative processes under the Policy.

4.2 Acting in Good Faith

Any person reporting a concern must act in good faith and have reasonable grounds for reporting a concern.

4.3 No Retaliation

No person who in good faith reports a concern will suffer harassment, retaliation or – in the case of employees – adverse employment consequence as a result of raising any such concern. An employee who retaliates against someone who has reported a violation in good faith will be subject to discipline, up to and including termination of employment.

4.4 Confidentiality and Anonymity

Any matter that is reported under this Policy will be treated with the utmost confidence at the reporting stage and throughout the investigations process. However, anonymity is not guaranteed. It may be necessary to disclose the whistle-blower's identity (and involve the whistle-blower) for purposes of the investigation and/or any police or court proceedings.

4.5 Use of the Whistle-blowing Service

OPTrust has retained a third party to provide an independent whistle-blowing reporting service (the "Whistle-Blowing Service"). Persons may report concerns to the Whistle-Blowing Service using two methods: (1) through a hotline telephone or voicemail number; and (2) online through the Whistle-Blowing Services' website. Upon request, the Whistle-Blowing Service will provide status reports on the investigation and resolution of the matter to the whistle-blower. As indicated above, while every effort will be made to preserve the anonymity of the whistle-blower, it may not be possible to do so.

4.6 The Concern Assessment Panel and the Investigations Process

The Panel consists of the Chair of the Audit, Finance and Risk Committee (“AFRC”) and the Chair of the HRCC. The Panel’s responsibilities and duties with respect to the investigation of a whistle-blowing concern are described in the Whistle-Blowing Procedures. Generally, the Panel’s role is to oversee the whistle-blowing process and to ensure that concerns raised under the Policy are addressed appropriately and in accordance with the requirements in this Policy.

The Panel may consult with the President & Chief Executive Officer (the “CEO”) and call on such resources as it may require to fulfill its duties under this Policy, which may include delegating the investigation responsibilities to the MDGC or such other executive officers and/or third parties, both internal and external to OPTrust, as the Panel deems appropriate. Where the Concern Assessment Panel determines, in its sole discretion, that a reported concern falls outside the scope of the Whistle-Blowing Policy, it will hand the matter over to the MDGC and ensure that the whistle-blower is informed that the matter is being addressed through normal channels within OPTrust

4.7 Reporting by the Concern Assessment Panel

The Panel will provide reports on its activities to the HRCC. At its discretion, the Panel may also discuss the matter with the Chair or Vice-Chair of the Board and the Chair or Vice-Chair of the Board may determine whether any further reporting is desirable. To preserve the confidentiality and anonymity of the whistle-blower to the extent possible, information with respect to specific situations will be provided on a “need to know” basis only.

5 Role of Management

The MDGC, in his or her capacity as General Counsel to the Board, is the person within management responsible for assisting the Board and the Panel in administering the Policy and for ensuring that appropriate records are maintained. The MDGC will perform the duties outlined in this Policy under the direction of, and reporting to, the Panel. The MDGC shall consult with the CEO and may delegate his/her responsibilities under the Policy to one or more lawyers within Legal Services.

HR is responsible for informing all new employees of the availability of the whistle-blowing mechanism and providing appropriate training. The existence of the Policy must also form part of the orientation for new Trustees. The availability of the whistle-blowing mechanism will also be posted on the OPTrust website, on the Board web portal and on the Intranet.

The Office of the Corporate Secretary will coordinate all matters relating to the Whistle-Blowing Service (including selection and evaluation of the Service) and will be copied on reports from the Whistle-Blowing Service for purposes of assisting the Panel and the MDGC.

6 Conflicts

Notwithstanding any other provision of this Policy, any person with responsibilities under this Policy, or who is entitled to be informed of concerns raised under the Policy, is alleged by the whistle-blower to be involved in wrongdoing reported under this Policy, steps will be taken by the Panel, in consultation with the MDGC or the independent Board counsel, as appropriate, to ensure that the person is appropriately excluded from the process under the Policy (other than as a person under investigation if appropriate).

7 Amendment and Review Cycle

The Policy and Whistle-Blowing Procedures are subject to biennial review.