

ANNUAL REPORT 2024



**PERFORMANCE
PAYS.**



WorkSafeNB

ANNUAL REPORT 2024

June 2025

WorkSafeNB respectfully acknowledges the territory in which we work as the ancestral homelands of the Wolastoqey, Mi'gmaw, and Peskotomuhkati peoples.

We strive for respectful relationships with all the peoples of this province as we search for collective healing and true reconciliation and honour this beautiful land together.

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Our founding principles

In 1918, New Brunswick's workers' compensation system was established based upon principles developed five years earlier by Sir William Meredith, a former Chief Justice of Ontario.

The development of the Meredith Principles achieved a historic compromise in which employers fund the workers' compensation system and collectively share liability if, and when, workers are injured. In return, injured workers receive wage-loss compensation and medical benefits while they recover from a workplace injury. In accepting workers' compensation benefits, injured workers cannot sue their employers.

The Meredith Principles became the basis for workers' compensation systems across Canada and remain so today.



The Meredith Principles are based on:

- 1 NO-FAULT COMPENSATION
- 2 SECURITY OF BENEFITS
- 3 COLLECTIVE LIABILITY
- 4 INDEPENDENT ADMINISTRATION
- 5 EXCLUSIVE JURISDICTION

Who we are

WorkSafeNB is a Crown corporation committed to promoting healthy and safe workplaces in New Brunswick. While our primary objective is to prevent workplace injuries and occupational disease, we provide comprehensive rehabilitation services and wage-loss replacement when these do occur.

WorkSafeNB is the regulatory body responsible for ensuring compliance with New Brunswick's Occupational Health and Safety Act. We are also accountable to our stakeholders for fair administration of the Workers' Compensation Act, the Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act and the Firefighters' Compensation Act.

OUR VISION

Making New Brunswick the safest place to work.

OUR MISSION

Collaborate with all stakeholders to design, build and manage an effective continuum of safety and care.





PEOPLE

We will create a people-first culture resulting in an exceptional employee and client experience.

An exceptional experience

Keeping New Brunswick workers healthy and safe is more than a job – it's a passion! We are workers too, as are our daughters and sons, brothers and sisters, parents, friends and colleagues. Together, we provide exceptional service and support, building a strong support network of safety and care for all.



PREVENTION

Together, we will prevent workplace injuries, illnesses, death and disability.

A province without workplace injury and disability

Traditionally, when we think about prevention, we think of injuries and illnesses. WorkSafeNB, however, is changing this mindset. We also define it as helping injured workers recover at work when possible, keeping them involved and productive to help prevent disability.



INTEGRITY

We will protect the integrity of the system.

Our guiding principle

As a trusted steward, we are dedicated to building a strong, stable and sustainable system. While financial sustainability is a key component, system integrity also includes good governance, privacy protection, modern technology, cybersecurity and sound legislative foundations.

Who we serve

REGISTERED EMPLOYERS

17,304*

WORKPLACES

30,681*

WORKERS

(Full-time equivalents)

328,607*

*AS AT DEC. 31, 2024

ASSESSED EMPLOYERS BY SIZE

(Full-time equivalent)

SMALL (<12 FTE)

11,668

MEDIUM (12-55 FTE)

3,335

LARGE (55+ FTE)

983

THREE LARGEST SECTORS

(By payroll)



MANUFACTURING



RETAIL TRADE



CONSTRUCTION

Board of Directors

WorkSafeNB's board of directors is appointed by the Lieutenant-Governor in Council to represent our stakeholders' interests. They are responsible for WorkSafeNB's stewardship and strategic direction. As a Crown corporation, the board is accountable to the Government of New Brunswick through the Minister of Post-Secondary Education, Training and Labour.

Our board consists of a chairperson and a vice-chairperson, neither of whom are representative of either workers or employers, as well as four members representing workers and four members representing employers. These members agree to act in the best interest of WorkSafeNB at all times, regardless of the stakeholders they represent. The president and CEO is an ex-officio non-voting member of the board of directors.



MEL NORTON
Chairperson



HALEY FLARO
Vice-Chairperson
Resigned November 29



DONNA MCNEILL
Worker representative
Fredericton
Term ended January 25



MIKE MACMULLIN
Worker representative
Saint John



TIM PETERSEN
President and chief
executive officer



DENNY VAUTOUR
Worker representative
Saint John



BERT CYR
Employer representative
Moncton
Resigned December 3



ADAM DONNELLY
Employer representative
Bathurst



GAËTAN GUÉRETTE
Employer representative
Edmundston
Appointed on January 25



JAMES STANLEY
Worker representative
Saint John



JASON GREEN
Employer representative
Quispamsis

The board meets regularly and each member serves on one or more of the following committees:

- Audit
- Fatality Review
- Finance & Investment
- Governance, People and Culture

Executive Leadership Team

WorkSafeNB's executive leadership team (ELT) is responsible for implementing our board of directors' strategies and for managing our day-to-day operations.

While each ELT member has the critical skills, training and education to lead, more importantly, they each have the qualities of great leadership that can't be taught – like empathy, accountability and trustworthiness. They motivate and inspire by setting the right example, guided by these qualities. The ELT upholds our vision, sets a clear and actionable strategy for achieving that vision, and motivates and empowers all other employees at WorkSafeNB. We are proud of our ELT and trust in its ability to realize our strategic plan through measurement and oversight to make critical, and often hard, decisions for the betterment of both WorkSafeNB and our stakeholders.



TIM PETERSEN
President and CEO



RICHARD BLAIS
Vice-president,
Prevention



CATHY BENT
Vice-president, Claims
Management and
Rehabilitation



LARAGH DOOLEY
Vice-president,
People and Culture



CAROLYN MACDONALD
Vice-president,
Strategy and Finance



LEE C. BELL-SMITH, K.C.
General Counsel
and Corporate Secretary



LISA WALKER
Chief Information Officer

Key Strategic Measures



PEOPLE

	2022	2023	2024	2024 TARGET
Employee engagement	61%	63%	69%	70%
Client satisfaction				
Injured Workers	69%	71%	74%	80%
Employers	76%	74%	74%	80%



PREVENTION

	2022	2023	2024	2024 TARGET
Health and safety index	3.7%	11.1%	-4.83%	POSITIVE RATE OF CHANGE
% of workers off claim				
At 90 days	69.1%	66.6%	65.0%	80%
At 180 days	82.7%	80.4%	80.9%	87%



INTEGRITY

	2022	2023	2024	2024 TARGET
Funding position	147.7%	156.1%	152.9%	115-125%

Year at a Glance

Data is finalized as of March 31, 2025. As data matures, previous years' numbers may be restated to reflect final numbers.

FINANCIAL

	2022	2023	2024
Funded ratio	147.7%	156.1%	152.9%
Funded position	\$618M	\$738M	\$704M
Excess income over expenses	(\$22M)	\$117M	(\$26M)
Benefit payments	\$124M	\$123M	\$131M
Changes in benefit liabilities	(\$38M)	\$13M	\$2M
Claim costs	\$86M	\$136M	\$133M
Benefit liabilities	\$1.2B	\$1.2 B	\$1.2B
Pension annuity payments	\$12M	\$11M	\$9M
Change in pension annuity liability	(\$9M)	\$4M	\$8M
Pension annuity costs	\$3M	\$15M	\$17M
Pension annuity liabilities	\$100M	\$104M	\$112M
Assessment rate	\$1.69	\$1.31	\$1.18
Assessment revenue	\$207M	\$181M	\$179M
Investment returns	(3.8%)	8.9%	10.5%
Investment income	(\$75M)	\$159M	\$206M
Administration costs	\$59.9M	\$69.3M	\$76.0M

PREVENTION AND CLAIMS

Lost-time injury frequency - assessed employers	0.9	0.8	0.9
Lost-time injury frequency - self-insured employers	2.9	2.3	2.6
Lost-time injury frequency - all employers	1.1	1.0	1.0
Lost-time and no lost-time injury frequency	1.7	1.6	1.6
Lost-time claims	4,229	3,864	4,255
No lost-time claims	1,720	1,971	2,025
Traumatic psychological injury claims accepted	185	227	255
COVID-19 claims accepted	425	62	9
Fatalities	16	15	14
Open claim duration (days)	294.6	284.8	259.8
Closed claim duration (days)	91.9	94.5	86.8
Off claim at 90 days	69.1%	66.6%	65.0%
Off claim at 180 days	82.7%	80.4%	80.9%
Claim registration to 1st payment	22.0	28.5	23.9
Injury to claim registration (days)	17.6	17.3	18.5
Injured worker satisfaction	69%	71%	74%
Employer satisfaction	76%	74%	74%
Employee engagement	61%	63%	69%
Health and Safety Index	3.7%	11.2%	-4.83%
Admin penalties issued	60 - \$31,250	55- \$29,400	136 - \$73,100
Consultations	1,540	1,445	1,560
Investigations	914	813	933
Prosecutions	10 - \$225,650	13-\$173,300	21 - \$320,050
Inspections	5,124	3,787	4,290
Orders issued	3,718	2,387	3,901

Message from the Chairperson

Reflecting on the tremendous year that was 2024, I feel proud and grateful as I look back on WorkSafeNB's many achievements and the impact we have made on New Brunswick's workers and employers. It has been a year of significant milestones, all of which affirm our commitment to ensuring that performance pays—for workers, employers, and the province.

Under the exceptional leadership of our CEO and the dedicated work of the entire WorkSafeNB team, we made significant advancements in 2024 that reflect our core values of accountability, collaboration and trust. These accomplishments result from a steadfast focus on legislation and policies that prioritize worker safety, enhance benefits, and foster a sustainable business environment.

A cornerstone achievement of 2024 was the increase in wage loss benefits for New Brunswick's injured workers, effective July 1. By raising benefits from 85% to 90% of net earnings, we provide injured workers with greater financial security during their recovery. Additionally, enhancements to the calculation of Maximum Annual Earnings (MAE) ensure full wage coverage for more workers, with the MAE increasing from \$76,900 to \$82,100. These changes underscore our unwavering commitment to the well-being of New Brunswick's injured workers.



In line with our theme of "Performance Pays," we reached a historic milestone with the introduction of a performance refund, as outlined in revisions we approved in September to Policy 37-100, Funding Policy. This initiative, made possible because of WorkSafeNB's strong funded position, allowed us to return more than \$180 million to New Brunswick's employers, showing how our collective efforts yield remarkable benefits for all stakeholders. Coupled with achieving the lowest average assessment rate in our history, WorkSafeNB continues to position New Brunswick not only as the safest place to work but also as a highly attractive place to do business.

Message from the Chairperson

I must also note the board's significant work on Policy 34-205 – Statement of Investment Philosophy and Beliefs and Policy 34-200 – Investment Goals and Objectives. Pursuant to these policies, we completed an asset liability study and approved an updated policy asset mix, which documents our strategy to achieve the long-term real return objective of 3.75%.

Our ongoing work on legislative amendments further strengthens our ability to adapt to the evolving needs of workers and employers. These amendments ensure our policies stay relevant and effective in fostering a culture of safety and resilience across the province.

I want to recognize the dedicated leadership and valuable contributions of our outgoing board vice-chair, Haley Flaro. For the past eight years, Haley has helped drive some of our most significant achievements. As chair of the Governance Committee, she modernized our governance practices and sharpened our focus on board recruitment. She also championed meaningful improvements for workers. Haley leaves an impressive legacy.

While we said goodbye to Haley, we welcomed back two former board members. Chantal Lafleur and Gaëtan Guérette were each appointed to a five-year term in January. Chantal, a worker representative, previously served on the board from 2004 to 2007. She brings a wealth of experience and knowledge to her role, with a diverse background in nursing, labour relations, and disability management.

Gaëtan, an employer representative, served from 2017 to 2022. He is a self-employed health and safety consultant and has worked in leadership roles all his professional life, focusing on occupational health and safety since 2004.

As we close this chapter and look ahead, I want to thank my fellow board members, WorkSafeNB's dedicated staff, and all our partners and stakeholders who contribute to our vision. Together, we have shown that performance truly pays, and I am confident that we will continue to build on this momentum, ensuring that our province remains the safest place to work.

On behalf of the board, thank you for your continued trust and support in WorkSafeNB.

Sincerely,



MEL NORTON

Chairperson, WorkSafeNB Board of Directors

Message from the President and CEO



I am proud to share our 2024 Annual Report, which captures an exceptional year—one filled with extraordinary progress, impactful achievements and significant milestones. This report is a testament to the dedication, innovation, and passion that drive everything we do – it underscores that performance really does pay!

2024 marked a year of historic firsts. We celebrated New Brunswick becoming the safest province in Canada, achieving the lowest injury frequency rate in our history and the lowest injury frequency in Canada. This achievement is not just a statistic—it reflects the collective commitment of workers, employers, and WorkSafeNB to create a culture of care across the province and ensuring every New Brunswick worker goes home to their families at the end of the workday.

In line with our 2024 theme, “Performance Pays,” we also announced the lowest assessment rate in our history, reducing it from \$1.18 in 2024 to \$1.10 in 2025. This reduction reflects the collective efforts of workers, employers, and WorkSafeNB in maintaining safe workplaces, reducing claims, and improving return-to-work outcomes. This collaboration has strengthened the overall system, ensuring financial sustainability while rewarding strong safety performance.

For the first time ever, due to WorkSafeNB's strong funded position of 156.1% in 2023, we issued performance refunds. In December, eligible employers received cheques totalling more than \$180 million—an impressive boost for our province's economy. This milestone highlights our commitment to being responsible stewards of resources while fostering a competitive advantage for New Brunswick businesses. (See page 71-74 for more on the performance refund.)

These milestones were marked by another monumental achievement: significant benefit improvements for injured workers, including an increase in percentage Loss of Earnings and enhancements to Maximum Annual Earnings. These improvements provide injured workers with greater financial security, giving them the peace of mind to focus on their recovery and well-being.

We continued our ambitious modernization journey in 2024. From launching key core system projects to leveraging technology that streamlines processes, we

Message from the President and CEO

have significantly enhanced our client experience. These advancements empower us to serve our stakeholders more efficiently and effectively.

Our 2024 success is a testament to our incredible employees. Their dedication, resilience, and passion have been the driving force behind our progress—embracing innovation, navigating challenges, and seizing opportunities throughout the year. We are deeply grateful for their contributions and commitment to making 2024 a year of growth and achievement.

Their engagement and dedication are reflected in our latest survey results, which continue to inspire us. Overall engagement has risen by 6% over last year and an impressive 17% over the past four years, reaching 69%. Our culture measure, our top driver of engagement, is at 91%, surpassing last year's score of 84% and exceeding the industry benchmark by 11%. These metrics affirm that we are building a workplace where our people thrive through their commitment to our values of accountability, collaboration, and trust.

We were pleased to announce the re-appointment of our board chairperson, Mel Norton, whose leadership has been instrumental in driving our vision forward. We also strengthened our Executive Leadership Team (ELT). We welcomed Lee Bell-Smith, K.C. as general counsel and corporate secretary, and established a new role – vice-president of People and Culture. This role will further reinforce our focus on creating a positive and inclusive workplace culture, ensuring our employees continue to thrive in an environment where performance is recognized and rewarded. I am happy to announce the appointment of Laragh Dooley, formerly director of Communications and interim director of Human

Resources, to this role. Another welcome addition to the ELT is the appointment of Carolyn MacDonald as vice-president of Strategy and Finance.

We continued to nurture stakeholder relations across the province, recognizing that these partnerships are critical to advancing our vision of making New Brunswick the safest place to work. Ongoing collaboration with firefighters and with the fishing industry are but two examples of our continued commitment to strengthening relationships with our stakeholders.

However, 2024 also reminded us of the sobering challenges we face. An alarming number of workplace fatalities involving heavy equipment and transportation are a tragic reminder that our work is far from over. Every life lost is one too many, and it strengthens our resolve to do more to ensure every worker returns home safely at the end of the day. We must continue to prioritize safety education, vigilance, and collaboration to prevent these tragedies.

Looking ahead, we remain unwavering in our vision. Whether through innovative initiatives, stronger partnerships, or empowering our employees, we are committed to shaping a future where every worker feels supported, every employer is engaged, and safety is at the heart of every workplace.

Thank you for being part of this journey. Together, we are growing our province and making New Brunswick the safest place to work.

Please read on to learn more about the incredible year that was 2024!

Sincerely,



TIM PETERSEN, CA

President and Chief Executive Officer

Linked Together for Our Future

In 2022, we were proud to launch our 2022-2024 Strategic Plan – **Linked Together for our Future.** Rooted in the principles of good governance, this plan set a clear course focused on three key areas: People, Prevention, and Integrity.



Every three to five years, WorkSafeNB evaluates our progress to chart a path forward. Guided by the strategic direction set by our board of directors, employees across all levels of the organization work together to turn that direction into practical objectives and actions.

The 2022–2024 plan shaped and guided our daily efforts, aligning our internal teams and strengthening collaboration with our external partners. Our theme, *Linked*, reflects our belief that only through connection—within our organization and beyond—can we achieve our vision of making New Brunswick the safest place to work.

This Annual Report marks the final year of our current strategic plan. It highlights how we continued to advance our goals in People, Prevention, and Integrity—demonstrating the impact of our shared commitment.

As we close this chapter and prepare to launch our 2025-2029 strategic plan (see page 82), we remain deeply committed to working together with our partners to create a safer, healthier future for all New Brunswickers.

**PEOPLE.
PREVENTION.
INTEGRITY.**

PEOPLE



We will create a people first culture resulting in an exceptional employee and client experience.

At WorkSafeNB, we put people first. That's why People is the first of our core focus areas. We believe that workplace health and safety isn't just about policies and procedures—it's about the people behind them. Our commitment extends beyond injury prevention and compensation; it's about fostering a culture where everyone feels valued, supported, and empowered.

People are the foundation of everything we do. By investing in our people and the people we serve, we are building a safer, stronger and more connected New Brunswick.



OBJECTIVES



Foster a high-performance culture that is inclusive, engaged and empowered.



Evolve an accessible, personalized client service experience.



Focus service delivery that is high quality, efficient, delivers intended outcomes, and is resourced appropriately.

KEY STRATEGIC MEASURES

EMPLOYEE ENGAGEMENT

2022	2023	2024
61%	63%	69%

We recognize that to best serve our clients, we must best serve our own employees. Our values of accountability, collaboration, and trust are at the heart of our people-first approach. When our people are inspired, they drive innovation and strengthen stakeholder relationships, helping to make New Brunswick the safest place to work.

We survey our employees each year to gauge their engagement and identify areas where we need to improve. We're not only committed to making New Brunswick the safest place to work, but to making WorkSafeNB the best place to work. With a 93% response rate, a 6% increase in overall engagement over 2023, and 9% above the industry benchmark, our survey results tell us we're not just heading in the right direction – we're in great shape and building real momentum.

The top three drivers of our engagement score were culture, inclusion and coworker relationships, at 91%, 89% and 87% respectively.

The survey also includes a measure of the employee experience. This is based on the question: "How likely would you be to recommend this organization to a qualified friend or a family member as a great place to work?" The 2024 score of 46 is significantly higher than the benchmark of 12.4, and our 2023 score of 30.

WHY THIS MATTERS:

Engaged employees don't just contribute more—they care more. They deliver higher-quality service, support safer outcomes for New Brunswickers, and help us attract and retain top talent. Simply put, when our people feel connected and valued, the entire province benefits.



KEY STRATEGIC MEASURES

CLIENT SATISFACTION

At WorkSafeNB, people are at the heart of every success. Our values of accountability, collaboration and trust are not only measured through employee engagement but also through our Client Satisfaction Survey.

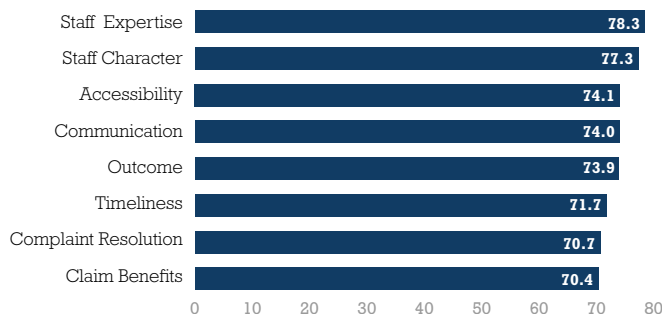
To track progress under the People focus area, we administer a Client Satisfaction Survey. In the summer of 2024, an independent research firm

surveyed 1,000 injured workers and 300 registered employers who received services between September 2023 and May 2024.

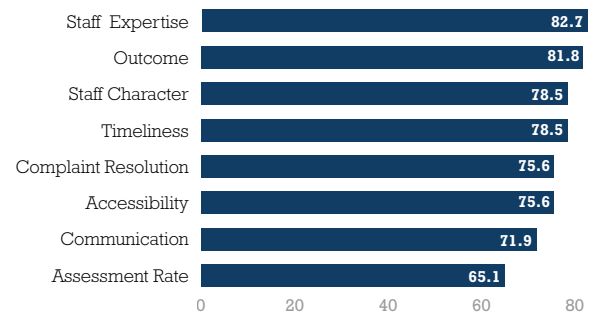
We used eight key criteria to measure satisfaction, with results compiled into a Service Delivery Index score of 100. The same criteria applied to both groups, except for claims benefits for injured workers and assessment rates for employers.

BOTH INJURED WORKERS AND EMPLOYERS CONTINUE TO RATE STAFF EXPERTISE AT THE TOP OF THE INDEX

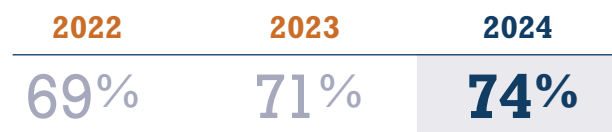
Injured Workers



Registered Employers



Injured Workers



Employers



This year's results show a nearly 4% increase in satisfaction among injured workers, rising to 74%. Registered employers provided a satisfaction score of 74%, remaining consistent with last year's results. We are committed to continually elevate our service delivery and client experience, and the Client Satisfaction Survey provides insight as to where to concentrate our efforts.

THE PEOPLE WE SERVE – OUR CLIENTS

HISTORIC BENEFIT IMPROVEMENTS: A milestone for injured workers

In 2024, WorkSafeNB introduced some of the most significant benefit improvements in our history—changes that mean better support for workers when they need it most.

As of July 1, wage loss benefits increased from 85% to 90% of net earnings. That means injured workers now have more financial security while they recover, with less stress about making ends meet.

We also improved how we calculate the Maximum Annual Earnings (MAE)—the cap used to determine compensation and employer premiums. The multiplier used to calculate the MAE rose from 1.5 to 1.6 times the average provincial wage, raising the

MAE from \$76,900 to \$82,100. This ensures more workers will have a greater portion of their earnings covered if they're hurt on the job.

These enhancements were shaped by conversations with both workers and employers, and reflect our shared commitment to a compensation system that works for everyone. They also follow five straight years of assessment rate reductions—most recently dropping to \$1.18 per \$100 of assessable payroll—giving New Brunswick the second lowest rate in the country.

It's all part of our balanced approach: better benefits for workers, lower costs for employers, and a continued focus on making New Brunswick the safest place to work.



THE PEOPLE WE SERVE – OUR CLIENTS

CRITICAL CARE RECOVERY TEAM: **Supporting workers and families affected by critical injuries**

Learning a loved one has been critically injured at work is devastating. The shock, fear and uncertainty can be overwhelming—not just for the injured person but for their entire family. In these moments, the need for support is immediate, personal and often complex.

At WorkSafeNB, we understand that critical injuries are different. The path to recovery is often longer, the emotional weight heavier, and the return-to-work journey more uncertain. That's why, in 2024, we laid the foundation for something new: a dedicated Critical Care Recovery Team.



CRITICAL CARE RECOVERY TEAM

Where care meets recovery.

PURPOSE

Recovery and rehabilitation for critically injured workers.

This team was developed through our Modernization program as a direct response to client feedback and frontline experience. It's built around a simple but powerful purpose: to provide specialized, compassionate, and coordinated care for workers facing severe, life-altering injuries.

Workers with critical injuries often have unique goals—from adapting to new physical realities to adjusting to permanent lifestyle changes—and they need a different kind of support than those on more traditional return-to-work pathways. The Critical Care Recovery Team is designed to meet those needs with empathy, expertise, and continuity.

140-150

Critical Care Cases
per year/average

The team developed a set of clear criteria to identify “critical care” cases and created processes to ensure timely and consistent support. Importantly, this model recognizes that a worker may require critical care at any point in their claim journey—from the immediate aftermath of an accident to complications that arise months later.

To ensure seamless service, all WorkSafeNB staff—from investigators to adjudicators to case managers—have been introduced to the new pathway to refer clients to the Critical Care Recovery Team when needed.

Launching in early 2025, this team will provide dedicated, one-on-one support to injured workers and their families throughout their recovery—acting as a steady point of contact during some of life's most difficult moments.

The Critical Care Recovery Team is more than a new service model—it's a reflection of our commitment to meet clients where they are, when they need us most, and with the care they deserve.

“We are incredibly excited to take this next step. We’re getting people what they need at the right time. For those requiring critical care, we support and guide them and their loved ones when they need our help most. They now have a team dedicated to addressing their unique and specialized needs.” Belinda Kumar, manager, Pensions and LTD.

THE PEOPLE WE SERVE – OUR CLIENTS

IMPROVING TIME TO FIRST DECISION: Helping workers sooner

When someone gets hurt on the job, every day matters. They may be in pain, possibly out of work, and worried about what comes next. That's why timely, well-informed decisions is one of the most important ways WorkSafeNB can support them. The first decision—whether the claim is accepted or not— isn't just an administrative step. It's the first step toward medical support, wage-loss benefits, and peace of mind. And when that decision comes quickly, it helps injured workers begin their recovery with less stress and more stability.

In 2024, we significantly reduced the time it takes to reach that first decision. For acute injury claims where the cause of injury is clear, we made a decision within 14 days in 93% of cases, up from 79% the year before. On average, we've reduced the claim by two full days, helping workers get clarity—and care—sooner.

These improvements are the result of a more agile, client-focused approach. By streamlining our processes, introducing better administrative tools, and implementing a dedicated team structure, we've created a system that gets the right expertise on the right file, right away. Our queue management system helps direct claims to one of three specialized teams, ensuring each situation gets the tailored support it needs.

In 2024
59%
of all claims received
a first decision in
14 days, and
66%
within 21 days.



For all claim types, not just acute injuries, the average time to make a first decision has dropped significantly. In January 2022, it took an average of 53 days. By December of that same year, it was down to 34 days. In 2024, 59% of all claims received a first decision within 14 days, and 66% within 21 days.

However, not every situation is straightforward. When incident details are unclear, an employer disagrees with the claim, or medical information is missing, it can take longer to gather the evidence needed to make a fair decision. Under the Workers' Compensation Act, we're required to meet three legal tests before a claim can be accepted and we take that responsibility seriously.

Looking ahead, we're building on this momentum. As part of our new 2025–2029 strategic plan, WorkSafeNB will begin formally tracking time to first decision and time to first payment as key performance indicators (KPIs). These new benchmarks reflect our continued commitment to timely service, accountability, and improving the recovery experience for every injured worker.

Faster decisions mean fewer delays, less worry and more time to focus on what really matters: getting better.

THE PEOPLE WE SERVE – OUR CLIENTS

IMPROVING RECOVERY: Expanding access to innovative treatment

At WorkSafeNB, we put people first. That means continuously evolving the way we support recovery for injured workers facing complex challenges. When a worker is facing treatment-resistant depression related to a workplace injury, a traditional approach isn't always enough. That's why we've enhanced access to care for those workers who need an alternative approach.

In 2024, we introduced a more responsive and structured process for considering ketamine and esketamine treatments in exceptional cases.

While these treatments are generally not approved as medical aid, WorkSafeNB may now consider them in specific cases—when a worker has not responded to at least two antidepressant medications of adequate dose and duration. For clients experiencing persistent symptoms that prevent them from healing, returning to work, or resuming daily life, these treatments offer a potential path forward.

To ensure quality, safety, and consistency of care, treatment providers are now required to complete a Ketamine/Esketamine Review Booklet before

seeking approval. This review process ensures that every case is carefully evaluated by clinical experts and grounded in evidence-based care.

By refining our approach, we're taking meaningful steps to ensure that no worker is left without options—and that every injured worker has access to the support they need to recover, rebuild, and thrive.

To ensure safety, consistency, and the best possible outcomes, treatment providers must complete the Ketamine/ Esketamine Review Booklet before seeking pre-approval and initial sign-off from WorkSafeNB. This review process ensures that every case is carefully evaluated by clinical experts and grounded in evidence-based care.

These changes reflect our commitment to exploring innovative treatments and putting the health and well-being of injured workers at the center of everything we do.



THE PEOPLE WE SERVE – OUR CLIENTS

CLEAR COMMUNICATION, Safer workplaces

At WorkSafeNB, we know that clear, timely and accessible communication is key to supporting our clients, and building safer workplaces and stronger relationships with the people we serve. That's why, in 2024, we continued to evolve how we connect with workers, employers, and New Brunswickers across every channel—by listening closely, monitoring trends, and adapting our materials to meet their evolving needs.

Keeping clients informed when it matters most

To support employers in setting a strong safety tone from day one, we also updated our *Employee Orientation Guide*. Designed to help onboard new staff with a clear focus on health and safety, the guide reflects our commitment to prevention through education and practical tools.

WorkSafeNB's *New Employee Orientation Guide* helps employers meet their legal obligation to provide safety training before work begins. Covering eight essential topics, the guide includes templates for documenting orientations and developing safe operating procedures. It also answers common questions and reminds employers to tailor orientation to their specific workplace risks.

It's a practical starting point for fostering a strong safety culture from day one.



This year, we enhanced our efforts by increasing the frequency of our *ENews* from quarterly to monthly, keeping New Brunswickers updated on regulatory changes, safety tips, and resources. The response was clear: subscriptions grew from 2,800 in January to nearly 4,100 at year-end—a 46% increase in reach and engagement.

Whether it's through practical guides or real-time updates, we're committed to helping build safer workplaces across New Brunswick.





THE PEOPLE WE SERVE – OUR CLIENTS

MEETING PEOPLE WHERE THEY ARE: Social Media

Social media continues to be a powerful way to reach and engage our community. In 2024, we launched a refreshed social media strategy focused on creating timely, accessible, and action-oriented content. From incident summaries with relevant prevention resources to celebrating employee milestones, our posts are designed to inform, inspire, and connect.

We also began sharing workplace incidents on our platforms, offering context and prevention tips to help others avoid similar injuries—turning transparency into a learning tool for all.

Our reach continued to grow across all platforms:

PLATFORM	2024	2023-2024 INCREASE
	6,468	+1,614 (33%)
	8,389	+2,388 (39%)
	1,070	+153 (16%)
	618	+115 (22%)
Total	18,930	+4,295 (22%)

E-News subscriptions grew from **2,800** in January to nearly **4,100** at year-end—a **46% increase** in reach and engagement.

Communication that builds trust

Clear, timely communication isn't just good service—it's safety in action. Whether it's helping someone understand a new regulation, equipping an employer to train their team, or giving a family peace of mind after a serious incident, every message matters.

By continuing to improve how we communicate, we're not just sharing information, we're shaping a culture of prevention, trust, and care across New Brunswick.



THE PEOPLE WHO SERVE YOU

EMPOWERED EMPLOYEES, Exceptional Service



Talent Development at WorkSafeNB is about more than building skills—it's about building a workforce ready for the future.

Through targeted training, leadership development, mentoring, and succession planning, we're equipping our people with the tools they need to grow, lead, and deliver exceptional service. It's how we attract top talent, retain our best, and ensure we're always ready to meet the needs of our clients and communities.

At WorkSafeNB, we're proud to be seen as a pillar of support and health and safety experts by our clients—and just as proud to be the employer of choice for so many talented people. We know that when our employees thrive, so do the workers and employers we serve. That's why we've built a workplace where people feel supported, inspired, and empowered to do their best work.

Our flexible work arrangements, inclusive culture, and strong benefits package are designed to help our employees succeed—professionally and personally. From remote work options and compressed workweeks to meeting-free Fridays and reduced-meeting periods, we've created space for focus, balance, and growth.

We offer a comprehensive suite of benefits, including a pension plan, health and wellness programming, and an Employee and Family Assistance Program. These supports reflect our belief that when employees feel well and supported, they can better support others.

In 2024, we launched our Talent Development services, a key pillar of our Learning and Development Strategy under WorkSafeNB's broader modernization program. At the heart of it is the Talent Development Hub—a one-stop portal filled with tools and resources to help employees take charge of their own learning and career development.

THE PEOPLE WHO SERVE YOU

EMPOWERED EMPLOYEES, Exceptional Service (continued)

We introduced:

- **An Onboarding Guide** for new employees and their managers, helping new team members feel welcome, informed, and connected from day one.
- **A Talent Development Toolkit**, tailored for all stages of an employee's journey—from their first role to planning for retirement.
- **An enhanced Performance Development Plan** to support goal setting and meaningful performance conversations.
- **The GROW model**, a simple yet powerful tool that helps employees reflect on their strengths and explore future career opportunities and the steps they should take to attain their professional goals.



These tools are helping employees take charge of their development—and it's paying off. In 2024, 53 vacancies, including 15 promotions, were filled internally. Strong internal mobility means our people see a future with us, and their growth fuels the strength and continuity of the services we deliver. Referrals from current employees continue to be a major driver of recruitment, with 74.6% of new hires surveyed having heard about the opportunity from someone on our team. Our low voluntary turnover rate of 4.2% reinforces that this is a workplace where people choose to stay, grow, and contribute.

When we invest in our people, we invest in our vision. Talent Development fuels a culture of continuous learning and inclusion, drives higher engagement and performance, and prepares us for whatever comes next. By growing together, we're not just building stronger careers—we're making New Brunswick the safest place to work.

This dedicated focus on employee experience also includes wellness and safety. As we strive to promote a safety culture across the province, we uphold that same commitment within our own walls. In 2024, we recorded just one lost-time injury, reflecting the strong safety culture our employees help maintain every day. To further support well-being in flexible work environments, we introduced the Personal Safety Action Plan (PSAP)—a proactive tool that empowers remote and hybrid employees to assess their workspaces, manage risks, and make a personal commitment to health and wellness.

When we invest in our people, we invest in our clients. That's what drives us to keep building a workplace where our employees can thrive—and where their success translates into better outcomes for all New Brunswickers.

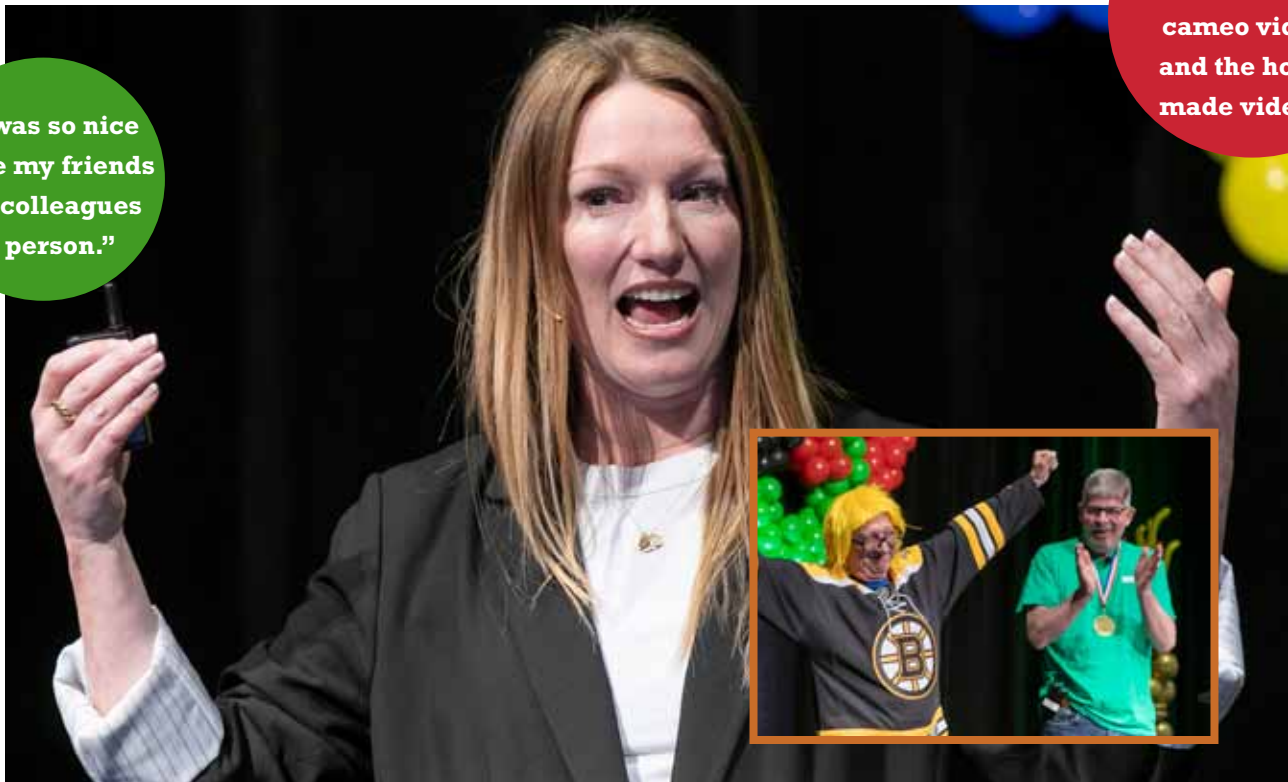
THE PEOPLE WHO SERVE YOU

A CULTURE THAT CONNECTS US

Our people are at the heart of everything we do—and that sense of connection is what makes WorkSafeNB not just a great place to work, but a great place to grow.

“It was so nice to see my friends and colleagues in person.”

“Best CONNECT ever. Love the cameo videos and the home-made videos.”



We've intentionally shaped a culture grounded in accountability, collaboration, and trust. Whether it's cross-functional teamwork or celebrating milestones together, our people consistently show up for one another and for the New Brunswickers we serve.

One of the ways we bring this culture to life is through CONNECT, our annual all-employee event that highlights our shared purpose, recognizes excellence, and strengthens the ties that connect us.

CONNECT 2024 brought together more than 384 employees at the Saint John Trade and Convention Centre for a day of energy, inspiration, and

community. The event featured a keynote by two-time Olympic gold medalist Heather Moyse on resiliency and a heartfelt panel on Psychological Traumatic Injuries (TPI)—two topics that are essential to the well-being of our workforce and directly connected to our work and our clients.

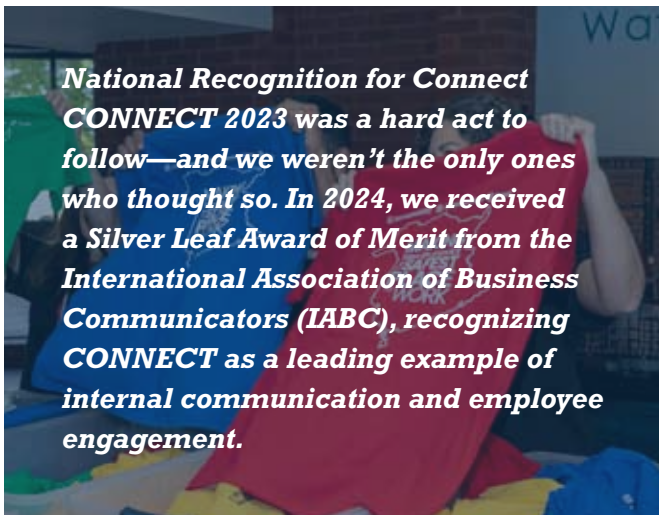
A highlight of the day was our evening ceremony, where we honoured 15 retirees and celebrated 88 service milestones—moments that reflect the dedication and longevity of our workforce. In fact, in 2024, 90% of retirement-eligible employees chose to stay, a powerful indication of their continued belief in our mission and workplace.

THE PEOPLE WHO SERVE YOU

A CULTURE THAT CONNECTS US (continued)



“Kudos to the whole planning committee. The atmosphere was amazing. The attention to detail with the theme was truly unbelievable.”



*National Recognition for Connect
CONNECT 2023 was a hard act to follow—and we weren't the only ones who thought so. In 2024, we received a Silver Leaf Award of Merit from the International Association of Business Communicators (IABC), recognizing CONNECT as a leading example of internal communication and employee engagement.*



THE PEOPLE WHO SERVE YOU

COMMUNITIES FIRST: Living Our Values

At WorkSafeNB, living our values means showing up—not just for each other, but for our communities.

In 2024, our employees once again led with generosity, raising funds, sharing knowledge, and connecting with New Brunswickers where it matters most. Their actions reflect the kind of organization we are: one that listens, gives back, and puts people first.

Each spring, we lace up for the Steps for Life Walk, standing in solidarity with families affected by workplace tragedies. In 2024, more than 200 employees participated across Saint John, Fredericton, Dieppe, and Bathurst, raising close to \$6,000—a new record. It was a powerful reminder of the compassion and commitment that define our team.



THE PEOPLE WHO SERVE YOU

LEADING WITH HEART: Community in Action



WorkSafeNB employees attend the United Way luncheon in Saint John.

Our generosity continued through our United Way campaign, where employees raised over \$16,000, exceeding our fundraising goal and bringing total contributions to over \$83,000 since 2016. From bingo games and 50/50 draws to cake raffles and pool nights, we turned small moments into meaningful impact—and had some fun along the way.

But community connection isn't just about fundraising—it's about outreach, education, and listening.

This spring, our team participated in three major home shows in Fredericton, Moncton, and Saint John, engaging directly with the public to promote health and safety in everyday life. We offered guidance on ergonomics in home offices and educated homeowners about safety obligations when hiring contractors. Visitors signed up for our monthly e-newsletter and entered a draw for an ergonomic office chair, helping us extend our reach beyond the show floor.



THE PEOPLE WHO SERVE YOU

LEADING WITH HEART: Community in Action (continued)



Our health and safety consultants also continued their outreach across the province—sharing tools, resources, and personalized advice at key events like:

- **The Association of Municipal Administrators of New Brunswick (AMANB) conference** in St. Andrews, where they facilitated conversations through the interactive World Café.
- **The WorkSafeNB Health and Safety Conference** in Fredericton, where staff from across our Prevention Division showcased new initiatives and engaged with participants from all sectors.
- **The CPHR Atlantic Conference** in Fredericton, where over 200 human resources professionals learned more about how our services support safer, more inclusive workplaces.



THE PEOPLE WHO SERVE YOU

LEADING WITH HEART: Community in Action (continued)



We also continued to learn from our partners in care. A visit to the Atlantic Centre for Upper Limb Prosthetics (ACULP) at UNB gave our team a firsthand look at the latest in rehabilitation technology—from virtual reality labs to mobility simulations. These insights will help us better support clients as we transition to a new service delivery model focused on critical injuries and recovery outcomes.

Together, these efforts show what happens when we lead with heart: stronger relationships, deeper understanding, and greater impact for the communities we serve.



As part of Bird Construction's Safety and Health week celebration, I was invited by Cody Arnold to give a presentation on WorkSafeNB Prevention Services and I was also given a tour of the jobsite. Thank you Cody for the invite.

THE PEOPLE WHO SERVE YOU

LEADING WITH HEART: Community in Action (continued)

Founded in 1967, Safety Services New Brunswick is a not-for-profit charitable organization committed to health and safety education, training, consultation, and advocacy. Safety Services New Brunswick recognizes the expertise of WorkSafeNB and we are often invited as guests on their podcasts.



Safety Services **Services de Sécurité**
NEW BRUNSWICK NOUVEAU-BRUNSWICK

with Johannes Doemer, PhD, ROH
Occupational Hygienist
WorkSafeNB

NEW EPISODE
PODCAST

"Hearing Conservation"

Tune-in to listen to this informative interview with Johannes Doemer on the topic of hearing conservation.

LISTEN NOW

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Check out our website!
www.ssnb.ca/podcast



Safety Services **Services de Sécurité**
NEW BRUNSWICK NOUVEAU-BRUNSWICK

PODCAST
NEW EPISODE

"Silica - The New Asbestos of this Decade"

Tune-in to this panel discussion to learn about "Silica" and a new control tool acquired by NBCSA for detecting it to ensure the health and safety of workers engaged in silica dust-producing processes.

Johannes Doemer
Occupational Hygienist
WorkSafeNB

Ellen Brown
Occupational Hygiene
WorkSafeNB

Roy Silliker
General Manager/CEO
NBCSA

Check out our website!
www.ssnb.ca/podcast

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Safety Services **Services de Sécurité**
NEW BRUNSWICK NOUVEAU-BRUNSWICK

with Angela Francoeur
Director, Regulatory Review & Training

WORKSAFE NB
TRAVAIL SÉCURITAIRE

NEW EPISODE
PODCAST

"New CSA First Aid Regulations"

Tune-in to hear Angela Francoeur, Director of Regulatory Review & Training with WorkSafeNB, discuss what you need to know about the new CSA First Aid Regulations in New Brunswick, and what it means for your organization.

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Safety Services **Services de Sécurité**
NEW BRUNSWICK NOUVEAU-BRUNSWICK

with Adam Donnelly, CRSP
Area Superintendent - Health, Safety Environment (HSE)

REDPATH

NEW EPISODE
PODCAST

"Mental Health Depression, EAP Programs & Seasonal Affective Disorder"

Tune-in to hear Adam Donnelly discuss Mental Health Depression EAP Programs and SAD (Seasonal Affective Disorder) which are currently serious issues in underground mining.

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Listen on YouTube

Check out our website!
www.ssnb.ca/podcast

A LIFETIME COMMITMENT TO SAFETY: Celebrating Darrel Nickerson – A Safety Star

For nearly three decades, safety has been more than just a job for Darrel Nickerson—it's been a calling. With 29 years dedicated to workplace health and safety and a 35-year tenure with JD Irving, he has played a pivotal role in shaping safety culture across multiple industries, from trucking and transportation to pulp and paper.

Darrel's safety journey began in the trucking industry, where compliance was the driving force behind safety practices. However, a turning point came in 2010 when he transitioned into a corporate safety role, gaining exposure to various industries. "I realized that most businesses face similar challenges when it comes to safety," he explains. This broader perspective led him to deepen his knowledge in health and safety, with a strong focus on risk management—an essential foundation for preventing workplace incidents.

When it comes to fostering a strong safety culture, Darrel believes trust is the key ingredient. "A company's safety culture is often a reflection of its overall culture. If there is a lack of trust or participation, the same will be seen in safety initiatives," he said.

For organizations looking to strengthen their safety culture, Darrel emphasizes the importance of leadership commitment and follow-through. "You need to believe in what you are doing and build trust among workers and management. Without trust, safety is hard to manage."



His advice to new workers is simple but critical: never be afraid to ask questions. "One question you don't ask could lead to an injury. And nobody wants that." Encouraging open communication and curiosity, he underscores that knowledge and awareness are the first lines of defense against workplace hazards.

Throughout his career, he has worked closely with WorkSafeNB in various roles, from serving on conference planning committees to being a part of the Health and Safety Leadership Network. He strongly advocates for businesses to collaborate with WorkSafeNB's safety officers and education consultants. "We all have the same goal—making New Brunswick the safest place to work. Partnering with WorkSafeNB is a great step toward achieving that."

A LIFETIME COMMITMENT TO SAFETY: Celebrating Darrel Nickerson – A Safety Star



WorkSafeNB recognized Darrel's passion and leadership with a Safety Star Award during our Annual Health and Safety Conference in October 2024. He said receiving the Safety Star Award was an immensely proud moment for him. "It means the world to me to be recognized by WorkSafeNB and my peers. It's incredibly humbling, and I'm deeply grateful." He also expresses his appreciation for JD Irving's support throughout his career, which enabled him to learn, grow, and pass on his knowledge to others.

For those considering a career in safety, his advice is clear: "Build your network, reach out, and connect with passionate people in the field. Safety is a fantastic and rewarding career, and the more we share our knowledge, the safer our workplaces will be."

Although retired from JD Irving on December 31, 2024, Darrel's commitment to workplace safety is still steadfast. He continues to shape New Brunswick's safety landscape as a board member for Safety Services NB and the Board of Canadian Registered Safety Professionals, as well as an instructor for the University of New Brunswick's Occupational Health and Safety Diploma Program.

Additionally, he has launched DKN Safety Services, a consulting and training company dedicated to keeping workers safe.

Reflecting on his career, he acknowledges the role of lifelong learning and continuous improvement.

"Technology is constantly changing, regulations are evolving, and we need to stay ahead to ensure workers have the right systems in place to stay safe."

With an enduring dedication to making New Brunswick the safest place to work, live, and play, Darrel Nickerson exemplifies what it means to be a true Safety Star.

PREVENTION



Together, we'll prevent workplace injuries, illnesses, death, and disability.

Prevention is the foundation of everything we do because safer workplaces benefit everyone. When we prevent injuries, businesses thrive, workers stay healthy and New Brunswick's economy grows. That's why we invest in education, awareness and proactive solutions—helping employers and workers take meaningful steps to stay safe. And when injuries do occur, we focus on preventing disability by supporting recovery and safe stay-at-work and return to work.

Performance pays when prevention comes first, and our efforts are making a real impact. By working together, we're not just reducing injuries; we're building a culture where every worker returns home safely every day. We're making New Brunswick the safest place to work.



OBJECTIVES



Strengthen accountability and effectiveness by offering the right services, at the right time and place, delivered by the right people.



Influence a culture of safety, stay at work and early return to work in New Brunswick workplaces.



Leverage the capabilities, expertise and accessibility of our service provider networks and strategic alliances.



KEY STRATEGIC MEASURES

THE HEALTH AND SAFETY INDEX

The Health and Safety Index (HSI) was developed to measure the overall health and safety of New Brunswick's workplaces, based on four components—prevention, empowerment and workplace culture, enforcement, and injuries—supported by 12 health and safety metrics. Each component is equally weighted at 25% to provide a broad snapshot of system performance.

In 2024, we saw a slight decrease in the HSI, following a notable improvement in 2023. While the overall index saw a modest decline, a closer look at the data shows that most areas remained stable, except for enforcement activities, which experienced a measurable increase.

This increase can be attributed to strategic investments in our enforcement capabilities. Over the past year, WorkSafeNB successfully hired seven new health and safety officers—filling existing vacancies and adding three new positions to our team. With greater capacity, we were able to conduct 534 more workplace inspections across the province. This resulted in an increase in the number of orders issued, reflecting our improved ability to proactively identify and address risks.

Importantly, this enhanced capacity for inspections has already shown positive outcomes. Both the total injury frequency and severe injury frequency have declined, which is an encouraging sign that our targeted interventions are having the intended effect.

While the current HSI reflects the growing pains of scaling enforcement, we believe these efforts will lead to safer workplaces as we continue to work collaboratively with New Brunswick employers.

While the HSI has helped guide our efforts over the past several years, we recognize its limitations. Factors such as New Brunswick's growing workforce can unintentionally influence the results, making year-over-year comparisons less reliable even when real improvements, like reduced injury frequency, are achieved.

To better focus on the measures that matter most, we will introduce new key performance indicators (KPIs) in 2025: total injury frequency and injury severity. These indicators are critical because they directly reflect the number of workplace injuries and their impact on workers' lives and recovery. They provide a clearer, more accurate measure of how safe workplaces are—and where we need to focus our efforts to prevent injuries and reduce disability.

PERFORMANCE INDICATORS



PREVENTION

- ▶ Safety support
- ▶ Mental health
- ▶ Prevention activities



INJURIES

- ▶ Injuries
- ▶ Severity
- ▶ On benefits



EMPOWERMENT AND WORKPLACE CULTURE

- ▶ Worker environment
- ▶ Awareness
- ▶ Leadership
- ▶ Workplace culture



ENFORCEMENT

- ▶ Composite order score
- ▶ Proportion of non-planned inspections

KEY STRATEGIC MEASURES

PERCENTAGE OF WORKERS OFF CLAIM

At 90 days

2022	2023	2024
69.1%	66.6%	65.0%

At WorkSafeNB, helping injured workers recover and get back to work safely is central to everything we do. That means building a strong safety culture and ensuring that when injuries do occur, we're doing everything we can to prevent long-term disability after an injury.

One way we measure our impact is by tracking return-to-work progress at the 90-day and 180-day points after an injury. These early milestones help us understand how effective our support systems are and where we might need to adjust to better meet workers' needs. It's not just about the numbers—it's about making sure people get the help they need, when they need it.



At 180 days

2022	2023	2024
82.5%	80.4%	80.9%

This year, results remained relatively stable, with a slight decrease at the 90-day mark and a slight increase at 180 days. Looking ahead, we will continue to monitor 90-day outcomes internally but will focus our key reporting on the 180-day measure. This better reflects the realities of recovery timelines—particularly for more complex injuries—allowing us to set meaningful goals that align with workers' experiences.

Maintaining stable results is important, especially as we respond to an increase in traumatic psychological injuries (TPI), which rose from 227 in 2023 to 255 this year. Psychological injuries are often more complex and can involve longer recovery timelines. Stability in our outcomes, even with this growing challenge, shows that the foundations we've built are strong—but we know there's more work to do.

We're confident that as our new service delivery models mature and our investments in technology continue as part of our modernization efforts, we will strengthen support for all injured workers—both physical and psychological—and help even more people return to health and meaningful work.

Besides the HSI and the percentage of workers off claim, several other key metrics guide where we must concentrate our efforts and act—namely, lost-time injury frequency, severe injury frequency, open and closed claim duration, and compliance—all of which are highlighted in this Prevention chapter.

NEW BRUNSWICK: Canada's Safest Place to Work

**In 2024, New Brunswick achieved what once felt
out of reach—we became the safest place
to work in Canada.**



According to data released by the Association of Workers' Compensation Boards of Canada (AWCBC), New Brunswick posted the lowest lost-time injury (LTI) frequency in the country: 933.62 claims per 100,000 workers. We stood alone as the only province or territory to report a rate below 1,000.

A separate analysis by Preszler Injury Lawyers, using Statistics Canada data, confirmed what we already knew: New Brunswick leads the nation in workplace safety.

This milestone builds on progress made in 2023, when we achieved the lowest LTI rate in our province's history at just 1.0 per 100 workers. In 2024, we sustained that achievement. These are not just numbers—they represent thousands more New Brunswickers returning home safe at the end of each day.

But the path to this point wasn't easy. Just a few years ago, our province faced rising injury rates, soaring premiums, and longer claim durations, while navigating significant legislative change. It would have been easy to retreat. Instead, we refocused. We doubled down on what matters most: prevention.

NEW BRUNSWICK: Canada's Safest Place to Work

This success was earned through years of hard work, collaboration, and a relentless focus on keeping people safe. It reflects the commitment of New Brunswickers, our workers, employers, industry associations, and the dedicated team at WorkSafeNB, who came together to build safer workplaces across our province.

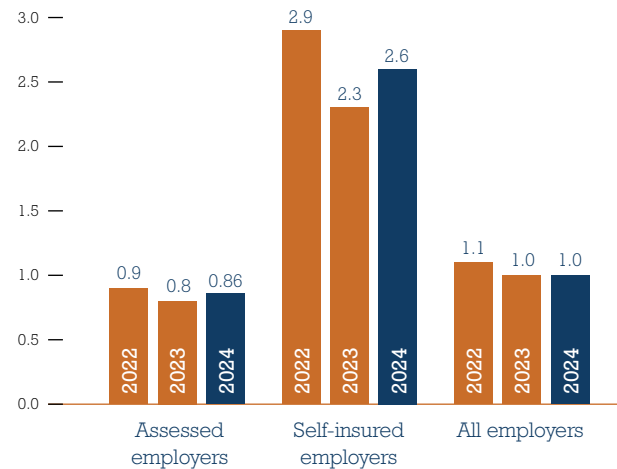
Each percentage point of improvement represents something real: fewer injuries, fewer disruptions to families and communities, and more people getting home to the lives they love. It's a testament to what's possible when we lead with prevention and act with purpose.

And while this is a moment to celebrate, it's also a reminder of our shared responsibility. Because our vision doesn't end here. It continues, one safe workday at a time, with a goal that remains as ambitious as ever: zero injuries.

New Brunswick is now officially the safest place to work in Canada. And we're just getting started.

LOST-TIME INJURIES FREQUENCY

As at March 31, 2025



But this is not the end of the journey. We're proud of what we've accomplished, but our goal remains zero injuries. We'll use this momentum to go even further by adopting new technology, strengthening partnerships, and continuing to raise the bar for workplace health and safety.

New Brunswick is now Canada's safest place to work. And we're just getting started.



THE HUMAN IMPACT IN NUMBERS: Workplace injuries and illnesses

Injury Claims


6,280 total injuries

68%

Lost-time
claims

0.1%

COVID-19
related

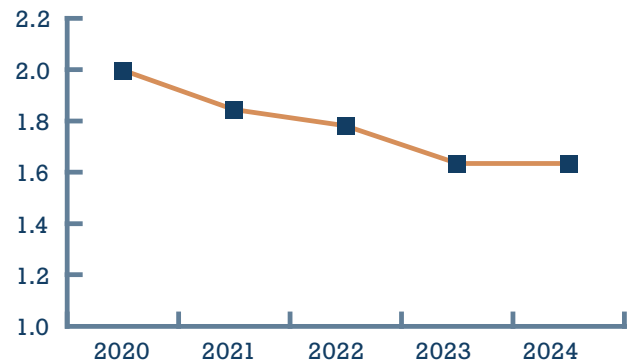
 **As of**
March 31,
2025

Most Injuries by age group

45-54



Injury Frequency 2020-2024



Common Injuries

Injury Types:

Sprains, strains, tears	48%
Cuts or bruises	9%
Fractures	8%

Causes:

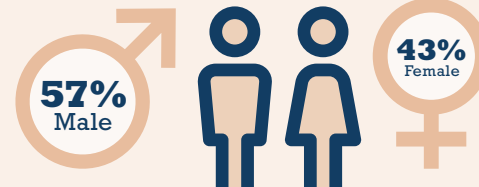
Bodily reaction or exertion	39%
Slip, trip or fall	17%
Struck by or against object	15%

Parts of the body:

Back	18%
Shoulder	10%
Legs	9%



Injuries by gender:



Most Injury Claims

Occupations:

15% Nurses and related	11% Teachers / labourers (11% each)	6% Truck drivers
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Industries:

25% Healthcare and Social Assistance	20% Public Administration	14% Manufacturing
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THE HUMAN IMPACT IN NUMBERS: Workplace fatalities

Fatal Injury Claims: 14

Injury to fatality ratio 449:1

7

Workplace incidents



3

Motor vehicle incidents

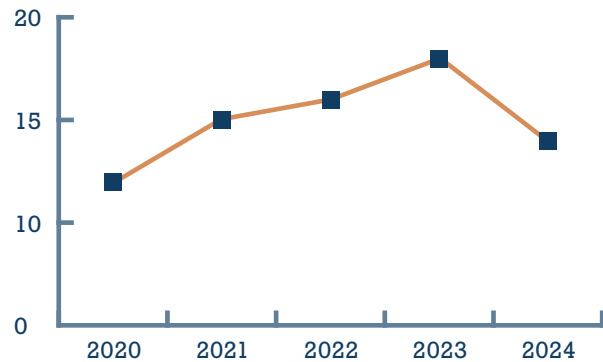


4

Occupational diseases



Fatalities 2020-2024



Highest fatalities – Industry

Industries:

43%

Public administration*



14%

Construction trades helpers and labourers



14%

Agriculture, forestry, fishing, hunting



*Public administration spans nearly all areas of government and includes a wide range of occupations, from transportation to construction and beyond.

Highest Fatalities – Occupation

Occupations:

29%

Firefighters



14%

Construction trades helpers and labourers



14%

Truck drivers

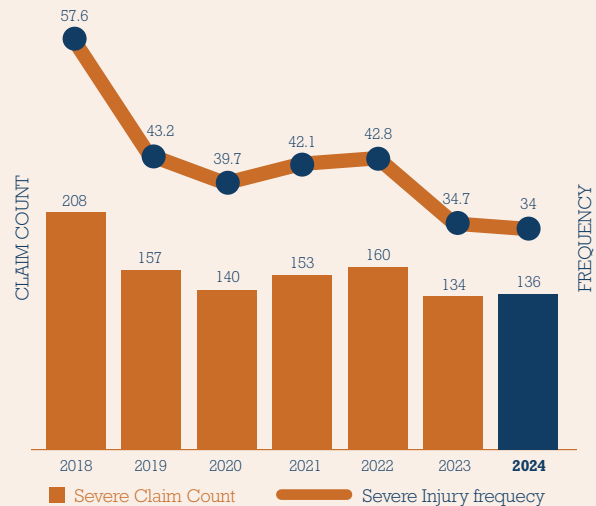




INJURY SEVERITY

Under our 2025-2029 strategic plan, we will adopt two new Key Performance Indicators (KPIs): total injury frequency (that will include both lost-time and no lost-time injuries) and severe injury frequency* (life altering or fatal injuries). These KPIs are critical because they directly reflect the number of workplace injuries and their impact on workers' lives and recovery. They are also part of the Health and Safety Index and will help provide a more accurate measure of the overall health and safety of New Brunswick's workplaces.

*Severe injury frequency is the total number of severe injuries (an injury that is life-altering or fatal) that occurred in the calendar year, as a percentage of the number of workers in New Brunswick for the year, per 100,000.



REMEMBERING THOSE LOST TO injuries and illness in 2024

Every day in New Brunswick, workers head to their jobs expecting to return home safely. But tragically, in 2024, 14 New Brunswickers did not. These were not just numbers—they were people with families, aspirations, and futures. They were parents, spouses, and friends, taken far too soon, leaving an unfillable void.

Of these fatalities, seven were acute fatalities, resulting from sudden and traumatic events such as falls or crushing injuries.

The other seven fatalities were due to occupational disease or the long-term effects of previous injuries. These deaths highlight the ongoing danger of diseases such as mesothelioma and silicosis, which often take years or even decades to manifest. Despite years of progress and legislation aimed at

mitigating such risks, these fatalities show that more work is needed to protect workers from the hidden hazards of their environments. We are committed to pushing for stronger measures and legislative updates that will better protect those at risk of occupational disease.

These workplace fatalities are unacceptable. We cannot be complacent in the face of these preventable deaths. Every fatality is a reminder that we must do better. As a community, we must continue to hold ourselves accountable—creating safer workplaces, adhering to rigorous health and safety standards, and ensuring that every worker returns home safely.

REMEMBERING THOSE LOST TO injuries and illness in 2024 (continued)

Although we remember those who have lost their lives every day, we honour them every year on April 28 – the National Day of Mourning and renew our commitment to making New Brunswick the safest place to work.

In 2024, WorkSafeNB marked the Day of Mourning with lowered flags, a moment of silence, and a virtual internal ceremony featuring guest speaker Diane Henderson, who bravely shared the story of losing her son Michael in a tragic workplace drowning.

Across New Brunswick, WorkSafeNB staff participated in ceremonies from Saint John to Restigouche, laying wreaths and honouring workers who didn't return home.



SHORTER CLAIMS, STRONGER RECOVERIES: Claim Duration Hits Five-Year Low

In 2024, we continued to make meaningful progress in helping injured workers return to work sooner. The average duration of open claims dropped to 259.8 days, down from 284.8 days in 2023—marking the lowest it's been in five years. The average closed claim duration also significantly improved, falling to 86.6 days from 93.5 days the year before—the best result since 2017.

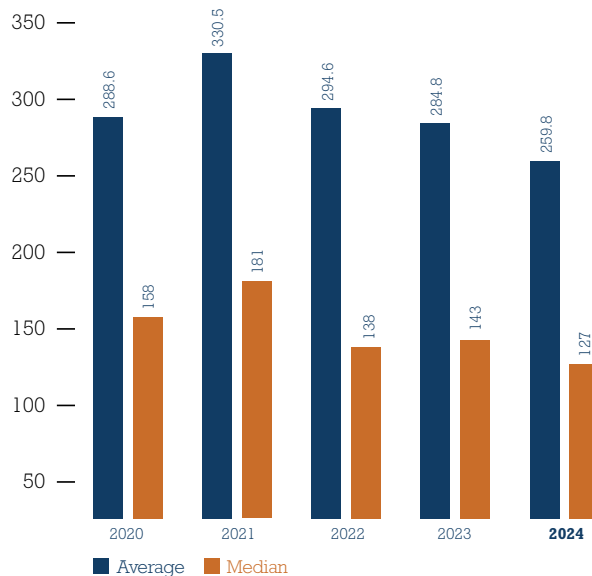
These results reflect deliberate improvements in how we support recovery and reduce work disability. We've embedded early intervention more deeply into how we help injured workers, through programs like Direct Referral to Physiotherapy, Stay at Work Support, and our Early Intervention Program.

We've also made gains by strengthening our partnerships with employers, service providers, and safety associations, all of whom share our belief understand that “getting back is part of getting better.”

The shift to sector-based claims management has enabled stronger, more consistent collaboration with employers and tailored support for the unique challenges and needs of each industry. This approach has not only improved communication and co-ordination but has also resulted in better outcomes for injured workers and their employers. Our new WorkForce Re-entry Service Delivery Model is another key driver, offering early vocational intervention for workers and prompt access to high-quality services to prevent work disability, reducing time away from work.

Faster, more timely decisions have also played a key role. For acute injury claims with a clear cause, we reached a first decision within 14 days in 93% of cases in 2024, up from 79% in 2023. That means decisions are being made faster on average—ensuring support reaches injured workers sooner.

CLAIM DURATION FOR OPEN CLAIMS



Behind every data point is a worker—and a life on pause. That's why we continue to push for faster care, better recovery, and safer returns to work. Because at WorkSafeNB, we believe every day matters—and every worker deserves the chance to get better, faster. These improvements are guided by our belief that getting back is part of getting better and a culture where we embrace that “each day matters.” Informed by data and driven by outcomes, we're achieving the results that matter most to our stakeholders: faster care, better recovery, and earlier and safe return to work.

FROM HEARTBREAK TO HOPE: **How Lee Russell Turned Tragedy into Advocacy**

A voice for change



Lee and Bill Russell had a storybook life.

They knew each other since childhood where they made friends over a shared love of hockey cards at recess and began dating in high school. They went on to get married, raise three daughters and, in 2018, became grandparents.

"He was a family man. That's plain and simple. He was just meant to be a father," Lee said of Bill. "We had one grandchild, and he doted on him. Ellis was the apple of his eye. He would do anything for that boy."

But their simple lives took a tragic turn on February 1, 2021.



Bill went to his job of more than 30 years at Marwood Ltd., in Tracyville, N.B., just south of Fredericton. He volunteered to help his colleague and best friend, Mike, move containers of chemicals used to treat lumber ahead of a forecasted winter storm. Meanwhile Lee, a program consultant at the Department of Education and Early Childhood Development, was in the middle of taking an exam for her statistics course.

"I got a phone call from Mike, Bill's supervisor, who said there was an accident, and I should go to the hospital, and that was it," Lee said.

"So, I really had no idea what had happened. For all I knew, he broke an ankle, broke a leg or something. There was no real indication that it was anything more serious."

FROM HEARTBREAK TO HOPE: How Lee Russell Turned Tragedy into Advocacy

What Lee was about to learn was that Bill had suffered neurological damage, a collapsed lung and damage to his liver, spleen and kidneys when a 2,000-kg container of chemicals slipped off a roll case in a warehouse and crushed him.

On her way to see her husband, Lee suffered an injury of her own. She slipped and fell on a set of icy steps, badly breaking her wrist.

After getting a lift from a friend, Lee was waiting to get into the emergency department in Fredericton (due to Covid-19 restrictions) when she got a call from a social worker at the hospital, who got Lee in and helped her get treatment on her wrist while she learned more about the severity of Bill's condition.

"It was a blessing at that point because (during the Covid-19 pandemic), I wouldn't have been able to spend time with Bill," she said. "But everybody in the hospital knew our story by now, so I was able to spend time with him (even though he was still unconscious). But even then, we didn't really realize how serious it was."

Within days, he was transferred to a hospital in Saint John where he was to undergo dialysis on his damaged kidneys.



"Sometimes we were under the impression that he would be stabilized with the dialysis and would get a kidney transplant, and would, in my mind, after a few months in rehab, come home. So, in my mind, we were figuring what do we need to do? Are the doorways wide enough? How do we build a wheelchair ramp, if needed? All these things are going through our minds about how to prepare to get him home."

But Bill wouldn't make it home.

He died in the early morning of February 11, 2021, without ever regaining consciousness. He was 51.

WorkSafeNB was involved in Bill's case immediately after the incident on February 1 and worked closely with Lee and her family during the following months.

"The WorkSafeNB investigator was amazing. He was very thorough. He updated us as much as possible. He came to the house and informed us that the company was going to be charged, and he walked us through his findings from his investigation. He was very open to us having whoever we needed be there with us as a support."

The company was charged in June 2021 and later in that year, after pleading guilty, were fined \$85,000 – a sum that Lee said she still struggles with.

"I remember walking out thinking, 'Bill's life is only worth \$85,000?' It was hard."

FROM HEARTBREAK TO HOPE: How Lee Russell Turned Tragedy into Advocacy

After losing Bill, Lee took time off work to focus on her family as they worked through their grief, while also allowing her wrist to heal.

When she was able to return to her job, it offered a welcome reprieve.

"Throwing myself back into work was a godsend, and I was very thankful to have my work to come back to. Bill was never here. He didn't come into my office. So, this is a place where I can come and focus on the work and it's all about me."

In the year following Bill's death, Lee attended a couple of different support groups to deal with her grief and found some much-needed help. But something clicked when WorkSafeNB shared information with her about Threads of Life – a Canadian charity focused on supporting families after a workplace fatality, life-altering injury or occupational disease.

"I'm not somebody that sits in public and cries and tells my story, but suddenly I had this feeling that this is where I needed to be, that these were going to be my people."

But Lee admits she wasn't prepared for the emotional journey she had begun.



"I did not understand what that first night was going to be. I knew that I was to bring a picture. I didn't know the reason why or what was going to be done with the picture. So, it wasn't until the fourth or fifth person had gotten up with their picture, walked over alone to the table, placed the picture on the table and lit the candle that I realized, oh my gosh, I'm going to have to do this. I'm going to have to walk up in front of all these people.

"Of course, I did it, cried, and got through it. And then at the end of the night, I looked at the table, and there were, probably four or five eight-foot tables put together full of photos and lit candles.

"That's how many people were there, remembering their loved one or honouring themselves, if they'd been injured. It was just so heavy to think how many people are affected all the time by preventable incidents, and as alone as I've been feeling, suddenly I wasn't anymore."

Having made such a meaningful connection, Lee still works with Threads of Life and will be attending her fourth Atlantic Canada event this year. She even began mentoring new attendees in 2024.

"I made sure that the family that I was welcoming in last year understood exactly what was going to happen, so that they could take that deep breath and say, 'okay, I know that I'm going to have to get up and I'm going to have to walk in front of people, and I'm going to have to do this, and it's okay to cry, because everybody is crying.'"

She also volunteers as a speaker for Threads of Life and said doing so has allowed her to have many meaningful moments and continue to share Bill's story.

"I went back to the Threads of Life table (after one speech), and during the lunch hour, this massive man came up to me, and he said, 'You spoke.' I said, 'I did.' He said, 'I'm a man. I work in construction. I drive a truck. You made me cry.' Wow. And that sticks with me, because this is a man that if he were coming toward me on the sidewalk at night, I'd probably cross the street – and he had raw emotion on his face. And I think the impact of telling these stories, as hard and as heartbreaking as it is, it could be saving a life."

PREVENTION AT EVERY STAGE

BEFORE AND AFTER INJURY

We are committed to preventing workplace injuries, illnesses, and fatalities—and to reducing their impact by preventing disability. Our programs help employers and workers take practical steps to create safer workplaces and support a safe return to work. Returning to work after an injury can speed recovery, maintain productivity, and lower costs. Together, we are making New Brunswick a safer place to work.

Silica Risk? There's a Tool for That

Respirable silica, a common and serious health hazard especially in the construction industry, can cause life-threatening illnesses like silicosis and

lung cancer when inhaled as fine dust. To help protect New Brunswick workers, WorkSafeNB partnered with the New Brunswick Construction Safety Association to launch the Silica Control Tool in September 2024. This free, user-friendly, data-driven online resource allows employers to estimate the amount of respirable silica generated by specific tasks, explore control options to reduce exposure, and automatically generate an Exposure Control Plan outlining expected exposure levels, selected controls, and required respiratory protection. By helping workplaces assess and manage silica risks without the need for costly testing, the tool represents a major step forward in safeguarding workers' health.



Welcome to the New Brunswick Silica Control Tool™

This project is made possible through funding by



IMPROVING SAFETY in the Fishing Industry

Commercial fishing is one of the most dangerous jobs in New Brunswick. That's why WorkSafeNB was thrilled when new legislation came into effect in late 2022, recognizing fishing vessels as workplaces under the Occupational Health and Safety Act. This means boat owners and captains are now legally responsible for the safety of their crews, just like any other employer.

To give the industry time to adjust, we focused on education and outreach before enforcement began on June 1, 2024. Over the past two years, we've worked closely with fish harvesters, helping them understand their rights and responsibilities.

We held overboard rescue drills in Caraquet and Shippagan in 2023, and in Grand Manan and Back Bay in 2024. These demonstrations show life-saving techniques in actual overboard scenarios. These demos were well-attended by fish harvesters, families, and industry reps. They also sparked honest, productive conversations—transforming what were once tough discussions into real collaboration.

Our team visited wharfs, attended major events like the Fish Canada Tradeshow and MFU AGM, and hosted town halls with local fishing associations. We also created resources like safety checklists, fact sheets, posters, and a dedicated online portal to support the transition.



*"The risk of working on the water is not coming home at night.
That's everybody's main goal, come back safe and bring your crew back."*

Larry Cook, fishing vessel captain

IMPROVING SAFETY **in the Fishing Industry** **(continued)**



By the time the new rules officially took effect in June 2024, the industry was more informed and better prepared. And we're continuing to support them with a consultative approach—because the goal is simple: make sure everyone goes home safe at the end of the day.

“Building relationships and trust in small coastal communities depends on showing up in person. Having WorkSafeNB come to one of our wharfs to do an overboard demonstration, then stay to discuss marine safety with fish harvesters builds bridges that will lead to a more robust safety culture on the water.” *Mishona Collier, Fundy North Fishermen’s Association*

PROTECTING ALL **WORKERS,** **including Temporary** **Foreign Workers**

With the number of temporary foreign workers in New Brunswick continuing to grow, it's more important than ever to support their health and safety on the job. We targeted efforts on high-risk sectors like commercial fish processing and potato farming, where these workers are a vital part of the workforce.

In 2024, we conducted 33 inspections in fish processing facilities, leading to a 52% increase in safety orders issued and helping drive a 23% drop in workplace incidents compared to 2023. These actions show that proactive engagement delivers results and that when we invest in prevention, everyone benefits.

Beyond enforcement, we are investing in breaking down barriers to safety. Through feedback from our well-received panel on international workers at our annual Health and Safety Conference, and ongoing conversations with industry stakeholders, we gained valuable insights into the cultural and communication challenges workers face, such as the challenges posed by language differences, diverse health and safety expectations, and the hesitancy to voice concerns at work.

We are proud to offer safety resources, such as a web page and informational pamphlets, in multiple languages, including Arabic, Korean, Mandarin, Spanish and Ukrainian. These resources help ensure every worker, no matter their background, has the tools to stay safe.

WORKSAFENB'S 2024 HEALTH AND SAFETY CONFERENCE: Our Best Yet



From October 2 to 4, more than 680 people came together at the Fredericton Convention Centre for WorkSafeNB's 41st annual Health and Safety Conference—and it's safe to say it was our best one yet.

With 28 breakout sessions, two plenary sessions, and 29 exhibitors, there was something for everyone. Topics ranged from leadership and mental health to AI and industry-specific hazards. Feedback was overwhelmingly positive, with participants calling the speakers "amazing," the content "relevant and engaging," and the event "the best conference yet."

The keynote speakers were a major highlight. Former NHL goalie and mental health advocate Clint Malarchuk opened the conference with a powerful story of resilience, while astronaut Colonel Chris Hadfield closed it out with insights on leadership, teamwork, and staying calm under pressure. Both speakers left a lasting impact.

*This was the best conference yet. The sessions were very well picked.
The presenters were engaging, relevant and interesting*



Former NHL goalie Clint Malarchuk experienced a career-ending injury in 1989 when a skater's blade slashed his neck. After battling mental health challenges, including OCD, depression, and alcoholism, Clint became a powerful advocate for mental health awareness. In his keynote, he shared strategies for overcoming personal challenges and promoting a psychologically safe workplace.

WORKSAFENB'S 2024 HEALTH AND SAFETY CONFERENCE: **Our Best Yet** (continued)



Chris Hadfield became a global sensation as the commander of the International Space Station, making space accessible through his daily podcasts. Surrounded by life-threatening safety concerns, he focused on managing stress, solving problems, and leading with optimism. In his keynote, he shared insights on leadership, resilience, and building strong, collaborative teams.



Delegates also appreciated the chance to network, explore the trade show, and connect with others who are passionate about workplace health and safety.

At WorkSafeNB, we believe education is key to preventing injuries. This conference is one of our most important tools to help build safer workplaces—and we're proud to see the difference it's making. New Brunswick now has the lowest injury frequency rate in Canada. Together, we're creating a culture where safety comes first, and performance pays.

FREE E-COURSE LAUNCHED TO ADDRESS domestic violence in the workplace

A safe workplace means protecting workers from all forms of risk – including those that may arise from outside the workplace. In 2014, WorkSafeNB partnered with the New Brunswick Domestic/Intimate Partner Violence (DIPV) in the Workplace Committee to launch a new resource titled *It's Your Business: A Domestic and Intimate Partner Violence (DIPV) Workplace Toolkit*.

The free five-module e-course, available in both English and French, was created to give all workplace practical tools to recognize the signs of domestic and intimate partner violence, respond appropriately, and support those at risk.

It also helps workplaces understand their rights and responsibilities with respect to addressing domestic and intimate partner violence in the workplace and helps create a safer and more positive work environment.



WorkSafeNB was proud to take an active role in developing this important resource, as part of our broader commitment to workplace safety. It builds on previous efforts like the *Breaking Workplace Silence* toolkit to help employers to better understand the impact of domestic violence in a remote work context. When workers feel safe, supported and protected, everyone benefits. Addressing domestic violence in the workplace isn't just the right thing to do, it's critical to creating safer, healthier workplaces across New Brunswick.

DIPV Toolkit



STAYING AHEAD OF THE SPARK: **Preventing Combustible Dust Explosions**

Wood dust is more dangerous than it looks. If it builds up and isn't properly cleaned, it can catch fire or explode. After two tragic explosions in British Columbia that caused several deaths and serious injuries, WorkSafeNB took action to prevent it from happening here.

In 2024, we launched Phase 2 of our combustible dust initiative. While Phase 1 focused on larger sawmills, this new phase targeted smaller sawmills and wood product manufacturers. We saw strong participation in training and a clear commitment to safety. Most of the issues we found were minor, showing the industry is better prepared.

Our work didn't happen in isolation—we partnered with the New Brunswick Forest Safety Association to support employers and workers. Regular inspections and one-on-one conversations helped raise awareness, share best practices, and build a stronger safety culture.

Combustible dust isn't just a sawmill issue. It's a risk in pellet plants and other wood processing facilities across the province. Preventing dust-related fires and explosions takes a long-term, team effort. Employers and workers need to work together to spot hazards and keep dust from collecting, especially in hidden or hard-to-clean places.

WorkSafeNB plays an important role in this, offering guidance, tools, and support to help workplaces stay safe and compliant. The work done in 2024 builds on efforts that began back in 2017—and it doesn't stop here. We'll continue to monitor progress and explore next steps to keep New Brunswick workplaces safe.



FIRST AID: Updates to Regulation and a New Resource Hub

In January 2024, New Brunswick made important updates to its First Aid Regulation, aligning it with national standards for workplace first aid training. This places the province at the forefront of workplace safety, as New Brunswick became the first jurisdiction to adopt these changes.

The regulation now reflects the standards set by the Canadian Standards Association (CSA). These updates include aligning with CSA Z1210-17, which governs first aid training for the workplace, and CSA Z1220-17, which outlines the required contents of workplace first aid kits. Additionally, the regulation now requires that workplace first aid trainers be approved by WorkSafeNB. The updated rules also allow medical professionals, such as doctors, nurses, and paramedics, to serve as designated first aid providers without completing the standard first aid training.

Another key change is the revision of the required contents of first aid kits to comply with the CSA standard, along with updates to existing definitions and the introduction of new ones.

To support employers, workers, and trainers in navigating these changes, WorkSafeNB launched a new First Aid Centre on our website. This hub serves as a comprehensive resource for those looking for information on first aid kits, hiring certified trainers, and staying compliant with the updated regulation. It also provides trainers with the tools they need to remain WorkSafeNB-approved.

By centralizing first aid resources, the hub makes it easier for New Brunswick workplaces to stay up to date, ensuring that everyone is prepared to respond effectively in an emergency.





ENSURING SAFER WORKPLACES Through Support and Enforcement

Our inspections help ensure New Brunswick's workplaces are complying with occupational health and safety legislation. When we identify risks and hazards, we work with that workplace to eliminate those hazards. Education and awareness are always our first line of defense to ensure compliance. However, our health and safety officers have tools and resources available to ensure compliance for those workplaces who continue to operate unsafely. These include compliance orders and stop work orders, administrative penalties and recommendations for prosecution. In 2024, our recommendation for charges to the Crown resulted in 21 prosecutions, totalling \$93,050 in fines plus \$227,000 in alternative sentencing, for a total of \$320,050.

COMPLIANCE BY THE NUMBERS



21
PROSECUTIONS



\$93,050
FINES TO THE
RECEIVER GENERAL



\$227,000
ALTERNATIVE
SENTENCING FINES



\$320,050
TOTAL COMBINED
FINES

COMPLIANCE BY THE NUMBERS



6,969
TOTAL WORKPLACE
ACTIVITIES



4,290
INSPECTIONS



1,560
CONSULTATIONS



937
INCIDENT
FOLLOW-UPS



136
NUMBER OF
ADMINISTRATIVE
PENALTIES



\$73,100
ADMINISTRATIVE
PENALTIES

HEALTH AND SAFETY Officer Recruitment

In 2024, WorkSafeNB hired seven new health and safety officers. This has helped us improve how quickly we respond to workplaces, increased the number of inspections we can do, and strengthened our presence in higher-risk industries and regions. These hires are an important step in providing better service and helping make New Brunswick the safest place to work.

MODERN RULES FOR Safer Workplaces

In 2024, all changes to General Regulation 91-191 under the Occupational Health and Safety Act were finalized, to come into effect January 9, 2025, marking a major milestone for workplace safety in New Brunswick. These updates reflect current industry practices and national safety standards—helping to ensure that workplace safety is current, consistent, and effective.

WorkSafeNB launched this multi-phase project in 2022 with a clear goal: to improve protection for our province's workers. The changes came after extensive consultation with stakeholders to ensure the updated legislation reflects the real needs and experiences of New Brunswick's workplaces.

The revised regulation includes improvements across several areas. These changes cover air quality and ventilation, the use of personal protective equipment (including the requirement for Type 2 headwear on project sites), confined spaces and critical lifts, as well as hoisting apparatus standards. Updates also address electrical safety, laser radiation, emergency showers and eyewash stations, scaffolding, and portable compressed gas containers. Other areas of focus include welding, logging, and silviculture, as well as updating occupational exposure limits to 2016 levels. New resources have been introduced for pedestrian safety near forklifts, hearing loss prevention and audiometric testing, and respirable silica and asbestos safety.



Rather than focusing only on enforcement, WorkSafeNB made education and support a key part of this initiative. Health and safety officers were available to guide workplaces toward compliance, helping employers understand and apply the changes in a practical way.

With all changes in place, we will continue to focus on supporting a strong safety culture through collaboration, education, and ongoing improvement.

“Modernizing these regulations is a big step forward. By working with employers and focusing on what matters most, we’re protecting workers and supporting businesses at the same time.”

Richard Blais, WorkSafeNB’s vice-president of Prevention

FROM THE CLASSROOM TO THE CAMERA: Students Show How Performance Pays

WorkSafeNB once again witnessed the power of youth through its annual Focus on Safety student video competition. Designed to engage students in conversations about workplace health and safety, the competition drew creative and impactful submissions from across the province—each one a testament to the passion and insight today's students bring to the topic of safety. The winning video, Work Safely by Sugarloaf High School, stood out not only for its production quality, but for its clear message: safety is a shared responsibility. Team lead Maggee Leavey, along with teammates Büke Alagöz, Jackson Benard, and Lexington Alexander, took home the top prize, earning \$1,000 for themselves and a matching prize for their school – a reminder that, when it comes to safety, performance pays in many ways.

Second-place honours went to École L'Odyssée students for Sécurité au travail, while third place was awarded to Sussex Regional High School's Quintin Bedford for his video Carbon Can Kill. More than just a contest, Focus on Safety has become a meaningful way to empower young people to think critically about their rights and responsibilities in the workplace.

The videos continue to be used in outreach efforts across the province, amplifying student voices while reinforcing essential safety messages. WorkSafeNB is committed to fostering a culture where safety starts young—and where the creativity and concern of New Brunswick's youth can contribute to making New Brunswick the safest place to work.



2024 Focus on Safety winners Sugarloaf Senior High School students Lexington Alexander, Maggee Leavey, Büke Alagöz, and Jackson Benard won the recent WorkSafeNB student video competition.

ADVANCING TRAUMATIC psychological injury care in New Brunswick

Protecting the mental well-being of workers is essential to building safer workplaces. WorkSafeNB's newly established team of Psychological Health and Safety (PHS) consultants is helping transform workplaces across the province by prioritizing mental well-being and preventing traumatic psychological injuries (TPIs). Formed in 2024, this team is a cornerstone of our proactive approach to fostering psychologically safer environments for New Brunswick workers.

Our dedicated PHS consultants partner directly with employers to identify and reduce psychosocial hazards. Through targeted awareness training, consultation services, and practical resources, they help workplaces minimize risk, support mental wellness, and cultivate a culture where psychological health and safety is valued as highly as physical safety. Their work is guided by a bold three-year TPI

prevention strategy focused on reducing exposure to trauma and improving long-term outcomes.

In their first year, the team laid a solid foundation by collaborating with internal teams—health services, case management, and adjudication—to deepen our understanding of the current landscape of TPI and mental health claims. Externally, they engaged with key partners like the Association of Workers' Compensation Boards of Canada. Using provincial TPI data, the team identified high-risk, trauma-exposed professions and began consultations with groups including our own investigation officers. An independent occupational psychologist was also engaged to assess and validate our approach.

Psychological health and safety is the future of workplace safety—and WorkSafeNB is committed to leading the way. By expanding expert services and advancing the PHS Modernization Project, we're helping build stronger, healthier workplaces where every worker can thrive.

Looking ahead, the PHS team is ready to enhance its impact. In 2025, they will pilot a first-of-its-kind PHS consultation model with a major New Brunswick employer, raise the visibility of their services through industry conferences, such as the Atlantic Mental Health Conference for First Responders, and launch a new online resource hub to equip our province's workplaces.

Psychological health and safety is so critical to the future of workplace safety and we aim to become a recognized national leader in PHS and TPI prevention. We will continue to expand our expert services, grow the reach of our PHS Modernization Project, and help employers build psychologically safe and supportive workplaces.

Together, we're building a healthier, safer future for New Brunswick workers.

SUPPORTING MENTAL WELL-BEING AT WORK— From Prevention to Recovery

Everyone deserves to feel safe and supported at work—not just physically, but mentally too. WorkSafeNB believes psychological safety is just as important as any other part of workplace health and safety.

That's why we're taking a full-circle approach. Our Psychological Health and Safety team is helping employers build healthier workplaces and prevent harm before it happens. And when workers are affected by traumatic psychological injuries, we're there with a co-ordinated care plan to support their recovery and help them get back to work safely.

The next two stories highlight how we're putting this into action—supporting mental well-being at every step of the work journey.

INJURED MINDS DESERVE THE **the same care and urgency as injured bodies**

In 2024, WorkSafeNB introduced a bold, system-wide Traumatic Psychological Injury (TPI) Management and Care Strategy designed to help workers recover from trauma, access timely support, and return to meaningful work with dignity. This strategy moves us closer to a future where psychological injuries are met with the same co-ordinated, evidence-informed care as physical ones.

Our approach is grounded in three priorities: improving the care model, strengthening clinical partnerships, and deepening internal expertise. The new TPI Care Map sets a clear and consistent path through the claims process, ensuring no surprises, no missed steps, and no one left behind. Treatment and return-to-work planning happen together from day one, enabling faster access to care and more sustained recovery. Progress is closely tracked, and adjustments are made when healing slows.

To support this shift, we equipped staff with expert-led training in trauma-informed care and evidence-based practices. This investment is already paying off: workers are receiving care faster, claims are progressing more smoothly, and our people feel more prepared to navigate complex cases with compassion and clarity.

We also expanded our provider network, focusing on trauma-informed clinicians who understand the intersection of healing and work. These stronger relationships are helping us build a system that is not just responsive—but resilient.

By aligning with national best practices and placing workers at the centre, WorkSafeNB is emerging as a leader in psychological injury care. Because getting back to work isn't just about employment—it's about restoring health, purpose, and hope.



PARTNERSHIP DRIVES STRONG return-to-work outcomes for injured healthcare workers

When a healthcare worker is injured on the job, every day counts – for their recovery, for their well-being, and for the patients who rely on them.

That's why WorkSafeNB's case management team has worked hard in recent years to strengthen its relationship with Horizon Health Network, New Brunswick's largest regional health authority and one of the province's biggest employers.

Together, we've found a formula that works based on strong relationships, open communication, and a shared belief that getting back to work is part of getting better.

So far, the results have been encouraging.

In 2024, 80% of Horizon employees injured on the job were no longer receiving benefits and had returned to suitable work within six months, which is significantly higher than established benchmarks across all sectors in New Brunswick, where the average is closer to 70%.

It's a performance that reflects both Horizon's commitment to disability management and the strategic, sector-specific approach WorkSafeNB has taken to improve outcomes for injured workers.



Pierre Daigle

"There's a mutual understanding of each other's worlds and what we're trying to achieve at the end of the day," said Pierre Daigle, manager of Healthcare Sectors with WorkSafeNB's Case Management team. "From start to finish, it's a seamless, synergetic journey for the client, and that leads to earlier, safer returns to work."

The shift began in 2021, when WorkSafeNB assigned case managers to specific industries and sectors, rather than based on geography.

This allowed staff to specialize in – and better respond to – the unique needs and challenges of sectors like healthcare, helping to foster deeper relationships with employers and ultimately drive better, and more responsive support for injured workers.

PARTNERSHIP DRIVES STRONG return-to-work outcomes for injured healthcare workers (continued)

Krista Hartery and Julie Poitras-Cyr, the two case managers assigned to Horizon, have been instrumental in cultivating the partnership. With more than 14,000 employees scattered across its vast coverage area, Horizon's size and complexity required a more tailored approach.

"Every single day matters," Daigle said. "We've cut all the back and forth away, so the information is much more available and ready. That's the advantage. But none of this happens without a genuine belief that return to work is good for people, and Horizon has embraced that belief."

That cultural shift has been bolstered by programs like WorkSafeNB's direct referral initiative, which gives injured workers access to physiotherapy within 48 hours of a sprain or strain.

For healthcare workers who are constantly on their feet and caring for others, that kind of rapid support can make a real difference in their recovery and return.

"We're proud to support those who dedicate their lives to caring for others, especially when they're the ones in need of care," Daigle said. "Helping them get back to doing what they do best – safely and meaningfully – is incredibly rewarding."

The Horizon partnership is just one example of how WorkSafeNB's collaborative, worker-focused approach is paying off.

By building trust, staying focused on the goal, and working closely with employers, WorkSafeNB is showing what's possible when the return-to-work journey is treated as a shared responsibility, as well as a shared opportunity.

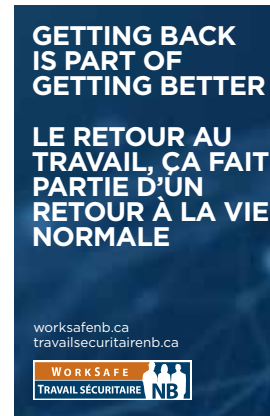


GETTING BACK is Part of Getting Better

Returning to work is critical to recovering from a workplace injury. Launched in 2023, the “Getting Back is Part of Getting Better” campaign champions this message and was developed in collaboration with Atlantic Canada’s workers’ compensation boards. The campaign spreads the message that work plays a crucial role in the healing process.

Research shows that returning to work helps workers regain financial stability, stay active, and find purpose. Research shows that returning to work can speed up recovery. Employers benefit too—return-to-work programs help maintain productivity, reduce hiring costs, and lower claim-related expenses, which can lead to lower assessment premiums.

Building on the success of the campaign launch, in 2024, we expanded the campaign’s reach. Along with TV and online ads, we added radio, billboards, and social media. We worked with Horizon Health Network to display digital materials on their waiting room screens and launched a poster campaign in clinics across the province to promote the return-to-work message.



The campaign features workers from industries like construction, manufacturing, healthcare, and food service, all showing how a safe and timely return to work supports their recovery.

The campaign’s goal is clear: getting back to work is not just about recovery. It’s about giving workers purpose, helping employers keep skilled workers, and building a healthier, more productive community.

“Recovery is a gradual process, and getting back into action—whether at work, at home, or in the community—is an important part of healing.”

Dr. Paul Atkinson, professor at Dalhousie Medicine, New Brunswick, and WorkSafeNB’s chief medical officer.

CAMPAIGN HIGHLIGHTS

2.5M

impressions on the video ads

350,523

Campaign videos watched 350,523 times on YouTube

4.4M

views on Meta (Facebook and Instagram)

238,000

impressions on LinkedIn with over 1,000 engagements, including user reactions, comments, shares.

238,000

impressions on LinkedIn, and driving an impressive 1k+ engagements, including user reactions, comments, and shares.

300,000

Clinic Impressions

PUTTING PEOPLE FIRST: **Ian Leavitt's passion for safety rooted in personal experience**



When Ian Leavitt walks through the doors of the Point Lepreau Nuclear Generating Station, he's thinking about more than just procedures and protocols.

For Leavitt, an occupational health and safety advisor with NB Power and a 2024 recipient of WorkSafeNB's Safety Star Award, the work is deeply personal and it always comes back to one thing.

"My motivation is family," Ian said. "We spend just as much time at work with our co-workers and our peers as we do with our families and loved ones at home. So that's why it's so important to look after one another at work."

That approach has shaped his career as a safety advocate, earning him the respect of colleagues and the recognition of his peers.

A co-worker nominated Ian for the Safety Star Award for his tireless commitment to fostering a strong safety culture at one of the province's most complex and high-stakes workplaces.

Ian's passion for health and safety began in 1986, when his father – a boat builder – suffered severe burns in a workplace explosion. He spent more than two months recovering in a burn unit with second- and third-degree burns to over 35% of his body.

That experience, he said, left a lasting impression.

PUTTING PEOPLE FIRST: **Ian Leavitt's passion for safety rooted in personal experience**



At Point Lepreau, a site employing close to 900 people, Ian works with teams to ensure workers have the tools, knowledge and support they need to carry out their duties safely.

“I couldn’t be prouder to be an advocate in health and safety and playing a positive role in ensuring that my co-workers go home safe at the end of the day,” he said. “And I’m proud to be part of an organization that fosters, demonstrates and strives for a strong safety culture.”

Among his proudest achievements is the launch of a glove guide and safety campaign, developed collaboratively with vendors and internal teams. Two years later, he continues to champion the program and promote its benefits.

Ian has also built a strong working relationship with WorkSafeNB, collaborating on inspections, legislative compliance, and incident investigations, something he encourages other safety professionals to do.

“It’s a very rewarding job, where you get to meet a lot of individuals and get an understanding of the vital roles they each play.”

Leavitt is quick to credit others for the success of his safety journey, including his family, NB Power’s corporate health and safety team, IBEW Local 37, and his colleagues and peers.

But for all the accolades, the goal remains simple: making sure everyone at Point Lepreau finishes their shift and gets home safe.

INTEGRITY



We will protect the integrity of the system.

As stewards of New Brunswick's workers' compensation system, we are committed to meeting the needs of both workers and employers—ensuring that injured workers receive the support they need while maintaining fair and sustainable assessment rates. This careful balance is what keeps the system strong and allows us to continue protecting and serving New Brunswickers.

OBJECTIVES



Effect good governance, including sound legislative and policy frameworks, transparent stakeholder engagement and communication.



Advance and leverage our capabilities in enterprise risk management and quality assurance.



Create a culture of accountability.

KEY STRATEGIC MEASURES

FUNDING POSITION

2022	2023	2024
147.7%	156.1%	152.9%

WorkSafeNB is committed to maintaining financial sustainability to ensure stable assessment rates for employers and secure benefits for injured workers. The Workers' Compensation Act requires us to maintain a minimum funding level of 100%, with any shortfall recovered within 15 years.

To reduce the impact of year-to-year fluctuations, we set a funding level target in 2019 of 115% to 125%. This target ensures that the costs of workplace injuries each year are fully funded by that year's premiums. Since only 20% of claim costs are paid in the accident year while the remaining 80% extends into the future, it's crucial to have sufficient funds to

cover benefits for a claim's lifetime without passing costs to future employers.

In 2024, WorkSafeNB significantly exceeded its target, achieving a funding level of 152.9%, well above the target range. This strong funded position is primarily due to the collective efforts of employers, workers, and WorkSafeNB that contributed to better-than-expected performance related to injury frequency and return-to-work outcomes, as well as strong investment returns.

(in millions)	2022	2023	2024
Assets	\$1,915	\$2,053*	\$2,036*
Liabilities	\$1,297	\$1,315*	\$1,332*
Funding Position	147.7%	156.1%	152.9%

*Please note that these results for year-end 2023 and 2024 are on a funding valuation basis and not on a IFRS 17 Financial Statement presentation basis.

LOWEST AVERAGE ASSESSMENT RATE IN ATLANTIC CANADA

Assessment rates are key to maintaining the delicate balance required to sustain the workers' compensation system—providing the appropriate benefits to injured workers, health and safety support to our province's workplaces, and administration costs. Assessments are one of two sources of revenue that fund our system.

In 2024, the average assessment rate decreased from \$1.31 per \$100 of assessable payroll in 2023 to \$1.18 per \$100 of assessable payroll, a 10% decrease. This downward trend continued, as we set the 2025 rate in the fall of 2024, and once



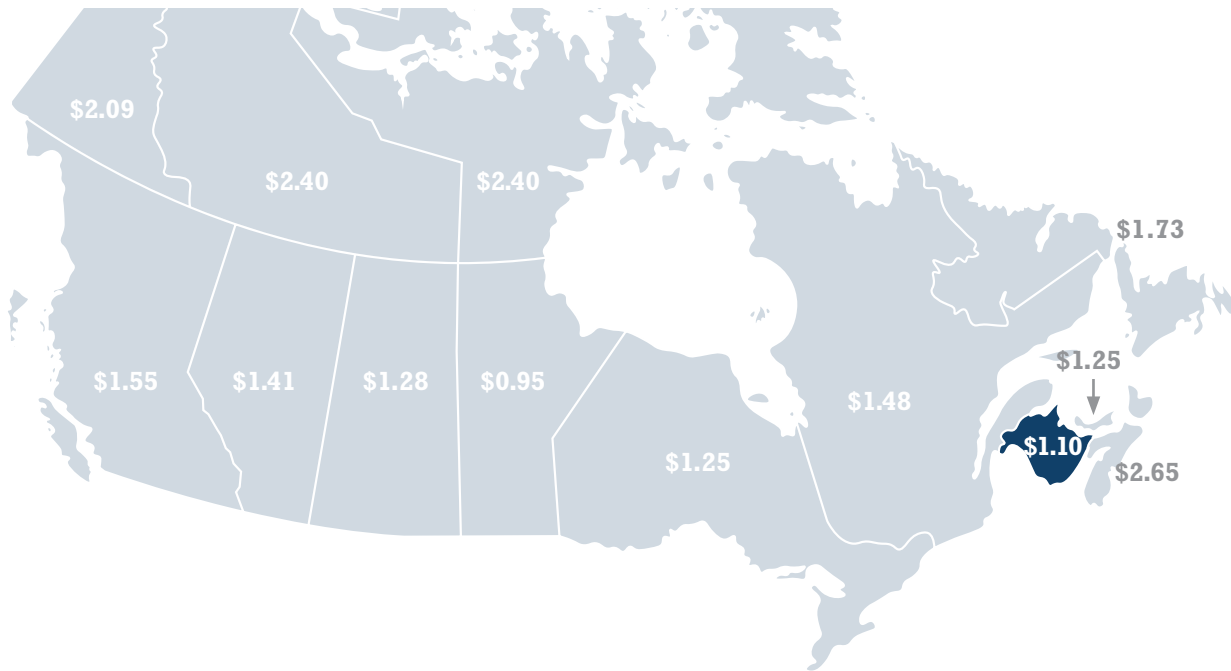
again it dropped by 7% to \$1.10 per \$100 of assessable payroll.

The 2025 rate of \$1.10 marks a historic milestone—the lowest assessment rate in New Brunswick's history, thanks to fewer workplace accidents, better rehabilitation and return -to-work outcomes, and our healthy funding position. This is also the lowest assessment rate in Atlantic Canada and the second lowest in Canada.

For employers, this means more than just savings. It signals a safer workforce, a more efficient compensation system, and long-term cost predictability—factors that support stronger business planning and economic confidence. Lower rates free up resources that employers can reinvest in their people, grow their operations, and contribute to a more competitive business climate. Simply put, it's easier to do business—and to invest—in New Brunswick when workplaces are safer, and systems are sustainable.



SECOND LOWEST AVERAGE ASSESSMENT RATE IN CANADA



PERFORMANCE PAYS: A landmark refund for employers

In 2024, WorkSafeNB achieved a historic milestone—not only by setting the lowest average assessment rate in our history, but by issuing our first-ever performance refund, returning an unprecedented \$180.6 million to eligible employers across New Brunswick.

This refund is the result of collective success. Thanks to safer workplaces, improved return-to-work outcomes, and strong investment performance, WorkSafeNB's funding level reached 156.1% as of December 31, 2023—well above our target range of 115–125%. That surplus allowed us to give back to employers while preserving the long-term strength of the compensation system.

Our strong financial position reflects the ongoing commitment of New Brunswickers—employers, workers, and our own staff—to injury prevention and safe, sustainable recovery. Fewer injuries

and faster recoveries not only protect lives and livelihoods—they drive down system costs, enabling both rate reductions and meaningful returns to our province's workforce. This refund is about more than just dollars, it's proof that performance pays. When safety improves, everyone benefits: lower employer costs, a stronger compensation system, and most importantly, safer workplaces. These funds are now being reinvested into local businesses and communities, fueling economic confidence and reinforcing New Brunswick as a great place to do business.



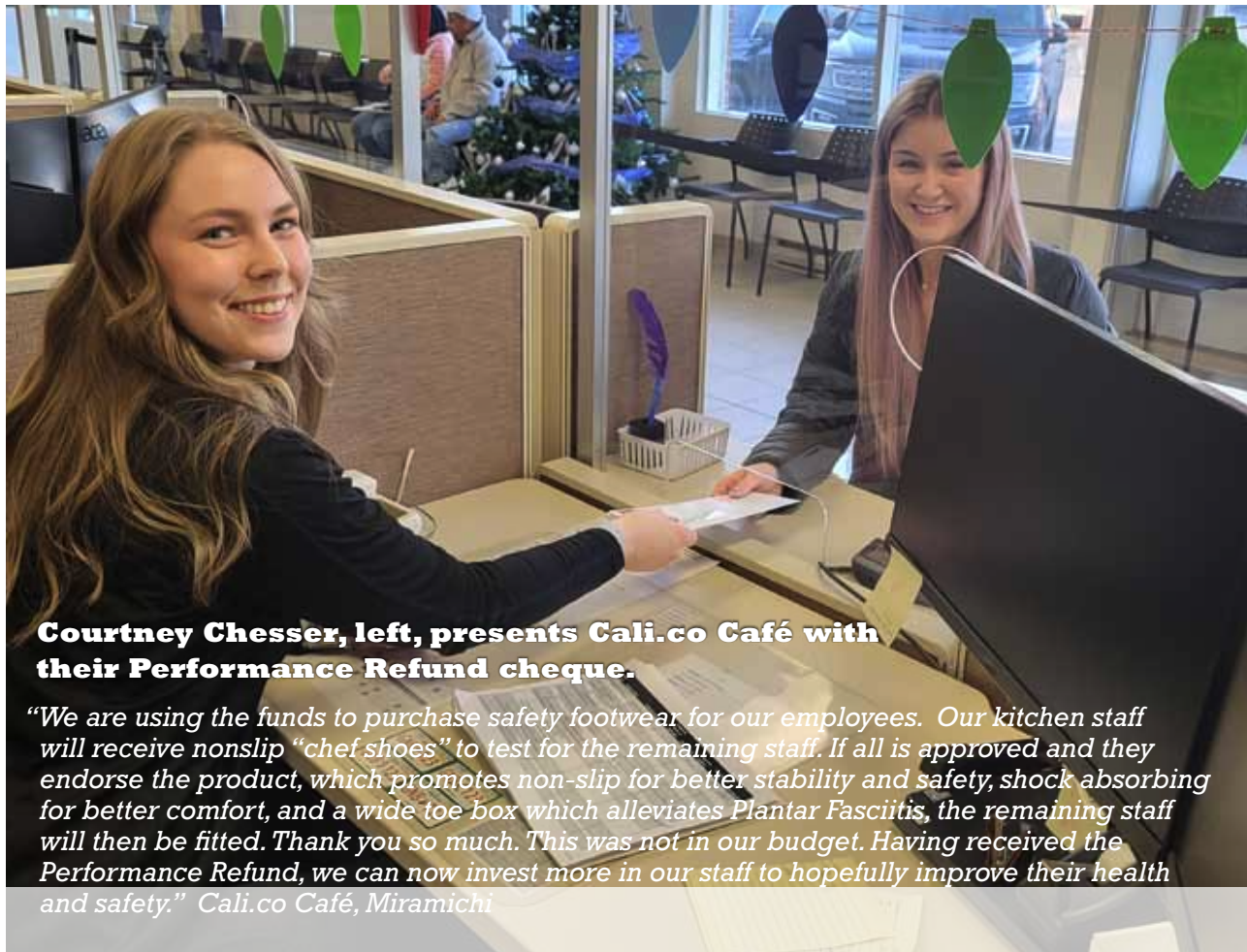
PERFORMANCE PAYS.

PERFORMANCE PAYS: A landmark refund for employers

“New Brunswickers are working hard every day to make our province the safest place to work—and their efforts are paying off. Thanks to their commitment and a strong financial strategy, WorkSafeNB is proud to return \$180.6 million to the provincial economy through our first-ever performance refund. Performance pays, and together, we’re making New Brunswick the safest place to work.”

*Tim Petersen, CA, President
and chief executive officer*

This milestone highlights WorkSafeNB’s commitment to financial sustainability, lower employer costs, and safer workplaces.



Courtney Chesser, left, presents Cali.co Café with their Performance Refund cheque.

“We are using the funds to purchase safety footwear for our employees. Our kitchen staff will receive nonslip “chef shoes” to test for the remaining staff. If all is approved and they endorse the product, which promotes non-slip for better stability and safety, shock absorbing for better comfort, and a wide toe box which alleviates Plantar Fasciitis, the remaining staff will then be fitted. Thank you so much. This was not in our budget. Having received the Performance Refund, we can now invest more in our staff to hopefully improve their health and safety.” Cali.co Café, Miramichi



PERFORMANCE PAYS: A landmark refund for employers (continued)



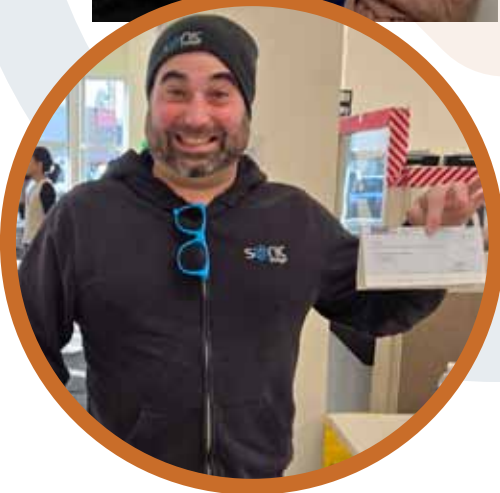
This past winter the Capitol Theatre mounted a professional production of The Addams Family, the musical—with a budget of \$350,000+. A new initiative for this year's show was the construction of a giant turntable, capable of moving scenery and/or performers. The rebate we received from WorkSafeNB provided an influx of money that we were able to invest in this stage device.

Capitol Theatre, Moncton



We used a large portion of our refund to recognize our employees' commitment to health and safety by giving them bonuses. Four years accident-free is a proud feat, given the amount of machinery and heavy equipment we use, and we took this opportunity to thank them.

Town of Heron Bay



We were pleased to learn of WorkSafeNB's Performance Refund—at a time when the cost of everything is rising, receiving a refund was a welcome relief that we were able to reinvest directly into our operations.

Fundy Engineering & Consulting Ltd.



We used our performance refund for a long-overdue upgrade to our kitchen, including new equipment and table and chairs.

Hospice Fredericton

This much-needed refund will allow the purchase of new equipment.

Rocmaura Nursing Home



Used to purchase a \$200,000 ramp.

Turnbull Nursing Home

ONE TEAM, ONE GOAL: Ensuring employers got their refunds – on time

If ever there was a moment that embodied the spirit of “One WorkSafeNB,” it was during the distribution of our first-ever performance refund cheques to more than 14,000 New Brunswick employers—just in time for the holidays.

It was a major logistical undertaking made even more challenging by an unexpected postal disruption. But in true WorkSafeNB fashion, our employees rose to the occasion with a shared purpose and unwavering focus on our clients.

On December 10, staff from across the organization, including teams from ITD, Finance, Communications, Assessments, Claims, and Prevention, gathered at head office to get the job done. Nearly 40 employees rolled up their sleeves to sort, stuff, seal, and organize thousands of cheques by hand.

The boardroom became a hub of teamwork and efficiency, transformed into an assembly line with stations for folding cheques, inserting information sheets, sealing envelopes, sorting by postal code, and verifying accuracy. Each task was tackled

with care and collaboration, with people pivoting between roles to keep the process moving smoothly.

Over the following days, efforts continued to ensure each cheque was ready for delivery—because we knew how important it was to get those funds into the hands of employers before year’s end.

This initiative was more than a task—it was a testament to our commitment to service, and to one another. We came together as one team, united by our goal of offering our clients exceptional service.



INVESTMENT PERFORMANCE

To fund its activities, WorkSafeNB supplements employer assessments by investing the premiums collected to fund future payments. Investment income is expected to generate a long-term average real return of 3.75%. However, the actual real rate of return can vary significantly over shorter periods due to short-term volatility in financial markets.

Investment returns were 10.46% for the year ended December 31, 2024.

INVESTMENT PERFORMANCE	2024	4 Years	10 Years	15 Years
Fund gross rate of return	10.46%	7.14%	6.90%	7.79%
Less CPI	1.83%	4.07%	2.62%	2.29%
Fund real rate of return	8.63%	3.07%	4.28%	5.50%
Real return target	3.75%	3.75%	3.75%	3.75%

One of the most important factors in determining investment risk and return is the policy asset mix.

In 2024, the board completed an asset liability study designed to help them determine an appropriate asset mix given their risk tolerance, the characteristics of the liabilities, and WorkSafeNB's financial position. As a result of the study, the board amended the target policy asset mix to 2% cash, 8% Canadian government bonds, 3% Canadian corporate bonds, 11% Canadian equities, 10% U.S. equities, 13% international equities, 3% emerging market equities, 15% real estate, 15% infrastructure and 20% absolute return investments. The changes in the asset mix relative to the previous policy are expected to slightly improve the expected return and reduce risk.

BUILDING ON SUCCESS: Our 2025-2029 strategic plan

In 2024, we closed the chapter on our 2022-2024 strategic plan and opened a new one. After a thoughtful, thorough review at all levels of the organization—adjusting priorities, incorporating feedback, and securing approval from our board of directors—we launched our 2025-2029 strategic plan.

Our strategic plan is more than a roadmap—it's the foundation for our continued success. It ensures we stay focused, aligned, and prepared to meet the challenges and opportunities ahead.

While the plan is new, our vision remains unchanged: to make New Brunswick the safest

place to work. This enduring vision continues to inspire and connect with our employees and stakeholders. We've also retained our core focus areas of People, Prevention, and Integrity—three meaningful, memorable and unifying pillars that reflect who we are and what we do.

What's different this time is how we measure success. We've taken a critical look at our key performance indicators (KPIs) and intentionally refocused them on what we believe matters most to our stakeholders. These revised KPIs are more meaningful, outcome-oriented, and better aligned with our strategic goals.



OUR MODERNIZATION JOURNEY

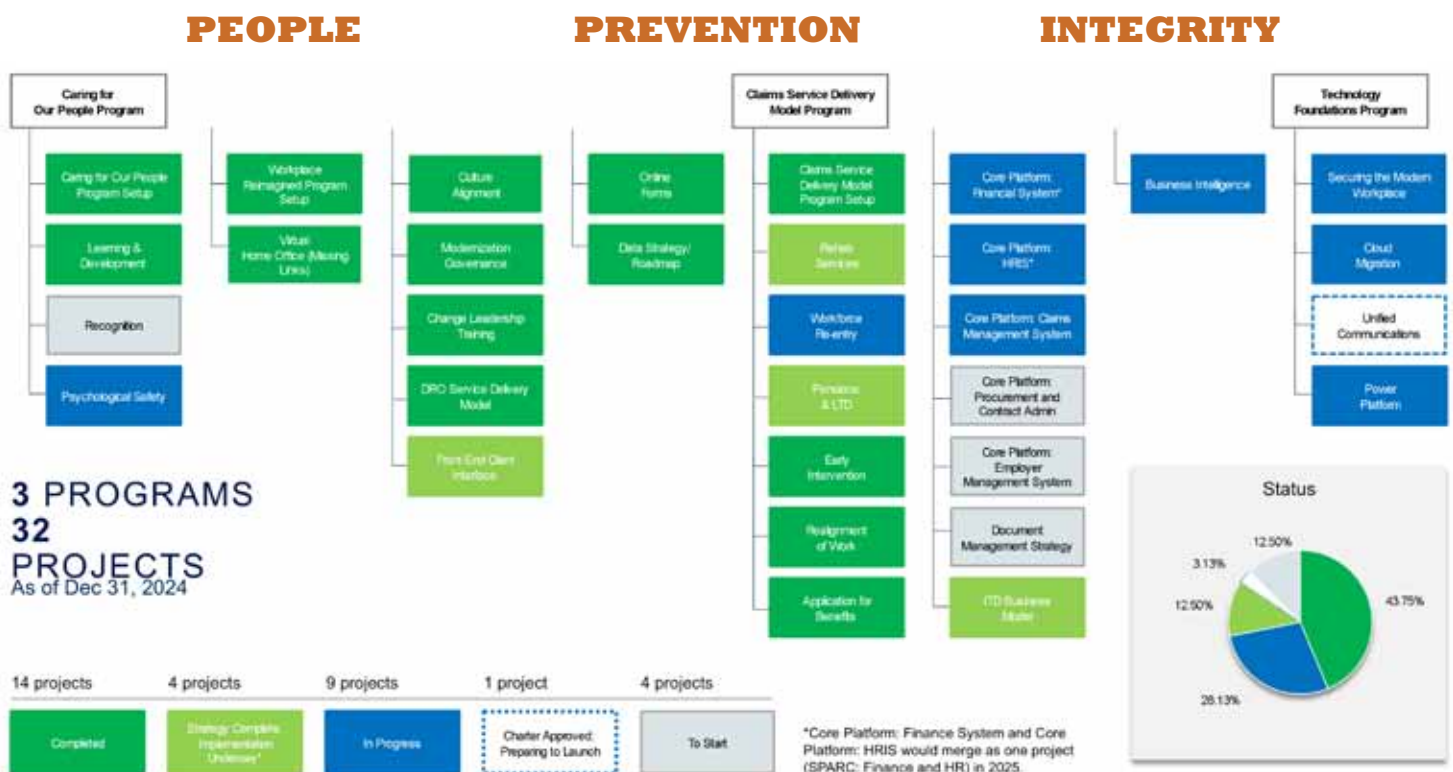
MODERNIZATION: Building Today. Designed for Tomorrow.

At WorkSafeNB, modernization is more than a buzzword — it's how we future-proof our organization to better serve New Brunswickers. It's how we respond to changing expectations from workers, employers, and our own employees. Today's world moves fast, and our clients rightly expect faster service, smarter tools, and more flexibility. That's why we've taken bold steps to transform not just our technology, but how we work, collaborate, and deliver service and value.

Since our board approved the modernization roadmap in 2022, we've moved steadily from planning to execution. In 2024, that momentum accelerated. We launched or advanced 14 projects and completed four—from improving how workers

access rehabilitation services, to empowering employers with real-time data, to creating a more connected and efficient workplace for our teams. These initiatives go beyond surface-level upgrades; they reflect a deep shift in how we think, solve problems, and support New Brunswick's workforce.

Our modernization journey is about putting people first. It's about removing barriers, streamlining processes, and delivering simple, reliable and relevant services that are simple, reliable, and relevant. Modernization is helping us become a more agile, responsive, and inclusive organization — one built for the future, and grounded in our vision of making New Brunswick the safest place to work.



OUR MODERNIZATION JOURNEY

ONE WORKSAFENB: Project SPARC

Providing exceptional service to our clients—New Brunswick’s workers and employers—is at the heart of everything we do.

A key part of this commitment is ensuring we have the tools to deliver those services effectively. Modern core systems are foundational. They must be reliable, secure, and capable of keeping up with evolving technology while adapting to changing business needs. For exceptional service, we need to be able to attract top talent, speed up claims processing for faster payments and medical aid, and further empower employers to prevent injuries with data-driven insights and self-service options. Modern systems are the next step in that journey.

With this vision, WorkSafeNB has been prioritizing core system transformation in its Modernization efforts.

What would our ideal system look like? How would it feel? How would our staff and our clients interact with it? How would this be flexible, able to keep up with changing needs and technology? What have we learned not to do in this new system approach?

One challenge for WorkSafeNB is that our current systems don’t “talk to one another.”

We’ve created workarounds to patch that disconnection, but we could do better. Unified, or integrated, systems can reduce paperwork and extra tasks for our employees and clients, allowing them to focus less on transactions and more on relationship-building, safety, recovery and “moments that matter.”



Integrated systems can leverage data from multiple sources, improving our stakeholders’ experience and knowledge.

For example, if a new business registers with WorkSafeNB, indicating employee count, industry type, work type, etc., could we see a future where automation would send a note about the need for a joint health and safety committee and offer a free health and safety consultation? Could we send a checklist and guide them to health and safety resources specific to their needs?

For any employer, with many demands of getting a company off the ground, this is exceptional support—giving them the tools and means to put safety first with ease.

OUR MODERNIZATION JOURNEY

ONE WORKSAFENB: Project SPARC (continued)

Integrated systems also mean better flow between functions and departments: Need a payroll adjustment? An alert to Finance can simplify the process. Hiring a new employee? An automated flow will ensure the new worker has everything they need so an HR representative can focus on the person – answering specific needs and helping them adjust to their team.

“All systems will be working together to deliver a seamless experience, both for our teams and the clients we serve,” said Lisa Walker, WorkSafeNB’s

chief information officer and project sponsor. “This is the foundation for the future.”

Updated systems will allow WorkSafeNB employees to focus on strategic and proactive activities, better serving them, our organization and the workers and the employers of our province.

“We’ll move from a heavy reliance on manual processing to a data-driven culture that puts people first. It’s an exciting time for WorkSafeNB, forging new pathways for the next 100 years of its operations.”

STARTING WITH THE BASICS

Before any implementation, WorkSafeNB developed four guiding principles:

- **Keep it simple** – “right-size” for our organization, make it easy for people to understand what we do.
- **Flexible and scalable** – set a strong foundation and leave room for future changes and growth.
- **Configure rather than customize** our solutions to achieve efficiencies, best practices, and to “future-proof” ourselves for upgrades.
- **Strengthen partnerships** – build a collaborative structure that is transparent and easy to work with.

These principles guide the team in all aspects of the project – from preparation to launch, implementation and training.

WorkSafeNB also developed branding for all system projects. SPARC represents *Supporting People and Reimagining Connectivity*. Its bold colours, with sparks of “imagination”, symbolizes the ignition of new ideas and the dynamic energy driving the project.

“It’s about reimagining how we connect to one another and serve our clients and the workers and employers of our province.”

Extra special to the SPARC concept is that the branding was developed by a Claims Management employee through a division-wide contest. SPARC truly is about building a system together.



OUR MODERNIZATION JOURNEY

OUT TO MARKET, First systems launch



In 2024, WorkSafeNB began looking for a new cloud-based system and a partner to help us implement it. In early 2025, we signed a contract with Deloitte to deliver an Oracle solution for our Finance and HR systems.

This project, known as SPARC: Finance and HR, is a big part of our work to modernize WorkSafeNB. These systems are at the heart of how we operate and will help us work more efficiently and effectively.

The project will take about 30 months and be rolled out in five phases. The first two phases—Finance, Core HR and Recruiting and Budget and Forecasting—will be done in the first 12 to 16 months. After that, we'll move on to Disability Management, Benefits, Health and Safety, and other HR areas.

While this is happening, we're also developing an organization-wide plan to support more system replacements. We've already completed some of the planning for our Claims Management System, and others are in progress.

"We're finding more ways to connect our systems, which helps us simplify our work, get better data, and find modern solutions to everyday challenges."

Throughout the process, we're keeping our clients in mind and staying true to our values of accountability, collaboration, and trust.

"We're confident in our direction and the system choices we've made. I'm proud of our team's commitment and excited to see the results. This isn't a quick fix, but it's an important journey. In the end, it's all about people—and making sure we serve our clients the best we can."

"We are embarking on a modernization journey that will redefine how we support and empower our people. For our HR team, it's more than just technology—it's about creating a seamless employee experience and opportunity to focus on moments that matter that enables our organization to thrive. We're excited for the opportunities ahead and grateful for the collaboration that will make this vision a reality." Joanie McGraw, Director, Human Resources

"It's about reimagining how we connect to one another and serve our clients and the workers and employers of our province." Lisa Walker, SPARC: Finance and HR Sponsor

As a trusted steward in New Brunswick, we're committed to having a culture of accountability and advancing and leveraging our capabilities. This includes having a strong, stable and sustainable financial system.

GOOD GOVERNANCE: **A foundation of trust and accountability**



Good governance is built on trust, transparency, and accountability. WorkSafeNB's board of directors provides strategic leadership by focusing on long-term planning, effective risk management, and oversight of key areas such as policy, legislation, finances, and human resources.

When recruiting board members, who are appointed by the Lieutenant-Governor in Council, we look for leaders with the skill sets and perspectives that align with our values, strategies, goals, and needs, who not only understand and represent New Brunswick's workers and employers today, but also in the future.

Transparency is a top priority—we publish the board's per diem and expense disclosures and share board minutes on our website, giving stakeholders a clear view into our decision-making and use of funds.

Meaningful participation is another cornerstone of our approach. We regularly consult with workers, employers, and health and safety professionals to ensure our strategies and policies reflect the needs of those we serve. To make engagement even more accessible, we've continued to hold our Annual General Meeting virtually (prompted during the COVID-19 pandemic), allowing more people across the province to take part, ask questions, and stay informed.

Together, these efforts reflect our ongoing commitment to good governance in action—delivering results, earning trust, and leading with integrity.

ONLINE ENGAGEMENT: Connecting with Our Stakeholders Through TalkSafetyNB

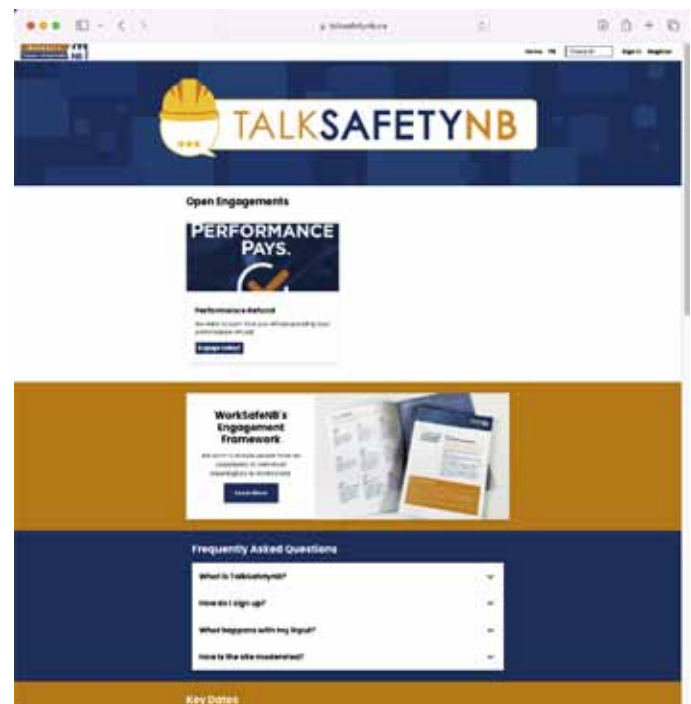
To improve public consultations and policy reviews, we launched TalkSafetyNB, an online engagement platform that connects WorkSafeNB with the public. This tool allows for a variety of engagement methods, from small invite-only sessions to large-scale public consultations. We've also used it to gather employee feedback.

Our consultation on the Firefighters' Compensation Act had record participation, with 762 responses, demonstrating the importance firefighter health and safety is to New Brunswickers. The consultation examined the possibility of merging the FC Act with the Workers' Compensation Act and expanding the list of presumptive cancers for firefighters. In addition to the FC Act, in 2024 TalkSafetyNB facilitated discussions on key policies such as:

- **Policy 23-605: Experience Rating System** – Exploring changes to how employer premiums are adjusted based on safety performance.
- **Policy 23-600: Setting Basic Assessment Rates** – Gathering input on how rates are determined for New Brunswick businesses.
- **Artist Workplace Injury/Illness Survey** – Identifying safety challenges unique to artists.

TalkSafetyNB also serves as an interactive bulletin board, encouraging ongoing engagement. For example, employers shared how they used their performance rebates to invest in workplace safety. The platform also enables people to apply for membership in the Injured Worker Advisory Committee, enhancing representation for injured workers.

By using TalkSafetyNB, we're giving more people a voice in shaping our policies and services while reaching those who may not participate in traditional meetings.



ACCOUNTABILITY Through Policy

At WorkSafeNB, we review and update our policies every five years to keep them relevant and in the best interests of our stakeholders. It's one of the ways we demonstrate accountability.

We work closely with workers and employers to develop policies that reflect compensation and workplace health and safety legislation. We welcome their feedback and ideas.

In 2024, WorkSafeNB reviewed and approved changes to 23 policies and six fee schedules.

POLICIES OF INTEREST INCLUDE:

- Policy 21-104 Conditions for Entitlement – Tests of Time, Place and Activity, which was revised to contain more information on instances when workers have a home office
- Policy 23-600 Setting Basic Assessment Rates & Policy 23-605 Experience Rating System were both revised to maintain the balance between collective liability & individual accountability and stability & responsiveness
- Policy 37-100 Funding Policy was revised to give guidance on actions to take when WorkSafeNB is in an overfunded position

Four policies were changed to align with the legislative amendments improving wage loss benefits for all injured workers and increasing the Maximum Annual Earnings, which represents the highest amount of earnings per worker that an employer would pay premiums on and serves as the upper limit for calculating workers' compensation benefits:

- Policy 21-210 Determining Average Earnings
- Policy 21-214 Continued Entitlement to Compensation Payments for Loss of Earnings
- Policy 21-215 Supplements to Compensation
- Policy 25-008 Clothing and Footwear

TIM PETERSEN Appointed Chair of AWCBC



We're proud to share that our president and CEO, Tim Petersen, has been appointed chair of the Association of Workers' Compensation Boards of Canada (AWCBC).

The AWCBC is a key national organization that connects Canada's workers' compensation boards and commissions to share knowledge, strengthen partnerships, and promote best practices in workplace health, safety and compensation.

Tim's appointment is a testament to his leadership and WorkSafeNB's strong reputation on the national stage. As chair, he'll play an important role in advancing collaboration across jurisdictions and ensuring Canadian workers and employers continue to benefit from innovative effective programs.

Congratulations Tim on this well-deserved honour!



SIMPSON BUILDING CONTRACTORS LTD.

Where safety is second nature



For more than 60 years, Simpson Building Contractors Ltd. has helped shape New Brunswick's skylines. The locally-owned contracting company has built everything from hockey rinks and fire stations to commercial complexes, movie theatres and apartment buildings.

Their legacy is built not only on concrete and steel but on a rock-solid commitment to safety.

Simpson Building Contractors was named a WorkSafeNB Safety Star in 2024. With their exceptional safety stats, with no missed time since 2020, company owner Kirk White said a great safety culture is good for people and good for business.

"It's the way I was raised," he said. "My father ran this company before me, so from a young age, he instilled in me just how important safety truly is."

That early foundation grew into a leadership philosophy centred on continuous improvement.

Kirk led the charge to have Simpson Building Contractors become COR certified several years ago. This certification is a national standard for occupational health and safety management systems. The move was necessary to stay competitive in the market as government regulations dictated safety certification requirements for bidding on larger projects.

SIMPSON BUILDING CONTRACTORS LTD.

Where safety is second nature



He said it was essential not only for compliance and eligibility for larger projects but also as a clear signal of the company's values of ensuring every employee gets home safe at the end of the day.

"Ever since then," he says, "it's engrained in me to keep safety a priority."

Kirk and his team said they are grateful to WorkSafeNB for its critical support in growing their safety culture—welcoming the extra set of eyes during job site inspections and turning to WorkSafeNB safety consultants for input.

"Especially when the Act and regulations don't clearly outline how to deal with a particular situation. We've been able to call on their expertise to develop safe, workable solutions."

SAFETY AS A SHARED VALUE

"Over the past five years we've developed a strong system of support to strengthen our safety culture—through education, training, and regular reminders—ensuring safety is top of mind and second nature for our team."

At Simpson, safety is not only top-down—it's championed at every level. The company has implemented a quarterly employee recognition program that shines light on team members who stand out in safety, workmanship, and teamwork. Employees nominate their colleagues, and those with the most votes and the best story are rewarded, with additional prizes to encourage participation. It's all about recognizing those who make their sites safer and more united.

Kirk said having a peer-driven model reinforces that safety is a shared responsibility and a point of pride.

A WELL-EARNED HONOUR

Simpson Building Contractors' recognition as a 2024 WorkSafeNB Safety Star is a celebration of a long-standing dedication to keeping workers safe.

"This award is a testament to all the hard work and dedication that my current team and past employees have put into this program over the years."

It's clear that for Simpson Building Contractors, building safely isn't a milestone—it's a mission. And with each project, they continue to raise the standard for safety in construction across New Brunswick.

ANNUAL REPORT 2024

MANAGEMENT DISCUSSION AND ANALYSIS AND
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES



**PERFORMANCE
PAYS.**

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS

The Management Discussion and Analysis (MD&A) provides management's perspective on key issues that affect the current and future performance of the Workplace Health, Safety and Compensation Commission (operating as WorkSafeNB). The MD&A, prepared as of June 5, 2025, should be read in conjunction with the audited consolidated financial statements and supporting notes for the year ended December 31, 2024.

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements about certain matters that are, by their nature, subject to many risks and uncertainties that may cause actual results to differ materially from these statements. Forward-looking statements include, but are not limited to, WorkSafeNB's objectives, strategies, targeted and expected financial results, and the outlook for its business and for the New Brunswick and global economies. Risks and uncertainties include, but are not limited to, changing market, industry and general economic factors or conditions; changes in legislation affecting WorkSafeNB policies and practices; changes in accounting standards; the ability to retain and recruit qualified staff; and other risks, known or unknown. The reader is cautioned not to place undue reliance on these forward-looking statements.

The Annual Report, Strategic Plan, and Assessment Rates are available at worksafenb.ca.

FUNDING AND FINANCIAL STATEMENT VALUATIONS

As of January 1, 2023, all insurance companies and workers' compensation boards have transitioned to the new International Financial Reporting Standards for Insurance Contracts (IFRS 17).

This new accounting standard required changes to how WorkSafeNB's financial statements are prepared and reported. It introduced a standardized approach to valuing claim liabilities and adjusted how revenue

and liabilities are recognized. While this does not change the fundamental economics of workers' compensation boards, results under IFRS 17 may exhibit increased year-over-year volatility in financial statements because of how the discount rate is determined. The discount rate is key to measuring WorkSafeNB's claim liabilities.

Even though short-term perspectives are reflected in the IFRS 17 financial reporting standards, WorkSafeNB is committed to keeping a long-term outlook when setting assessment rates and measuring funding levels. This commitment ensures stability for employers, helping to mitigate any short-term fluctuations in assessment rates.

Like all other workers' compensation boards across Canada, WorkSafeNB has produced two distinct financial valuations on December 31, 2024:

- **Funding valuation:** Assesses the long-term health of the workers' compensation system, to determine assessment rates and benefit levels. Under the funding valuation, the discount rate used represents the long-term expected investment return of the Accident Fund.
- **Financial statement valuation:** Completed to comply with IFRS 17. Under the financial statement valuation, the discount rate used reflects short-term market expectations and is not related to the investments in the Accident Fund.

While the audited financial statements are now prepared under IFRS 17, this discussion and analysis focuses on the results under the long-term funding valuation basis, which informs assessment rates and funding levels as these are key factors of importance for our stakeholders. The following table reconciles the results reported in the audited financial statements to those under the funding valuation basis.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

As at December 31, 2024				
(\$millions)	Financial statement basis	Presentation¹	Measurement²	Funding basis
Consolidated Statement of Financial Position				
Total assets	2,073.7	9.9	—	2,083.6
Total liabilities	1,469.6	9.9	(147.4)	1,332.1
Net assets attributable to WorkSafeNB	556.8	—	147.4	704.2
Non-controlling interests	47.3	—	—	47.3
Funding level	N/A			152.9%
Consolidated Statement of Operations				
Excess (deficiency) of revenue over expenses attributable to WorkSafeNB	(89.8)	—	56.3	(33.5)

1. Due to the reclassification of insurance related receivables and payables to Insurance contract liabilities

2. Due to the marked-to-market discount rate methodology prescribed for financial statement insurance contract liabilities compared to the long-term approach used for funding liabilities. Also reflected are the legislative changes subsequent to the reporting date that are reflected in the funding basis, but not the IFRS 17 basis as described in more detail below.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

SUBSEQUENT EVENTS

Subsequent to year-end, the provincial government introduced legislation to amend the Act. The key changes from this legislation are that on July 1, 2025, the income replacement rate for survivor benefit recipients will increase by 5% of net earnings, and future contributions to pension annuities for survivors is increased to 10% of the monthly benefit paid. These amendments are estimated to result in an adjustment to the insurance contract liabilities of \$4.1 million.

The funding valuation's primary purpose is to assess the long-term health of the workers' compensation system, to determine assessment rates and benefit levels. We reflect these pending legislative changes in the going-concern benefits liability to provide the board of directors accurate representation of its benefits obligations when making funding decisions. The increase in the going-concern benefits liability at December 31, 2024 is \$3.7 million. While not reflected in the results under IFRS 17, the impact of pending legislative changes on this basis are fully disclosed in note 23 to the financial statements.

FINANCIAL HIGHLIGHTS – FUNDING VALUATION

WorkSafeNB recorded a funded position of \$704.2 (152.9%) at December 31, 2024, a decrease from \$737.8 million (156.1%) at December 31, 2023. This decrease is driven by a deficiency of revenues over expenses of \$33.6 million in 2024, compared to an excess of revenues over expenditures of \$119.7 million in 2023. The primary driver of the 2024 funding level decrease was the historic distribution of \$180.6 million in performance refunds to New Brunswick employers. Much of this decrease was offset by strong investment returns of 10.5% in 2024, compared to 8.9% in 2023. Benefits liabilities in 2024 remain stable, increasing by only \$2.1 million in 2024. The slight increase in 2024

is primarily driven by being one year closer to making payments on prior year entitlements, a small increase to the expected cost of 2024 injuries, and pending legislative changes costing \$3.7 million, partially offset by lower-than-expected payment levels in 2024 for medical, hospital, and short- and medium-term wage loss benefits. Pension annuity liabilities increased by \$8.1 million in 2024, due largely to strong investment returns throughout 2024 used to credit annuity accounts. Assessment revenue decreased by 1.1% from \$180.9 million in 2023 to \$179.0 million in 2024. This decrease is due to a 9.9% reduction in the provisional average assessment rate from \$1.31 in 2023 to \$1.18 in 2024, largely offset by both the increase of 5.6% in total assessable payrolls and a shift in payroll towards higher rate industries.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the accounts of WorkSafeNB and WorkSafeNB Investments Limited (WSNBIL). WSNBIL is a subsidiary over which WorkSafeNB exercises control and is defined as having the power to direct the relevant activities of an entity, having exposure or rights to variable returns of the entity, and having the ability to affect the returns through the power it holds. WSNBIL holds infrastructure and real estate assets in trust for WorkSafeNB, the Workers Compensation Board of Prince Edward Island (WCB of PEI) and the Firefighters' Compensation (FC) Act Disability Fund, pursuant to agreements for the combined administration of their respective investments. Although WorkSafeNB does not have legal rights to the proportionate shares that the WCB of PEI and the FC Act Disability Fund hold in WSNBIL, International Financial Reporting Standard 10 (IFRS 10) requires WorkSafeNB to present consolidated financial statements as they have control over WSNBIL as defined in IFRS 10. As a result, WSNBIL has been fully consolidated in these financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

The proportionate ownership of the net assets of WSNBIL as of December 31, 2024 was: WorkSafeNB – 87.1%, WCB of PEI – 11.1%, FC Act Disability Fund – 1.8%. All transactions and balances between WorkSafeNB and WSNBIL are eliminated on consolidation.

Non-controlling interests, presented as part of equity, represent the portion of WSNBIL's net assets that are held by the WCB of PEI and the FC Act Disability Fund.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The key components of WorkSafeNB's consolidated statement of financial position are its investments, benefits liabilities, pension annuity liabilities, and funded position.

FINANCIAL HIGHLIGHTS

Consolidated Statement of Financial Position

(\$millions)	2024	2023
Portfolio investments	1,996.6	1,999.8
Benefits liabilities	1,189.9	1,187.9
Pension annuity liabilities	112.5	104.4
WorkSafeNB funded position	704.2	737.8
WorkSafeNB funding level	152.9%	156.1%

Investments

WorkSafeNB's investment portfolio must be customized to reflect its purpose, time horizon, liquidity requirements, legal constraints and its stakeholders' risk tolerance. The primary investment risk is that the investment fund's assets, together with the future income thereon, will be insufficient to pay the liabilities.

Most of the investment portfolio is held to meet payment obligations that extend for many years into the future. Consequently, WorkSafeNB takes a long-term approach to finding an acceptable risk/return trade-off via the investment strategy. WorkSafeNB's investment policies and practices are designed to maximize the probability of meeting its performance objectives over the long-term at an acceptable risk level; from year-to-year, short-term fluctuations in financial markets could cause the investment portfolio to significantly over- or under-perform its long-term performance objectives.

WorkSafeNB believes that the most important factor in determining investment risk and return is the asset mix. WorkSafeNB relies on periodic asset liability studies performed by independent actuarial consultants to ensure that the investment strategy is suitable considering the risk tolerance and the nature of the liabilities and financial position. The latest asset liability study was completed in 2024, resulting in a targeted asset mix of: 11% Canadian bonds, 11% Canadian equities, 10% U.S. equities, 13% international (EAFE) equities, 3% emerging markets equities, 15% real estate, 15% infrastructure, 15% global opportunistic, 5% equity market neutral and 2% cash.

This asset mix is designed to reduce the volatility in WorkSafeNB's annually reported operating income, funding level and assessment rates.

The table below shows the fair value of WorkSafeNB investments by investment type as of December 31.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

INVESTMENTS		
(\$millions)	2024	2023
Forward foreign exchange contracts	(17.5)	32.1
Fixed income	322.8	321.5
Equities	826.2	945.8
Real estate	301.6	274.2
Infrastructure	261.5	233.4
Global Opportunistic	302.0	192.8
Total investments	1,996.6	1,999.8

WorkSafeNB's investment strategy is documented in the Statement of Investment Philosophy and Beliefs Policy and the Investment Goals and Objectives Policy. The Statement of Investment Philosophy and Beliefs Policy documents the governance structure for investments, WorkSafeNB's commitment to a disciplined approach to investing, WorkSafeNB's view on diversification as a method to reduce risk, the importance of the asset allocation decision, along with the WorkSafeNB's view on ethics and investment education.

The Investment Goals and Objectives Policy identifies the policy asset mix and performance objectives; and defines eligible investments and limits on risk concentrations. WorkSafeNB's investments are managed by independent external investment managers. The compliance of these portfolio managers with policy is monitored regularly.

To minimize the volatility of returns, WorkSafeNB's portfolio is diversified among asset classes, industry sectors, geographic locations and individual securities. WorkSafeNB further diversifies by selecting investment managers with varying investment mandates and styles.

In December 2021, WorkSafeNB entered into an agreement for outsourced chief investment officer investment management services with a third party, SEI Investment Management Company (SEI). SEI has discretion to invest in public securities consistent with WorkSafeNB policies.

Under a hybrid model, WorkSafeNB continues to manage its private markets and opportunistic investments under an internal chief investment officer – alternatives.

Benefits Liabilities

At the end of each fiscal year, WorkSafeNB determines its benefits liabilities for all injuries that have occurred to that date. These liabilities represent the actuarial present value of all future benefits and related administration costs. The benefits liability increased slightly from \$1,187.9 million in 2023 to \$1,189.9 million in 2024.

Continued improvement with short term wage loss has seen a gain of \$8.8 million, as payments on prior years' claims are lower than expected. This improvement in return to work also reduces the number of expected long-term claims generating further gains of \$12.9 million.

Also contributing to the improvement in claims cost experience are gains related to hospital and hearing loss benefits. Hospitals continue to be impacted by the challenges facing New Brunswick's health care sector. While hospital payments begin to increase from their historical low in 2022, they are below expected levels, generating a gain of \$6.2 million. Hearing loss claims continue to remain stable following a volatile period of increasing claim volumes, and subsequently decreasing following legislative change in late 2018, resulting in a \$9.2 million gain.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

Offsetting the underlying improvement in claims costs is \$68.2 million in interest expense from being one year closer to making payments on prior year entitlements, implementing a new mortality scale to reflect improvements in life expectancy increasing liabilities by \$5.6 million, and pending legislative changes costing \$3.7 million.

As at December 31, 2024 claim benefit liabilities were broken down as follows:

BENEFITS LIABILITIES		
(\$millions)	2024	2023
Short-term disability and rehabilitation	128.1	117.7
Long-term disability	509.5	481.5
Survivor benefits	59.2	60.6
Health care	489.4	484.9
Legislative changes	3.7	43.2
Total benefits liabilities	1,189.9	1,187.9

Pension Annuity Liabilities

Pension annuity liabilities represent WorkSafeNB's obligation to provide retirement benefits to eligible injured workers of assessed or self-insured employers equal to the total contributions plus investment income earned on those contributions. As such, the pension annuity liability is measured at an amount equivalent to the fair value of the assets for contributions set aside plus investment income earned on those contributions as at that year-end. At age 65 or upon death, the injured worker or their beneficiary receives a benefit from contributions made to their annuity account, plus any investment income earned. Assets attributable to pension annuities are included and managed as part of WorkSafeNB's investment portfolio.

The pension annuity liabilities at December 31, 2024 were \$112.5 million, an \$8.1 million increase from \$104.4 million at December 31, 2023.

Funded Position

WorkSafeNB is dedicated to building a strong, stable, and sustainable workers' compensation system that serves New Brunswick's workers and employers today and in the future. A key component of sustainability is WorkSafeNB's funding policy.

WorkSafeNB's funding policy specifies a long-term funding goal (ratio of assets to going-concern liabilities) of between 115% and 125%. This permitted excess of assets over going-concern liabilities reduces the impact of year-to-year fluctuations, therefore providing assessment rate stabilization and enhanced security that awarded benefits will be met. In accordance with the funding policy, the assessment revenue raised in any year from assessed employers may include or be reduced by an amount designed to allow WorkSafeNB to attain its funding goal. As per the funding policy, surplus is defined as the dollar excess of assets (excluding restricted cash – refer to note 6 of the financial statements) above the upper target funding level of 125%.

During the year, the board approved a \$180.6 million distribution to eligible employers in the form of performance refunds. This is included in the Employer Distribution on the Consolidated Statement of Operations. Effective September 2024, WorkSafeNB implemented an amended funding policy as follows:

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

In periods where the funding level falls below 115%:

- An assessment rate surcharge is levied upon employers to return to the 115% funding level. The surcharge is the difference between the cumulative going-concern financial results and the 115% funding level, amortized over a period of not greater than 10 years.
- Under the WC Act, a minimum funding level of 100% is required, with any shortfall to be recovered within a reasonable and prudent period not greater than 15 years.

In periods where the funding level exceeds 125%:

- The surplus between 125% and 140% is used to determine an assessment rate rebate issued to employers. The credit is the surplus between 125% and 140%, amortized over a period not greater than 10 years.
- The surplus between 140% and 150% may be distributed at the discretion of the Board as part of their rate setting process in the following year.
- The surplus above 150% must be distributed to employers.

WorkSafeNB's funding level at December 31, 2024 is 152.9% (2023 – 156.1%). This results in a mandatory distribution of \$11.5 million to employers in 2025 which is included in Employer Distribution payable recognized on the Consolidated Statement of Financial Position and Employer Distribution on the Consolidated Statement of Operations for December 31, 2024.

CONSOLIDATED STATEMENT OF OPERATIONS

FINANCIAL HIGHLIGHTS

Consolidated Statement of Operations

(\$millions)	2024	2023
Assessment revenue	162.4	165.9
Administration fee income	16.6	15.0
Investment income	206.4	159.1
Claims costs incurred	132.9	136.2
Pension annuity costs	17.3	14.7
Administration costs	76.0	69.3
(Deficiency) excess of revenues over expenses attributable to WorkSafeNB	(33.5)	119.7
Market rate of return of portfolio	10.46%	8.9%

REVENUES

WorkSafeNB's revenue is derived from two sources: assessment revenue and investment income. In 2024 revenues totalled \$385.4 million, a 13.4% increase from 2023 revenues of \$340.0 million.

Assessment Revenue

Assessment revenue consists of premiums from assessed employers and administration fee revenue from self-insured employers. Assessed employers pay premiums based on their assessment rate and assessable payroll. The assessment rate is applied to each \$100 of assessable payroll to arrive at the total premium. Administration fee revenue from self-insured employers reflects an appropriate share of administration costs to administer the claims.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

Assessment revenue from assessed employers decreased 2.0% from \$165.9 million in 2023 to \$162.5 million in 2024. The decrease is the result of the 9.9% reduction in the provisional average assessment rate from \$1.31 in 2023 to \$1.18 in 2024, partially offset by a 5.6% increase in assessable payroll. Above average rate sectors such as health care, construction, manufacturing, and retail have shown large payroll increases again in 2024. The maximum assessable earnings increased by 2.8% from \$74,800 in 2023 to \$76,900 in 2024.

ASSESSMENT REVENUE		
(\$millions)	2024	2023
Assessed employers	162.4	165.9
Administration fee revenue – self-insured employers	16.6	15.0
Total assessment revenue	179.0	180.9
Assessable payroll	\$13.33 billion	\$12.58 billion

Investment Income

Investment income increased to a gain of \$206.4 million in 2024 from a gain of \$159.1 million in 2023. The increase is attributable to unrealized gains on investments due to positive returns in most capital markets in 2024.

Investment income is an important revenue stream for WorkSafeNB. It is relied on to supplement insurance revenue to cover total expenses for the year. Built into the valuation of the insurance contract liabilities and into the assessment rate-setting model is the long-term assumption that WorkSafeNB's investments will generate an annual real rate of return of 3.75%. In 2024, the real rate of return on the portfolio was 8.47%. For the 25-year period ended December 31, 2024, the annualized real rate of return on the portfolio was 3.88%.

INVESTMENT INCOME		
(\$millions)	2024	2023
Interest and dividends	61.1	53.4
Net realized gains on investments	85.9	(26.2)
Change in net unrealized gains on investments	66.9	138.2
Portfolio management expenses	(7.5)	(6.3)
Total investment income	206.4	159.1

EXPENSES

WorkSafeNB's expenses consist of claims costs, pension annuity costs, administration costs, and legislative obligations. In 2024, expenses increased by 84.1% from \$223.5 million to \$411.5 million, due largely to the historic distribution of \$180.6 million in performance refunds to New Brunswick employers.

EXPENSES		
(\$millions)	2024	2023
Claim costs		
Benefit payments	130.8	123.4
Changes in actuarial valuation of benefits liabilities	2.1	12.8
Pension annuity costs	17.3	14.7
Administration costs	76.0	69.3
Employer distribution	180.6	–
Legislative obligations	4.7	3.3
Total expenses	411.5	223.5

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

Claims Costs

Claims costs represent costs incurred in the current year for current and prior year injuries. These costs include benefit payments made and changes in the actuarial valuation of the benefits liability. Claims costs decreased from \$136.2 million in 2023 to \$132.9 million in 2024. Total benefit payments in 2024 increased by \$7.4 million, primarily driven by increases in short- and long-term wage loss benefits, both of which were impacted by the 2024 legislative benefit improvements. The key drivers of the changes in the actuarial valuation of benefits liabilities are outlined in the benefits liabilities section above.

Fundamental to the actuarial valuation are the discount rates used to value the liabilities. The assumed discount rate for 2024 remained unchanged at 6.08%.

CLAIMS COSTS		
(\$millions)	2024	2023
Short-term disability and rehabilitation	39.9	7.1
Long-term disability	36.4	50.2
Survivor benefits	5.3	7.0
Health care	47.6	28.7
Legislative changes	3.7	43.2
Total claims costs	132.9	136.2

Pension Annuity Costs

WorkSafeNB must provide retirement benefits to eligible injured workers of assessed or self-insured employers equal to the total contributions plus investment income earned on those contributions. These costs amounted to \$17.3 million in 2024 (\$14.7 million in 2023).

Administration Costs

WorkSafeNB's administration costs increased by \$6.7 million (9.7%) from \$69.3 million in 2023 to \$76.0 million in 2024.

Employer distribution

WorkSafeNB's board of directors adopted a revised funding policy in 2024 following a robust asset liability study. The new funding policy requires the board to distribute funding surplus above 150% to employers, and gives discretion to distribute surplus between 140% and 150%. In 2024, the board approved the distribution of all surplus available, resulting in a distribution of \$180.6 million for New Brunswick employers.

Legislative Obligations

WorkSafeNB is required by legislation to reimburse the provincial government for operating costs of the workers' and employers' advocates, which were \$1.6 million in 2024 (2023 – \$1.0 million), and \$2.1 million in 2024 (2023 – \$1.3 million) for the Workers' Compensation Appeals Tribunal (WCAT).

In 2024, WorkSafeNB provided \$915 thousand (2023 – \$915 thousand) of financial assistance to three safety associations as per the Workers' Compensation Act – the New Brunswick Construction Safety Association, the New Brunswick Continuing Care Safety Association, and the New Brunswick Forest Safety Association. The money paid is levied against all employers in the industries represented by the safety associations and is included as part of assessment revenue.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

KEY FINANCIAL DRIVERS

Employment, Accident Frequency and Claim Duration

Work-related injuries arise from employment. Changes in New Brunswick's employment base and trends in injury frequency and claim duration are the primary drivers of WorkSafeNB's operations and key determinants of the assessment rates that assessed employers pay, as well as the claims costs paid directly by self-insured employers.

Injury frequency can be positively impacted through:

- Good safety practices by both workers and employers.
- A workplace culture of safety leadership.
- WorkSafeNB's focus on providing the right services to the right employer/industry at the right time.

Claim duration can be positively influenced by:

- A focus on early intervention, stay at work, and safe return to work.
- Promptly filing claims reports.
- Early assessment of functional abilities with a comprehensive rehabilitation plan.
- Graduated/modified employer-sponsored return to work plan in place.

Claim duration/severity is particularly important, as a relatively small number of claims account for a very sizable portion of benefit costs.

Inflation Rate

The inflation rate, or Canadian consumer price index (CPI), is a key driver because WorkSafeNB's future short-term disability, long-term disability, survivor and other benefits and allowances are indexed annually based on the CPI.

These benefits increased by 2.8% in 2024, a decrease from the 8.1% increase in 2023. Cost projections include the known CPI increase of 2.67% in 2025 and continue to include a 2.25% long-term inflation assumption for 2026 and beyond, reflecting the best estimate average CPI increase over the next 20 to 30 years.

Investment Returns

WorkSafeNB collects assessments to cover the entire present and future expected costs of injuries incurred in a given year. The assessments collected are invested to produce an expected long-term average real return of 3.75%. This real return is the expected return in excess of inflation, as measured by the increase in the CPI. This return expectation is based on achieving investment returns similar to the historical long-term average returns for the asset classes in which the portfolio is invested.

WorkSafeNB's investment portfolio earned a return of 10.46% in 2024. The real rate of return, or the return after inflation, was 8.47%, exceeding the benchmark of 3.75% by 4.72% for 2024. WorkSafeNB's investment portfolio has exceeded the real rate of return target for the 25-year period ending December 31, 2024, producing an annualized after inflation return of 3.88%.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

U.S. equity and Canadian equity investments led the returns of the investment portfolio, returning 35.98% and 20.87%, respectively for 2024. The portfolio's European real estate and Canadian real estate were the lowest performing asset classes, returning (25.74%) and (0.73%), respectively.

While the expected average real return is 3.75% over long periods, the actual real rate of return can vary significantly over shorter periods due to short-term volatility in the financial markets where WorkSafeNB's portfolio is invested. The long-term fiscal strategy and investment policies document WorkSafeNB's strategy for maintaining investment and funding discipline in volatile markets.

Financial Management

Capital markets remain uncertain, and it is critical that WorkSafeNB maintains a disciplined planning and decision-making process to protect the Accident Fund's integrity and stability. WorkSafeNB is a long-term investor with a strong financial position. This allows for patience and the ability to stay committed to proven investment principles and beliefs.

RISKS

Trends and events within New Brunswick and across Canada are intricately linked to achieving our vision, with environmental, economic, and societal factors posing risks, as well as opportunities, for WorkSafeNB. To maximize opportunities and manage risks, the board of directors regularly reviews its strategic direction and the risks facing the organization and decides whether to reaffirm or adjust treatment of its risk portfolio and its strategies.

WorkSafeNB plays an important role in New Brunswick's economy. Our 2025-2029 strategic plan is based on three focus areas that form the foundation of our work moving forward, to ensure New Brunswick is the safest place to work and

that it is sustainable for years to come. The plan demonstrates how we will provide public value by focusing on People, Prevention, and Integrity, including specific strategies, objectives, measures, and targets for 2025-2029.

In 2024, 14 enterprise level risks were identified. Four were at a moderate level of residual risk and 10 were identified as having a low residual risk and being in control. Moderate level residual risks include cyber security, resourcing for our modernization initiatives, data governance and supply chain. These risks are being monitored and managed by WorkSafeNB.

LOOKING AHEAD

Looking ahead to 2025, we continue to be inspired by our values - Accountability, Collaboration, Trust and our unwavering focus on People, Prevention and Integrity. At the centre of 2025 is our continued modernization journey, which is all about building a strong foundation to support the WorkSafeNB of the future – it will position us as an employer of choice, speed up the claims process so workers safely return to work more quickly, and help employers prevent injury, based on better data. Modernization will create a sustainable WorkSafeNB, with the systems we need to continue the progress this province is seeing with fewer workplace injuries.

Key initiatives for 2025 include:

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

SUPPORTING OUR WORKSAFENB PEOPLE AND OUR CLIENTS

WorkSafeNB prioritizes creating an engaging experience for our employees, fostering their growth, and a people-first environment. We aim to attract top talent and be an employer of choice, recognizing that a strong, vibrant workplace culture is essential to creating exceptional experience for our people and those we serve. In 2025, our efforts include continuing to invest in learning and development for our team members, further strengthening leadership capabilities and advancing WorkSafeNB's Inclusion, Diversity, Equity, and Accessibility (IDEA) framework, embracing and celebrating the unique strengths that diverse perspectives contribute to our organization. Central to these efforts is our unwavering commitment to cultivating a psychologically safe environment—one where open communication and the free exchange of ideas are encouraged and valued.

CLIENT EXPERIENCE

We know workers, employers, and service providers rely on quick and easy access to comprehensive support, crucial information, and trusted guidance from WorkSafeNB. To better serve our clients, we're making a concerted effort to improve key areas that drive their experience in 2025 and will be focused on improving time to first decision and time to first payment. These are critical moments in a worker's journey, impacting financial stability, recovery, and overall well-being.

In 2024, we developed a modernization strategy focused on enhancing front-end client experience ensuring a seamless, multichannel experience for our clients whether they pick up the phone or click their mouse. As part of our multi-year implementation, we're building a future where working with WorkSafeNB is effortless, accessible and personalized interactions. This includes efforts getting underway on a new website to further streamline how clients find and use our services.

KEEPING ASSESSMENTS RATES LOW

We now have the lowest assessment rate for NB employers at \$1.10. This was the lowest rate in Eastern Canada and the second lowest across the country. The sustainability of the workers' compensation system is based on maintaining a fine balance between the needs of both workers and employers. Reducing the average assessment rate while improving benefits further realizes this goal – the best possible benefits for injured workers and their families, while maintaining fair and affordable rates for employers. Along with smart financial management, our ongoing efforts and initiatives to prevent workplace injury play an important role in keeping rates low and the success of these initiatives has led to New Brunswick recording the lowest workplace injury rate in Canada for 2024. That vision—to make New Brunswick the safest place to work—will continue in 2025.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

COLLABORATIVE PARTNERSHIPS FOR TARGETED INDUSTRY SUPPORT

WorkSafeNB is dedicated to providing workplaces with the tools and support they need to prioritize safety and health. Together—employers, workers, industry groups, and community partners—we can build a culture where safety is second nature. In 2025, we are strengthening relationships across industries to ensure that every worker, no matter their background or experience, has access to the tools and support they need to stay safe.

Some industries and occupations require additional resources, and we are committed to providing targeted support. Our collaborations in 2025 include ongoing work with the New Brunswick Construction Safety Association, with support from the BC Construction Safety Alliance, to equip employers with innovative tools for managing silica exposure.

We are also deepening our engagement with the seafood processing industry and launching a new initiative with Junior Achievement to empower young workers with safety knowledge early in their careers. Additionally, with fishing vessels now recognized as places of employment under the Occupational Health and Safety (OHS) Act, we will continue working alongside New Brunswick's fish harvesters, ensuring they have the education and resources needed to keep workers safe on the water.

As our province continues to welcome newcomers, we recognize that workplace safety must be accessible to everyone, regardless of language or experience. In 2025, we are committed to strengthening partnerships with organizations that support newcomers, ensuring they have the knowledge and resources to work safely. Safety is a universal language, and by working together, we can build a culture where every worker feels informed, supported and protected.

ADVANCING MENTAL HEALTH SUPPORTS

WorkSafeNB's 2025 Aligned Mental Health Strategy sets a clear path toward fostering a psychologically safe workplace culture across New Brunswick. Grounded in the CSA Standard for Psychological Health and Safety, the strategy emphasizes prevention, early intervention, and effective claims management. This strategy aligns with mental health initiatives across the organization by integrating four key areas: Psychological Health and Safety, Traumatic Psychological Injury (TPI) Prevention, TPI Claims and Rehabilitation, and Mental Health support in physical injury claims. This unified approach ensures a consistent framework for addressing psychosocial risks, enhancing resilience, and supporting employees and employers. Our strategy's success will improve employee engagement, reduce workplace injuries, and optimize outcomes for the mental health components of claims. Through collaboration, targeted education, and resource centralization, WorkSafeNB is committed to delivering a healthier and safer future for New Brunswick's workers and employers.

EXTENDED SERVICES AND ENHANCING CLIENT PROGRAMS FOR BETTER OUTCOMES

We continue to work to modernize our approach to service delivery and mature our Stay-at-Work Support and Early Intervention programs, using best practices to get people back to work after injury and avoid disability. We measure the duration injured workers stay on claim. These timeframes allow us to measure early intervention and stay-at-work initiative efforts, aimed at better supporting injured workers. We benchmark our results against ourselves, as well as other provinces.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

We are also building on our Modernization momentum in 2025 with the new Clinical Partner Relations team to ensure a consistent and timely client-focused experience in their recovery. By strengthening our strategic clinical partnerships, we help ensure injured workers have quick access to individualized care to support return-to-work efforts and prevent long-term disability to avoid prolonged absences from work. We are focused on ensuring clients receive the right service at the right time, reducing wait times, and enhancing the overall quality of care.

SUPPORT FOR HIGH-RISK INDUSTRY

We will continue to focus on targeted physical safety initiatives for workers identified in high-risk industries. Focused areas for our compliance and consultation teams include new promotional activities for several topics in 2025 including fall protection, the hazards of respirable silica in construction and quarries, hearing conservation, MSI prevention in manufacturing and lockout awareness campaigns in heavy equipment industries. In the latter half of 2025 we'll begin an initiative on ergonomic safety in nursing homes and acute care. WorkSafeNB focuses on high-risk industries because every worker deserves to come home safe, and reducing injuries in these sectors protects livelihoods, lives, families, and communities.

MODERNIZING OUR CORE SYSTEM

WorkSafeNB is advancing its systems modernization initiatives to transform how we work and deliver services. In 2025 we'll begin implementation on our HR and Finance solutions, which will enhance operational efficiency by streamlining processes, reducing manual tasks, improving access to quality data, and introducing modern solutions to everyday challenges. The implementation will span two and a half years. These systems will simplify and automate tasks, enabling us to focus on our core mission.

In 2025 we will be going to market for subsequent core systems including claims systems and are finalizing requirements. Our modernization efforts prioritize doing it right the first time, with a strong focus on creating a seamless client experience and building a robust foundation for long term success.

MEANINGFUL LEGISLATION

In 2025, we will continue to work toward making meaningful legislative advancement. This will include recommended amendments to the Workers' Compensation Act including improvements for survivor payouts, young workers, and correctional officers. WorkSafeNB will share the results of the comprehensive public consultation held in 2024, which focused on the potential merger of the Firefighters' Compensation (FC) Act with the Workers' Compensation (WC) Act. This initiative responds to a longstanding call from firefighters to expand the list of presumptive cancers and aims to streamline the claims process for faster and more effective support.

By combining stakeholder feedback with in-depth analysis, we will continue to make informed recommendations to the government, driving forward a legislative framework that better balances and serves the needs of both New Brunswick's workers and employers. These efforts exemplify our commitment to transparency and collaboration, ensuring that the voices of New Brunswickers are at the heart of decisions that impact workplace safety and well-being. By leveraging the insights gained, we aim to drive positive change, creating a stronger, more inclusive framework that supports workers and employers alike.

MANAGEMENT DISCUSSION AND ANALYSIS OF 2024 CONSOLIDATED FINANCIAL STATEMENTS AND OPERATING RESULTS CONTINUED

FINANCIAL EXCELLENCE

2024 marked the first year in our history to announce performance refunds to employers. It's a result of smart financial management and investment and, importantly, safer workplaces. It's also the result of more efficient treatment and care. When we work together to reduce injuries, everybody wins. With our continued efforts we are already on track for another year in a strong financial position and are well placed for the future.

CONSULTING OUR STAKEHOLDERS

Public consultations are vital to WorkSafeNB because they ensure the voices of workers, employers, and stakeholders are heard in shaping workplace safety policies. By gathering diverse perspectives, we create fair, balanced, and effective regulations that protect everyone.

In 2025 we are asking for public input on proposed legislative updates to the Workplace Health, Safety and Compensation Commission & Workers' Compensation Appeals Tribunal Act that have come out of our mandated 5 year review. These proposals reflect the organization's ongoing commitment to delivering a fair, effective, and sustainable system for New Brunswickers and include: modernizing language and structure, improving flexibility in appeal decision timelines, expanding investment options and streamlining the external auditor appointment process.

Our regular review of the Occupation Health and Safety Act will also commence shortly with preconsultation work getting underway in 2025.

SUMMARY

As we approach 2025 and our ambitious objectives, we know that our success is tied directly to all of the workers, employers, healthcare providers, and other stakeholders who partner with us to make New Brunswick the safest place to work. We look forward to continuing to strengthen these relationships, live up to the trust that you put in us everyday and provide value to you and our communities.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

WorkSafeNB's consolidated financial statements were prepared by management, which is responsible for the integrity and fairness of the data presented, including significant accounting judgments, estimates and actuarial assumptions. This responsibility includes selecting and applying appropriate accounting principles and actuarial assumptions consistent with International Financial Reporting Standards.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements, management maintains the internal controls necessary to provide reasonable assurance that relevant and reliable financial information is produced, and that assets are properly safeguarded. The Internal Audit Department conducts reviews to ensure that WorkSafeNB's internal controls and procedures are adequate, consistent, and applied uniformly.

The board of directors is responsible for evaluating management in the performance of financial reporting responsibilities, and has approved the consolidated financial statements included in this annual report. The board of directors is assisted by the Audit Committee, which reviews and recommends approval of the consolidated financial statements and meets periodically with management, the independent actuaries, the independent auditors and the internal auditor, concerning internal controls and all other matters relating to financial reporting.

Eckler, WorkSafeNB's independent consulting actuary, has completed an actuarial valuation of the benefits liabilities included in WorkSafeNB's consolidated financial statements and reported thereon in accordance with accepted actuarial principles.

Doane Grant Thornton, WorkSafeNB's independent auditors, has performed an audit of WorkSafeNB's consolidated financial statements in accordance with International Financial Reporting Standards. The Independent Auditors' Report outlines the scope of this independent audit and includes the opinion expressed on the consolidated financial statements.



Tim Petersen, CA
President and Chief Executive Officer
WorkSafeNB



Carolyn MacDonald
Vice-president, Strategy and Finance
WorkSafeNB

ACTUARIAL STATEMENT OF OPINION

ECKLER

We have completed the actuarial valuation of the insurance contract liability of the Workplace Health, Safety and Compensation Commission ("WorkSafeNB") as at December 31, 2024 (the "valuation date") in accordance with the requirements under IFRS 17. The valuation is based on the provisions of the Workers' Compensation Act of New Brunswick and on WorkSafeNB's policies and practices in effect on the valuation date.

The estimate of the insurance contract liability for assessed employers under IFRS 17 as at the valuation date is \$1,422,972,000. The insurance contract liability includes a provision for benefits and administration expenses expected to be paid after the valuation date for accidents that occurred on or before the valuation date. The insurance contract liability also includes a provision for long-latency occupational disease claims associated with exposure that occurred on or before the valuation date. Self-insured employers are not included in this valuation.

Details of the data, actuarial assumptions, valuation methods and results are included in the actuarial valuation report as at the valuation date, of which this statement of opinion forms part. In our opinion:

1. The data on which the valuation is based are sufficient and reliable for the purpose of the valuation. Data for the valuation was supplied by WorkSafeNB in accordance with specifications provided by us and we applied such checks of reasonableness of the data as we considered appropriate.
2. The assumptions used are appropriate for financial reporting purposes under IFRS 17. The discount rate and economic assumptions used in the valuation are disclosed in note 4 to the financial statements.
3. The methods employed in the valuation are appropriate for the purpose of the valuation.
4. The amount of the insurance contract liability makes appropriate provision for all personal injury compensation obligations given the plan's accounting.

The valuation report has been prepared and our opinions have been given in accordance with accepted actuarial practice in Canada.

Further information on the data, assumptions, methods, and valuation results can be found in the actuarial valuation report. Emerging experience, differing from the assumptions, will result in gains or losses which will be revealed in future valuations.

Respectfully submitted,



Thane MacKay, FCIA
June 2025

This report has been peer reviewed by Jeff Turnbull, FCIA

INDEPENDENT AUDITOR'S REPORT

To the members of the board of directors

WORKSAFE NB

Opinion

We have audited the consolidated financial statements of Workplace Health, Safety and Compensation Commission of New Brunswick (operating as "WorkSafeNB"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of operations, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of WorkSafeNB as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated Financial Statements* section of our report. We are independent of the WorkSafeNB in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the WorkSafeNB's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the WorkSafeNB's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the WorkSafeNB's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the WorkSafeNB's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the WorkSafeNB to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT CONTINUED

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Doane Grant Thornton LLP
Chartered Professional Accountants

Saint John, Canada
June 5, 2025

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of dollars)

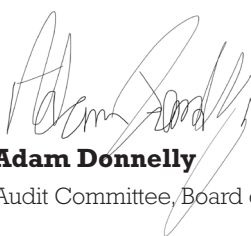
	2024	2023
ASSETS		
Cash and cash equivalents (Note 6)	\$ 65,578	\$ 66,306
Receivables and other (Note 7)	7,981	8,985
Investments (Notes 8 and 9)	1,996,554	1,999,797
Capital assets (Note 10)	3,677	3,193
Total assets	\$ 2,073,790	\$ 2,078,281
LIABILITIES		
Payables and accruals (Note 11)	\$ 9,698	\$ 7,868
Employer distribution payable (Note 24)	17,241	-
Self-insured pension annuity liabilities (Note 12)	19,725	17,539
Insurance contract liabilities (Notes 4, 5 and 13)	1,422,972	1,370,649
Total liabilities	1,469,636	1,396,056
NET ASSETS		
WorkSafeNB net assets	556,836	646,620
Non-controlling interests (Note 3)	47,318	35,605
Total net assets	604,154	682,225
Total liabilities and net assets	\$ 2,073,790	\$ 2,078,281

On behalf of the board of directors:



James E. A. Stanley

Audit Committee, Board of Directors



Adam Donnelly

Audit Committee, Board of Directors



Mel Norton

Chairperson, Board of Directors

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2024

(in thousands of dollars)

	<u>2024</u>	<u>2023</u>
Insurance revenue	\$ 162,496	\$ 166,870
Insurance service expenses (Note 14)	(177,487)	(81,735)
Net insurance service result (Note 13)	(14,991)	85,135
Net investment income (Note 8)	207,021	159,627
Net insurance finance (expense) income (Note 15)	(69,058)	(113,897)
Other income and (expenses)		
Administration and other expenses (Note 18)	(29,759)	(29,860)
Employer distribution (Note 24)	(192,164)	–
Admin fees from self-insured employers (Note 19)	16,581	15,028
Total other (expenses) income	(205,342)	(14,832)
(Deficiency) excess of revenues over expenses	\$ (82,370)	\$ 116,033
(Deficiency) excess of revenues over expenses attributable to:		
WorkSafeNB stakeholders	\$ (89,784)	\$ 119,199
Non-controlling interests (Note 3)	7,414	(3,166)
	\$ (82,370)	\$ 116,033

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2024

(in thousands of dollars)

	2024	2023
WorkSafeNB net assets, beginning of year	\$ 646,620	\$ 527,421
(Deficiency) excess of revenues over expenses	(89,784)	119,199
WorkSafeNB net assets, end of year	\$ 556,836	\$ 646,620
 Non-controlling interests, beginning of year	 \$ 35,605	 \$ 33,773
Capital contributions by non-controlling interests	7,199	7,232
Distributions to non-controlling interests	(2,900)	(2,234)
Excess (deficiency) of revenues over expenses	7,414	(3,166)
Non-controlling interests, end of year	47,318	35,605
 Total net assets	 \$ 604,154	 \$ 682,225

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2024

(in thousands of dollars)

	2024	2023
Cash flow from operating activities		
Cash received from:		
Employer assessments	\$ 176,021	\$ 185,069
Interest and dividends	59,801	53,138
Cash paid to:		
Injured workers or third parties on their behalf	(140,040)	(134,102)
Employer distribution	(172,814)	–
Suppliers and employees, for administration and other services	(86,818)	(77,316)
Net cash (used in) provided by operating activities	(163,850)	26,789
Cash flow from investing activities		
Cash received from:		
Sale of investments	730,449	430,047
Contributions by non-controlling interests	7,229	7,175
Cash paid for:		
Purchase of investments	(573,166)	(463,797)
Purchase of capital assets – net of proceeds	1,536	(1,131)
Distributions to non-controlling interests	(2,902)	(2,208)
Net cash provided by (used in) investing activities	163,146	(29,914)
Cash flow from financing activities		
Repayment of lease liabilities	(24)	(104)
Net cash used in financing activities	(24)	(104)
Decrease in cash during the year	(728)	(3,228)
Cash and cash equivalents, beginning of year	66,306	69,534
Cash and cash equivalents, end of year	\$ 65,578	\$ 66,306

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

1. AUTHORITY AND NATURE OF OPERATIONS

The Workplace Health, Safety and Compensation Commission (operating as WorkSafeNB) was established by the New Brunswick Legislature effective January 1, 1995, under the Workplace Health, Safety and Compensation Commission Act (WHSCC Act). WorkSafeNB, having its head office at 1 Portland Street, Saint John, New Brunswick, is responsible for administering the Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act (WHSCC & WCAT Act), the Workers' Compensation Act (WC Act), and the Occupational Health and Safety Act (OHS Act); and, in accordance with the provisions of these acts, for promoting accident prevention; administering benefits payments to injured workers and surviving spouses; and levying and collecting employer assessments sufficient to fund the current and future costs of existing claims.

WorkSafeNB is also responsible for administering the Firefighters' Compensation Act (FC Act) and, in accordance with the provisions of the Act, for administering the payment of benefits to firefighters or former firefighters and dependants, and levying and collecting assessments from municipalities and rural districts. The results of operations under the FC Act are not included in WorkSafeNB's consolidated financial statements, as WorkSafeNB does not control the FC Act Disability Fund. A separate set of financial statements is prepared for the FC Act.

WorkSafeNB's consolidated financial statements were authorized for issue by the board of directors on June 5, 2025.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

2. NEW OR REVISED ACCOUNTING STANDARDS OR INTERPRETATIONS

The International Accounting Standards Board (the IASB) is continually working toward improving and developing new accounting standards. The IASB has issued a number of exposure drafts of new standards that are expected to come into effect over the next several years. WorkSafeNB continually monitors the IASB work plans and publications to assess any potential impact on the organization.

WorkSafeNB adopted the following amended standard on January 1, 2024:

IFRS 9 – Financial Instruments

Amendments to IFRS 9 and IFRS 7 – (Classification and Measurement of Financial Instruments)

The adoption of the amendment did not have a material effect on the consolidated financial statements.

Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early

At the date of authorization of these consolidated financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the IASB or IFRIC:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)
- IFRS 18 Presentation and Disclosure in Financial Statements

None of these standards or amendments to existing Standards have been adopted early by WorkSafeNB and no Interpretations have been issued that are applicable and need to be taken into consideration by WorkSafeNB at the reporting date. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

3. MATERIAL ACCOUNTING POLICIES AND PRACTICES

The accounting policies set out below have been applied in preparing the consolidated financial statements for the year ended December 31, 2024 and the comparative information for the year ended December 31, 2023.

Accounting policies are selected and applied to ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Financial Reporting Interpretations Committee (IFRIC) in effect at December 31, 2024 and are presented in thousands (000s) of Canadian dollars, unless otherwise stated.

WorkSafeNB's consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities, which are measured at fair value, as explained in the accounting policies below.

(b) Basis of consolidation

The consolidated financial statements include the accounts of WorkSafeNB and WorkSafeNB Investments Limited (WSNBIL). WSNBIL is a subsidiary over which WorkSafeNB exercises control, which is defined as having the power to direct the relevant activities of an entity, having exposure or rights to variable returns of the entity, and having the ability to affect the returns through the power it holds. WSNBIL holds infrastructure and real estate assets in trust for WorkSafeNB, the Workers Compensation Board of Prince Edward Island (WCB of PEI) and the FC Act Disability Fund. The proportionate ownership of the net assets as at December 31, 2024 was: WorkSafeNB – 87.1% (2023 – 88.4%), WCB of PEI – 11.1% (2023 – 10.0%), FC Act Disability Fund – 1.8% (2023 – 1.6%). All transactions and balances between WorkSafeNB and WSNBIL are eliminated on consolidation.

Non-controlling interests, presented as part of equity, represent the portion of WSNBIL's net assets that are held by the WCB of PEI and the FC Act Disability Fund.

(c) Use of accounting estimates and measurement uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying WorkSafeNB's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, have been disclosed in Notes 2, 3 and 4. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could be higher or lower than these estimates.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

(d) Critical accounting judgments

Management incorporates critical judgments in developing and applying accounting policies for recognition and measurement. These judgments have a direct effect on the initial and subsequent recognition and measurement of transactions and balances in the consolidated financial statements. Management has based its judgements and assumptions on information available at the time of preparing the consolidated financial statements.

(e) Cash and cash equivalents

Cash and cash equivalents are recorded at cost, which approximates fair value, and consist of cash and fixed income instruments with maturities of less than one year.

(f) Investments

All portfolio investments are classified by WorkSafeNB as fair value through profit or loss (FVTPL). All investment income, and changes in fair value are included in investment income. Interest and dividend income is recognized in the period earned and realized gains and losses are recognized in the period in which they arise. Unrealized gains and losses are included in investment income (loss) and recognized in the period in which they arise. All purchases and sales of securities classified as portfolio investments are recognized using trade-date accounting.

The portfolio is managed and its performance is evaluated on a fair value basis, in accordance with the policies and directives that document WorkSafeNB's investment strategy and risk controls. The portfolio investments are held to provide for the insurance contract liabilities. The most relevant measure to assess whether the investments are sufficient to pay for the liabilities is fair value.

Fair values of investments are determined as follows:

- Publicly traded equity securities are valued at their year-end quoted market prices as reported on recognized public securities exchanges.
- Fixed-term investments are valued at their year-end closing market prices or the average of the latest bid/ask prices, based on available public quotations from recognized dealers in such securities.
- Commercial paper, short-term notes and treasury bills and term deposits maturing within a year are valued at either their year-end closing or bid price, based on available quotations from recognized dealers in such securities, or at cost plus accrued interest, which approximates fair value.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

- Pooled fund units are valued at their year-end net asset value, as determined by the fund manager or administrator. For pooled funds holding equity and fixed-income assets, these values represent WorkSafeNB's proportionate share of underlying net assets at fair values determined using either quoted market prices or year-end closing market prices or the average of the latest bid/ask prices, based on available public quotations from recognized dealers in such securities. For pooled funds holding derivatives, cleared derivatives are valued at the closing price quoted by the relevant clearing house, and over-the-counter derivatives are valued using an industry standard model. Exchange-traded options are valued at the last sale price or the closing bid price for long positions and the closing ask price for short positions. For real estate pooled funds classified as level 2 in the fair value hierarchy, these values represent WorkSafeNB's proportionate share of the underlying net assets at fair values determined using independent appraisals, net of any liabilities against the fund assets. For infrastructure pooled funds and real estate pooled funds classified as level 3 in the fair value hierarchy, these values represent WorkSafeNB's proportionate share of the underlying net assets at fair values estimated using one or more methodologies, including discounted cash flows, multiples of earnings measures, and recent comparable transactions. In the first year of ownership, cost is considered to be an appropriate estimate of fair value.
- Forward foreign exchange contracts are valued at their net unrealized gain or loss, based on quoted market exchange rates at the statement of financial position date.

(g) Foreign currencies

Assets denominated in foreign currencies are translated into Canadian dollars at exchange rates prevailing at the Statement of Financial Position date. Income from these assets is translated at the rate in effect at the time the income is received.

Realized exchange gains or losses are included in investment income and recognized in the period earned. Unrealized exchange gains or losses resulting from the translation of foreign currency denominated asset balances are recorded in investment income in the period in which they arise.

(h) Insurance contracts

WorkSafeNB accepts insurance risk from employers in exchange for premiums paid. WorkSafeNB separates its arrangement with self-insured employers and applies IFRS 15 Revenue from Contracts with Customers, as further described in Note 19. The nature of the material accounting policies for insurance contracts can be summarized as follows:

Level of aggregation

WorkSafeNB determines its level of aggregation for the insurance contracts by first identifying the portfolios of insurance contracts. Portfolios comprise groups of contracts with similar risks which are managed together. Portfolios are further divided into groups based on expected profitability at inception into three categories: (i) onerous contracts, (ii) contracts with no significant risk of becoming onerous, and (iii) the remainder. Groups of contracts contain contracts issued no more than one year apart.

WorkSafeNB's arrangement with assessed employers gives rise to a single portfolio as the insurance contracts with assessed employers are subject to similar risks and are managed together. This portfolio is further disaggregated into groups of contracts that are issued within a calendar year.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

Initial recognition

WorkSafeNB recognizes groups of insurance contracts from the earliest of the following:

- The beginning of the coverage period of the group of contracts, or
- The date when the first payment is due from an employer or when the first payment is received, or
- For a group of onerous contracts, as soon as facts and circumstances indicate that the group is onerous.

WorkSafeNB's insurance contracts are issued on a calendar year basis with initial recognition generally being January 1, aside from new employers. The contracts become effective on January 1 annually for existing employers which coincides with the beginning of the coverage period and when the premium rates are considered binding.

Contract boundary

WorkSafeNB includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the period in which WorkSafeNB can compel the policyholder to pay the premiums, or in which WorkSafeNB has a substantive obligation to provide the policyholder with insurance contract services. WorkSafeNB has determined the contract boundary for its insurance contracts to be one year as it only has the substantive right to compel assessed employers to pay premiums annually and has the practical ability to reassess the risks and set a price that fully reflects these risks on an annual basis.

Measurement of insurance contracts

Insurance contract liabilities are measured using one of the following measurement models:

a) The General Measurement Model (GMM)

The General Measurement Model requires insurance contracts to be measured using current estimates of discounted future cash flows, an adjustment for risk and a contractual service margin representing the profit expected from fulfilling the contracts.

b) The Premium Allocation Approach (PAA)

The Premium Allocation Approach is a simplified model that can be applied to insurance contracts with coverage periods of one year or less, or where the Premium Allocation Approach approximates the General Measurement Model. The Premium Allocation Approach includes discounted future cash flows and an adjustment for risk, but does not include a contractual service margin (i.e. referred to as "fulfilment cash flows").

WorkSafeNB has assessed the coverage period of all of its insurance contracts as one year in length, and as such, has applied the Premium Allocation Approach on to all insurance contracts.

WorkSafeNB's Insurance contract liabilities is comprised of two components: 1) Liabilities for remaining coverage comprising fulfilment cash flows related to future service allocated to each group of contracts at period end and 2) Liabilities for incurred claims comprising the fulfilment cash flows related to past service allocated to each group of contracts at period end.

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2024

(in thousands of dollars)

3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

Liabilities for remaining coverage

On initial recognition of each group of contracts, the carrying amount of the Liabilities for remaining coverage is measured at the premiums received on initial recognition.

Subsequently, the carrying amount for the Liabilities for remaining coverage is increased by any premiums received, decreased by the amount recognized as insurance revenue for the coverage provided and adjusted for any change in recognition and reversal of onerous losses. On initial recognition of each group of contracts, WorkSafeNB expects that the time between providing each part of the coverage and the related premium due date is no more than a year. Accordingly, WorkSafeNB has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then WorkSafeNB recognizes a loss in the consolidated statement of operations and increases the Liabilities for remaining coverage.

Liabilities for incurred claims

WorkSafeNB recognizes the liabilities for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims.

Liabilities for incurred claims represent the actuarially determined present value of the estimated future payments for reported and unreported claims incurred on or prior to the reporting date using best estimate assumptions related to workers of assessed employers. These estimates and assumptions include claim duration, mortality rates, wage and health care escalations, general inflation, and discount rates. In addition, an obligation is estimated for claims in respect of occupational diseases currently recognized by WorkSafeNB for which a claim has not yet been reported. The future payments are for estimated obligations for short-term disability and rehabilitation costs, long-term disability costs, health care costs, survivor benefits, retirement income benefits, and claim administration costs. Changes in the estimates and assumptions can have a significant impact on the measurement of Insurance contract liabilities and claim costs.

Insurance contract liabilities also include the estimated liability for latent occupational disease and a provision for future administration costs of existing claims. Due to the nature of the estimated liability for latent occupational disease and the extent of related historical claims information available, this liability is more uncertain by its nature than other benefits liabilities. As information is accumulated and analyzed, adjustments may be necessary to improve precision.

Insurance contract liabilities do not include any amounts for claims related to workers of self-insured employers; these claims are ultimately paid by the self-insured employers and do not meet the definition of an insurance contract.

It is WorkSafeNB's practice to have an independent consulting actuary complete a valuation of the insurance contract liabilities of WorkSafeNB every year. Actual future costs could be higher or lower than those amounts presented in the consolidated financial statements.

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3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

Pension annuity liabilities represent WorkSafeNB's obligation to provide retirement benefits to eligible injured workers of assessed or self-insured employers equal to the total contributions plus investment income earned on those contributions. As such, the pension annuity liability is measured at an amount equivalent to the fair value of the assets. At age 65 or upon death, the injured worker or their beneficiary receives a benefit from contributions made to their annuity account plus any investment income earned.

Assets attributable to pension annuities are included and managed as part of WorkSafeNB's investment portfolio.

WorkSafeNB contributes 10% of the loss of earnings benefits to the annuity account for injured workers who have received loss of earnings benefits for 24 consecutive months. For fatalities that occurred between January 1, 1982, and December 31, 1997, WorkSafeNB contributes 8% of the beneficiary's monthly benefit to their annuity account. For fatalities that occur on or after January 1, 1998, WorkSafeNB contributes 5% or 8% of the beneficiary's monthly benefit to their annuity account, depending on the option elected by the beneficiary under the post-1997 benefit provisions.

The pension annuities related to self-insured employers are classified as a self-insured pension annuity liability on the Statement of Financial Position and accounted for in accordance with IFRS 9 Financial Instruments. The pension annuity liabilities related to insured employers are considered insurance contract liabilities under IFRS 17 Insurance Contracts.

Discount rate

The discount rate used to reflect the time value of money in the fulfilment cash flows is based on the characteristics of the liabilities, rather than a discount rate based upon the expected long-term average rate of return of assets supporting those liabilities as is used under the funding basis (see note 23).

All cash flows are discounted using marked-to-market risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. WorkSafeNB uses a bottom-up approach to determine a liquidity premium over risk-free rates based on the market spread of an asset reference portfolio adjusted to remove the credit losses, and to account for the difference in liquidity between the asset reference portfolio and the insurance contract. Given the highly illiquid nature of WorkSafeNB's insurance contracts, WorkSafeNB is using the illiquid reference curve provided regularly for the Canadian Institute of Actuaries by Fiera Capital.

Insurance revenue

Insurance revenue is comprised of assessment premiums expected to be received during the coverage period and excluding any investment components. As WorkSafeNB's coverage period is one year, no adjustment is made to assessment premiums for the time value of money. Insurance revenue is recognized by allocating assessment premiums to each reporting period on the basis of the passage of time, which is the coverage period of one year.

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3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

Insurance service expenses

Insurance service expenses are comprised of fulfilment cash flows that are included within the boundary of WorkSafeNB's insurance contracts. These include payments to (or on behalf of) a policyholder, claims handling costs, policy administration and maintenance costs, and an allocation of fixed and variable overhead costs. These overhead costs are allocated to WorkSafeNB's insurance contracts using methods that are systematic and rational, which include significant estimates and judgement, and are consistently applied to all costs that have similar characteristics.

Onerous contracts

WorkSafeNB assumes that contracts are not onerous at initial recognition as insurance contract revenue covers the current year's costs of the system unless facts and circumstances indicate otherwise. Where, during the coverage period, circumstances indicate the group of insurance contracts are onerous, the loss is recognized immediately and is amortized through income by the end of the year. A loss component is established for remaining coverage for such onerous contracts. Accordingly, by the end of the coverage period for the contract group, the loss component will be zero.

Insurance finance expense (income)

Insurance finance expense or income is comprised of the change in the carrying amount of the group of insurance contracts arising from:

- The effect of the time value of money and changes in the time value of money
- The effect of financial risk and changes in financial risk

Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the discounted cash flows and reflects the compensation WorkSafeNB requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as WorkSafeNB fulfils insurance contracts. WorkSafeNB generates sufficient insurance service results and income from investments to fully fund the operations of the insurance business and other administrative activities, therefore there is no compensation required or earned by WorkSafeNB for such risk and as such, the risk adjustment was determined to be de minimis and corresponds to a 50% confidence level which is the probability that the actual outcome of future cash flows associated with WorkSafeNB's claims and expenses will be less than the liability.

(i) Leases

For any new contracts entered into, WorkSafeNB determines whether a contract is, or contains a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration." Upon determination that a contract is, or contains a lease, WorkSafeNB recognises a right-of-use asset and a lease liability. Upon lease commencement, the right-of-use asset is measured at cost and the lease liability is measured at the present value of the future lease payments. The right-of-use asset is depreciated on a straight-line basis to the earlier of the term of the lease or the useful life of the right-to-use asset. The lease liability is reduced over the lease term by payments made and increased for interest. Short-term leases (terms of 12-months or less) and low dollar value leases do not qualify for this accounting treatment.

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3. MATERIAL ACCOUNTING POLICIES AND PRACTICES (CONTINUED)

(j) Capital assets

Capital assets are reported at cost and are depreciated on a straight-line basis over their estimated useful lives. The rates used are as follows:

Buildings	25 years
Right-of-use assets	Remaining term of relevant lease
Furniture and equipment	5 years
Leasehold improvements	Remaining term of relevant lease
Computer software and hardware	3 years
Motor vehicles	3 years, 35% residual value

The assets' residual values are reviewed each statement of financial position date and adjusted, if appropriate. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount, and are included in investment income.

As at December 31, 2024, items of property, plant and equipment were assessed for specific indicators of potential impairment. Such indicators include technological obsolescence and physical deterioration or loss. Management determined that there was no material impairment of individual operating assets.

(k) Post-employment benefits

Payables and accruals include an amount for post-employment benefits based on a January 1, 2024 actuarial valuation conducted by WorkSafeNB's independent consulting actuary. Post-employment benefits include retirement allowances and early retirement programs.

(l) WorkSafeNB Health Services

Included in health care payments is \$0.8 million (2023 – \$3.0 million) for services provided by WorkSafeNB provincial occupational therapists.

(m) Impairment review

Entity Level

IAS 36 (Impairment of Assets) requires an entity to test assets for impairment if indicators of impairment exist. The impairment review must be conducted for an individual asset, an asset group, or the cash-generating unit level, which is the smallest identifiable group of assets that generates cash inflows independent of cash inflows from other assets or groups of assets.

Based on an analysis of cash flows, WorkSafeNB has established that the appropriate cash-generating unit for impairment review is the entity. As WorkSafeNB has statutory power under the WC Act to increase assessments and/or impose levies to ensure full funding into the foreseeable future, impairment at the entity level is remote.

WorkSafeNB conducts an annual review to ensure that no events or change in circumstances have occurred that would provide evidence of impairment.

As at December 31, 2024, management concluded that there were no known significant changes in the legislative, economic or business environment that would have a material impact on WorkSafeNB's ability to generate future economic benefits from its assets.

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4. ACTUARIAL ASSUMPTIONS AND METHODS

Significant estimates and judgments are made on insurance contract liabilities disclosed in the consolidated financial statements. These estimates and judgments are continually evaluated and are based on historical experience, as well as enhancements to actuarial modeling techniques. The following explicit assumptions have been made in determining the insurance contract liabilities:

	2024		2023	
	CPI-indexed awards	Other payments	CPI-indexed awards	Other payments
Single-equivalent discount rate	4.84%	4.84%	4.86%	4.86%
Inflation - Year 1	2.67%	N/A	2.81%	N/A
- subsequent years	2.25%	N/A	2.25%	N/A
Future administration	8.50%	8.50%	8.50%	8.50%
Occupational disease	8.00%	8.00%	8.00%	8.00%

A description of the processes used to determine these assumptions is provided below:

Single-equivalent discount rate

All cash flows are discounted using marked-to-market risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. WorkSafeNB uses a bottom-up approach to determine a liquidity premium over risk-free rates based on the market spread of an asset reference portfolio adjusted to remove the credit losses, and to account for the difference in liquidity between the asset reference portfolio and the insurance contract. Given the highly illiquid nature of WorkSafeNB's insurance contracts, WorkSafeNB is using the illiquid reference curve provided regularly for the Canadian Institute of Actuaries by Fiera Capital. The single-equivalent is a derived spot rate that allows for the comparison or aggregation of cash flows that occur at different points in time.

CPI-indexed awards inflation rate

The indexation rate in year one for short-term disability, long-term disability, pensions and survivor awards is known when the valuation is made. This calculation of the indexation rate is specified under the WC Act and the calculation for the following calendar year is made before year-end. For the entirety of the projection for short-term disability and seven years of the projection for long-term disability awards, the inflation rate is assumed to be the same as is implied in the development factors derived from past payment history. For subsequent durations, the inflation rate was determined from an analysis of past experience over periods of 20 and 30 years. This analysis is performed annually to ensure the inflation assumption remains current. The latest analysis produced an annual inflation rate of 2.25%.

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4. ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

Other payments inflation rate

For the entirety of the projection, the inflation rate is assumed to be the same as is implied in the development factors derived from past payment history.

Future administration

When a claim occurs, it triggers an obligation to provide claims management, maintenance and support in terms of paying the various providers of health care services and compensating workers for lost wages for as long as the claim is open. The future administration expense liability is intended to provide a reasonable allowance for this obligation.

A detailed review of future administration expenses is conducted periodically. In this review, an estimate is made of the portion of operating expenses that can be attributed to claims maintenance, including a proportionate share of overhead expenses. The latest review, conducted in 2023, concluded that an 8.50% allocation was reasonable. Therefore, a liability for future administration expenses of 8.50% of the total insurance contract liability is included in the liability estimate, and forms part of the fulfilment cash flows.

Occupational disease

Occupational diseases differ from occupational injuries in that there can be a considerable time lag between the exposure, the manifestation of the disease and the identification of the ensuing disability as a workers' compensation claim. Furthermore, while the circumstances of an injury usually make it clear whether it is work-related or not, the link between an occupational disease and the workplace may be difficult to establish.

A detailed review of long-latency occupational disease incidence and costs is conducted periodically. The review provides a range of potential incidence and cost, based on past experience. The study includes allowance for changes in industry make-up since the experience has developed and improvements have been made in the prevention of diseases known to be work-related. The latest review, conducted in 2021, concluded that an 8.0% allocation was reasonable. This provision is deemed to include an allowance for administration expenses on these claims. Therefore, a liability for occupational disease of 8.0% of the total insurance contract liability is included in the liability estimate, and forms part of the fulfilment cash flows.

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4. ACTUARIAL ASSUMPTIONS AND METHODS (CONTINUED)

Sensitivity analysis

i) Summary

Sensitivity analyses are conducted to quantify the exposure to risk of changes in the key underlying variables. The valuations included in the reported results are calculated using certain assumptions about these variables as disclosed above. The movement in any key variable will impact WorkSafeNB's financial performance and net assets.

Impact of movement in variable:

Single-equivalent discount rate

The insurance contract liability is calculated by reference to expected future payments. These payments are discounted to adjust for the time value of money. An increase or decrease in the assumed discount rate will have an opposing impact on claims costs.

General inflation rate

The CPI-indexed awards inflation rate, medical payments inflation rate, and other payments inflation rate are all directly affected by movements in the general inflation rate. Consequently, the benefits indexed to these rates are also affected. An increase or decrease in the general inflation rate would have a corresponding impact on claims costs.

Medical inflation rate

Medical expenses more than 15 years after the injury account for a major part of expected benefit payments at long durations. An increase or decrease in medical payment inflation relative to the assumption underlying the liability estimates would have a corresponding impact on claims costs.

The table below presents the sensitivity of the insurance contract liabilities to an immediate 1% increase or decrease in the assumed rates.

ii) Impact of changes in key variables:

	2024		2023	
	+1.00%	-1.00%	+1.00%	-1.00%
+/-% change in assumed rates				
Single-equivalent discount rate	\$ (114,887)	\$ 142,785	\$ (112,184)	\$ 139,937
Wage-loss inflation rate	45,298	(40,485)	43,520	(38,636)
Medical inflation rate	92,158	(70,555)	91,288	(69,826)

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5. CLAIMS – RISK MANAGEMENT POLICIES AND PROCEDURES

WorkSafeNB's financial condition and operation is affected by a number of key risks, including claims, operational and financial risks. WorkSafeNB has established policies and procedures to manage these risks as set out below.

(a) Claims risk

WorkSafeNB has an objective to manage claims risk, thus reducing the volatility of assessment premiums and performance from operations. In addition to the inherent uncertainty of claims risk, which can lead to significant variability in the loss experience, performance from operations are significantly affected by market factors external to WorkSafeNB.

WorkSafeNB has developed, implemented and maintained a sound and prudent claims risk management strategy that encompasses all aspects of WorkSafeNB's operations.

The strategy sets out WorkSafeNB's policies and procedures, processes and controls in relation to the management of likely financial and non-financial claims risks.

Key aspects of the processes in place to mitigate claims risks include:

- Established processes for managing claims in accordance with the WHSCC & WCAT Act and the WC Act.
- A disciplined strategic planning and risk assessment process.
- A tracking system that requires the costing of any benefit changes from changes in policy, legislation and appeals decisions.
- Targeted programs for high-risk industries.
- The use of sophisticated management information systems that provide reliable and up-to-date data on the claims risks to which the business is exposed at any time.
- The use of detailed internal monitoring tools that link actuarial valuation projections with the management information systems to monitor claims patterns.
- Annual review of the insurance contract liabilities for financial statement purposes and benefits liabilities for funding purposes by an independent external actuary.

(b) Terms and conditions of the workers' compensation system

The terms and conditions of the workers' compensation system administered by WorkSafeNB are established under the WHSCC & WCAT Act. Coverage is for annual periods ending December 31 each year. The system's terms and conditions are similar for all assessed employers.

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5. CLAIMS – RISK MANAGEMENT POLICIES AND PROCEDURES

(c) Operational risk

Operational risk relates to the risk of loss arising from systems failure, human error or from other circumstances not related to claims or financial risks. These risks are managed through a framework that includes a system of delegated authorities, effective segregation of duties, access controls and review processes.

(d) Financial risk

WorkSafeNB is exposed to the following financial risks:

- Funding risk
- Market risk
- Foreign currency risk
- Credit risk
- Inflation risk
- Interest rate risk
- Liquidity risk

WorkSafeNB's exposure to these risks arises primarily in relation to its investment portfolio. Note 9 presents information about WorkSafeNB's exposure to each of the above risks, including objectives, policies and processes for measuring and managing the risk.

6. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents is \$26.7 million (2023 - \$23.7 million) restricted for business transformation initiatives.

7. RECEIVABLES AND OTHER

	2024	2023
Self-insured employers receivable	\$ 4,270	\$ 4,580
Other	3,711	4,405
	<u>\$ 7,981</u>	<u>\$ 8,985</u>

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8. INVESTMENTS

The table below presents the fair value of WorkSafeNB's investments.

	2024	2023
	Fair Value	Fair Value
<i>i) Portfolio investments</i>		
Forward foreign exchange contracts	\$ (17,475)	\$ 32,079
Fixed income		
Conventional bonds	322,749	321,507
Equities		
Canadian	241,325	305,752
U.S.	228,087	279,502
Non-North American	356,747	360,604
Total equities	826,159	945,858
Inflation-sensitive		
Real estate	301,595	274,190
Infrastructure	261,530	233,387
Total inflation-sensitive	563,125	507,577
Absolute return		
Global opportunistic ¹	301,996	192,776
	\$ 1,996,554	\$ 1,999,797

¹ The Global Opportunistic allocation is invested in pooled funds that have the ability to invest in a wide variety of asset classes and strategies depending on the manager's assessment of the attractiveness of the opportunity. As of December 31, 2024, the funds had the following allocations: North American equities 7% (2023 - 7%); Non-North American equities 26% (2023 - 26%); Fixed income 8% (2023 - 8%); Absolute return strategies 59% (2023 - 59%)

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8. INVESTMENTS CONTINUED

ii) Fair value hierarchy

WorkSafeNB's investments have been classified into a three-level fair value hierarchy in accordance with IFRS 7 (Financial Instruments: Disclosures). The levels of the fair value hierarchy are defined as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 1 inputs are the most persuasive evidence of fair value and are used whenever possible.
- Level 2 inputs are market-based inputs that are directly or indirectly observable but not considered Level 1 quoted prices. Level 2 inputs consist of: (i) quoted prices for similar assets or liabilities in active markets; (ii) quoted prices for identical assets or liabilities in non-active markets (markets which have few transactions and prices are not current or price quotations vary substantially); (iii) inputs other than quoted prices that are observable (interest rates, yield curves, volatilities, credit risks, and default rates); and (iv) inputs derived from, or corroborated by, observable market data.
- Level 3 inputs are unobservable inputs. These inputs reflect assumptions about market pricing using the best internal and external information available. The valuation approaches applied are the most suitable and appropriate for the type of investments.

In certain situations, inputs used to measure the fair value of asset positions fall into different levels of the fair value hierarchy. In these situations, the level in which the fair value falls is based upon the lowest level input that is significant to the determination of the fair value. As of December 31, 2024, the fair values of assets and liabilities measured on a recurring basis by level of input were as follows:

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8. INVESTMENTS CONTINUED

Portfolio investments:	2024			
	Level 1	Level 2	Level 3	Fair Value
Forward foreign exchange contracts	\$ —	\$ (17,475)	\$ —	\$ (17,475)
Fixed income				
Conventional bonds	—	322,749	—	322,749
Equities				
Canadian	—	241,325	—	241,325
U.S.	—	228,087	—	228,087
Non-North American	—	356,747	—	356,747
Total equities	—	826,159	—	826,159
Inflation-sensitive				
Real estate	—	195,308	106,287	301,595
Infrastructure	—	—	261,530	261,530
Total inflation-sensitive	—	195,308	367,817	563,125
Absolute return				
Global opportunistic	—	301,996	—	301,996
	\$ —	\$ 1,628,737	\$ 367,817	\$ 1,996,554
Portfolio investments:	2023			
	Level 1	Level 2	Level 3	Fair Value
Forward foreign exchange contracts	\$ —	\$ 32,079	\$ —	\$ 32,079
Fixed income				
Conventional bonds	—	321,507	—	321,507
Equities				
Canadian	—	305,752	—	305,752
U.S.	—	279,502	—	279,502
Non-North American	—	360,604	—	360,604
Total equities	—	945,858	—	945,858
Inflation-sensitive				
Real estate	—	201,099	73,091	274,190
Infrastructure	—	—	233,387	233,387
Total inflation-sensitive	—	201,099	306,478	507,577
Absolute return				
Global opportunistic	—	192,776	—	192,776
	\$ —	\$ 1,693,319	\$ 306,478	\$ 1,999,797

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8. INVESTMENTS CONTINUED

iii) Summary of changes in level 3 fair value measurements:

	2024	2023
Balance, beginning of year	\$ 306,478	\$ 274,939
Purchases of level 3 investments	60,783	63,145
Sale of level 3 investments	(23,957)	(18,267)
Partnership distributions of operating income	12,334	7,028
Expenses	(238)	(196)
Realized gains	4,172	6,092
Change in unrealized gains recognized in investment income	8,245	(26,263)
Balance, end of year	<u>\$ 367,817</u>	<u>\$ 306,478</u>

There are eight investments classified as level 3:

- (1) A limited partnership interest in a fund investing in global infrastructure assets with a market value of \$47.0 million (2023 - \$47.0 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 12-year life that commenced on October 30, 2013. The general partner has the option to extend the fund's life by two years.
- (2) A limited partnership interest in a fund investing in global infrastructure assets with a market value of \$129.7 million (2023 - \$119.9 million). This is an open-ended fund that allows quarterly redemptions at net asset value, but with some restrictions.
- (3) A limited partnership interest in a fund investing in European real estate with a market value of \$7.2 million (2023 - \$14.5 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 9-year life that commenced on August 22, 2014. During the year, the second one-year extension clause was exercised with the new end date being August 22, 2025.
- (4) A limited partnership interest in a fund investing in European real estate with a market value of \$38.3 million (2023 - \$44.0 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 10-year life that commenced on March 29, 2018.

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8. INVESTMENTS CONTINUED

- (5) A limited partnership interest in a fund investing in global infrastructure assets with a market value of \$39.7 million (2023 - \$33.7 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 12-year life that commenced on May 10, 2019. The general partner has the option to extend the fund's life by two years.
- (6) A limited partnership interest in a fund investing in European real estate with a market value of \$36.1 million (2023 - \$2.5 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 10-year life that commenced on December 3, 2021.
- (7) A limited partnership interest in a fund investing in US real estate with a market value of \$24.7 million (2023 - \$12.1 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 8-year life that commenced on March 29, 2024. The general partner has the option to extend the fund's life by two years.
- (8) A limited partnership interest in a fund investing in global infrastructure assets with a market value of \$45.1 million (2023 - \$32.8 million). This is a closed-end fund with no active market for its units and no published net asset value as of December 31, 2024, and is therefore classified as a level 3 investment in the fair value hierarchy. This fund has a 12-year life that commenced on November 30, 2023. The general partner has the option to extend the fund's life with two one-year extensions.

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8. INVESTMENTS CONTINUED

iv) Investment income

	2024	2023
Interest and dividends	\$ 61,720	\$ 53,929
Realized investment losses on forward foreign exchange contracts	(16,073)	(27,000)
Realized investment gains on other portfolio investments	101,993	788
Change in unrealized investment gains on forward foreign exchange contracts	(49,553)	40,212
Change in unrealized investment gains on other portfolio investments	116,394	98,038
	214,481	165,967
Less: portfolio management expenses	(7,460)	(6,340)
	<u>\$ 207,021</u>	<u>\$ 159,627</u>

The market rate of return on the investment portfolio for the year ended December 31, 2024 was 10.46% (2023 – 8.90%).

v) Pooled funds

WorkSafeNB's portfolio is invested exclusively in pooled funds and private partnerships covering various asset classes and mandates. WorkSafeNB holds rights to a proportionate share of each fund's income and net assets, with no power to direct management of the respective fund.

vi) Investment agreement

WorkSafeNB has entered into an investment agreement for the combined administration and pooling of its investments and those of the Workers Compensation Board of Prince Edward Island and the FC Act Disability Fund. These consolidated financial statements report WorkSafeNB's proportional share of the investments held in the fund, except for the investment in WorkSafeNB Investments Limited, which is consolidated (see Note 3). WorkSafeNB's proportional share of the pooled fund was 87.2% at December 31, 2024 (2023 – 88.4%). In 2024, WorkSafeNB received a fee of \$131.0 thousand (2023 – \$101.7 thousand) for the administration of the Workers Compensation Board of Prince Edward Island's share of the fund, and a fee of \$36.6 thousand (2023 – \$36.5 thousand) for the administration of the FC Act Disability Fund's share of the fund.

vii) Commitments

Through its investment in WorkSafeNB Investments Limited, WorkSafeNB has entered into limited partnership agreements with externally managed infrastructure and real estate pooled funds that commit to contribute investments in these funds, which may be drawn down over the next year. Unfunded commitments as of December 31, 2024 are \$247.1 million (2023 – \$273.8 million).

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9. FINANCIAL RISK MANAGEMENT

WorkSafeNB has established policies to manage its investments. All of WorkSafeNB's investments are managed by independent external investment managers. The compliance of these managers with the investment policies is monitored regularly.

WorkSafeNB manages investment risk by diversifying its portfolio among asset classes, industry sectors, geographic locations and individual securities. Further diversification is achieved by selecting investment managers with varying investment philosophies and styles. From time to time, WorkSafeNB retains independent consultants to advise on the appropriateness and effectiveness of its investment policies and practices. This includes periodic asset liability studies to ensure that the investment strategy is suitable in light of the related going-concern benefits liabilities and WorkSafeNB's risk tolerance. The last such study was completed in 2024.

The following sections describe WorkSafeNB's financial risk exposures and related mitigation strategies.

i) Funding risk

WorkSafeNB's funding level is based on accepted actuarial practices for going concern valuations, which reflects a discount rate based on the funding and investment policies set by the Board. WorkSafeNB's funding policy specifies a funding goal (ratio of assets to going-concern liabilities) of between 115% and 125%. This permitted excess of assets over going-concern liabilities reduces the impact of year-to-year fluctuations, therefore providing assessment rate stabilization and enhanced security that awarded benefits will be met. More information can be found in Note 23.

ii) Market risk

WorkSafeNB invests in publicly traded equities listed on domestic and foreign exchanges, bonds traded over the counter through broker-dealers, Canadian and foreign commercial real estate and global infrastructure assets held via pooled funds. These securities are affected by fluctuations in market prices. Such fluctuations are subject to economic factors and other fluctuations in domestic and global capital markets, as well as risks specific to issuers, which may affect the market value of individual securities. Policy guidelines have been established to ensure that WorkSafeNB's investments are diversified by issuer, industry and geographic location.

The following table presents the estimated effect of a reasonably possible¹ adverse change in the key risk variable – the market benchmark – for each of the equity mandates in WorkSafeNB's investment portfolio.

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9. FINANCIAL RISK MANAGEMENT CONTINUED

	2024		2023	
	1 std dev	2 std dev	1 std dev	2 std dev
Canadian Equities				
% change in market benchmark ²	(12.8%)	(25.6%)	(12.6%)	(25.3%)
Canadian portfolio – impact on surplus/deficit	\$ (27,903)	\$ (55,806)	\$ (36,741)	\$ (73,481)
U.S. Equities				
% change in market benchmark ³	(12.6%)	(25.2%)	(12.3%)	(24.6%)
U.S. portfolio – impact on surplus/deficit	\$ (29,756)	\$ (59,512)	\$ (34,951)	\$ (69,901)
International (EAFE) Equities				
% change in market benchmark ⁴	(12.1%)	(24.2%)	(12.0%)	(24.1%)
International portfolio – impact on surplus/deficit	\$ (41,357)	\$ (82,714)	\$ (38,375)	\$ (76,751)
Emerging Markets Equities				
% change in market benchmark ⁵	(13.6%)	(27.2%)	(13.4%)	(26.7%)
Emerging markets portfolio – impact on surplus/deficit	\$ (13,173)	\$ (26,346)	\$ (13,103)	\$ (26,207)

¹ Reasonably possible changes are estimated using the historical (10-year) variability of each of the market benchmarks about their respective means. The standard deviation measures the normal variance in a probability distribution. One standard deviation covers 68% of all probable outcomes and two standard deviations covers 95%.

² S&P TSX (Standard & Poor's Toronto Stock Exchange) Capped Composite Index

³ S&P (Standard & Poor's) 500 Index

⁴ MSCI (Morgan Stanley Capital International) EAFE (Europe, Australasia and Far East) Total Return Index

⁵ MSCI EM (Emerging Markets) Total Return Index

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9. FINANCIAL RISK MANAGEMENT CONTINUED

iii) Foreign currency risk

WorkSafeNB has certain investments denominated in foreign currencies. Currency risk is the risk that the value of these investments will fluctuate due to changes in foreign exchange rates. WorkSafeNB's most significant currency exposure is to the U.S. dollar, the euro, the Japanese yen and the British pound. At December 31, 2024, WorkSafeNB had U.S. dollar exposure of \$670.9 million (2023 – \$672.3 million), euro exposure of \$191.5 million (2023 – \$195.3 million), Japanese yen exposure of \$69.3 million (2023 – \$53.3 million) and British pound exposure of \$84.6 million (2023 – \$72.4 million).

For its U.S. and non-North American assets, WorkSafeNB has adopted a policy to dynamically hedge a portion of its developed market foreign currency exposure using forward foreign exchange contracts. The amount hedged varies, depending on the relative attractiveness of the foreign currency. Forward foreign exchange contracts are agreements to exchange an amount of one currency for another at a future date and at a set price, agreed upon at the contract's inception.

The fair value of these financial instruments will change in response to changes in the foreign exchange rates of the currencies involved in the contracts. The notional amounts in forward foreign exchange contracts are the contractual amounts on which payments are made. These notional amounts have been converted into Canadian dollars at the contractual exchange rates in effect at the inception of the contracts. Outstanding contracts from 2024 mature in the first 37 days of 2025.

At December 31, 2024, the notional value of outstanding forward foreign exchange contracts was \$786.9 million (2023 – \$881.6 million). The fair value of these contracts was (\$17.5) million (2023 – \$32.1 million). Unrealized losses on forward foreign exchange contracts were included in investment income.

The table below presents how the surplus/deficit would be affected by a reasonably possible annual change in the Canadian/US dollar, Canadian/euro, Canadian/Japanese yen and Canadian/British pound exchange rates. The impact on the surplus/deficit is shown net of the currency hedges in place at year-end:

	2024	2023
15% appreciation in the Canadian dollar	Impact on surplus/deficit	Impact on surplus/deficit
CAD/USD	\$ (4,396)	\$ 6,168
CAD/EURO	(8,399)	(8,348)
CAD/YEN	(8,895)	(6,954)
CAD/POUND	(6,716)	(6,483)

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9. FINANCIAL RISK MANAGEMENT CONTINUED

iv) Credit risk

Credit risk on fixed-term or money market investments or forward foreign exchange contracts arises from the possibility that the counter party to an instrument fails to meet its obligation to WorkSafeNB. The maximum exposure to credit risk is determined by the fair value of these financial instruments. WorkSafeNB invests in money market instruments that consist primarily of short-term debt and money market securities issued or guaranteed by the federal or provincial governments of Canada and Canadian corporations. Counter parties to forward foreign exchange contracts must have a credit rating of at least AA-.

WorkSafeNB has indirect credit risk to the underlying investments held by fixed-term pooled funds. The table below summarizes the fixed-term investments by credit rating.

Credit Rating*	2024		2023	
	Fair Value	% of Total Fixed-Term Investments	Fair Value	% of Total Fixed-Term Investments
AAA	\$ 133,428	41.34	\$ 77,905	24.23
AA	102,414	31.73	52,030	16.18
A	48,138	14.92	66,168	20.58
BBB	33,923	10.51	49,700	15.46
<BBB	4,846	1.50	75,704	23.55
Total	<u>\$ 322,749</u>	<u>100.00</u>	<u>\$ 321,507</u>	<u>100.00</u>

* Credit ratings are obtained from Standard & Poor's, Moody's or DBRS ratings

v) Inflation risk

Inflation risk is the risk that a general increase in price level may result in loss of future purchasing power for current monetary assets.

To mitigate the effect of inflation on WorkSafeNB's future liabilities, the portfolio holds inflation-sensitive investments, such as real estate and infrastructure.

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9. FINANCIAL RISK MANAGEMENT CONTINUED

vi) Interest rate risk

Future changes in the prevailing level of interest rates will affect the fair value of the fixed-term investments.

The table below presents the remaining term to maturity of WorkSafeNB's portion of the outstanding fixed-term investments, all of which are held in pooled funds.

	Remaining Term to Maturity				Total 2023
	Within 1 Year	Over 1 Year to 5 Years	Over 5 Years	Total 2024	
Fixed-term investments	\$ 2,582	\$ 124,258	\$ 195,909	\$ 322,749	\$ 321,507

The average effective yield of the conventional bonds is 3.58% (2023 – 5.37%) per annum based on market value.

As of December 31, 2024, had the prevailing interest rate changed by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, the value of the conventional bonds would have increased or decreased by \$23.4 million (2023 – \$20.2 million), approximately 7.24% (2023 – 6.29%) of their fair value.

The sensitivity to interest rate changes was estimated using the weighted average duration of the bond portfolios.

vii) Liquidity risk

Liquidity risk is the risk that WorkSafeNB will have difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash.

Through a proactive cash management process that entails continuous forecasting of expected cash flows,

WorkSafeNB mitigates liquidity risk by minimizing the need for forced liquidations of portfolio assets.

WorkSafeNB investment policy maintains a 2% allocation to cash to help ensure adequate liquidity. To cover unanticipated cash requirements when market conditions are unfavourable, WorkSafeNB has negotiated a standby line of credit of up to \$10 million, which has not been drawn down as at December 31, 2024.

The following table summarizes the maturity profiles of WorkSafeNB's financial liabilities carried at amortized cost:

As at December 31, 2024	Within 1 year	1-5 years	Over 5 years
Payables and accruals	\$ 9,698	–	–
Employer distribution payable	\$ 17,240	–	–
Self-insured pension annuity liabilities	\$ 2,350	\$7,198	\$10,177

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10. CAPITAL ASSETS

	Land and buildings	Computer software and hardware	Furniture and equipment including leasehold improvements	Motor vehicles	2024 Total	2023 Total
Cost						
Balance at January 1	\$ 3,626	\$ 17,076	\$ 2,545	\$ 1,234	\$ 24,481	\$ 38,949
Additions	–	609	214	643	1,466	1,157
Disposals	–	(2,771)	–	(208)	(2,979)	(15,625)
Balance at December 31	\$ 3,626	\$ 14,914	\$ 2,759	\$ 1,669	\$ 22,968	\$ 24,481
Accumulated Depreciation						
Balance at January 1	\$ (2,055)	\$ (16,530)	\$ (2,429)	\$ (274)	\$ (21,288)	\$ (32,030)
Depreciation	(164)	(468)	(81)	(196)	(909)	(1,307)
Disposals	–	2,771	–	135	2,906	12,049
Balance at December 31	\$ (2,219)	\$ (14,227)	\$ (2,510)	\$ (335)	\$ (19,291)	\$ (21,288)
Carrying amounts						
At January 1	\$ 1,571	\$ 546	\$ 116	\$ 960	\$ 3,193	\$ 6,919
At December 31	\$ 1,407	\$ 687	\$ 249	\$ 1,334	\$ 3,677	\$ 3,193

Land and Buildings include the following amounts where WorkSafeNB is a lessee:

Finance leased assets

	2024	2023
Cost – capitalized finance leases	\$ 2,459	\$ 2,459
Accumulated Depreciation	(2,459)	(2,430)
Net book value	\$ –	\$ 29

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11. PAYABLES AND ACCRUALS

	2024	2023
Accounts payable and accruals	\$ 7,352	\$ 5,361
Post-employment benefits	2,346	2,507
	<u>\$ 9,698</u>	<u>\$ 7,868</u>

Accounts payable and accruals include lease liabilities relating to the lease of office space:

<i>Lease Liabilities</i>	2024	2023
Current	\$ —	\$ 31
Non-current	—	—
	<u>\$ —</u>	<u>\$ 31</u>

12. SELF-INSURED PENSION ANNUITY LIABILITIES

The reconciliation of the self-insured pension annuity liabilities is set forth below:

	2024	2023
Balance, beginning of year	\$ 17,539	\$ 16,429
Contributions	2,026	1,460
Investment income (loss) earned on contributions	1,746	1,420
Benefits paid	(1,586)	(1,770)
Balance, end of year	<u>\$ 19,725</u>	<u>\$ 17,539</u>

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13. INSURANCE CONTRACT LIABILITIES

i) Continuity schedule

The roll-forward of the insurance contract (assets) liabilities showing the liabilities for remaining coverage and the liabilities for incurred claims is disclosed in the table below:

	2024			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component	Estimate of the PV of future cash flows	
Insurance contract (assets) liabilities, January 1	\$ (5,325)	\$ —	\$ 1,375,974	\$ 1,370,649
Insurance revenue	(162,496)	—	—	(162,496)
Insurance service expenses				
Incurred claims and other expenses	—	—	189,353	189,353
Loss on onerous contracts and reversals of those losses	—	—	—	—
Changes to liabilities for incurred claims	—	—	(11,866)	(11,866)
Insurance service result	(162,496)	—	177,487	14,991
Insurance finance (income) expenses	(774)	—	69,832	69,058
Total changes in income	(163,270)	—	247,319	84,049
Cash flows:				
Premiums received	163,739	—	—	163,739
Claims and other expenses paid	—	—	(195,465)	(195,465)
Total cash flows	163,739	—	(195,465)	(31,726)
Insurance contract (assets) liabilities, December 31	\$ (4,856)	\$ —	\$ 1,427,828	\$ 1,422,972

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13. INSURANCE CONTRACT LIABILITIES CONTINUED

	2023			
	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component	Estimate of the PV of future cash flows	
Insurance contract (assets) liabilities, January 1	\$ (8,009)	\$ —	\$ 1,361,256	\$ 1,353,247
Insurance revenue	(166,870)	—	—	(166,870)
Insurance service expenses				
Incurred claims and other expenses	—	—	157,193	157,193
Loss on onerous contracts and reversals of those losses	—	—	—	—
Changes to liabilities for incurred claims	—	—	(75,458)	(75,458)
Insurance service result	(166,870)	—	81,735	(85,135)
Insurance finance expenses	(567)	—	114,464	113,897
Total changes in income	(167,437)	—	196,199	28,762
Cash flows:				
Premiums received	170,121	—	—	170,121
Claims and other expenses paid	—	—	(181,481)	(181,481)
Total cash flows	170,121	—	(181,481)	(11,360)
Insurance contract (assets) liabilities, December 31	\$ (5,325)	\$ —	\$ 1,375,974	\$ 1,370,649

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13. INSURANCE CONTRACT LIABILITIES CONTINUED

ii) Liabilities for incurred claims

Liabilities for incurred claims by benefit type are comprised of the following:

	2024	2023
Short-term disability and rehabilitation	\$ 116,212	\$ 106,893
Long-term disability	473,049	446,528
Health care	493,550	488,004
Survivor benefits	55,232	56,469
Long latency occupational diseases	91,044	87,831
Claim administration costs	96,734	93,321
Liabilities for incurred claims	1,325,821	1,279,046
Receivables and payables reclassified to liabilities for incurred claims	9,232	10,048
Pension annuity	92,775	86,880
Total liabilities for incurred claims	\$ 1,427,828	\$ 1,375,974

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13. INSURANCE CONTRACT LIABILITIES CONTINUED

iii) Claims development table

The following table presents the development of outstanding claims relative to the ultimate expected claims for the 10 most recent accident years. The table illustrates how the estimate of ultimate claims costs for each accident year has changed with more experience over succeeding year-ends, and compares the current estimate of cumulative claims cost to the actual cumulative payments over the development period. Due to the long duration of many benefit types, significant amounts will be paid beyond the valuation date. The lower section of the table reconciles the total outstanding claims amounts to the discounted amount reported in the statement of financial position.

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of ultimate claims cost:											
At end of accident year	\$ 154,942	\$ 228,649	\$ 245,058	\$ 324,503	\$ 257,214	\$ 211,188	\$ 197,876	\$ 187,271	\$ 153,833	\$ 178,243	
One year later	198,546	257,285	280,307	297,973	221,839	184,966	178,295	142,828	156,657		
Two years later	211,205	269,391	266,840	253,267	197,744	166,280	142,133	141,488			
Three years later	219,184	270,383	236,980	238,780	190,432	137,243	138,725				
Four years later	217,052	244,314	221,496	231,875	175,342	133,181					
Five years later	199,367	226,122	212,551	228,678	172,320						
Six years later	186,977	219,555	205,295	227,685							
Seven years later	178,280	211,950	199,619								
Eight years later	166,060	213,837									
Nine years later	168,379										
Current estimate of cumulative claims cost	168,379	213,837	199,619	227,685	172,321	133,181	138,725	141,488	156,657	178,243	1,730,135
Cumulative payments	(90,988)	(107,143)	(93,227)	(98,372)	(69,738)	(49,443)	(45,286)	(43,021)	(39,613)	(22,895)	(659,726)
Outstanding claims, Undiscounted	77,391	106,694	106,392	129,313	102,583	83,738	93,439	98,467	117,044	155,348	1,070,409
2014 and prior years											1,081,856
Total outstanding Claims, undiscounted											2,152,265
Effect of discounting											(1,064,365)
Claims administration											91,043
Occupational diseases											96,733
Other contingent liabilities*											50,144
Total liabilities for incurred claims											\$1,325,821
Pension annuities											92,775
Receivables and payables reclassified											9,232
Total insurance contact liabilities											\$1,427,828

*Consists primarily of liabilities for future annuity awards.

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14. INSURANCE SERVICE EXPENSES

	2024	2023
Claims costs incurred		
Short-term disability and rehabilitation	\$ 51,580	\$ 40,954
Long-term disability	39,443	34,235
Survivor benefits	3,421	2,870
Health care	38,713	31,444
Total incurred claims	133,157	109,503
Administration expenses (Note 16)	48,727	41,381
Legislative obligations and other expenses	7,468	6,309
Other insurance services expenses	56,195	47,690
Total incurred claims and other insurance service expenses	189,352	157,193
Changes in liabilities for incurred claims	(16,960)	(79,867)
Pension annuity contributions	5,095	4,409
Total insurance service expenses	\$ 177,487	\$ 81,735

15. INSURANCE FINANCE EXPENSES (INCOME)

	2024	2023
Interest accreted to insurance contracts using current financial assumptions	\$ 59,030	\$ 62,873
Changes in single-equivalent discount rate and other financial assumptions	2,396	44,174
Interest on pension annuity liabilities	8,406	7,417
Interest and penalties on assessments and uncollectibles	(774)	(567)
Insurance finance expenses (income)	\$ 69,058	\$ 113,897

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16. ADMINISTRATION EXPENSES

	2024	2023
Salaries and employee benefits	\$ 54,154	\$ 48,933
Depreciation	909	1,296
Professional fees	8,132	4,770
Office and communications	1,866	1,758
Building operations	2,260	3,515
Travel and vehicle operations	847	945
Education and training	1,166	943
Meetings, workshops and conferences	1,087	1,020
Business Transformation	5,557	6,659
	75,978	69,839
Allocated to health-care claims costs	—	(486)
Total administration expenses	\$ 75,978	\$ 69,353
Total administration expenses allocated to:		
Insurance service expenses (Note 14)	48,727	41,381
Administration and other expenses (Note 18)	27,251	27,972
	\$ 75,978	\$ 69,353

A portion of WorkSafeNB's administration costs represents charges incurred by WorkSafeNB Health Services. This portion, which relates to claims, has been allocated to health care.

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17. LEGISLATIVE OBLIGATIONS

Although WorkSafeNB does not have input into the budgeting process for the workers' and employers' advocates, it is required by legislation to reimburse the provincial government for their operating costs.

In addition, WorkSafeNB provided financial assistance to certain New Brunswick safety associations in accordance with the WC Act. The money paid was levied against all employers in the industries represented by the safety associations and is included as part of insurance revenue.

	2024	2023
Workers' advocates	\$ 1,237	\$ 684
Employers' advocates	393	314
Workers' Compensation Appeals Tribunal	2,176	1,341
	3,806	2,339
 New Brunswick Construction Safety Association	 450	 450
New Brunswick Forest Safety Association	190	190
Other	275	275
	915	915
 Total legislative obligations	 \$ 4,721	 \$ 3,254
 Total legislative obligations allocated to:		
Insurance service expenses	3,960	2,786
Administration and other expenses (Note 18)	761	468
	\$ 4,721	\$ 3,254

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18. ADMINISTRATION AND OTHER EXPENSES (INCOME)

	2024	2023
Allocated from administration expenses (Note 16)	\$ 27,251	\$ 27,972
Allocated from legislative obligations (Note 17)	761	468
Self-insured pension annuity expense	1,747	1,420
	\$ 29,759	\$ 29,860

19. SELF-INSURED EMPLOYERS

Self-insured employers – predominantly federal and certain provincial government institutions bear the direct cost of their incurred claims. WorkSafeNB administers these claims and charges self-insured employers a share of administration costs which is included in administration and other expenses (income) on the Consolidated Statement of Operations.

The claims liabilities related to self-insured employers have not been included in WorkSafeNB's liabilities account. As these liabilities will be borne by those employers when paid in future years, they do not impact WorkSafeNB's net assets.

During the year the following administration fee revenue and claims cost reimbursements were levied:

	2024	2023
Administration fee revenue	\$ 16,581	\$ 15,028
Claims cost reimbursement		
Short-term disability	\$ 30,236	\$ 25,815
Long-term disability	16,271	13,873
Survivor benefits	774	718
Health care	18,928	16,684
	\$ 66,209	\$ 57,090

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20. RELATED PARTY TRANSACTIONS

Government entities

These consolidated financial statements include the results of normal operating transactions with various provincial government-controlled departments, agencies, and Crown corporations, with which WorkSafeNB may be considered related. Routine operating transactions with related parties are settled at prevailing market prices under normal trade terms.

Key management compensation

Key management personnel of WorkSafeNB are deemed related parties. They include members of the board of directors and the executive committee. Total compensation for key management is detailed in the following table:

	2024	2023
Executive Committee		
Salaries and other short-term employee benefits	\$ 1,773	\$ 1,624
Post-employment benefits	186	182
	<u>\$ 1,959</u>	<u>\$ 1,806</u>
Board of Directors		
Salary and per diems	\$ 173	\$ 145

21. EMPLOYEE PENSION PLAN

WorkSafeNB and its employees participate in a multi-employer shared-risk pension plan, administered by the Province of New Brunswick under the Public Service Superannuation Act. The plan provides pensions to employees of the provincial government and certain Crown corporations and agencies based on:

- For service to December 31, 2013 – length of service and highest successive five-year average salary;
- For service from January 1, 2014 – length of service and career average salary.

Since sufficient information is not readily available to account for WorkSafeNB's participation in the plan using defined benefit pension plan accounting, these consolidated financial statements have been prepared using accounting rules for defined contribution pension plans.

The current year expense for this pension plan is \$4.8 million (2023 – \$4.9 million).

22. CONTINGENT LIABILITIES

At any given time, WorkSafeNB is party to various claims and lawsuits related to the normal course of business. In the opinion of management, the outcome of such claims and lawsuits and the resulting effects on operations and financial position are not determinable.

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23. SUBSEQUENT EVENTS

Subsequent to year end, the provincial government introduced legislation to amend the Act. The key changes from this legislation are that on July 1, 2025, the income replacement rate for survivor benefit recipients will increase by 5% of net earnings, and future contributions to pension annuities for survivors is increased to 10% of the monthly benefit paid. These amendments are estimated to result in an adjustment to the insurance contract liabilities of \$4.1 million.

24. FUNDING AND CAPITAL MANAGEMENT

WorkSafeNB's funding level is based on accepted actuarial practices for going-concern valuations, which reflects a discount rate based on the funding and investment policies set by the Board. Under a going-concern valuation, claim liabilities are valued based on the primary assumption that the system will be in operation for the long-term. Therefore, the focus is on long-term trends as opposed to short-term fluctuations around those trends as reflected in the discount rate used in the measurement of insurance contract liabilities for financial statement presentation.

The discount rate used under a going-concern valuation reflects the best estimate of the long-term average rate of return that can be expected using the target asset allocation adopted by the board in its statement of investment goals and objectives. An estimate of a real rate of return, based on the analysis of multiple possible scenarios, is then compounded with the long-term average future inflation estimate to obtain the going-concern discount rate. This results in a going-concern discount rate assumption of 6.08% as at December 31, 2024, unchanged from the previous valuation.

WorkSafeNB's funding policy specifies a long-term funding goal (ratio of assets to going-concern liabilities) of between 115% and 125%. This permitted excess of assets over going-concern liabilities reduces the impact of year-to-year fluctuations, therefore providing assessment rate stabilization and enhanced security that awarded benefits will be met. In accordance with the funding policy, the assessment revenue raised in any year from assessed employers may include or be reduced by an amount designed to allow WorkSafeNB to attain its funding goal. As per the funding policy, surplus is defined as the dollar excess of assets (excluding restricted cash – see note 6) above the upper target funding level of 125%.

During the year, the board approved a \$180.6 million distribution to eligible employers in the form of performance refunds. This is included in the Employer Distribution on the Consolidated Statement of Operations. Effective September 2024, WorkSafeNB implemented an amended funding policy as follows:

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24. FUNDING AND CAPITAL MANAGEMENT CONTINUED

In periods where the funding level falls below 115%:

- An assessment rate surcharge is levied upon employers to return to the 115% funding level. The surcharge is the difference between the cumulative going-concern financial results and the 115% funding level, amortized over a period of not greater than 10 years.
- Under the WC Act, a minimum funding level of 100% is required, with any shortfall to be recovered within a reasonable and prudent period not greater than 15 years.

In periods where the funding level exceeds 125%:

- The surplus between 125% and 140% is used to determine an assessment rate rebate issued to employers. The credit is the surplus between 125% and 140%, amortized over a period not greater than 10 years.
- The surplus between 140% and 150% may be distributed at the discretion of the board as part of their rate setting process in the following year.
- The surplus above 150% must be distributed to employers.

WorkSafeNB's funding level at December 31, 2024 is 152.9% (2023 – 156.1%). This results in a mandatory distribution of \$11.5 million to employers in 2025, which is included in Employer Distribution payable recognized on the Consolidated Statement of Financial Position and Employer Distribution on the Consolidated Statement of Operations for December 31, 2024. The table below reconciles the financial statement liabilities as at December 31, 2024 to WorkSafeNB's going-concern liabilities, which are used for funding purposes.

As at December 31, 2024	Financial statement basis	Presentation ¹	Measurement ²	Going-concern basis
Total assets	\$ 2,073,790	\$ 9,826	\$ –	\$ 2,083,616
Total liabilities	1,469,636	9,826	(147,411)	1,332,051
Net assets attributable to				
WorkSafeNB	556,836	–	147,411	704,247
Non-controlling interests	47,318	–	–	47,318
Funding level	N/A			152.9%

1 Due to the reclassification of insurance related receivables and payables to Insurance contract liabilities

2 Due to the marked-to-market discount rate methodology prescribed for financial statement insurance contract liabilities compared to the long-term approach used for going-concern liabilities. Also reflected are the legislative changes subsequent to the reporting date as described in Note 23 that are reflected in the funding basis, but not the IFRS 17 basis

25. COMPARATIVE FIGURES

Certain comparative figures and disclosures have been reclassified to conform to the financial statement presentation adopted in the current year.

