



OMBUDSMAN FOR BANKING SERVICES AND INVESTMENTS

STRATEGIC PLAN 2022-2026



OBSI OMBUDSMAN FOR BANKING
SERVICES AND INVESTMENTS

OSBI OMBUDSMAN DES SERVICES
BANCAIRES ET D'INVESTISSEMENT

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MESSAGE FROM THE CHAIR AND OMBUDSMAN

The financial services industry is one of the most dynamic sectors in our country, continuously growing and innovating, creating new opportunities and new challenges for Canadian consumers, investors, firms, and regulators, all of whom have an important role in keeping our financial system prosperous and healthy.

OBSI is proud to work at the intersection of these activities, as an independent and impartial public interest organization.

The demand for OBSI's services is counter-cyclical — we experience the highest need when the financial services sector experiences volatility and downturns, and we have weathered several such cycles since our organization was created 25 years ago. Over the past five years, our 2017-2021 strategic plan guided us through a period of organizational rebuilding and modernization. During this period, we made significant investments in our people, systems, and processes to ensure that we are well equipped to address new challenges as an efficient, modern, and resilient organization. We're especially proud of how our team has built a supportive culture of innovation that doesn't shy away from change.

This new strategic plan was developed at a time of significant challenge and change for OBSI and the whole financial services sector in Canada. The COVID-19 pandemic has had a profound impact on our team, the consumers who use our services, and our industry. We are also looking forward to welcoming a new Chair of our board of directors in the spring of 2022, and there are several regulatory initiatives under active consideration that could change the nature of our business. Times of uncertainty are when strategic planning matters most.

Our last strategic plan was a guide to keep us focused on important modernization activities and help us evolve as a resilient, efficient organization. Looking ahead, as we continue to weather the impacts of the COVID-19 pandemic, we see further opportunities to provide value to the consumers, firms, and regulators we work with. In this strategic plan for 2022–2026, our goal is to give our organization an effective north star, with the flexibility we need to both excel and adapt.

The financial services sector, and the public interest more broadly, is best served by a strong ombudsman that inspires confidence in the system. Our expertise and 25 years of experience put us in an excellent position to fulfill those needs, and we look forward to elevating the services we deliver over the next five years to meet the opportunities and challenges of this new era.

Jim Emmerton, Chair and Sarah Bradley, Ombudsman & CEO



WELCOME TO OBSI

The Canadian economy depends on a strong bond of trust between those who use banking and investment services and those who deliver them. It's a complex ecosystem with a wide range of participants and variables that are constantly innovating and evolving.

The Ombudsman for Banking and Investment Services (OBSI) is a national, not-for-profit organization that helps resolve disputes between consumers and financial services firms across Canada and shares information to help consumers and firms make informed decisions and avoid disputes. OBSI is independent and impartial, and our services are free to consumers.

More than 1,400 financial institutions and firms across Canada participate in our service. We provide ombudsman services to banks that choose to offer our services to their customers, as well as investment firms, which are required to belong to OBSI. In 2020, OBSI responded to 5,691 consumer inquiries and opened 791 case investigations.

Our operations are governed by a board of directors, which regularly receives advice from our Consumer and Investor Advisory Council. Our mandate for banking services comes from the federal Bank Act. Our mandate for investment services comes from provincial securities laws regulated by the members of the Canadian Securities Administrators. Our work is overseen by the Financial Consumer Agency of Canada and a committee formed by the Canadian Securities Administrators. We also engage in regular independent external reviews of our operations.



OUR PLANNING APPROACH

Our last strategic plan addressed specific organizational goals to improve our resiliency and ability to operate efficiently, and we made tremendous progress. We strengthened our capacity, digitized our workflows and communications, and streamlined our process to ensure that we are working as efficiently as possible — all while delivering high quality dispute resolution and value-added services. This plan builds on that success, with a clear focus on increasing our ability to adapt to new and emerging challenges. Many signals indicate that we are in an era of increasing case volumes, and the financial industry continues to innovate and evolve in new ways that we need to prepare for.

We developed this new strategic plan knowing that the industry, regulatory, and market environments continue to change. With that in mind, this plan sets our strategic direction for the next planning cycle, while giving us the flexibility we need to adjust our annual operating plans to address unforeseen issues.

This plan was built on a foundation of robust input from our board members, Consumer and Investor Advisory Council, senior management team, and our staff. It incorporates lessons learned over our last planning cycle, as well as the challenges we know lie ahead.

We are grateful to everyone who contributed to the evolution of this strategy, and we look forward to using it as a north star to help us grow and improve our services as we navigate the next five years.

TRENDS WE'RE WATCHING

Innovations in technology and changing consumer preferences are fueling trends towards novel investment products and more complex financial products and services. At the same time, consumers are increasingly responsible for their own retirement readiness and reliant on expert advice to help them ensure their financial wellbeing.

Regulators at provincial and national levels are also continuously innovating and working to ensure the continued health of Canada's financial markets. Firms and financial professionals are accountable to a variety of national, provincial, and industry regulators that each strive to promote fairness and investor protection and support Canada's prosperity. Alongside that work, advocacy groups work continuously to promote consumer interests in a complex and changing environment.

OBSI occupies a critical space in this landscape, as a trusted, independent financial ombudsman, acting as an impartial and fair investigator of banking and investment related complaints and feeding data and insights back into the system to support a virtuous cycle of continuous improvement. Our work provides assurance to consumers, firms, and regulators that when disputes arise, they are resolved fairly and promptly, allowing everyone to feel supported in their business relationships and to continue to have confidence in the financial services system.

Like all organizations around the world, OBSI has felt the impacts of the COVID-19 pandemic. OBSI's digital transformation, undertaken pursuant to our last strategic plan, allowed our employees to seamlessly transition to remote work and continue to effectively deliver services to the consumers and firms we serve. The pandemic and related economic pressure and market volatility has also led to a significant increase in our case volumes, which trended higher from mid-2020 throughout 2021. Amid this disruption, the financial services sector and financial services consumers have adapted, accelerating trends towards innovation and complexity in the retail financial marketplace.

In addition, the very concept of what constitutes financial services is evolving, as new investment types, such as digital and cryptocurrency, new platforms, and new investment marketing trends are becoming more common. Recent innovations have made it easier than ever for people to invest, which increases investor empowerment and democracy but also introduces new risks and increases the need for accurate, reliable sources of financial information and advice.

In this environment, the need for fair, effective, and trusted ombudsman services that serve the public interest is more important than ever. This strategic plan will help us address these challenges and deliver effective ombudsman services that meet the current and future needs of consumers, firms, regulators, and the Canadian public.



About OBSI

Fair and effective ombudsman services are a critical part of maintaining a prosperous and healthy financial services sector. When consumers and firms know they have a trusted place to turn when disputes arise, they can do business with greater confidence.

Our Vision

Helping to ensure a fair, effective, and trusted Canadian financial services sector.

WHO WE ARE

We are an independent, not-for-profit organization of highly skilled, independent professionals inspired by our public service mission.

WHAT WE DO

We help resolve complaints and disputes between consumers and financial services firms, and we share our expertise and insights with consumers, industry, and regulators.

WHY WE DO IT

Effective ombudsman services advance fairness and trust in the Canadian financial services sector by providing efficient, independent, and accessible dispute resolutions services to consumers and firms, and feeding data and insights back into the system to support a virtuous cycle of continuous improvement.

OUR GUIDING PRINCIPLES

FAIRNESS Our process and approach is fair to consumers and firms.

IMPARTIALITY We are balanced and objective in our work.

INDEPENDENCE We are free from undue influence.

ACCESSIBILITY Our services are affordable, straightforward, and convenient.

INTEGRITY We act in a way that is honest and principled.

PROFESSIONALISM We respectfully listen, understand, and engage with consumers and firms.

OUR STRATEGIC PLAN AT-A-GLANCE

SUCCESS PILLARS

OBJECTIVES

PUBLIC ASSISTANCE AND DISPUTE RESOLUTION



OBSI provides information services to assist consumers who reach out to us with a complaint, and we conduct fair, efficient, and effective investigations of disputes between consumers and participating firms.

Deliver accessible, high-quality information services that help consumers who have reached out to us to make informed choices.

Conduct fair, independent investigations of disputes between consumers and participating firms.

Explore innovative dispute resolution approaches that drive efficiency and effectiveness.

COMMUNICATION, AWARENESS AND THOUGHT LEADERSHIP



OBSI works to improve awareness of our services and share our expertise and experience to increase trust and strengthen the financial services sector in the public interest.

Deliver messaging to consumers and collaborate with stakeholders to strengthen public awareness and ensure consumers have easy access to information about OBSI when they have a problem.

Share information and provide thought leadership.

Build and maintain strong relationships with our stakeholders.

Advance regulatory and policy changes that improve consumers' access to effective financial ombudsman services in Canada.

ORGANIZATIONAL RESILIENCE AND CONTINUOUS IMPROVEMENT



OBSI is efficient and effective and adapts to changes in the financial services sector and our operating environment.

Foster a culture of innovation and continuous improvement.

Deliver high-value services to participating firms that reflect OBSI's overall value proposition.

Invest in OBSI's people to strengthen employee engagement and wellbeing and support operational excellence.

Foster public and industry confidence by demonstrating accountability for our organizational practices.

OUR SUCCESS PILLARS

OBSI's strategic plan for 2022–2026 contains three interconnected and mutually supporting success pillars and related objectives. Together, these pillars provide a foundation for OBSI to thrive as a resilient, successful organization. Each year, our annual operating plans and key initiatives will align to these pillars, with any necessary adjustments to address new issues.



SUCCESS PILLAR #1: PUBLIC ASSISTANCE AND DISPUTE RESOLUTION

OBSI provides information services to assist consumers who reach out to us with a complaint, and we conduct fair, efficient, and effective investigations of disputes between consumers and participating firms.

A hallmark of excellence for an ombudsman service is providing fair, accessible services that all parties trust. By ensuring we have the right processes, tools, and training, we can consistently deliver effective services that enable consumers and firms to work together with confidence.

This success pillar reflects our focus on continuing to strengthen our core services. We will know we are successful in this area when we are meeting our performance benchmarks and consumers and firms report high levels satisfaction with our services and processes. While not all parties will agree with our findings all the time, we strive to ensure that all parties feel heard, respected, and fairly treated.

OBJECTIVE 1.1

Deliver accessible, high-quality information services that help consumers make informed choices.

An ombudsman service does more than just resolve disputes. We respond to many thousands of complaints every per year by providing helpful, high-quality information to consumers to help them understand their circumstances and options. The financial services sector operates most effectively when all parties have easy access to accurate information that helps them understand their situation.

As our sector evolves, our public assistance services will also evolve to ensure our readiness to help consumers and firms navigate new situations. We will accomplish this by exploring new ways to provide a more seamless experience and improving the tools we use to respond to consumer complaints more efficiently.

OBJECTIVE 1.2

Conduct fair, independent investigations of disputes between consumers and participating firms.

The success of an ombudsman service is deeply connected to the level of trust that consumers and firms have in the dispute resolution process. For unresolved disputes within our mandate, we conduct fair and independent investigations that meet the needs of the parties, and we ensure that all parties have the information they need to understand our process and outcomes.

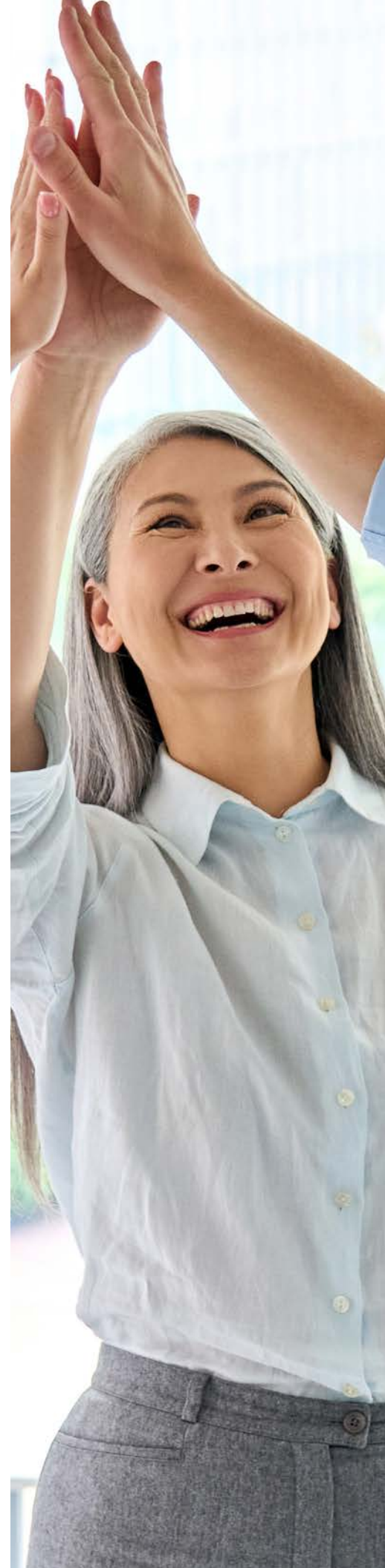
We are committed to achieving the highest level of integrity in our dispute resolution process. We will achieve this by following best practices in financial ombudsmanship and communicating outcomes in a transparent way that is easy for consumers and firms to understand.

OBJECTIVE 1.3

Explore innovative dispute resolution approaches that drive efficiency and effectiveness.

As change in the financial services sector continues to accelerate, our approach to resolving disputes must also adapt. Timely and efficient dispute resolution is critical for consumers and firms, and each of these groups prefer to engage with us in different ways and need different services and platforms that respond to their unique needs.

We will address these needs by leveraging technology and dispute resolution approaches to drive efficiency and effectiveness, though initiatives such as improving our digital complaint platforms and introducing an early conciliation process to resolve straightforward disputes faster and in a way that meets the needs of the parties.



SUCCESS PILLAR #2: COMMUNICATION, AWARENESS AND THOUGHT LEADERSHIP

OBSI works to improve awareness and share our expertise and experience to increase trust and strengthen the financial services sector in the public interest.

In countries around the world, effective ombudsman services contribute to fairness and trust in the financial services sector by providing access to justice for consumers, reinforcing industry best practices, and contributing to the positive innovations that can arise from challenging situations.

The more stakeholders know about OBSI and how effective ombudsmanship can support consumer protection, the more we contribute to a fair, effective, and trusted Canadian financial services sector. Our work generates significant insights of value to consumers, industry participants and regulators in the financial services sector. By collaborating with stakeholders and actively sharing data and lessons learned, we contribute to public confidence in the sector, industry best practices, and well-informed public policy decisions.

This success pillar emphasizes our commitment to inspiring confidence in the financial services sector. Success in this area will be measured by our ability to raise our profile and support improvements that strengthen the system for everyone.

OBJECTIVE 2.1

Deliver messaging to consumers and collaborate with stakeholders to strengthen public awareness and ensure consumers have easy access to information about OBSI when they have a problem.

Consumer awareness of OBSI and the services we offer is an ongoing challenge, as many consumers who might benefit from knowing about OBSI don't know about us. Consumers, firms, and the industry as a whole benefit when consumers know they have options outside the legal system to follow-up when they feel things have gone wrong. The easier it is for consumers to find information about OBSI when they have a concern, the faster we can help them reach a resolution and continue their financial services relationships with confidence.

We are committed to making information about our services easy for consumers to find and use. We will achieve this by expanding our outreach to consumers, including vulnerable and disenfranchised communities, enhancing our online and digital presence, and partnering with others to amplify our messages.

OBJECTIVE 2.2

Share information and provide thought leadership.

Through decades of dispute resolution experience, we have developed a wealth of knowledge and data of significant value to our stakeholders. In the next planning cycle, we plan to leverage this knowledge to support improvements throughout the financial services sector by:

- a. Helping consumers understand common issues that lead to complaints and how to avoid challenges when dealing with financial products and services.
- b. Helping firms identify issues that create challenges for customers and contribute to industry best practices.
- c. Sharing information with regulators about the consumer experience so they are aware of any significant issues that need to be addressed.



OBJECTIVE 2.3

Build and maintain strong relationships with our stakeholders.

Canada's financial services sector is a complex multi-stakeholder system, with many contributing organizations with different roles and responsibilities, including firms, industry and professional associations, governments, regulators, advocacy groups, and other dispute resolution organizations. We can maximize our positive impact by collaborating with others.

We will do this by strengthening relationships with firms and advocacy organizations as well as relevant international, national, and provincial organizations and regulatory bodies to gather knowledge, share best practices and lessons learned, and amplify common messages.



OBJECTIVE 2.4

Advance regulatory and policy changes that improve access to effective financial ombudsman services in Canada.

Governments, regulators, and industry leaders make important policy choices that impact financial consumers' ability to access ombudsman services and the ability of the ombudsman services to do their work effectively. Among these choices are the overall design of the ombudsman access system, including whether there is one mandated ombudsman service for all financial services consumers, and whether the financial ombudsman service has the ability to ensure fair redress for consumers.

Additionally, best practices for ombudsman services and systems continue to evolve around the world to respond to changes in the financial services landscape. OBSI participates in the International Network of Financial Services Ombudsmen to ensure that we maintain our understanding and expertise in this area.

We will share our experience with senior officials, government departments and agencies to advance regulatory and policy changes that support effective financial ombudsman services in Canada, including a greater ability to secure fair redress for consumers and encouraging international best practices such as promoting fairness and accessibility through a single, not-for-profit ombudsman service for all financial services consumers.





SUCCESS PILLAR #3: ORGANIZATIONAL RESILIENCE AND CONTINUOUS IMPROVEMENT

OBSI is efficient and effective and adapts to changes in the financial services sector and our operating environment.

External factors strongly influence the nature and volume of our work, which makes our commitment to being a resilient, high-performing organization critically important. We are focused on continuously improving our ability to scale and adjust our services, complete timely investigations, and maintain a healthy workplace for our staff. Through effective governance, stewardship, and risk management, we ensure that we have the tools, skills, and support to meet new challenges without compromising service delivery.

Success in this area will be measured by our ability to meet or exceed our service standards, maintain healthy staff engagement, and demonstrate strong financial stewardship during changes in our operating environment.

OBJECTIVE 3.1

Foster a culture of innovation and continuous improvement.

Our operating environment is never static. The challenges ahead call for focused attention on managing risk and new ways of serving our stakeholders. This approach to innovation and organizational flexibility is woven into our culture at OBSI.

We will practise innovation and continuous improvement by actively monitoring risks, strengthening our capacity to forecast trends, and adjusting our practices to appropriately address emerging issues. We will also continuously work towards identifying new and innovative approaches to our operations and adopting new processes to improve our service.

OBJECTIVE 3.2

Deliver high-value services to participating firms that reflect OBSI's overall value proposition.

Participating firms have access to our services, whether they have complaints referred to OBSI by their customers or not. It is important that we remain mindful of the value and assistance that we can provide to support best practices for all participating firms, including through services such as our Firm Bulletins, Firm Helpdesk, and Firm Portal.

We are committed to addressing the needs of all participating firms and exploring new opportunities to assist them. We will achieve this through efficient membership administration and open communication with participating firms and industry leaders.





OBJECTIVE 3.3

Invest in OBSI's people to strengthen employee engagement and wellbeing and support operational excellence.

Our team includes professionals with training and experience in financial services, law, accounting, dispute resolution, and regulatory compliance. Independent reviews have consistently confirmed that OBSI has a highly skilled and professional workforce that exceeds many international industry best practices.

We are committed to maintaining this level of excellence by providing training opportunities that support the high level of knowledge that OBSI case assessment officers, investigators, analysts, and other team members need. We will also foster a work environment that supports the wellbeing of all our team members by prioritizing initiatives that encourage employee engagement and wellbeing.

OBJECTIVE 3.4

Foster public, industry, and regulator confidence by demonstrating accountability for our organizational practices.

A key pillar of building trust is demonstrating accountability in everything we do. We will achieve this through transparent operational reporting and responding openly to feedback and recommendations from regular external reviews.



CONCLUSION

This is an exciting and challenging time in the financial services sector. From advances in technology and new service offerings to changing consumer needs and expectations, we are passionate about embracing change and making a real impact in our day-to-day work.

We know that our work matters, and each member of our team takes pride in the role we play supporting all our stakeholders and our system as a whole. The energy and reflection we invested in creating this strategy also reminded everyone how much OBSI has achieved and how much we can still contribute to a strong Canadian financial services sector.

We are confident that this strategic plan provides the guidance and focus OBSI needs to effectively deliver ombudsman services in the public interest over the years to come.



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