

REVISED 2020 BUSINESS PLAN

Version as of May 20, 2020
Valid to December 31, 2020



Section 1: Corporate Values + Pandemic Framework

Section 2: Situational Analysis + Assumptions

Section 3: Revised 2020 Business Plan

SECTION 1: CORPORATE VALUES + PANDEMIC FRAMEWORK

Living Our Values

This revised Business Plan was designed with the organization's core values in mind:

We See Genius In Diversity When we each bring our unique perspective to the table, in the spirit of collaboration and respect, ideas improve and our impact on the safety system becomes greater.

We Make the Complex Simple Through simplification of our initiatives we promote understanding and engagement, making safety accessible to everyone.

We Foster Confidence We communicate directly, listen actively, explain our decisions, and share what we know to build confidence in each other, our organization, and the safety system.

We Adapt As society changes, we create and adopt new ideas, skills, and tools that will enable us to meet the safety challenges of a highly-connected world.

Framework

Respond, Recover and Thrive: Early on in the emerging COVID-19 crisis, we adopted a framework from an article published by Deloitte called [The Heart of Resilient Leadership](#), and its language has been widely adopted:

*“We believe that a typical crisis plays out over three time frames: **respond**, in which a company deals with the present situation and manages continuity; **recover**, during which a company learns and emerges stronger; and **thrive**, where the company prepares for and shapes the “next normal.”*

SECTION 2: SITUATIONAL ANALYSIS + ASSUMPTIONS

The Respond phase – initiated with the implementation of business continuity on March 11, and the work-from-home status on March 16 - has seen us lean into one of our core values of *We Adapt*, which we have done quickly and with empathy. During this extraordinary time, we have mobilized the organization to assess our organizational risk and secure our financial well-being and operational resilience. We have bolstered productivity remotely and digitally, including remote assessments and the contact centre, and we have set ourselves up to start the recovery process.

Throughout it all we have monitored the situation across the country and globally, and followed the directives set by the BC Government and its health experts.

We are now well positioned to move into the Recover phase, and this phase will require us to work collaboratively and creatively. We will work hard to set ourselves up to Thrive in the years ahead. Many variables will impact our recovery, but together, with patience and trust, we will learn and emerge stronger.

We have used a scenario-based approach to understand the range of plausible future outcomes and set assumptions that inform the revised business planning decision-making process and its implementation. The scenarios also help us assess the risks we will need to manage in the future.

See Appendix “A” for COVID-19 Scenarios.

SECTION 3: REVISED 2020 BUSINESS PLAN

RESPOND / RECOVER PHASES:

COVID-19 has pushed us and our clients to rapidly operate in new ways, and our operational resilience has and continues to be tested as never before. As we juggle a range of new systems priorities and challenges— business continuity risks, sudden changes in volume, real-time decision-making, employee productivity, security risks— we know that we must remain agile and act quickly to address operational resilience issues and lay a foundation for the future. We must also ensure we are able to support our clients as they respond to the same challenges that we face.

We cannot do this alone and we know that we will need to bring our clients and various stakeholders to the table to gain better insights and co-create solutions that helps us all achieve our mandate.

2020 BUSINESS PLAN GOALS:

	Safety Leadership	Product & Services	People & Innovation
Employee First	<p>New Continually adapt work processes and the work environment to ensure physical and mental health and safety</p>		<p>New Build a collaborative position on future of work</p> <p>Existing Implement a culture change action plan in support of the new operating environment</p>

	Safety Leadership	Product & Services	People & Innovation
Financial Sustainability	<p>New Facilitate new regulations to support market and client</p>	<p>Change in Scope New products and fee structure to help clients thrive</p> <p>Existing Support delivery of value to clients through improved brand recognition</p> <p>Change in Scope Publish economic model</p>	<p>New Implement Liquidity strategy</p>

	Safety Leadership	Product & Services	People & Innovation
Operational Resilience + Digital Transformation	<p>Change in Scope Operationalize auditing as an oversight tool</p>	<p>Existing Core IT System Initiatives: data for core and client processes</p> <p>New Online certification exam delivery & scheduling</p> <p>New Client recovery strategy – remove friction points</p>	<p>New Remote assessments at scale</p> <p>Change in Scope Develop innovative prototypes</p>

	Safety Leadership	Product & Services	People & Innovation
Partnerships	<p>Existing Research impact of climate change in one technology</p> <p>Existing Partner with Indigenous communities and groups across the province on technical systems safety</p>	<p>Existing Develop and grow our ability to use external data to strengthen the information sharing ecosystem</p> <p>Change in Scope Publish and use insights collected through incident investigations to design, implement and measure changes in behaviour</p>	

	Safety Leadership	Product & Services	People & Innovation
Deferred to Future Years	<ul style="list-style-type: none"> Organizational readiness plan for Amusement Devices Training provider recognition program Create Climate Crisis Action Plan 	<ul style="list-style-type: none"> Redesign website Expand machine learning Grow and retain connection Further develop measures of organizational performance to guide decision making and investments. 	<ul style="list-style-type: none"> Train employees to support innovation

APPENDIX “A”

COVID-19 SCENARIOS



- Rise in case counts until April
- Reports of curve-flattening
- Recovery starts in China
- Low Consumer spending in BC
- Construction sites function at 70% capacity

- Continuous decline in new case counts
- China recovery continues, lockdowns lifted
- Large scale quarantines, travel restrictions and social distancing continue low consumer spending trend in US
- High unemployment, corporate bankruptcies
- Limited impact of monetary easing and reduction in interest rates
- Monthly housing unit sales in BC between 5,000 and 6,000
- Construction sites continue to function at 70% capacity in June and July, and return to 100% in August; industry impact is minimal
- Fiscal incentives by the provincial and federal government continue till Oct 2020

- Second wave of virus but BC is well prepared
- Major infrastructure projects(> \$1B) continue
- Recession continues till end of Q3 2020
- Recovery begins in Q4 2020
- Canadian GDP drops by 7.5% in 2020 but increases by 7.3% in 2021
- BC GDP drops by 6% in 2020 but grows by 7.6% in 2021
- > 6,000 monthly housing unit sales in BC, housing recovery starts in Fall 2020
- Vaccine/Treatment available in 2021
- < 20% reduction in housing starts in 2020 and >7% increase in housing starts in 2021

DELAYED RECOVERY



PROLONGED RECESSION

- Case count continues to rise rapidly through May
- Increase in unemployment and Corporate Bankruptcies
- Workforce on Construction reduced by 50% in April followed by complete site closures in May as social distancing fails

- No initial virus containment until June 2020
- Tightening of travel restrictions and quarantines in US & Canada
- Economic recession officially declared
- Insignificant impact of monetary easing and interest rates reduction
- < 4,500 monthly unit sales in BC
- BC construction sites to remain shut in June. Sites gradually return to 50% capacity and remain so till August 2020.; industry impact is moderate

- Spike in cases due to resurgence of mutated virus in Fall 2020
- Canadian economy rebound begins in Q4 2020 and recovery does not begin until Q3 2021 and is slow moving
- Major BC infrastructure projects(>\$1B) cancelled or significantly delayed
- Recovery observed with the BC housing market starts in 2021.
- Vaccine/Treatment available in 2021
- > 20% reduction in housing starts in 2020 and < 7% increase in housing starts in 2021
- Fiscal incentives by the provincial and federal government continue till end of 2020