

## Workplace Safety and Insurance Board

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### Second Quarter 2024 Results

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## Second Quarter 2024 Results

Condensed Interim Consolidated Statements of Financial Position  
Unaudited (millions of Canadian dollars)

	Note	June 30 2024	December 31 2023
<b>Assets</b>			
Cash and cash equivalents	5	445	335
Receivables and other assets	6	848	440
Public equity investments	7	10,606	9,729
Fixed income investments	7	9,350	9,057
Derivative assets	7	29	237
Securities purchased under resale agreements		612	-
Investment properties	7	644	620
Investments in associates and joint ventures		2,458	2,717
Other invested assets	7	15,811	14,789
Property, equipment and intangible assets		191	240
<b>Total assets</b>		<b>40,994</b>	<b>38,164</b>
<b>Liabilities</b>			
Payables and other liabilities	8	650	305
Derivative liabilities	7	6	24
Securities sold under repurchase agreements		2,883	1,751
Long-term debt and lease liabilities		99	159
Loss of Retirement Income Fund liability	7,9	1,913	1,898
Employee benefit plans liability	10	838	1,193
Insurance contract liabilities	11	26,870	27,720
<b>Total liabilities</b>		<b>33,259</b>	<b>33,050</b>
<b>Net assets</b>			
Reserves		5,987	3,792
Accumulated other comprehensive income		1,497	1,071
<b>Net assets attributable to WSIB stakeholders</b>		<b>7,484</b>	<b>4,863</b>
Non-controlling interests		251	251
<b>Total net assets</b>		<b>7,735</b>	<b>5,114</b>
<b>Total liabilities and net assets</b>		<b>40,994</b>	<b>38,164</b>

Approved by the Board of Directors



**Grant Walsh**  
Chair  
October 1, 2024



**Reagan Ruslim**  
Audit and Finance Committee (Chair)  
October 1, 2024

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

## Second Quarter 2024 Results

**Condensed Interim Consolidated Statements of Comprehensive Income (Loss)**  
**Unaudited (millions of Canadian dollars)**

	Note	Three months ended June 30		Six months ended June 30	
		2024	2023 <sup>1</sup>	2024	2023 <sup>1</sup>
Insurance revenue	12	957	941	1,858	1,794
Insurance service expenses	14	(596)	(760)	(1,222)	(1,372)
<b>Insurance service result</b>		<b>361</b>	<b>181</b>	<b>636</b>	<b>422</b>
<b>Insurance finance income (expense)</b>	13	<b>(174)</b>	<b>(225)</b>	<b>158</b>	<b>(1,182)</b>
Investment income	13	724	259	1,807	1,483
Investment expenses	13	(93)	(66)	(215)	(141)
<b>Net investment income</b>		<b>631</b>	<b>193</b>	<b>1,592</b>	<b>1,342</b>
<b>Total insurance and investment result</b>		<b>818</b>	<b>149</b>	<b>2,386</b>	<b>582</b>
Loss of Retirement Income Fund contributions	9	14	15	27	28
Administration and other expenses	15	26	54	74	86
Legislated obligations and funding commitments		74	61	149	130
Other income		(35)	(31)	(65)	(59)
<b>Total expenses</b>		<b>79</b>	<b>99</b>	<b>185</b>	<b>185</b>
<b>Excess of revenues over expenses</b>		<b>739</b>	<b>50</b>	<b>2,201</b>	<b>397</b>
<b>Other comprehensive income (loss)</b>					
Item that will not be reclassified subsequently to income					
Remeasurements of employee benefit plans	10	96	(123)	374	(140)
Item that will be reclassified subsequently to income					
Translation gains (losses) from net foreign investments		17	(28)	53	(27)
<b>Total other comprehensive income (loss)</b>		<b>113</b>	<b>(151)</b>	<b>427</b>	<b>(167)</b>
<b>Total comprehensive income (loss)</b>		<b>852</b>	<b>(101)</b>	<b>2,628</b>	<b>230</b>

	Note	Three months ended June 30		Six months ended June 30	
		2024	2023	2024	2023
<b>Excess (deficiency) of revenues over expenses attributable to:</b>					
WSIB stakeholders		739	58	2,195	404
Non-controlling interests		-	(8)	6	(7)
		<b>739</b>	<b>50</b>	<b>2,201</b>	<b>397</b>
<b>Total comprehensive income (loss) attributable to:</b>					
WSIB stakeholders		851	(93)	2,621	237
Non-controlling interests		1	(8)	7	(7)
		<b>852</b>	<b>(101)</b>	<b>2,628</b>	<b>230</b>

1. Certain comparative amounts have been reclassified to be consistent with the current period's presentation.

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

## Second Quarter 2024 Results

**Condensed Interim Consolidated Statements of Changes in Net Assets**  
**Unaudited (millions of Canadian dollars)**

(in millions of Canadian dollars)

		Six months ended June 30	
	Note	2024	2023
<b>Reserves</b>			
Balance at beginning of period		3,792	3,036
Excess from operations		2,195	404
<b>Balance at end of period</b>		<b>5,987</b>	<b>3,440</b>
<b>Accumulated other comprehensive income</b>			
Balance at beginning of period		1,071	1,277
Remeasurements of employee benefit plans	10	374	(140)
Translation gains (losses) from net foreign investments		52	(27)
<b>Balance at end of period</b>		<b>1,497</b>	<b>1,110</b>
<b>Net assets attributable to WSIB stakeholders</b>		<b>7,484</b>	<b>4,550</b>
<b>Non-controlling interests</b>			
Balance at beginning of period		251	402
Excess (deficiency) of revenues over expenses		6	(7)
Translation gains from net foreign investments		1	-
Change in ownership share in investments		(7)	14
<b>Balance at end of period</b>		<b>251</b>	<b>409</b>
<b>Total net assets</b>		<b>7,735</b>	<b>4,959</b>

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

## Second Quarter 2024 Results

**Condensed Interim Consolidated Statements of Cash Flows**  
**Unaudited (millions of Canadian dollars)**

		Six months ended June 30	
	Note	2024	2023
<b>Operating activities:</b>			
Total comprehensive income		2,628	230
Adjustments for non-cash items:			
Gain on lease remeasurement		(15)	-
Depreciation and amortization of property, equipment and intangible assets		15	17
Changes in fair value of investments		(1,599)	(1,392)
Changes in fair value of investment properties		(22)	27
Translation losses (gains) from net foreign investments		(53)	27
Dividend income from public equity investments		(34)	(12)
Loss (income) from investments in associates and joint ventures		(15)	31
Interest income		(204)	(196)
Interest expense		112	15
Total comprehensive income (loss) after adjustments		813	(1,253)
Changes in non-cash balances related to operations:			
Receivables and other assets, excluding those related to investing and financing activities		6	(20)
Payables and other liabilities, excluding those related to investing and financing activities		(18)	79
Loss of Retirement Income Fund liability	9	15	18
Employee benefit plans liability	10	(355)	170
Insurance contract liabilities	11	(850)	594
Total changes in non-cash balances related to operations		(1,202)	841
<b>Net cash required by operating activities</b>		<b>(389)</b>	<b>(412)</b>
<b>Investing activities:</b>			
Dividends received from investments		175	56
Interest received		187	194
Purchases of property, equipment and intangible assets		(6)	(7)
Purchases of investments		(5,559)	(6,903)
Proceeds on sales and maturities of investments		5,009	6,777
Net additions to investment properties		(2)	(10)
Net dispositions of (additions to) investments in associates and joint ventures		287	(125)
<b>Net cash provided (required) by investing activities</b>		<b>91</b>	<b>(18)</b>
<b>Financing activities:</b>			
Net contributions (redemptions) related to non-controlling interests		(6)	15
Distributions paid by subsidiaries to non-controlling interests		(1)	(1)
Repayment of debt and lease liabilities		(6)	(4)
Interest received		7	-
Interest paid		(61)	(25)
Surplus distribution		(10)	(38)
Net increase in securities sold under repurchase agreements		1,090	96
Net increase in securities purchased under resale agreements		(605)	-
<b>Net cash provided by financing activities</b>		<b>408</b>	<b>43</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>110</b>	<b>(387)</b>
Cash and cash equivalents, beginning of period		335	664
<b>Cash and cash equivalents, end of period</b>		<b>445</b>	<b>277</b>

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

**Notes to Condensed Interim Consolidated Financial Statements**  
**June 30, 2024**  
**Unaudited (millions of Canadian dollars)**

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## **1. Nature of operations**

The Workplace Safety and Insurance Board (the “WSIB”) is a statutory corporation created by an Act of the Ontario Legislature in 1914 and domiciled in the Province of Ontario (the “Province”), Canada. As a board-governed trust agency, in accordance with the Agencies and Appointments Directive, the WSIB is responsible for administering the *Workplace Safety and Insurance Act, 1997* (Ontario) (the “WSIA”), which establishes a no-fault insurance scheme that provides benefits to people who experience workplace injuries or illnesses.

The WSIB promotes workplace health and safety in the Province and provides a workplace compensation system for Ontario based employers and people with work-related injuries or illnesses. The WSIB is funded by employer premiums and does not receive any government funding or assistance. Revenues are also earned from a diversified investment portfolio held to meet future obligations on existing claims.

The WSIB’s registered office is located at 300 Tartan Drive, London, Ontario, N5V 4M9.

## **2. Statement of compliance**

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These unaudited condensed interim consolidated financial statements should be read in conjunction with the annual information available in the consolidated financial statements and the accompanying notes for the year ended December 31, 2023. These unaudited condensed interim consolidated financial statements have been prepared on a basis consistent with the policies and methods outlined in the notes to the consolidated financial statements for the year ended December 31, 2023.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the WSIB’s Board of Directors on October 1, 2024.

## **3. Material accounting policy information, estimates and assumptions**

The WSIB is required to apply judgment when making estimates and assumptions that affect the reported amounts recognized in these unaudited condensed interim consolidated financial statements. The accounting policies, estimates and assumptions that are significant in these unaudited condensed interim consolidated financial statements are consistent with those applied in the annual information provided in the consolidated financial statements for the year ended December 31, 2023, except as noted below:

During the current period, the WSIB entered into resale agreements where the WSIB purchases securities and subsequently resells them at a specified price on a specified date in the future. Securities purchased under resale agreements are accounted for as collateralized lending transactions initially measured at fair value and subsequently measured at amortized cost using the effective interest rate method. Due to the short-term nature of these agreements, the carrying amounts of the securities purchased under resale agreements approximate fair value.

**Notes to Condensed Interim Consolidated Financial Statements****June 30, 2024****Unaudited (millions of Canadian dollars)****4. Changes in accounting policies****Future changes in accounting standards:****(a) IFRS 18 *Presentation and Disclosure in the Financial Statements***

IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18") was issued in April 2024, which replaces IAS 1 *Presentation of Financial Statements* ("IAS 1") while carrying forward many elements of IAS 1 unchanged. IFRS 18 introduces three sets of new requirements for presentation of financial statements and disclosures within financial statements: i) present specified categories and defined subtotals in the statement of profit or loss; ii) provide disclosures on management-defined performance measures in the notes to the financial statements; and iii) improve aggregation and disaggregation of financial information in the financial statements and notes. IFRS 18 will be effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 is to be applied retrospectively. The WSIB currently is assessing the impact of this standard on its consolidated financial statements.

**(b) Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures***

Amendments to IFRS 9 *Financial Instruments* ("IFRS 9") and IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7") were issued in May 2024. The amendments to IFRS 9 address the following: i) derecognition of a financial liability settled through electronic transfer; and ii) classification of financial assets: a) contractual terms that are consistent with a basic lending arrangement, b) financial assets with non-recourse features, and c) contractually linked instruments. The amendments to IFRS 7 include: i) disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income; and ii) disclosure requirements for contractual terms that could change the timing or amount of contractual cash flows. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The WSIB currently is assessing the impact of this standard on its consolidated financial statements.

**5. Cash and cash equivalents**

Highly liquid investments are considered to be cash equivalents. Cash and cash equivalents are comprised of the following:

	<b>June 30 2024</b>	<b>December 31 2023</b>
Cash	155	95
Short-term money market securities	284	204
Restricted cash <sup>1</sup>	6	36
<b>Total cash and cash equivalents</b>	<b>445</b>	<b>335</b>

1. The restricted cash balance consists of funds received from the Government of Ontario for the purposes of administering the COVID-19 Worker Income Protection Benefit Program on behalf of the Government of Ontario.

As at June 30, 2024, the WSIB held \$445 (December 31, 2023 – \$335) of cash and cash equivalents, of which \$121 (December 31, 2023 – \$103) was maintained for operating purposes and \$324 (December 31, 2023 – \$232) was maintained for investing purposes.



**Notes to Condensed Interim Consolidated Financial Statements**  
**June 30, 2024**  
**Unaudited (millions of Canadian dollars)**

## 6. Receivables and other assets

Receivables and other assets are comprised of the following:

	<b>June 30 2024</b>	<b>December 31 2023</b>
Investment receivables	720	308
Other assets	128	132
<b>Total receivables and other assets</b>	<b>848</b>	<b>440</b>

## 7. Fair value measurement and disclosures

### Fair value hierarchy

The WSIB uses a fair value hierarchy to categorize the inputs used in valuation techniques to estimate the fair values of assets and liabilities.

The table below provides a general description of the valuation methods used for fair value measurements.

<b>Hierarchy level</b>	<b>Valuation methods</b>
Level 1	Fair value is based on unadjusted quoted market prices in active markets for identical assets or liabilities that the WSIB has the ability to access at the measurement date.
Level 2	Fair value is based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or model inputs that are either observable or can be corroborated by observable market data for the assets or liabilities.
Level 3	Fair value is measured using significant non-market observable inputs. These include valuations for assets and liabilities that are derived using information, some or all of which are not market-observable, as well as assumptions about risk.

Measurements of the fair value of an asset or liability may use multiple inputs that are categorized in different levels of the fair value hierarchy. In these cases, the asset or liability is classified in the hierarchy level of the lowest level input that is significant to the measurement.

## Second Quarter 2024 Results

## Notes to Condensed Interim Consolidated Financial Statements

June 30, 2024

Unaudited (millions of Canadian dollars)

The following table provides the fair value hierarchy classifications for assets and liabilities:

	June 30, 2024				December 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets and liabilities measured at fair value</b>								
Cash and cash equivalents <sup>1</sup>	161	284	-	445	131	204	-	335
Public equity investments								
Public equity pooled funds	-	10,605	-	10,605	-	9,728	-	9,728
Public equity securities	1	-	-	1	1	-	-	1
Fixed income investments	-	9,350	-	9,350	-	9,057	-	9,057
Derivative assets	2	27	-	29	14	223	-	237
Investment properties <sup>2</sup>	-	-	644	644	-	-	620	620
Other invested assets								
Private market pooled funds	-	-	13,887	13,887	-	-	10,221	10,221
Other private market investments	-	83	1,841	1,924	-	85	4,483	4,568
Derivative liabilities	(1)	(5)	-	(6)	(2)	(22)	-	(24)
Loss of Retirement Income Fund liability (note 9)	-	-	(1,913)	(1,913)	-	-	(1,898)	(1,898)
<b>Assets and liabilities for which fair value is disclosed</b>								
Long-term debt <sup>3</sup>	-	(66)	-	(66)	-	(65)	-	(65)

1. The carrying amount of cash and cash equivalents approximates its fair value.

2. Investment properties include a right-of-use asset of \$7 (December 31, 2023 – \$7).

3. Carrying amount as at June 30, 2024 was \$70 (December 31, 2023 – \$70).

Transfers between levels within the hierarchy are recognized at the end of the reporting period.

During the three months and six months ended June 30, 2024 and June 30, 2023, there were no transfers between levels within the hierarchy.

## Second Quarter 2024 Results

## Notes to Condensed Interim Consolidated Financial Statements

June 30, 2024

Unaudited (millions of Canadian dollars)

## Level 3 fair value measurements

The following tables provide reconciliations of assets included in Level 3 of the fair value hierarchy:

For the three months ended June 30, 2024	Other invested assets		Subtotal	Investment properties	Total
	Private market pooled funds	Other private market investments			
Balance as at April 1, 2024	12,751	2,771	15,522	651	16,173
Net gains (losses) recognized in net investment income (loss)	428	(19)	409	(8)	401
Translation gains recognized in other comprehensive income	-	2	2	-	2
Purchases	1,390	29	1,419	-	1,419
Sales	(682)	(942)	(1,624)	-	(1,624)
Capital expenditures	-	-	-	1	1
<b>Balance as at June 30, 2024</b>	<b>13,887</b>	<b>1,841</b>	<b>15,728</b>	<b>644</b>	<b>16,372</b>
<b>Changes in unrealized gains (losses) included in income (loss) for positions still held</b>	<b>402</b>	<b>(328)</b>	<b>74</b>	<b>(8)</b>	<b>66</b>

For the six months ended June 30, 2024	Other invested assets		Subtotal	Investment properties	Total
	Private market pooled funds	Other private market investments			
Balance as at January 1, 2024	10,221	4,483	14,704	620	15,324
Net gains recognized in net investment income (loss)	822	13	835	22	857
Translation gains recognized in other comprehensive income	-	7	7	-	7
Purchases	3,755	103	3,858	-	3,858
Sales	(911)	(2,765)	(3,676)	-	(3,676)
Capital expenditures	-	-	-	2	2
<b>Balance as at June 30, 2024</b>	<b>13,887</b>	<b>1,841</b>	<b>15,728</b>	<b>644</b>	<b>16,372</b>
<b>Changes in unrealized gains (losses) included in income (loss) for positions still held</b>	<b>785</b>	<b>(712)</b>	<b>73</b>	<b>22</b>	<b>95</b>

## Second Quarter 2024 Results

## Notes to Condensed Interim Consolidated Financial Statements

June 30, 2024

Unaudited (millions of Canadian dollars)

For the three months ended June 30, 2023	Other invested assets		Subtotal	Investment properties	Total
	Private market pooled funds	Other private market investments			
Balance as at April 1, 2023	7,246	6,222	13,468	662	14,130
Net losses recognized in net investment income (loss)	(127)	(84)	(211)	(22)	(233)
Translation losses recognized in other comprehensive income	-	(5)	(5)	-	(5)
Purchases	214	317	531	-	531
Sales	-	(90)	(90)	-	(90)
Capital expenditures	-	-	-	(5)	(5)
<b>Balance as at June 30, 2023</b>	<b>7,333</b>	<b>6,360</b>	<b>13,693</b>	<b>635</b>	<b>14,328</b>
<b>Changes in unrealized gains (losses) included in income (loss) for positions still held</b>	<b>(126)</b>	<b>(115)</b>	<b>(241)</b>	<b>(22)</b>	<b>(263)</b>

For the six months ended June 30, 2023	Other invested assets		Subtotal	Investment properties	Total
	Private market pooled funds	Other private market investments			
Balance as at January 1, 2023	7,070	5,782	12,852	653	13,505
Reclassification upon adoption of IFRS 9 <sup>1</sup>	-	33	33	-	33
Net losses recognized in net investment income (loss)	(81)	(37)	(118)	(23)	(141)
Translation losses recognized in other comprehensive income	-	(5)	(5)	-	(5)
Purchases	352	819	1,171	-	1,171
Sales	(8)	(232)	(240)	-	(240)
Capital expenditures	-	-	-	5	5
<b>Balance as at June 30, 2023</b>	<b>7,333</b>	<b>6,360</b>	<b>13,693</b>	<b>635</b>	<b>14,328</b>
<b>Changes in unrealized gains (losses) included in income (loss) for positions still held</b>	<b>(80)</b>	<b>(75)</b>	<b>(155)</b>	<b>(23)</b>	<b>(178)</b>

1. Certain reclassifications have been made upon adoption of IFRS 9.

**Notes to Condensed Interim Consolidated Financial Statements**  
**June 30, 2024**  
**Unaudited (millions of Canadian dollars)**

The following table summarizes the valuation methods and quantitative information about the significant unobservable inputs used in Level 3 financial instruments:

	Valuation methods	Key unobservable inputs	June 30, 2024 Range of inputs		December 31, 2023 Range of inputs	
			Low	High	Low	High
<b>Private market pooled funds</b>	Net asset value	Net asset value provided by manager	n/a	n/a	n/a	n/a
<b>Other private market investments</b>	Net asset value	Net asset value provided by manager	n/a	n/a	n/a	n/a
	Discounted cash flow and market comparable	Discount rate	5.5%	8.3%	5.5%	7.5%
		Terminal capitalization rate	4.9%	6.5%	4.9%	6.0%
<b>Investment properties</b>	Discounted cash flow and market comparable	Discount rate	7.0%	9.0%	7.0%	9.0%
		Terminal capitalization rate	5.8%	7.8%	5.8%	7.8%
<b>Loss of Retirement Income Fund liability</b>	Net asset value	Net asset value provided by administrator	n/a	n/a	n/a	n/a

**Sensitivity of Level 3 financial instruments**

Fair values of private market pooled funds are based on unit prices provided by investment managers, which are based on net asset values of underlying investments.

Fair values of other private market investments are based on valuations obtained from investment managers. The valuations obtained from investment managers are based on net asset values, comparable transactions in the market or discounted cash flow models using unobservable inputs such as discount rates, terminal values and expected future cash flows. Holding other factors constant, an increase to terminal values or expected future cash flows would tend to increase the fair value, while an increase in the discount rate would have the opposite effect.

Fair values of investment properties are obtained from qualified appraisers who apply a discounted cash flow model to determine property values. The valuation technique is applied consistently unless another valuation technique (e.g., sale price) is a better representative of fair value. Key unobservable inputs include discount and terminal capitalization rates, projected rental income and expenses, inflation rates and vacancy rates. Holding other factors constant, an increase to projected rental income would increase the fair values, while an increase in the inputs for the discount rates and terminal capitalization rates would have the opposite effect.

The fair value of the Loss of Retirement Income Fund liability is determined based on the fair values of the underlying assets included in the Loss of Retirement Income Fund.

The WSIB has not applied another reasonably possible alternative assumption to the significant Level 3 categories as the net asset values and appraised fair values are provided by the investment managers and other third-party appraisers.

## Second Quarter 2024 Results

## Notes to Condensed Interim Consolidated Financial Statements

June 30, 2024

Unaudited (millions of Canadian dollars)

## 8. Payables and other liabilities

	June 30 2024	December 31 2023
Administration payables	135	161
Investment payables	417	45
Short-term payable – Worker Income Protection Benefit Program <sup>1</sup>	6	33
Other liabilities	92	66
<b>Total payables and other liabilities</b>	<b>650</b>	<b>305</b>

1. The short-term payable – Worker Income Protection Benefit Program balance consists of payables related to administering the COVID-19 Worker Income Protection Benefit Program on behalf of the Government of Ontario.

## 9. Loss of Retirement Income Fund liability

The reconciliation of carrying amounts for the Loss of Retirement Income Fund liability is set forth below:

	June 30 2024	December 31 2023
Balance at beginning of period	1,898	1,874
Contributions from the WSIB	27	54
Optional contributions from injured workers	4	8
Contributions from Schedule 2 employers	7	13
Income earned on contributions	78	128
Benefits paid in cash	(101)	(179)
<b>Balance at end of period</b>	<b>1,913</b>	<b>1,898</b>

## Notes to Condensed Interim Consolidated Financial Statements

June 30, 2024

Unaudited (millions of Canadian dollars)

## 10. Employee benefit plans

## Employee benefit plans expense

The cost of the employee benefit plans recognized in administration and other expenses for the three months and six months ended June 30 is as follows:

	Pension plans		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
<b>For the three months ended June 30</b>						
Current service cost	23	21	4	3	27	24
Net interest on the employee benefit plans liability	6	6	8	8	14	14
Past service cost	-	-	-	13	-	13
Long-term employee benefit gains	-	-	(1)	(1)	(1)	(1)
Administrative expenses	3	4	-	-	3	4
<b>Employee benefit plans expense</b>	<b>32</b>	<b>31</b>	<b>11</b>	<b>23</b>	<b>43</b>	<b>54</b>

	Pension plans		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
<b>For the six months ended June 30</b>						
Current service cost	46	42	9	6	55	48
Net interest on the employee benefit plans liability	11	11	17	16	28	27
Past service cost	-	-	-	13	-	13
Long-term employee benefit gains	-	-	(2)	-	(2)	-
Administrative expenses	6	8	-	-	6	8
<b>Employee benefit plans expense</b>	<b>63</b>	<b>61</b>	<b>24</b>	<b>35</b>	<b>87</b>	<b>96</b>

Amounts recognized in other comprehensive income (loss) for the three months and six months ended June 30 are as follows:

	Pension plans		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
<b>For the three months ended June 30</b>						
Actuarial gains (losses) arising from:						
Financial assumptions	65	(58)	9	(8)	74	(66)
Demographic assumptions	-	-	-	(3)	-	(3)
Plan experience	-	(9)	1	(19)	1	(28)
Return on plan assets excluding interest income	21	(26)	-	-	21	(26)
<b>Remeasurements of employee benefit plans</b>	<b>86</b>	<b>(93)</b>	<b>10</b>	<b>(30)</b>	<b>96</b>	<b>(123)</b>

	Pension plans		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
<b>For the six months ended June 30</b>						
Actuarial gains (losses) arising from:						
Financial assumptions	228	(149)	31	(21)	259	(170)
Demographic assumptions	-	-	-	(3)	-	(3)
Plan experience	-	(9)	1	(19)	1	(28)
Return on plan assets excluding interest income	114	61	-	-	114	61
<b>Remeasurements of employee benefit plans</b>	<b>342</b>	<b>(97)</b>	<b>32</b>	<b>(43)</b>	<b>374</b>	<b>(140)</b>

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**Employee benefit plans liability**

The employee benefit plans liability is comprised of the following:

	<b>Pension plans</b>		<b>Other benefits</b>		<b>Total</b>	
	<b>Jun. 30</b>	<b>Dec. 31</b>	<b>Jun. 30</b>	<b>Dec. 31</b>	<b>Jun. 30</b>	<b>Dec. 31</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Present value of obligations <sup>1</sup>	4,430	4,582	681	703	5,111	5,285
Fair value of plan assets	(4,273)	(4,092)	-	-	(4,273)	(4,092)
<b>Employee benefit plans liability</b>	<b>157</b>	<b>490</b>	<b>681</b>	<b>703</b>	<b>838</b>	<b>1,193</b>

1. The WSIB's pension plans are wholly or partly funded whereas the WSIB's other benefits are wholly unfunded.

**11. Insurance contract liabilities**

Roll forward of the insurance contract liabilities showing the liabilities for remaining coverage and the liabilities for incurred claims as of June 30, 2024 is as follows:

	<b>Liabilities for remaining coverage</b>		<b>Liabilities for incurred claims</b>	<b>Total</b>
	<b>Excluding loss component</b>	<b>Loss component</b>	<b>Estimates of the present value of future cash flows</b>	
<b>Insurance contract liabilities as at January 1, 2024</b>	<b>(95)</b>	<b>210</b>	<b>27,605</b>	<b>27,720</b>
<b>Insurance revenue</b>	<b>(1,858)</b>	<b>-</b>	<b>-</b>	<b>(1,858)</b>
<b>Insurance service expenses</b>				
Incurred claims and other expenses	-	(105)	1,504	1,399
Losses on onerous contracts and reversals of those losses <sup>1</sup>	-	(14)	-	(14)
Changes in liabilities for incurred claims	-	-	(163)	(163)
<b>Total insurance service (income) expenses</b>	<b>-</b>	<b>(119)</b>	<b>1,341</b>	<b>1,222</b>
<b>Insurance service result</b>	<b>(1,858)</b>	<b>(119)</b>	<b>1,341</b>	<b>(636)</b>
<b>Insurance finance income</b>	<b>-</b>	<b>-</b>	<b>(158)</b>	<b>(158)</b>
<b>Total changes in the consolidated statement of comprehensive income (loss)</b>	<b>(1,858)</b>	<b>(119)</b>	<b>1,183</b>	<b>(794)</b>
<b>Cash flows</b>				
Premiums received	1,749	-	-	1,749
Claims and other expenses paid	-	-	(1,805)	(1,805)
<b>Total cash flows</b>	<b>1,749</b>	<b>-</b>	<b>(1,805)</b>	<b>(56)</b>
<b>Insurance contract liabilities as at June 30, 2024</b>	<b>(204)</b>	<b>91</b>	<b>26,983</b>	<b>26,870</b>

1. Reflects any subsequent changes in actuarial assumptions used in determination of the losses on onerous contracts and reversals of those losses.



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Roll forward of the insurance contract liabilities showing the liabilities for remaining coverage and the liabilities for incurred claims as of December 31, 2023 is as follows:

	Liabilities for remaining coverage		Liabilities for incurred claims	Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	
<b>Insurance contract liabilities as at January 1, 2023</b>	<b>97</b>	<b>190</b>	<b>26,360</b>	<b>26,647</b>
Insurance revenue	(3,461)	-	-	(3,461)
<b>Insurance service expenses</b>				
Incurred claims and other expenses	-	(190)	2,566	2,376
Losses on onerous contracts and reversals of those losses <sup>1</sup>	-	210	-	210
Changes in liabilities for incurred claims	-	-	(252)	(252)
<b>Total insurance service expenses</b>	<b>-</b>	<b>20</b>	<b>2,314</b>	<b>2,334</b>
<b>Insurance service result</b>	<b>(3,461)</b>	<b>20</b>	<b>2,314</b>	<b>(1,127)</b>
<b>Insurance finance expense</b>	<b>-</b>	<b>-</b>	<b>2,484</b>	<b>2,484</b>
<b>Total changes in the consolidated statement of comprehensive income (loss)</b>	<b>(3,461)</b>	<b>20</b>	<b>4,798</b>	<b>1,357</b>
<b>Cash flows</b>				
Premium received	3,269	-	-	3,269
Claims and other expenses paid	-	-	(3,553)	(3,553)
<b>Total cash flows</b>	<b>3,269</b>	<b>-</b>	<b>(3,553)</b>	<b>(284)</b>
<b>Insurance contract liabilities as at December 31, 2023</b>	<b>(95)</b>	<b>210</b>	<b>27,605</b>	<b>27,720</b>

1. Reflects any subsequent changes in actuarial assumptions used in determination of the losses on onerous contracts and reversals of those losses.

## Sensitivity of actuarial assumptions

The liabilities for incurred claims' sensitivity to changes in discount rate is outlined below. The discount rate is the only key assumption that has changed significantly since December 31, 2023. All the other actuarial assumptions, such as claims duration, mortality rates, and inflation assumption, have not changed; therefore, the sensitivity analysis below shows the impact on net income of changes in the discount rate assumption with all other assumptions held constant.

Sensitivity analysis on liabilities for incurred claims:<sup>1</sup>

	June 30 2024	December 31 2023
100 basis point increase in the discount rate	(2,258)	(2,400)
100 basis point decrease in the discount rate	2,734	2,922

1. The sensitivity analysis is only performed on the liabilities for incurred claims and not on the onerous loss liability as the impact of discounting on the onerous loss liability is not material.

## Second Quarter 2024 Results

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## 12. Insurance revenue

A summary of insurance revenue for the three months and six months ended June 30 is as follows:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Schedule 1 employer premiums	937	928	1,827	1,772
Interest and penalties	11	14	15	23
<b>Schedule 1 employer premiums</b>	<b>948</b>	<b>942</b>	<b>1,842</b>	<b>1,795</b>
Net mandatory employer incentive programs	9	(1)	16	(1)
<b>Insurance revenue</b>	<b>957</b>	<b>941</b>	<b>1,858</b>	<b>1,794</b>

## 13. Net investment income and insurance finance income (expense)

Net investment income by nature of invested assets for the three months and six months ended June 30 is as follows:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Cash and cash equivalents	9	7	18	15
Public equity investments	365	369	1,372	1,133
Fixed income investments	62	(23)	(125)	306
Securities purchased under resale agreements	19	-	19	-
Derivative financial instruments	(125)	151	(303)	175
Investment properties	(1)	(19)	33	(14)
Investments in associates and joint ventures	13	(7)	15	(30)
Other invested assets	416	(205)	854	(33)
Less: Income attributable to Loss of Retirement Income Fund	(34)	(14)	(76)	(69)
<b>Investment income</b>	<b>724</b>	<b>259</b>	<b>1,807</b>	<b>1,483</b>
Less: Investment expenses <sup>1</sup>	(93)	(66)	(215)	(141)
<b>Net investment income</b>	<b>631</b>	<b>193</b>	<b>1,592</b>	<b>1,342</b>
<b>Net insurance finance income (expense)</b>	<b>(174)</b>	<b>(225)</b>	<b>158</b>	<b>(1,182)</b>

1. Includes \$15 and \$32 of management fees paid to investment managers for the three months and six months ended June 30, 2024 (three months and six months ended June 30, 2023 – \$27 and \$48). It also includes \$42 and \$67 of interest expenses related to the securities sold under repurchase agreements for the three months and six months ended June 30, 2024 (three months and six months ended June 30, 2023 – \$14 and \$26).

## Second Quarter 2024 Results

## Notes to Condensed Interim Consolidated Financial Statements

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## 14. Insurance service expenses

	Three months ended June 30		Six months ended June 30	
	2024	2023 <sup>1</sup>	2024	2023 <sup>1</sup>
Loss of earnings	259	293	497	562
Health care	179	180	345	329
Survivor benefits	41	33	82	70
External providers	8	8	16	16
Non-economic loss	21	21	39	40
<b>Total incurred claims</b>	<b>508</b>	<b>535</b>	<b>979</b>	<b>1,017</b>
Insurance service expenses allocated from administration and other expenses <sup>2</sup>	248	273	508	452
Insurance service expenses allocated from legislated obligations and funding commitments expenses <sup>2</sup>	17	22	17	22
<b>Other insurance service expenses<sup>2</sup></b>	<b>265</b>	<b>295</b>	<b>525</b>	<b>474</b>
<b>Total incurred claims and other insurance service expenses</b>	<b>773</b>	<b>830</b>	<b>1,504</b>	<b>1,491</b>
Impact of change to onerous loss component	(55)	(38)	(119)	(85)
Changes in liabilities for incurred claims	(122)	(32)	(163)	(34)
<b>Insurance service expenses</b>	<b>596</b>	<b>760</b>	<b>1,222</b>	<b>1,372</b>

1. Certain comparative amounts have been reclassified to be consistent with the current period's presentation.

2. Comprised of the allocation of administration and other expenses, legislated obligations and funding commitments expenses, and changes in expense reserve related to the current injury year.

## 15. Administration and other expenses

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Salaries and short-term benefits	139	150	288	278
Employee benefit plans	43	54	87	96
Depreciation and amortization	7	8	14	16
Other	79	71	138	129
	<b>268</b>	<b>283</b>	<b>527</b>	<b>519</b>
Insurance administration costs allocated to insurance service expenses	(242)	(229)	(453)	(433)
<b>Total administration and other expenses</b>	<b>26</b>	<b>54</b>	<b>74</b>	<b>86</b>

**Notes to Condensed Interim Consolidated Financial Statements**

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**16. Commitments and contingent liabilities**

**(a) Investment commitments**

The WSIB's commitments for capital calls as at June 30, 2024 related to its investment portfolio were \$5,606. There is no specific timing requirement to fulfill these commitments during the investment period.

**(b) Legislated obligations and funding commitments**

Known commitments related to legislated obligations and funding commitments as at June 30, 2024 were approximately \$314 for the period from July 1, 2024 to June 30, 2025.

**(c) Legal actions**

The WSIB is engaged in various legal proceedings and claims that have arisen in the ordinary course of business, the outcome of which is subject to future resolution. Based on information currently known to the WSIB, management believes that adequate provisions have been made for cases where it is reasonably possible that a payment will be made and that the probable ultimate resolution of all existing legal proceedings and claims will not have a material effect on the WSIB's financial position.