

# Corporate Business Plan

2022



## Table of Contents

Introduction .....	4
Reflecting on 2021 .....	4
Continued response to the pandemic: .....	4
Financial relief.....	4
Continuity of services.....	4
Pandemic Response Education Program .....	5
Planning for return to office .....	5
Delivering on our Strategic Plan: .....	5
Enhancement of digital tools .....	5
Health and Safety Excellence program .....	6
Becoming insights-driven.....	6
Responding to government reviews .....	7
Looking ahead .....	8
Achieving our vision .....	8
Updated 2019-2023 Strategic Plan .....	9
2022 priority areas .....	13
Key work planned for 2022.....	14
Claims management .....	14
Customer focus .....	14
Technical infrastructure.....	15
Data and analytics.....	15
Workforce .....	15
Our strategic implementation roadmap .....	16
The WSIB People Plan .....	17
Our people .....	17
Our plan .....	17
2022 Financial Plan .....	18
Information technology .....	19
Realty .....	19
Enterprise risk management.....	19
Financial and budget risk considerations.....	19
1. Macroeconomic factors impacting investment and premium revenues.....	19

2. Administrative budget .....	20
Enterprise risks .....	20
1. Business continuity .....	20
2. Information technology .....	20
3. Third-party .....	20
Appendix .....	21
Mandate.....	21
Program.....	21
Enterprise governance .....	22
Corporate structure .....	23
Environmental scan.....	23
Communications plan .....	25

## Introduction

As jobs and workplaces change and evolve, the WSIB remains here to help. We provide wage-loss benefits, medical coverage and support to help people get back to work after a work-related injury or illness.

We are funded by premiums paid by Ontario businesses and provide no-fault collective liability insurance and access to industry-specific health and safety information. We are one of the largest insurance organizations in North America, covering over five million people in more than 300,000 workplaces across Ontario.

Our Corporate Business Plan highlights progress on the execution of our Strategic Plan and the WSIB's core priorities for the following year. Our plan provides an overview of key activities, areas of focus and operational information to show how we are delivering public value to Ontarians.

## Reflecting on 2021

2021 was a challenging year as people with work-related injuries and illnesses and businesses continued to face many hurdles amidst fluctuating public health regulations, a fragile economy and a workforce impacted by the uncertainty caused by the COVID-19 pandemic.

Change creates opportunity and this new reality compelled the WSIB and our partners to do better: to accelerate projects, enhance digital solutions, improve communication channels, support stability and keep pace with the evolving expectations of the people we serve. As a forward-looking organization, we will build on what we have learned during the pandemic so we can continue to make workplaces safer across Ontario.

In 2021, we accomplished important milestones in support of our Strategic Plan and in response to the impact of COVID-19 on the workers' compensation system:

### **Continued response to the pandemic:**

#### **Financial relief**

In 2021, we delivered on our commitment to help reduce the financial burden of the COVID-19 pandemic on Ontario businesses. 190,000 businesses participated in our financial relief program and we continue to work with businesses requiring additional support due to the ongoing pandemic.

#### **Continuity of services**

As an essential service, we remained open during the COVID-19 pandemic to serve the people of Ontario. We continued to conduct business as a work-from-home organization with clear goals—to protect employee health and safety, and continue to provide the services and benefit payments Ontarians rely on.

Our response to the COVID-19 pandemic remained financially prudent, well - coordinated and considerate of the needs of Ontarians.

### **Pandemic Response Education Program**

In order to be at the forefront of keeping Ontarians safe in their workplaces, the WSIB developed a new program to ensure that businesses have the information they need about when and how to report COVID-19 claims.

By early June 2021, we had educated nearly 2,000 businesses since the pandemic began, which directly resulted in over 14,600 additional claims being filed. This work led to approximately 35 per cent of all COVID-19 claims reported to the WSIB at that time.

We also shared our education, lessons learned and best practices with others outside our organization, like public health units, Ministry of Labour, Training and Skills Development, consulates and labour groups, to help them understand the important role we play in compliance and keeping Ontarians safe during the pandemic.

### **Planning for return to office**

Embracing change has been an integral part of adapting to the pandemic. The WSIB continued to plan for the gradual and safe return to office for our employees, and re-imagine the future of our workspaces with a mix of working from home, office and field.

### **Delivering on our Strategic Plan:**

#### **Enhancement of digital tools**

The pandemic accelerated our goal to modernize services. We built on the progress made in the previous year to offer more online services for people with claims. In 2021, we celebrated the first year since the launch of our online services that make it easier for people to work with us and for us to help deliver the kind of service they want and expect.

Digital solutions implemented include:

- a direct deposit option for loss-of-earnings benefit payments, ensuring people can receive payments conveniently
- the ability for people to upload documents to their claim file, reducing processing time
- the option for people to consent to receive appeals documents through a secure email, which allows us to provide information faster
- an online reconciliation tool for businesses to help them complete their 2020 reconciliations
- the release of two digital enhancements to the Health and Safety

Excellence program (HSEp) customer portal to address feedback received from businesses and providers

Important insights gained:

- over 44,000 people signed up and added a claim online
- 19,000 messages received since launch, which tells us that people are using the new online channels to communicate with us instead of calling
- over 12,000 transactions made using direct deposit
- over 800 noise-induced hearing loss claims reported online
- over 60 per cent of documents received by the WSIB are now being sent digitally through online channels, increasing efficiencies in communication and significantly reducing our environmental footprint
- by mid-2021, 66 per cent of all annual reconciliations were submitted online

### **Health and Safety Excellence program**

The WSIB's voluntary incentive program for Ontario businesses, the Health and Safety Excellence program (HSEp), is a key activity in the Chief Prevention Officer's (CPO) new occupational health and safety system strategy, Prevention Works. The program connects businesses of all sizes with WSIB-approved providers to help them develop their workplace health and safety programs.

HSEp fits businesses of all sizes across all industries, and meets business owners where they are—whether they're building a health and safety program for scratch, or enhancing an existing program.

When businesses enrolled in HSEp successfully complete their health and safety topics, they receive rebates on their WSIB premiums. In addition, health and safety performance improvements may lead to lower premium rates, and other cost savings, such as reduced employee turnover. Members also receive recognition in the form of digital badges that can be used in promotional materials, web content and other documentation.

In 2021, the program surpassed its enrollment target of 2,200 businesses registered, which represent over 800,000 employees.

The WSIB has also partnered with the Ministry of Labour, Training and Skills Development's accreditation program, Supporting Ontario's Safe Employers (SOSE); businesses who achieve CPO recognition through the SOSE program may be eligible for rebates from the WSIB.

### **Becoming insights-driven**

At the WSIB, we make decisions every day that inform how we do business and enhance the public value of our services. To help us make the best decisions possible, we continued to improve how we govern and manage our data and records, including implementing new and updated policies and standards.

Our efforts will help us become an insights-driven organization, where we take full advantage of our data and analytics so we can continue to modernize our services and make it easier to work with us.

## **Responding to government reviews**

In 2020, the Government of Ontario released the results of two independent reviews, which provided insightful recommendations to the WSIB, its partners and the government to strengthen Ontario's work-related injury and illness insurance system.

### **Operational review of the WSIB**

This independent review, led by Linda Regner Dykman and Sean Speer, titled "*WSIB in Transition*," made 25 recommendations that support the transformation currently underway at the WSIB to improve people's recovery and return to work outcomes and experiences, and strengthen the overall health and safety system in Ontario.

Since the report was published, the WSIB has developed an approach to respond to the recommendations including steps that have already been taken, or will be taken, to address each of the recommendations within the WSIB's authority to implement.

- The report called the WSIB's ongoing modernization efforts a "top priority" and our focus has been on recommendations related to the efficiency of our operations, customer service improvements and expanding digital and self-service tools.
- We continue to engage with stakeholders on ongoing implementation efforts and to provide advice to the government on legislative and regulatory matters, using the WSIB's existing approaches to stakeholder engagement.

### **Independent review to help determine the work-relatedness of cancer**

A report by Dr. Paul Demers titled "*Using scientific evidence and principles to help determine the work-relatedness of cancer*" was released by the Ministry of Labour, Training and Skills Development and outlined 11 recommendations.

The recommendations focused largely on increasing the scientific capacity of the WSIB, working more closely with system partners to leverage data and surveillance to improve exposure tracking, updating occupational disease schedules (regulations setting out rebuttable presumptions) and policies to improve speed and quality of decision making. Many of Demers' key recommendations align with those from the Occupational Disease and Survivor Benefits Program Value for Money Audit (VFMA), which was released in early 2019.

Since the report was published, the WSIB has identified potential early and short-term opportunities to take action on the recommendations. We are working on developing an Occupational Disease Policy Framework and reviewing research proposals coming out of a call for interest that went out to universities and researchers on asbestos and gastrointestinal cancers. The WSIB has also increased its internal scientific capacity by adding two senior scientists to our team. We continue to collaborate with the Ministry to implement responses to the

recommendations. Recently, the WSIB and the Ministry have been engaged on the process to establish a Scientific Advisory Table.

## Looking ahead

In 2022, we will continue to focus on meeting the commitments we set out in our Strategic Plan and strive to deliver public value to Ontarians.

Our plan for the future includes:

- responding to the changing volume and nature of claims
- building customer focus into the DNA of our organization
- continuing to invest in technical infrastructure to support the needs of the WSIB and the people we serve
- leveraging data and analytics to ensure that decisions are made based on reliable insights
- strengthening and maintaining an engaged workforce during the transition to a mix of working from home, office and field

In all that we do, we will continue to serve the people of Ontario with our core values top of mind:

- be compassionate
- work with integrity
- always be helpful
- earn people's trust

As we evolve into a more modern organization, develop a roadmap for better ways of doing business, reduce burden for businesses and continue to make improvements in response to COVID-19, we are also looking ahead to what our organization and the broader workers' compensation system will look like once we emerge from the pandemic.

All of our work is grounded in how well we contribute to the overall economic and social health of Ontario—what we call our public value, which we deliver through our goals set out in our 2019-2023 Strategic Plan.

## Achieving our vision

We are pleased to share our updated 2019-2023 Strategic Plan. By extending the current plan from 2021-2023, the WSIB can ensure that Ontarians continue to receive the services they rely on. Our updated plan is divided into four pillars and demonstrates how we remain committed to a future where going to work is as healthy and safe as possible, for all Ontarians.

We are committed to monitoring our progress and will do so by using metrics to inform and drive decision-making at the WSIB.

## Updated 2019-2023 Strategic Plan



### Helping to make Ontario a safer place to work

Ontario should be one of the safest and healthiest places to work.

Businesses want to protect their employees and prevent work-related injuries and illness from happening. Prevention doesn't have to be costly, but doing nothing can be. All injuries or illnesses have a cost and negatively impact people, businesses and the broader community. That's why we offer voluntary programs and services that help businesses build healthy and safe work environments to meet their responsibilities and return-to-work obligations.

To help make Ontario a safer place to work we will:

- strengthen integration, accountability and effectiveness of the occupational health and safety system
- promote and encourage healthy workplaces through our health and safety program
- raise awareness of rights, obligations and best practices to empower proactive health and safety planning

### How we're measuring safety in Ontario's workplaces:

Measure	Description	Baseline	2022 target
<b>Health and Safety Index</b>	Single number measuring the overall change in the health and safety of Ontario workplaces each year	- 4.2%	Greater than zero
<b>Lost-time injury rate</b>	<p>The year-to-date number of allowed lost-time injury and illness claims for every 100 full-time equivalents (FTE) for the year specified</p> <p>The calculation uses derived FTE, which is based on a business's insurable earnings and average hourly wages defined by the WSIB (Schedule 1)</p>	<p>1.14 (with COVID)</p> <p>0.93 (without COVID)</p>	2021 rate or lower



### Improving return-to-work and recovery outcomes

People deserve access to leading health-care and rehabilitation services, and safe and lasting return to work.

A work-related injury or illness can be devastating. In addition to physical recovery, a person may face anxiety and worry about future employment. For a business, it sidelines or removes a productive employee and disrupts their work.

The research is clear—returning to work as soon as it is safely possible is essential to financial and psychological well-being. It’s also important that return to work is healthy and sustainable to ensure long-term well-being. The goal is not just to get people back to work—ultimately, it’s to help people get back to their lives.

To improve return-to-work and recovery outcomes we will:

- provide customized return-to-work services for people who need a high-level of support
- improve access and quality of care for people with work-related illnesses or injuries
- improve sustainable employment outcomes

#### How we’re measuring return-to-work and recovery outcomes:

Measure	Description	Baseline	2022 target
<b>Duration of full and partial loss-of-earnings benefits (3 months)</b>	The year-to-date percentage of people with work-related injuries or illnesses who continue to receive full or partial loss-of-earnings benefits on the specified anniversary (3 months and 6 months)  (Schedule 1, excluding COVID-19 claims)	3 months 16.0%	5% lower than the 2021 year-end result
<b>Duration of full and partial loss-of-earnings benefits (6 months)</b>		6 months 10.4%	
<b>Return to work at 100% pre-injury or illness earnings within 12 months</b>	The percentage of people with lost-time claims who have returned to work with no wage loss within 12 months of their injury date (Schedule 1)	87.9%	1 percentage point higher than the 2021 year-end result



### Meeting our customers' needs and expectations

Our customers should receive the services they need and expect as quickly as possible and with the least amount of effort.

We are making it easier for people and businesses to work with us. This means providing our services in a convenient way and making fair and transparent entitlement decisions, helping to reduce the stress on those impacted after a work-related incident has occurred.

We continue to improve our existing services and listen to how our customers want to work together with us, so we can deliver what they need.

To meet our customers' needs and expectations we will:

- build an accessible, personalized customer service experience
- provide quality services in a convenient and timely manner
- ensure that decisions are fair, transparent and evidence-based

### How we're measuring the customer experience:

Measure	Description	Baseline	2022 target
<b>Overall satisfaction for: People returning to work</b>	Percentage of satisfaction survey respondents who said they were somewhat or very satisfied with their experience with the area of WSIB service specified	68%	> 70%
<b>Businesses supporting their employee returning to work</b>		81%	81 - 83%
<b>Businesses with account-related inquiries</b>		84%	85 - 87%
<b>Health and safety programs</b>		77%	79 - 81%

Note: In 3 years our objective will be to have all our customer satisfaction results above 80%.



## **Sustaining our organization through efficient and effective management**

We must ensure the organization has the people, tools and technology to continue delivering value and financial strength.

Our goal is always to support those who need us. Doing that successfully includes ensuring that we have the people, tools and technology that we need to meet our business objectives and deliver our services efficiently and effectively.

Investing in the right tools and technology to provide better, more efficient service is essential. This includes using data and analytical tools to make good, evidence-based decisions and improve our services. It also means strengthening our existing IT foundation to allow us to work as efficiently as possible.

Our people are our backbone—we must provide them with an engaging, supportive work environment. We are committed to ensuring an equitable, diverse and inclusive environment for the people we work with as well as those we serve. It is also important that our people are equipped with the necessary skills and competencies to continue to meet the needs and expectations of our customers. Supporting our people in these ways will drive the achievement of our business objectives and ultimately improve customer satisfaction.

Our responsibilities include ensuring the sustainability of our financial health, especially through uncertain times. Financial health is important to ensure that our resources are directed at what matters most—supporting the people who depend on us.

To ensure the organization is managed efficiently and effectively we will:

- ensure sustainability of our financial health
- improve the use of data and analytics
- develop a stronger IT foundation that enables our organization
- improve employee engagement and foster equity, diversity and inclusion
- develop employee skills and competencies in line with our target future-state operating model

**How we’re measuring efficient and effective management:**

Measure	Description	Baseline	2022 target
<b>Sufficiency ratio</b>	Ratio of our assets (on a smoothed basis) to our liabilities	117.3%	115 – 125%
<b>Employee engagement</b>	A composite measure based on questions from our annual Employee Experience Survey	79%	TBD*
<b>Inclusive culture</b>	The average score from the diversity and inclusion questions in our annual Employee Experience Survey	70%	TBD*

\*These metrics are expected to change in 2022 and the 2022 result will be the new baseline.

**2022 priority areas**

The WSIB has five priority areas that will provide us with a collective focus and help guide our work in 2022.

**Foundational:**

The following priority areas lay the foundation for ensuring a strong claims management approach and continued customer focus. A strong technical infrastructure, valuable insights and an engaged workforce will ensure that long-term investment in these areas will enable the WSIB to adapt and transform the claims process based on changing customer needs and expectations.

- Technical infrastructure
- Data and analytics
- Workforce

**Transformational:**

Claims management remains a core service that we will continue to improve, while maintaining customer focus ensures that the people we serve remain at the centre of all that we do. Opportunities for change and continuous improvement must be taken into consideration so that we can continue to provide better services now and in the future.

- Claims management
- Customer focus

There may still be uncertainties regarding how the ongoing pandemic will affect our environment and we may experience additional waves of infection arising from new

variants. Possible future lockdowns will impact many sectors and can potentially lead to a decrease in insurable earnings, employment rate, premium revenue and cash flows for the WSIB. As we have done since the beginning of the pandemic, we continue to monitor our environment and adhere to public health regulations.

## Key work planned for 2022

The following 2022 priority areas and initiatives will support our updated multi-year plan.

### Claims management

It is critical for the WSIB to respond to the changing volume and nature of claims by continuing process improvements, adhering to core practices and resourcing our work at an appropriate level.

Key work planned for 2022:

- The WSIB and Service Canada will work together to expand information sharing for both Employment Insurance (EI) and Canadian Pension Plan (CPP) data, enabling the WSIB to make more timely and accurate decisions and loss-of-earnings (LOE) benefit payments.
- We will ensure continued access to quality services for people who have been injured at work by securing hearing-related products at the best quality and price.
- We will oversee execution of three separate ongoing research studies with the University of British Columbia, the Institute for Work and Health, the Ministry of Labour, Training and Skill Development, and Safe Work Associations.
- We will create new and redesign existing training programs for new employees to ensure the efficient and timely management of claims.
- We will work towards implementing recommendations from the Serious Injury Program Value for Money Audit in order to improve the claims management process.

### Customer focus

Ensuring that we meet the expectations of the people we serve is an important focus for the WSIB. We are always considering the impact of our actions on both internal and external stakeholders. As we strive to provide seamless services, we will focus on integrating and leveraging digital capabilities wherever possible.

Key work planned for 2022:

- We will aim to improve services and simplify processes for Ontario businesses to manage their Canada Revenue Agency (CRA) and WSIB obligations in order to reduce administrative burden by working to expand our partnership with the CRA.
- We will work toward ensuring the optimal level of resources by extending our hours to better match the needs of our customers, with a priority focus on claims management resources.
- We will provide more online services for businesses with claims.

## **Technical infrastructure**

We are investing in technology to support both the short and long-term needs of the WSIB in a way that will minimize any future disruptions to our systems and services.

Key work planned for 2022:

- We will assess internal applications to ensure we have a resilient and well-supported technology foundation.
- We will implement an internal document management system.
- We will develop innovative digital solutions for businesses.
- We will enhance the resiliency of benefits payment technology and the organization's mainframe.
- We will deploy a new platform that enables seamless integration of our applications so that we can share information securely, as well as support multiple processes at the same time.

## **Data and analytics**

We need to ensure that decisions are based on insights that are trusted, relevant, accessible and timely. Processes and behaviours must also evolve to instill data stewardship and evidence-based problem solving throughout the WSIB.

Key work planned for 2022:

- We will establish a joint third party risk and vendor management program so we can better manage our performance and address potential risks to the organization.
- We will continue to implement the program that will help us become an insights-driven organization, including efforts to improve the governance and management of data and records.
- We will improve the efficiency and effectiveness of our project delivery to ensure we maximize the value of our project investments.

## **Workforce**

It is important that we hire the right people and provide ongoing development to our employees. We are focused on employee engagement and preventing burnout as we transition to a mix of working from home, office and field.

Key work planned for 2022:

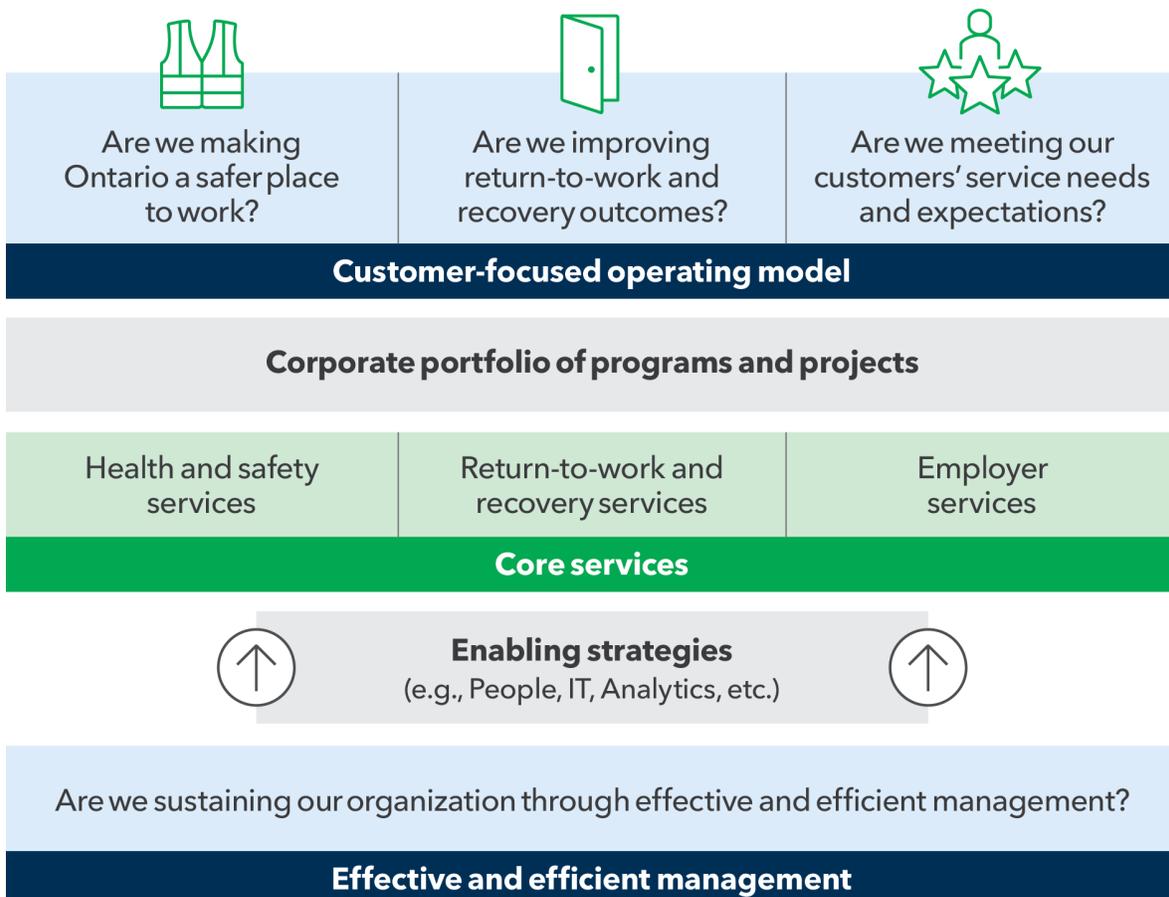
- We will provide ongoing support during the transition to the Jointly Sponsored Pension Plan (JSPP) until the Trustees indicate they are ready to assume these services.
- We will prepare for the negotiations for the 2023 collective agreement.
- We will modernize the WSIB's physical environment and consider the most appropriate locations and amount of space required to meet current and future business needs in keeping with government standards and direction.
- We will continue to guide the process of defining and enabling a future-ready workforce.

## Our strategic implementation roadmap

Delivering on our areas of focus requires careful planning and rigorous oversight. The WSIB has developed a strategic implementation roadmap to support the execution of the 2019-2023 Strategic Plan. This roadmap acknowledges that our core services come first—these services directly support the businesses of Ontario and people who have workplace injuries or illnesses.

### Our vision

To make Ontario the safest and healthiest place to work and set the standard for outcomes in recovery, return to work, occupational health care and claims decision-making.



## The WSIB People Plan

### Our people

In 2022, we will continue to focus on increasing communication and employee engagement efforts to support employees in the current virtual work environment, prepare for the safe return to our offices in the future and provide a flexible workplace that is responsive to our workforce's needs in our current reality.

Key 2022 work:

- Gradually expand the use of our offices when it is safe to do so while following public health guidelines.
- Revise competency model to reflect the modern needs of the organization.
- Transition to a hybrid workforce, and focus on sustaining employee productivity and engagement in this new mix of working from home, office and field.
- Modernize our recruitment and selection process through the implementation of our Talent Acquisition Strategy.
- Champion, promote and facilitate equity, diversity and inclusion (EDI) through the adoption and implementation of WSIB's first multi-year EDI Strategy.

### Our plan

The people and businesses of Ontario depend on the WSIB to make the province a safer place to work and to help people when they are injured or ill at work. WSIB employees are responsible for delivering on these commitments for the people of Ontario.

Our employees need to be ready as we move into a future driven by changes in technology, economics, demographics and the nature of work itself. Evolving alongside the Strategic Plan, the People Plan enables organizational priorities by building and leveraging the talents of our employees and leaders.

Our 2019-2023 People Plan focuses on three pillars:

- Building a future-ready workforce: by modernizing how we support professional development, track competencies and plan for succession, we will prepare our workforce to support the goals of the WSIB.
- Engaged employees: our employees feel valued and experience meaningful opportunities for recognition, contribution and growth. Our workplace is inclusive, respectful and healthy.
- Effective leaders: our leaders have the competencies to deliver in a changing environment. Our leaders communicate effectively and with passion.

## 2022 Financial Plan

(\$ millions)	2022 Budget	2021 Forecast
<b>Revenues</b>		
Net premiums	3,245	3,177
Net investment income	1,773	2,233
<b>Total revenues</b>	<b>5,018</b>	<b>5,410</b>
<b>Expenses</b>		
Claim costs		
Claim payments	2,622	2,561
Claim administration costs	546	564
Changes in actuarial valuation of benefit liabilities	225	198
	3,393	3,323
Loss of Retirement Income Fund contributions	56	53
Administration and other expenses	576	596
Legislated obligations and funding commitments	290	265
<b>Total expenses</b>	<b>4,315</b>	<b>4,237</b>
<b>Excess of revenues over expenses</b>	<b>703</b>	<b>1,173</b>
Total other comprehensive income	75	810
<b>Total comprehensive income</b>	<b>778</b>	<b>1,983</b>
<b>Total comprehensive income attributable to:</b>		
WSIB stakeholders	709	1,778
Non-controlling interest	69	205
	<b>778</b>	<b>1,983</b>
Total administration costs	1,097	1,135
Net investment return	5.00%	6.14%
Net assets on a Sufficiency Ratio basis	7,594	6,668
Sufficiency Ratio	124.0%	121.3%

## Information technology

In 2022, WSIB's Information Technology (IT) team will continue to deliver on the WSIB's five-year Strategic Plan. We will continue to strive to deliver best-in-class IT services and hone our organizational effectiveness by refining our operating model. This will ensure IT achieves its goal of becoming more customer-centric and delivering safe, secure and resilient technology solutions on behalf of the WSIB.

To ensure IT is positioned to operate in a distributed work environment, a newly-created IT workforce strategy will begin to lay the foundation to continue to evolve the skills and talents of our people.

2022 will also see the IT team continue its focus on modernizing our infrastructure. Technology investments will continue to be made to address technology debt, reduce technology and cybersecurity risk, as well as ensure WSIB's production systems are resilient and support our business needs.

Additionally, the WSIB will begin to execute on the IT Strategic Plan, laying the foundation for future technology needs and maturing our technology architecture, engagement and service delivery practices.

## Realty

The WSIB currently has a portfolio of 17 locations across the province. We have been working with Infrastructure Ontario in the development of a facilities strategy that will incorporate the requirements of the Realty Directive, address opportunities to leverage what was learned during the pandemic, develop the hybrid work model and rationalize the WSIB's realty holdings. Once approved, the outcome of the facilities strategy will be incorporated into a multi-year realty plan.

## Enterprise risk management

Our Enterprise Risk Management (ERM) Program is designed to help us successfully achieve the objectives of our Strategic Plan and annual Operating Plan. We achieve this through identifying, assessing, continuously monitoring and reporting key risks and effectively responding to them.

### Financial and budget risk considerations

#### 1. Macroeconomic factors impacting investment and premium revenues

As the global and domestic economy recovers from the COVID-19 pandemic, uncertainty remains high, and we must monitor several macroeconomic factors closely.

One of the primary emerging concerns in 2021 is accelerating inflation, which remains high due to ongoing bottlenecks in global supply chains. Although the spike in inflation appears to be short term, higher long term inflation can result in higher than expected claims costs and wages/administrative expenses. While economic sentiment is mostly positive and fiscal and monetary conditions continue to stimulate the economy, the Bank of Canada is on track to continue tapering its bond purchasing program with a view to start hiking interest rates later in 2022. This, combined with broader economic uncertainty and a potential for a capital market correction, means that we need to continue to monitor the risks associated with investment earnings volatility as well as the ability to recover premiums deferred through the 2020-21 COVID Employer Relief Package. That said, our funding position remains sound with a Sufficiency Ratio stable at 119.4% as of Q2 2021 and these considerations are not expected to pose material financial risk to our organization in 2022.

## **2. Administrative budget**

Higher than expected inflation will also have a direct impact on our administrative budget. Our current planning shows that our 2022 administrative budget will remain mostly flat from 2021. Economic trends will be closely monitored to reduce the impact of inflation on our administrative budget.

## **Enterprise risks**

There are a number of risks from our portfolio of Significant Enterprise Risks that we must closely monitor and take action on in 2021 and into 2022 in order for us to achieve our strategic objectives.

### **1. Business continuity**

We must continue to ensure we have robust business continuity plans in place to address potential services disruptions and risks to workforce health and safety caused by the COVID-19 pandemic. We also must make sure our technology is resilient and can support critical business processes, and that we can withstand risks related to third parties. We're putting significant effort into mitigating these risks, including with a number of short and medium term technology and operational solutions that we're on track to implement in 2022 and beyond.

### **2. Information technology**

We must continue to invest in our IT capabilities throughout 2022 to ensure we can reduce our technical debt, achieve and maintain technological currency and resiliency, and focus on improving business continuity. In 2022, we plan to mitigate these risks by enhancing our foundational technology.

### **3. Third-party**

In 2022, we will implement a Vendor Management Framework. This framework will establish a centralized and systematic approach to managing vendor performance, which is needed to reduce the risks associated with third parties and ensure value for money.

## Appendix

### Mandate

The Workplace Safety and Insurance Board (WSIB) is a board-governed trust agency responsible for administering the *Workplace Safety and Insurance Act, 1997 (Ontario)*. Our mandate requires us to accomplish the following in a financially responsible and accountable manner:

- Promote health and safety in workplaces
- Facilitate the return to work and recovery of people who sustain personal injury arising out of and in the course of employment or who suffer from an occupational disease
- Facilitate the re-entry into the labour market of people injured or made ill at work and spouses of people who died as a result of workplace injury or illness
- Provide compensation and other benefits to people injured or made ill at work and to the survivors of people who died as a result of workplace injury or illness

### Program

The WSIB administers no-fault workplace insurance for just over 300,000 businesses and covers more than five million working people in the province. We provide benefits for people who have been injured and made ill at work and benefits for the survivors of those who have been fatally injured at work, manage the provision of high-quality health care and assist in the early and safe return to work for people who are injured on the job or who contract an occupational disease.

The WSIB operates under the Meredith principles:

- Ontario's workers' compensation is a "no-fault" system
- Benefits to people injured or made ill on the job are secure
- Businesses provide funding for the system based on their collective liability
- The WSIB is independent from government
- The WSIB has the exclusive jurisdiction on benefit claims

The WSIB provides funds to the Ministry of Labour, Training and Skills Development for prevention, administration of the *Occupational Health and Safety Act*, the health and safety associations, the offices of the Worker Adviser and Employer Adviser and the Workplace Safety and Insurance Appeals Tribunal.

To ensure accountability the Fair Practices Commission provides an independent, neutral and confidential service for injured and ill people, businesses and service providers who have complaints about the service they receive at the WSIB. The commission also tracks complaints, identifies systemic issues and recommends improvements to the WSIB.

## Enterprise governance

The Enterprise Governance Framework promotes effective, efficient, accountable and transparent decision-making. Within this framework, the Board of Directors' mandate includes obligations associated with a Government of Ontario board-governed agency.

The Board of Directors and each Board committee has its own mandate and annual work plan. These committees are:

**The Governance Committee**, which provides advice and assistance to the Board on issues relating to the governance of the agency, the stewardship role of the Board with respect to the management of the agency and the functioning of the Board to assist the WSIB in enhancing its performance.

**The Audit and Finance Committee**, which assists the Board in fulfilling its oversight responsibilities with respect to:

- The integrity of the WSIB financial reporting process and statements, and those of the Employee Supplementary Pension Plan
- The effectiveness of internal controls
- The performance of the actuarial function
- The performance, independence and qualifications of the internal and external auditing functions, including the statutory Value for Money Auditfunction
- Compliance with laws, regulations and policies relevant to finances, financial reporting and the annual financial statements of the WSIB, its subsidiaries and the pension plans

**The Health and Safety Committee**, which assists the Board in providing strategic direction and oversight with respect to the WSIB's mandate to promote health and safety and the strategic goal to make Ontario the safest and healthiest place to work.

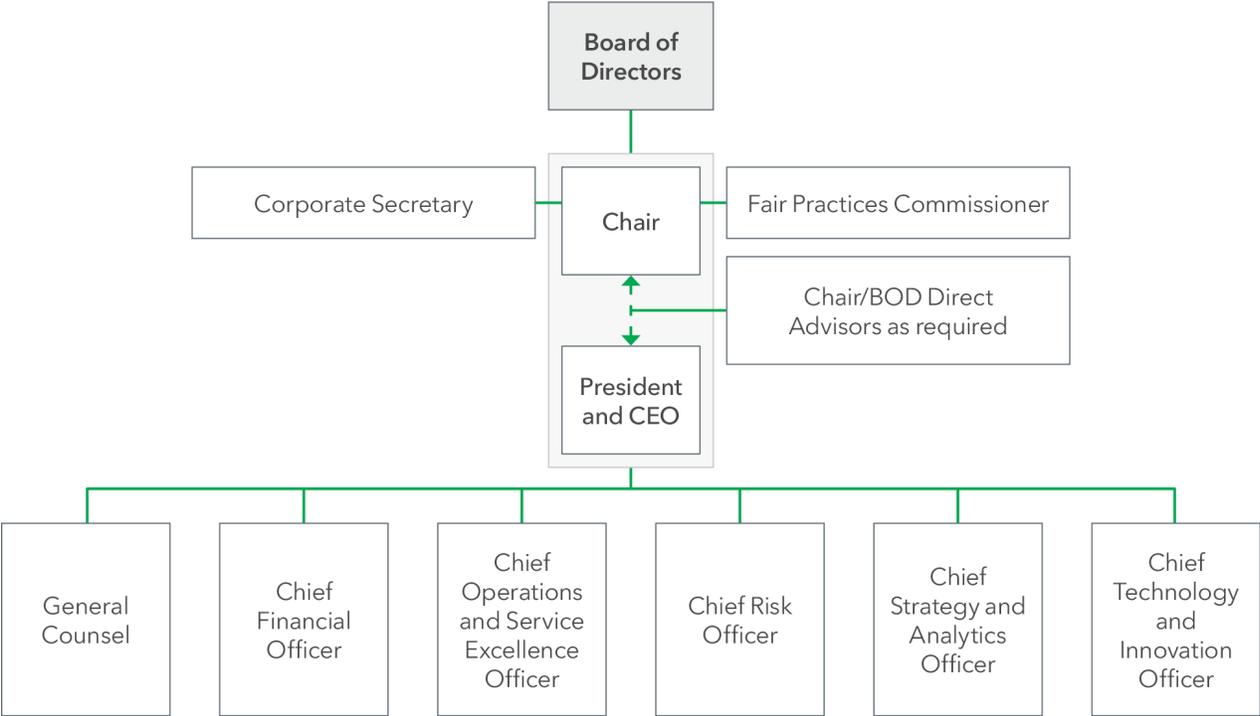
**The Investment Committee**, which provides advice and assistance to the Board on issues relating to the administration of the investments of the insurance, supplementary pension and loss-of-retirement income funds.

**The Human Resources and Compensation Committee**, which assists in the areas of human resource strategy, oversight of the human resource function and support to the Board in its role as the Plan Sponsor of the WSIB Employee Pension Plan and Sponsor and Administrator of the Supplementary Pension Plan.

**The Information Technology Advisory Group**, which advises and assists the Board in fulfilling its duty of care in issues relating to information technology. The IT Advisory Group delivers advice on the current IT strategy and on existing plans for developing and acquiring IT to support the WSIB's Strategic Plan, particularly with respect to technology flexibility and robustness.

In support of the Board of Directors' commitment to continuous improvement, members of the Board conduct regular evaluations. The WSIB regularly reviews and updates its practices to guide further governance enhancements.

### Corporate structure



### Environmental scan

A number of external factors impact the WSIB and its operations. For the purpose of this environmental scan, we assessed trends within the following external factors: the economy, healthcare, health and safety, technology, consumer demands and governance. When scanning the external environment, we considered the significant impact the COVID-19 pandemic has had within each external factor.



## Communications plan

The WSIB is committed to transparency and accountability. As an agency of the Ontario government, we are required to make our strategic and corporate plans accessible to the public. This allows anyone, including the general public, people with work-related injuries and illnesses, and businesses, to understand our plans to fulfill our vision of making Ontario the safest and healthiest place to work and set the standard for outcomes in recovery, return to work, occupational health care and claims decision-making. We will post our 2022 Corporate Business Plan on our website within 30 days of receiving approval from the Minister of Labour, Training and Skills Development.