



Annual Report 2020-2021



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CEO MESSAGE



In 2020, we introduced our 10-year visioning strategy, [Healthy Members, Strong Communities Canadian Forces Morale and Welfare Services Strategy 2030](#), designed purposely to move CFMWS forward in delivering more value to our members at the individual and community level. Our new mission, vision and values speak to our core responsibilities and culture. Operating in the unique Non-Public Property (NPP) Framework—what is, in essence, a member-owned social enterprise, this new strategic vision solidifies our united voice and common purpose.

In support of the CFMWS Strategy 2030, we also released our three-year [Strategic Plan 2021-2024](#)—a roadmap that prioritizes mission-critical objectives to fulfill our core responsibilities and promote financial stability. This will be an evergreen strategic plan, which we will adjust on an annual basis with a three-year horizon of our planned activity and outcomes.

Since March 2020, the COVID-19 pandemic has placed substantial and additional strain on our workforce and operations at all levels. At a macro level, it forced us to reexamine our draft strategic plan and corporate risks. This introspection found the strategic plan to be sound and the core NPP Framework solid and fully capable; it was able to withstand the broad impact of COVID-19 from our management of investment funds to the temporary closure of most Base/Wing local NPP operations. We constantly adjust our local activities to reflect the provincial guidelines managing the challenges that execution during COVID-19 brings to our organization. We have supported Canadian Armed Forces (CAF) members, Veterans and their families over the past months by modifying programs and procedures across all business lines, including retail, fitness and front line services in the area of insurance or family support.

At CFMWS, we know that our employees are at the forefront of our ability to ensure **Healthy Members, Strong Communities**. As a separate employer, we have additional flexibility over our workforce structure that enables us to dynamically shift work processes while ensuring that our culture of “serving those who serve” is reinforced. This was never so evident than the effective and rapid adjustment by our employees to the effects of COVID-19 on delivering our services to the CAF community. Throughout the past year, our priority was to ensure: our employees were enabled to work effectively; they, along with their families, were supported through the challenges of the pandemic; and that our Employee Occupational Health and Safety measures functioned effectively to provide a safe workplace for all. We have continued to reinforce a healthy workplace culture by celebrating excellence and commitment, through our virtual employee awards, and by enhancing the training that we provide to our employees to counter interpersonal issues.

Moving forward, we are steadfast in our commitment to continue to Serve Those Who Serve as an agile social enterprise ever responsive to change. We look forward to continuing to serve our members in their journey to achieve their physical, mental, social and financial well-being.

Finally, I offer my sincerest gratitude to our CAF community for their ongoing support, as well as to our dedicated CFMWS employees for their tireless efforts in the past year.

Sean N. Cantelon
Managing Director, Non-Public Property
CEO, Staff of the Non-Public Funds
Canadian Forces

PROMISES KEPT

OUR VALUE PROPOSITION

CFMWS.
Invested in your life.

Canadian Forces Morale and Welfare Services (CFMWS) is committed to making life better for the people we serve. Through a balanced approach to wellness, we deliver programs and services that move beyond just physical fitness to holistically delivering a cohesive package that includes mental, social, physical and financial wellness in order to address those key areas that impact operational readiness.

Mental

2,094

Mental health counselling sessions by Military Family Resource Centres

1,006

Family Information Line (FIL) virtual counselling sessions

1,168

Mental health crisis calls answered by FIL

1,670

Ill/injured supported through Soldier On

6,759

SISIP Financial virtual counselling sessions

Social

35,000+

Non-clinical social support for families

2,517

Op Santa packages for deployed members

95

Children to camp

102

Special needs children to camps

6,000+

Army Run participants

25,000

Royal Canadian Navy Bike rides by 2,750 riders

Physical

17,128

FORCE Evaluations

741

English fitness videos

265

French fitness videos

1,010

Virtual health promotion workshops

1,558

Virtual physician consultations for families

Financial

142,000

Members, Veterans & their spouses have life insurance coverage

\$41M

in No-Interest Credit plan purchases through CANEX

7,800

CAF members & families assisted financially

Support Our Troops Grants:

- 181 Families received COVID-19 Emergency Grant
- 133 Members received Special Needs Grant
- 75 Scholarships & 12 Bursaries totalling \$148,000

Our Strategic FRAMEWORK

OUR MISSION

We make our members stronger.

Healthier People. Stronger Communities. Better Canada.

OUR PRIORITIES

Exceptional Member, Employee Experience

Caring for our employees so that they are equipped to increase value to our members.

[Read more...](#)

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Business Maturity and Innovation

Improving our ability to operate within a constantly changing and complex business environment.

[Read more...](#)

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Financial Sustainability

Ensuring we can generate profits for reinvestment into our member offerings.

[Read more...](#)

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OUR APPROACH

Member-Centric Digital Transformation

Improved Employee Experience

Enterprise Data Management Program

Modernized Business Model and Delivery

Business Development & Growth Strategy

Infrastructure and Real Property Strategy

OUR VISION

Improving lives at home and around the world:

Mentally, Socially, Physically and Financially.

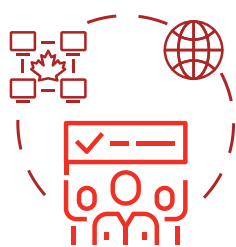


2020-2021 BUSINESS CONTINUITY DURING COVID-19



FROM CYBERATTACK TO VIRTUALIZATION

A significant cyberattack at the beginning of 2020 resulted in a full network shutdown to protect our data and network. We responded to the incident within 24 hours, and full service restoration with the enhanced security configuration was completed within 20 days. The cyberattack could have resulted in a data breach, but, no financial, member or personal employee



information was impacted in any way due to our strong response to the attack and our focus on defensive actions in protecting our members' data.

Within weeks of the pandemic-related lockdown, CFMWS embarked on the next steps in its virtualization journey—starting with transitioning almost the entire workforce to a remote environment and finally moving some of our health, fitness and recreation activities to virtual platforms as well.



Whether it was financial or mental counselling, online shopping or customer service, many of our services were being offered virtually by the end of Fiscal Year 2020-21.

RESPONSIVE AND AGILE TO THE CAF COMMUNITY

Within days of the CAF's COVID-19 shutdown, CFMWS implemented work-from-home measures for employees who were able to do so, along with tailoring

operations to meet local measures put in place by Base/Wing Commanders. By April 2020, many CFMWS HQ employees were equipped with mobile devices (smartphones, laptops, desktops, and/or tablets) and had transitioned completely to teleworking; thanks to the tremendous work from CFMWS Information Services team, which helped the organization deal with the pandemic challenges smoothly and efficiently.

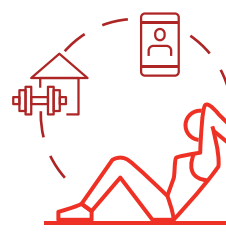


SISIP Financial, along with Manulife, responded to the CAF's Operation Laser by developing a simplified term life insurance application and approval process for CAF members and their spouses. All insurance advisors were on-call to ensure members and their families received advice and solutions to navigate through the stressful year.

During the peak of COVID-19, only half of our CANEX locations remained open, in



regions/areas where they were deemed as "essential services" under provincial COVID-19 parameters. These CANEX stores implemented stringent social distancing protocols, as well as other measures to ensure the safety of our employees, in order to provide essential grocery and convenience store products. CANEX online sales tripled in the early days of COVID-19 but returned to a more normal 30 percent increase during the rest of 2020.



The Personnel Support Program (PSP) leadership worked closely with Base and Wing Commanders to shut down facilities safely and expeditiously pivoted fitness, recreation, and health promotion programming to a virtual environment. Special care was taken to ensure all local and provincial guidelines for facility operations were met with throughout the pandemic. This rigorous planning effort, coupled with effective communications at all levels, enabled

reopening of facilities and resumption of programming without a single associated COVID-19 outbreak. Once the initial COVID-19 restrictions eased, 14 locations were approved by the Base/Wing Commanders to run summer PSP recreational programming in 2020 which supported the physical and mental wellness of our members.



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Exceptional Employee and **MEMBER EXPERIENCE**

STRATEGIC OBJECTIVE

To take care of our employees so they will take care of our CAF community and increase value to our members.

CFMWS VALUES

In 2020-21, we implemented a number of initiatives to enhance our employee experience based on our philosophy that our employee's experience directly impacts our member experience. We started with revisiting our fundamental values.

In August 2020, our 10-year Strategy introduced our new organizational values, which reflect our organization as a social enterprise. Our commitment to upholding the highest ethical standards in support of one another, CAF members, Veterans and their families is now strengthened by these fundamental values.

1. We put our people first—we **CARE** for our members, our community and one another.
2. We act with **INTEGRITY** and strive to do the right thing—we say what we mean and we do what we say.
3. We are **ONE TEAM**—we have each other's back and get it done together for our members.
4. We constantly look for new ideas and find **CREATIVE** ways to provide our members with the best possible experience.

In an employee survey conducted between December 2020 and March 2021, 89.68 percent of respondents identified our values. CFMWS employees have found the new values more accurate and relatable than the previous ones.

As a member-centric organization, we are committed to supporting a culture where our employees understand our members' needs and deeply care about their mental, social, physical and financial well-being. With this commitment guiding our path, we navigated the COVID-19 pandemic ensuring that we continue to meet our members' needs and create exceptional and memorable experiences along the way.

IMPROVED EMPLOYEE EXPERIENCE AND CULTURE

Improved Work Experience

In 2020-21, CFMWS offered its employees (wherever possible) a highly flexible working environment combining work from home, office or both, which in turn supported employee wellness goals by allowing them to stay home during the pandemic, save time and cost of commute and focus on fitness, as well as on personal and social goals.

New Tools and Platforms

CFMWS' readiness to embrace new technology contributed significantly to our employees' mental and social wellness. While Microsoft 365, including MS Teams capability, was already launched in early 2020, CORE intranet was developed during the year and launched in the spring of 2021 for all employees. Equipment-tracking, Primus VoIP-equipped Call Centers, Re-imaging Windows 7 workstations with Windows 10, and the new VPN solution were just a few of the tasks completed during the year to assist employees in their day-to-day work.

MYTALENT

CFMWS spent 2020-21 developing a one-stop digital platform that enables managers and senior leaders to engage employees holistically throughout their CFMWS career. MyTALENT contains five modules: Learning, Recruitment, Performance, Compensation and Career Planning. The first module was launched in April 2021.

Conflict Resolution and Ethics Initiatives

During the year, the Centre for Conflict Resolution and Ethics (CCRE) provided 212 engagements, including consultations, conflict management coaching sessions and mediations with SNPF, CF employees. Despite COVID-19 limiting specialized in-person training, CCRE delivered 20 online specialized training sessions and implemented two mandatory training sessions in response to recent changes to the legislative framework (Bill C-65, Workplace Harassment and Violence Prevention Regulations) which came into effect January 1, 2021:

- o Fundamentals of a Respectful Workplace: a hybrid delivery model in the form of self-directed, online, leader-led event (December 2019 to March 2021)
- o Workplace Harassment and Violence Prevention Training (throughout 2021)



CCRE conducted Value & Ethics training and support for the Military Family Services (MFS) team at Headquarters and for those located in the US. The training laid the foundation for constructive conversations and practices within our teams that allowed all of us to focus on how our personal and professional values align and how to reconcile conflicts. This had led to Team Charters that have built collaboration, self and team reflection, and a healthier workplace.

Laurie Ogilvie, Director, Family Services

Health and Wellness of the Workforce

We continued to leverage and promote our Employee and Family Assistance Program (EFAP) to provide employees with wellness support, webinars and resources spanning a variety of mental health needs to help employees adapt to a new work environment as well as personal challenges. As health and safety standards and requirements continued to evolve during the year, we revisited our Occupational Health and Safety policies and created new tools and resources, as well as implemented a contact-tracing tool.

Wage Relief

The Government of Canada Wage Subsidy Program permitted the organization to provide a wage subsidy to approximately 1,986 employees whose revenue, from the services they provide to the CAF community, ceased due to COVID-19 lockdowns. This critical aid from the Government resulted in delaying the need to proceed with layoffs of a significant portion of our workforce during the months of August 2020, October 2020 and then again in January 2021.

CFMWS Employee Recognition

To recognize the hard work, integrity, dedication and commitment that our 4,300-strong workforce demonstrates each day, we delivered our Employee Awards virtually and presented 13 national corporate awards to deserving employees in FY 2020-21.

Champions Network

Employees champion various causes across the organization and play a very active role in enabling workplace engagement. These include representatives who advocate for different groups and/or important issues, and include Indigenous Peoples, LGBTQ2+, Official Languages, Persons with Disabilities, Visible Minorities, Wellness, and Women.

CFMWS EMPLOYEE DEMOGRAPHICS

Designated Groups

As of the end of FY 2020-21, 42 percent of CFMWS employees have official languages profile in bilingual positions. Over the past two years, we have consistently met our targets for Women and Persons with Disabilities profiles; however, two other profiles (Indigenous People and Visible Minority) have continued to lag behind. The organization is constantly trying to find new and creative ways to bridge this gap, attain its recruitment targets and meet the Employment Equity Act requirements for designated groups. For example, some of our Diversity & Inclusion champions have combined recruitment efforts with local partners, such as Hire Immigrants Ottawa (HIO) to benefit from their network in cross-cultural competency training.

Groups (Excluding Casual Staff) of CFMWS Employees	Number & Percentage		
	2019-2020	2020-2021	Target
Visible Minority	271 (8.9%)	266 (9.2%)	14.7%
Persons with Disabilities	367 (11.6%)	312 (10.8%)	9.6%
Indigenous People	128 (4.1%)	107 (3.7%)	4.8%
Women	2,017 (64%)	1,872 (64.6%)	56.6%

Workforce Generations Participation

There are five distinct generations in our workforce including casual staff and this brings another source of diversity and creativity to our operations.

Generations	2020-21
Generation Z (1996–2012)	13.3%
Millennials (1977–1995)	45%
Generation X (1965–1976)	24%
Baby Boomer (1946–1964)	17.4%
Traditionalists (1922–1945)	0.3%

CAF Affiliation

Currently, 34 percent of CFMWS employees have an affiliation to the CAF, of which 11 percent are retired, ex-Reserves and active military members, 16 percent are military spouses and seven percent are from a military family.





EXCEPTIONAL MEMBER EXPERIENCE

We care about our members and regardless of where they are, we make sure that they have access to what they need virtually or in person while adhering to social distancing and at a reasonable price—be it PSP recreation programs, MFS family support or CANEX.ca for an optimized shopping experience. Our PSP Retail Operation in Latvia and Kuwait, deemed an essential service during the pandemic by the Task Force Commander, continued providing support (with enhanced protective health measures implemented) to Canadian as well as all NATO members deployed.

Members who are stronger mentally, socially, physically and financially are better prepared to serve our country and protect Canadian values.

FINANCIAL WELLNESS

At the foundation of our members' strength and performance is financial wellness that contributes indirectly to their social, mental as well as physical wellness. While CFMWS had been planning to enhance its virtual offerings, the constraints resulting from the pandemic expedited these efforts significantly.

Virtual Financial Planning

10,000+ Defence community members benefitted directly from financial planning initiatives leading to a total investment of \$698M.

- CAF Savings Plan hit a major milestone with \$174M worth of assets with 9000+ participants.

Long-Term Disability (CAF LTD) plan

95,000 Regular and Reserve Force members were insured.

- Assisted over 2,000 members with their medical release and initiated CAF LTD benefits.

Life Insurance & Claims

More than 142,000 CAF members, Veterans and their spouses/partners were covered under the SISIP Financial Life Insurance plan.

- A total of \$64.3 M was paid out in Life Insurance claims in 2020-21.
- 2,184 members insured under Critical Illness coverage.

Financial Counselling

3,076 members and families were assisted with cash flow and debt management; 160 virtual workshops were held for members and families on a variety of financial topics to inform their decision-making and future planning.

CANEX Shopping

For thousands of our members posted in Canada and around the world, CANEX is the sole provider of grocery and merchandising services on CAF Bases, Wings and Units that are located in remote, rural and semi-urban areas.

- During FY 2020-21, wherever possible and in accordance with local public health regulations, CANEX stores were open and operating despite COVID-19.
- CANEX improved the online shopping experience with the implementation of a modern e-commerce platform.
- CANEX provided \$41M in No-Interest Credit Plan purchases.
- CANEX Rewards program engaged over 58,000 CFOne members to shop across all CANEX stores and benefited members to redeem \$587,000 towards their purchases.

Canadian Defence Community Banking

In 2020, our Commercial Services team successfully renegotiated the Canadian Defence Community Banking contract between CFMWS and BMO Bank of Montreal ensuring:

- CFOne members have access to exclusive personal banking offers including mortgage and small business offers, resulting in collective savings in excess of \$25M per year.
- An increase in revenue generation opportunities for Base/Wing personnel to support sponsorships and events, thereby supporting Base funds.

CF Appreciation

The member savings from 10 national consumer partners exceeds \$2M annually. CFAppreciation.ca was accessed over 156, 600 times during FY 2020-21 with 60 percent of those visits by new users.

Financial Assistance

Owing to the challenges presented by the COVID-19 pandemic, a relatively higher number of CAF members accessed support through our charitable funds this past year. CFMWS, through Support Our Troops and Soldier On, succeeded in assisting more than 7,800 members or their families this year, through different programs. Here are a few highlights:

- 871 families received support through the Holiday Hamper Program with a total value of \$154,800.
- 586 members and their families received loans.
- 549 members and families received support from the Support Our Troops' Alberta Licence Plate Program.
- 181 families received support from the COVID-19 Emergency Grant.
- 133 members received a Special Needs Grant.
- 207 families received emergency financial assistance.
- 129 members received support through Hospital Comforts and 170 Veterans received utilities and medical equipment at The Perley and Rideau Veterans' Health Centre.

- The Soldier On team managed to distribute more than \$1M in equipment and camp grants. 1,670 grant applications were administered representing a 2.44 percent increase from last year.

Spousal Employment

The Military Spousal Employment Network (MSEN) saw almost a 30 percent growth of new members with over 1,246 more spouses joining in 2020-21. Out of 4,300 participants currently enrolled in the program, over 525 military or Veteran spouses are now employed with participating MSEN employers.

Scholarships

\$148,000 in 75 scholarships and 12 bursaries were provided to individuals, which represents a 174 percent increase from the previous year. It also represents the generosity and commitment of Support Our Troops donors during a difficult time.

Subsidized Personnel Support Programming

PSP continued providing a variety of programs at a subsidized cost to support members' wellness goals, such as through community Recreation programming.

- Base/Wing Fund subsidized the cost of recreation facility access membership for CAF members, CAF families and Veterans at an average lower cost of 84 percent compared to the municipal/market rate.
- The Base/Wing Fund also subsidized the cost of day camp at 21 percent lower compared to municipal/market rate.
- Specialty Interest Activities (SIA) such as golf clubs, marinas, campgrounds and food and beverage services provided a variety of goods and services to military communities across the country and profits were reinvested in the local Base Funds for additional local programming.

CARING FOR OUR MEMBERS WHEN IT MATTERS MOST



We are feeling extremely grateful for the services and support Military Family Services provided to us during the birth of our daughter earlier this year. Our second child was due over the holidays and unfortunately, with COVID-19, our plans to have our family visit and help take care of our son while we were away at the birth were squashed due to travel restrictions. I spoke with Tammy, our MFS Outreach Coordinator, over a zoom call and she enquired about our preparations and if we required help. I explained that in the absence of family support, we are obliged to hire a babysitter to look after our son while I was in the hospital and for a few weeks after birth. Tammy looked into it, explained our eligibility for Emergency Childcare support benefits and explained the coverage. It was a huge relief. Tammy continued to be amazing support by checking-in to see how we were adjusting as a family of four. Thank you Tammy and thank you MFS for everything you do to support CAF families located Outside of Canada! It is very much appreciated!

Heather & Joshua Kutryk

PHYSICAL WELLNESS

From the onset of the pandemic, the health, safety and wellbeing of CAF members and their families have been our primary focus. CFMWS is the provider for fitness, sports as well as health promotion and Military Family Services Program delivery on Bases and Wings across Canada and deployed operations.

In-person Programming

Given the organization's role in support of CAF operations and force generation efforts, PSP continued to deliver in-person programming throughout the pandemic while following provincial guidelines and Occupational Health and Safety protocols established in consultation with Health Services, internal HR, and Health and Safety committees. In line with the Chief of the Defence Staff's priorities for CAF recruitment and operational readiness, the following in-person activities took place:

- 17,128 FORCE Evaluations using EFIT kits conducted to support ongoing domestic and international operations and training plans. The numbers were lower than previous year because of the pandemic-related constraints (facility closures or social distancing).
- 65 CFMWS (PSP) staff supported CAF deployed operations globally, including two primary missions: OP REASSURANCE LTF in Latvia and OP IMPACT in Kuwait.
- 16 Decentralized Basic Military Qualification (DBMQ) Courses were conducted by PSP in collaboration with the CAF.
- To continue with Clearance Divers' force generation, the physical components of the Clearance Divers Assessment Centre (CDAC) were developed and implemented; selection fitness evaluation for pre-selection was trialled, and a training program to support the physical preparation of candidates for the CDAC was created.

Virtual Fitness Programming

CFMWS launched virtual programming in April 2020

to assist the CAF community maintain their physical and mental wellbeing during the pandemic.

- PSP Fitness developed a library of fitness videos available on CFMWS national YouTube channels: [741 videos](#) in English out of which 77 workshops were related to sports and [265 videos](#) in French out of which 18 workshops were about sports.
- Personnel Support Programming (PSP) Human Performance Research and Development supported fitness training for the Canadian Space Agency Astronauts and the continued development of an Occupation Fitness for Astronauts standard.
- PSP Fitness Instructors offered live and pre-recorded sessions daily in English and French with hundreds of options to choose from, all varying in length and training methods.

Two years ago, in July of 2019, my body and mental health had hit rock bottom. I was nearly 300 pounds and I had just listened to a specialist tell me I was five to seven years away from full-on non-alcoholic cirrhosis of the liver. I hadn't been back to the gym since I retired from CAF in 2014, but I was welcomed back with open arms as if I'd never left. The wonderful staff there went above and beyond with resources to help me get back on a healthy path. Things were going really well, the weight was dropping and my liver was recovering. Then the pandemic hit. I assembled a home gym room and put in some basic equipment, but I didn't have a structure to follow like before. However, PSP came out with the virtual work in programs which helped keep myself and countless others motivated. They also made the TrueCoach program available. That was a game changer. Under the most challenging of circumstances, PSP went out of their way to make sure that the active and retired military community didn't fall through the cracks. Their services and programs not only helped everyone's physical health, but also mental health. For that, I and countless others, owe them a debt of gratitude that may never be fully repaid. Thank you.

MCpl (Ret'd) Brian Kent

Health Promotion and Care

Despite lockdowns and other stringent public health measures, CFMWS' Health Promotion team delivered 1,619 presentations to 56,615 participants out of which 1,010 health education presentations were delivered virtually. Of the 1,619 presentations, at least 352 (22 percent) were related to nutritional wellness, whereas 527 (32 percent) covered health promotion topics, such as addictions awareness and prevention, and injury prevention and active living.

Virtual Healthcare

1,558 virtual consultations were facilitated with a Maple physician to military families at no cost. Additionally, 522 families were connected to a family physician through the Military Family Doctor Network (MFDN).

SOCIAL WELLNESS

CFMWS played a critical role in helping the CAF community achieve social wellness and resilience in 2020-21. Due to the pandemic, many recreation and family-related activities were redesigned for virtual delivery. Activities ranged from recreation to social support, workshops and distributing gift hampers.

- MFS connected over 35,000 families for non-clinical social support in Canada and outside of Canada (OUTCAN).
- Outreach established contact and support with 150 remote families who are part of the Vice-Chief of Defence Staff's responsibilities and received tailored support under the Rest of the World (ROW) program versus dedicated support from CFMWS programs in Europe and the United States of America.
- MFS implemented the virtualization of Gender-based/Family Violence initiatives and support for CAF families in Canada and OUTCAN.
- PSP's Health Promotion team delivered 740 presentations and briefings focused on members' social wellness, including tips on how to engage-in and enjoy positive interactions and build meaningful relationships and professional connections.
- PSP Community Recreation offered Jolly Days virtual activities to the CAF community, Veterans and their families between 24 November and 30 December 2020, which included 22 national virtual activities (contests, cultural explorers, events, instructional classes and two mission "live" concerts which reached over 80,000 members. The highlight of the program was the *East Coast Kitchen Party* featuring *Signal Hill*, which was viewed over 5,500 times. The concert was also played as part of the Christmas at Sea event on Her Majesty's Canadian Ship (HMCS), Toronto and shared with almost 780 deployed personnel in Latvia as well.
- The Canadian Forces Newspapers launched the second annual Youth Reporter Competition with a chance for youth to compete for a \$2,500-value scholarship along with participants' training and mentorship.
- The PSP Recreation team organized a World Children's Day virtual event—songs and lantern lighting—on 20 November, which reached over 11,000 members of the military community showcasing military children's support of their military parents/guardians for their role in protecting children's rights around the world.
- Thanks to generous corporate sponsors in Canada, this year's Op Santa Claus packages, valued at \$200 each, comprising daily use items were prepared by the PSP deployed support team and the PSP Sponsorship team for all 2,517 CAF members deployed away from Canada over Christmas holidays.
- Teams across the organization worked closely to send 95 CAF families' children to camp (with COVID-19 precautions in place), through the CFMWS National Summer Camps Program while sending another 102 special needs kids to camps where they were cared for by 34 special needs facilitators.
- Due to pandemic constraints, Canada Army Run officially adapted its event to a virtual program with more than 6,000 people and every major Canadian Forces Base (CFB) participating nationally in the summer of 2020. This resulted

in \$400,000 being raised in 2020, and \$4M since its inception—a significant amount disbursed to a host of programs run by Support Our Troops and Soldier On that help empower our members and their families by improving their well-being.

- The Royal Canadian Navy's annual Battle of the Atlantic Challenge in summer 2020 resulted in 2,750 riders among 175 teams across the country leading to 25,000 rides in honour of the 25,000 voyages undertaken during World War II. In total \$59,622 was raised, out of which \$35,773.20 was disbursed to Support Our Troops and Soldier On combined.

MENTAL WELLNESS

CFMWS delivers programs that support the mental wellness of the CAF community. In FY 2020-21, MFS, PSP and SISIP Financial as well as Support Our Troops and Soldier On, continued to evolve their service delivery through robust virtual offerings. This enabled mental health counselling, family and intimate partner violence support, extended outreach to remote families, and non-clinical social supports.

- MFS, through geographically-dispersed Military Family Resource Centres (MFRCs), offered 2,094 mental health counselling sessions.
- Support Our Troops funded 26 virtual Operational Stress Injury Social Support (OSISS) workshops.
- SISIP Financial offered 6,759 virtual Financial Counselling sessions during the year.
- PSP Health Promotion teams provided numerous briefings and workshops at Bases, Wings and Units on mental fitness & suicide awareness, stress and anger management.
- The 2021 PSP Virtual Winter Wellness Challenge, organized by PSP's Sport, Recreation, Health Promotion and Fitness departments, was a resounding success. The Challenge included 1,996 registered participants who raised just under \$35,000 for Soldier On.
- Soldier On delivered both physical and virtual

programming that supported 1,670 ill/injured serving members and Veterans to recover, rehabilitate, and reintegrate through sport, recreation and creative activities.

- Family Information Line (FIL) provided almost 1,006 virtual counselling sessions and received 1,168 mental health crisis calls. Compared to the previous year, there was a 70 percent increase in family members receiving FIL support for family violence in FY 2020-21.



You're one of the few people that I can talk to about my problems. I'm so grateful to have you as a counsellor.

Family Information Line Client, May 2020

- Strongest Families supported 112 families by offering online coaching for parents with children and youth who have experienced initial signs of anxiety and/or depression.
- Crisis Text Line: With the support from Lockheed Martin's generous donation, a new customized crisis texting service for 78,000 children and youth of Canadian Armed Forces members was set up, which supported 48 youth in crisis during FY 2020-21. The CAFKIDS Crisis Text Line powered by Kids Help Phone, delivered as part of a larger partnership between CFMWS and the True Patriot Love Foundation, is a dedicated texting service that works to ensure all children from military families have free access to mental health and wellbeing support in both English and French. 83 percent of all CAFKIDS survey respondents said that they shared something they would not have shared with anyone else.

As parents, my husband and I recognize that our kids may not always feel that they can share everything with us, or even their friends. In our home, we keep the CAFKIDS number on the fridge door as a reminder to our kids that they are never alone, and that someone is always available to listen.

CAF member and mother of three teens.

MEMBER EXPERIENCE SURVEY RESULTS

CFMWS has launched the Member Experience Research Program to understand and baseline our current strengths and areas of opportunities to provide an end-to-end member experience that meets and exceeds the needs of our CAF community.

The Member Experience Index is a barometer measure used to track the strength of the relationship a member or client has with an organization. Members who rate a 9 or 10 on a 10-point scale across all three of these measures are considered loyal.

- Overall quality of the member experience
- Overall perceived value
- Likelihood to recommend to others

As a result of survey results, we are developing a Member Experience Strategy and CFOne Membership Experience Strategy. Employee training will also be a part of our approach in becoming increasingly member-focused.

Having access to CFOne benefits has been world-changing, from being able to furnish my house and placing new tires on my car, to the amazing sales that occur regularly that benefit my family and community has been a huge relief in these trying times. Thank you.

CFOne member/survey respondent

SOCIAL EMPOWERMENT



Making members stronger mentally, socially, physically and financially so that they can better serve our country.



17,128

PHYSICAL FORCE Evaluations

SOCIAL
2,157



OP Santa Packages

FINANCIAL
Military Spousal Employment Network
Members Increased by



MENTAL
Families Received Non-Clinical Support

35,000+





2

Business Maturity and **INNOVATION**

STRATEGIC OBJECTIVE

To mature our business model and processes in light of constantly changing and complex business environment.

As a Non-Public Property entity, CFMWS established our roadmap for the future with the [CFMWS Strategy 2030, Healthy Members Strong Communities](#) and the accompanying [Three-year Strategic Plan \(2021-2024\)](#). FY 2020-21 has marked the next stage of our evolution into an integrated social enterprise. Specifically, we focused on developing and implementing our strategy, refining our management process, and measuring our success and progress across a broader timeline than has been done in past. This is the year we launched the process of setting performance measurement standards across the entire enterprise and embarked on our journey to measure our success and plan our actions for the future accordingly. Despite the new challenges posed by the COVID-19 pandemic, the organization continued to make progress towards our goals.

DIGITAL TRANSFORMATION

With the help of the Digital Enterprise Program (DEP), which includes the NPP Technology Investment Program (TIP), CFMWS continued to invest in foundational infrastructure, Cyber Security, Cloud and remote work solutions. It also managed and implemented monitoring and controlling of cyber incidents, support to remote work, SISIP Financial Customer Relationship Management (CRM) program, support to automated CAF fitness testing and the evolution of our financial management system. As part of our Capital Investment Plan, TIP remains core to CFMWS achieving its future goals, especially with increased demands for digital services and remote work environment. In FY 2020-21, NPP invested in the following areas:

- Customer Experience: 45%
- Data & Analytics: 2%
- Information Security: 12%
- IT Foundation & Delivery: 35%
- Process Automation: 6%

Enterprise Data Management

The Report to the Clerk of the Privy Council (2018)

on data required all federal departments, agencies or portfolios to have a data strategy in place for their line of business by September 2019. CFMWS not only developed its first-ever Enterprise Data Strategy but also conducted a Data Management Maturity Measurement (DM3) assessment, which provided a baseline and informed the development of the strategy. In addition, in alignment with the CFMWS 2030 Strategy, we developed Enterprise Data Guidelines, with a clear roadmap to the future. The first step in that direction was taken with the establishment of the Data Governance Council (DGC). We have started developing a business case to operationalize the strategy through an iterative process of focusing on a narrow and measurable business problem at a time, which will serve as a model for broader data management initiatives.

Member-Centric Digital Transformation

Significant work was done to support our new centralized website (due to launch in 2022) as well as the **Member Experience Management System (MEMS)** to manage interactions with current and potential members (customers). The new website as well as MEMS will culminate in more satisfied members increasing their engagement and acquisition of products and services.



DIGITAL BUSINESS PROJECTS

As a result of the pandemic, project work had to be slowed down. Yet, the Project Management Office (PMO) continued working on 33 active projects with varying multi-year completion timelines, out of which eight were completed in FY 2020-21. These projects were mostly related to Information Systems, Human Resources, SISIP Financial, CANEX and Support Our Troops. A few are highlighted as below:

- The **Support Our Troops Loans Management System** was completed and implemented. It will eliminate manual financial and administrative activities for loans and grants disbursement and reporting. For members, the self-service portal will automate a lot of data entry as well as allow them to monitor their application status.
- **CANEX e-Commerce Platform:** We launched a robust and modern cloud-based e-Commerce platform in July 2020. It contributed immensely in increasing online revenue by 24.6 percent to budget and +56 percent over the previous year's sales and helping process over 19,000 customer orders.
- **Remote Working:** We undertook a detailed sequencing of technology investments to

prioritize and enhance our remote work capabilities especially for local Bases who are reliant on the Defence Wide Area Network (DWAN), which is not optimised for NPP operations.

CYBERSECURITY

To keep a check on CFMWS' vulnerability to cybersecurity risks, including loss of sensitive data, we focused on:

Improved Risk Assessment

CFMWS Cyber Operations, along with PSP and CFMWS Privacy Office, have been working together in concert with DND Director General Information Management Operation (DGIMO) to assess CFMWS data, and risk to NPP Network as well as other locations where NPP data may be resident on networks to mitigate any potential future risk.

Security Management

The Security Information and Event Management (SIEM) solution was launched with a trusted Managed Security Services Provider (MSSP) partner where all production assets are logged to a 7/24/365 centralized log management system. The solution is fully operational with a monthly meeting with our trusted partner where all alarms/warnings/incidents are reviewed and potential future threats analyzed to ensure the best possible cyber security posture for CFMWS.

MARKETING AND COMMUNICATIONS

In the past year, we have leveraged digital tools to connect with our stakeholders—internal as well as external—more effectively during the pandemic. There was an overall increase in digital marketing and communications initiatives and results:

- Exemplifying member-centric, one-to-one communications and increased social media messaging resulted in a solid and growing CFMWS social media following at 40,328 and most importantly increased engagement rates.
- Clear, focused email marketing strategies and member-centric content, coupled with significant

database quality assurances enabled significant growth in email engagement through our CFOne email deployments. Consistently exceeding industry benchmarks, CFOne email marketing has garnered strong open rates for both our English and French members resulting in 33.9 percent Open Rate, 8.04 percent Click-to-Open Rate and 37.1 percent Open Rate, 8.24 percent Click-to-Open Rate for both languages respectively. These are higher than industry standard and indicative of our increased understanding of our members and the value of targeting market segments more effectively.

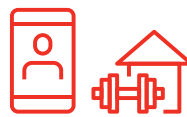
- All concerted efforts on CANEX marketing initiatives resulted in incremental sales contribution of \$9.4M, or 9.7 percent of total CANEX sales contribution, an increase from 7.6 percent in previous year despite retail challenges surrounding COVID-19. CANEX Cumulative Net Promotor Score for FY 2020-21 stands at +60, which is significantly above the retail industry average of +43.
- SISIP Financial launched a new interim website in February 2021 leading to a 13 percent increase in users and a 12 percent increase in number of sessions logged in over previous year. Meanwhile, SISIP Financial's email engagement continues to outperform both SISIP benchmarks and industry benchmarks with Open Rate: 36.5 percent vs. 21.56 percent (financial services benchmark) and Click-to-Open Rate: 3.65 percent vs. 2.72 percent (financial services benchmark).
- The Member Customer Service Centre (MCSC) had an important role to play during the pandemic while assisting 18,021 customers resulting in 45,725 interactions and engagements throughout the year. The team maintained an overall happiness score of 91/100 based on ratings from 27 percent of the members served.

Regardless of the unique circumstances posed by COVID-19, CFMWS continued to push boundaries in business innovation and achieved a significant level of enterprise maturity in launching and completing initiatives and projects, which ultimately enhanced our capabilities.

DIGITAL OPTIMIZATION



Leveraging digital tools to connect with our stakeholders



VIRTUAL FITNESS Programming

AVAILABLE VIDEOS

741 **265**

English

French



CANEX.CA

Increase in Online Shopping

% Increase in Online Revenue **24.6%**

SISIP FINANCIAL

New Website Launched

% Increase

13%

More Website Users



12%

More Sessions Logged



3

Financial SUSTAINABILITY

STRATEGIC OBJECTIVE

To ensure our ability to generate profits and reinvest them into our member offerings.

Despite a significant impact on local NPP activities by COVID-19, the Bases & Wings were able to protect their programs by prudent management and a shift to lower cost of operations. The funds of the various NPP entities are safe in the Canadian Forces Central Fund (CFCF) and are being carefully managed by the Investment Committee. Detailed financial statements are available on the CFMWS website as part of our transparent corporate reporting.

NPP INVESTMENT STRATEGIC PLAN

Due to the unprecedented economic effects of the COVID-19 pandemic as well as unprecedented market reactions, the Canadian Forces Central Fund (CFCF) and SISIP Financial segregated funds incurred unrealized losses with the nadir of market drop in March 2020.

Since March 2020, both the CFCF and SISIP Financial Segregated Fund investments have rebounded from the March 2020 low point by 22.7 percent and 18.6 percent (\$36.3M and \$74.4M) respectively. The market value at 31 March 2021 was \$195.7M versus \$159.4M at year-end 2020 for the CFCF, and the SISIP Segregated Fund was \$486.2M versus \$411.8M at year-end 2020.

The CFCF/SISIP Asset Allocation remains “defensive” but focused on Growth at a Reasonable Price (GARP) and designed to outperform in down markets.

The Outsourced Chief Investment Officer (OCIO) strategy is adding value to both portfolios by providing better asset selections and timely adjustments and have outperformed the Statement of Investment Policy and Procedure benchmarks.

CANEX'S THREE-YEAR STRATEGIC PLAN

The rapid changing retail market, shift in consumer shopping, and the impact of COVID-19 on CANEX operations placed CANEX in an untenable operating and financial position. The Managing Director NPP directed the stand up of a Strategic

Oversight Committee (SOC) in July 2020, led by the Chief Operating Officer (COO) to examine CANEX's business model and to devise a plan to return CANEX to profitability. Key areas of oversight included inventory management practices, store product mix, compensation methodologies, and Selling, General and Administrative Expense (SG&A) management. The results were briefed to the NPP Board and they informed the new CANEX Strategic Plan. The CANEX three-year strategic plan establishes the needed foundation and tactical roadmap for re-energizing the CANEX retail operations to *Create More Value for More Members*. CANEX remains a key element in the future of CFMWS and in our mission to build stronger members and communities.

FISCAL 2020-21 BY THE NUMBERS

Despite a fiscal year ravaged by the pandemic, CFMWS managed to produce some positive numbers:

- **CFMWS expenses** (both NPP and Public) totalled \$188M, which were slightly lower than budget due to pandemic-impacted activities, pause in pension solvency payments, and the reduction in the CANEX/SISIP Financial dividend. CFMWS closed FY 2020-21 with a small surplus of \$88K compared to a \$1.0M loss in the previous year (PY). Through its social enterprise business model, CFMWS reinvests any profits back into programs and services that enhance the resilience of the Defence and Security community. The source of

FINANCIAL STABILITY



Generating profits that are reinvested for member benefit.



**Support Our Troops
and Soldier On**
Disbursements

\$6.7M

Investment Returns
Increased by

22.5%

\$4.2M

Revenue

PSP-Managed
Task Force Retail
Operations Sales



NPP funds required to run CFMWS are sufficient based upon the proposed contributions from CFCF and SISIP in FY 2021-22.

- **CFCF Performance:** The overall annual performance in FY 2020-21 is positive compared to the previous year's results and the budget. More specifically, investment returns were 22.5 percent in FY 2020-21 (-1.9 percent in FY 2019-20), generating an investment income of \$36M.
- **SISIP Financial's** revenues for the fiscal year amounted to \$169.4M (\$87M in PY). The year-over-year increase is driven by strong investment returns of \$76.5M (PY loss of \$9.7M). Investment returns on the SISIP Segregated Fund, net of investment management fees of \$2M, were 18.1 percent in FY 2020-21 (PY loss of 2.8 percent). SISIP Financial contributed \$16.8M this fiscal year (\$18.5M PY) in support of NPP services.
- The SISIP Segregated fund has sufficient capital to cover our contractual liability of \$360M to Manulife for reinsurance on \$31B of term life insurance. The residual \$100M in the SISIP segregated fund is more than sufficient to provide options on future NPP programs and cover any short term losses from CANEX.
- **CANEX** ended the year by reducing its losses from \$12.1M to \$8.7M. Top-line gross sales amounted to \$108.3M (about \$24.7M lower than the PY), as a result of pandemic-related reduced store hours and closures. Gross Margins improved year over year, from 17.6 percent to 18.2 percent and operating expenses amounted to cost savings of approximately \$3.4M. Due to the new platform & the shift to online shopping CANEX.ca increased online revenue by 24.6 percent to budget and +56 percent over the previous year's sales, contributing to 8 percent of total CANEX sales.
- The **Support Our Troops** funds ended the FY 2020-21 with \$1.1M net income compared to a \$38K loss in the prior year. The FY 2020-21 revenue was \$4.4M despite many third-party fundraising events being cancelled in 2020 due to COVID-19 restrictions on travel and social distancing. Due to the ongoing pandemic, revenues were down 10 percent while expenses were down 34 percent compared to the previous year.
- The **CF Appreciation** program turned in a net income of \$47K, which could largely be attributed to a reduction of \$168K in salaries and careful cost controls.
- **Local Entities:** Due to COVID-19, overall revenues were down 53 percent (excluding wage relief booked as revenue) and expenses were also lower than previous year resulting in a net surplus of \$4.7M for the fiscal year 2020-21. The net surplus result is quite encouraging when compared to FY 2019-20 where local entities incurred a loss of \$0.3M. The main driver for the surplus was the interest income earned in March 2021.
- **Task Force retail operations**, managed by PSP in Latvia and Kuwait, generated gross revenues (combined) of \$4.2M with profits reinvested in Morale and Welfare initiatives onsite for the mission troops.
- **COVID-19 Wage Subsidy Program:** The SNPF, CF employees of CFMWS received Government of Canada funding support of \$10.8M (\$1.7M to CANEX and \$9.1M to local NPP entities) to cover lost revenue that would have normally paid their wages.
- CFMWS received a one-time payment from DND as supplementary pension solvency funding of \$14.6M towards the SNPF, CF employees' pension plan. This money represents charges for those employees whose work activity is partially or fully reimbursed by DND under the arrangements signed by the CDS in his NPP capacity and the Deputy Minister (DM) of DND in 2008.





CONCLUSION

Despite the pandemic, FY 2020-21 was a remarkable year for CFMWS. COVID-19 impacted local NPP services, including PSP offerings and CANEX retail operations, on Bases and Wings dramatically. Responsive to the changing needs of the Canadian Armed Forces, our programs and services continued building CAF members' self-reliance, resilience and readiness by enhancing their mental, social, physical and financial wellbeing. We applied robust business strategies and provided cost-effective delivery of new and innovative initiatives in order to realize our mission as an effective service provider within the Defence and Security industry.

Most importantly, our services were appreciated by those we serve under circumstances not seen in generations. We heard from members, Veterans and families a number of times throughout the year, which reaffirmed our approach in delivering our programs and services despite the global pandemic.

CFMWS' achievements, agility and ability to respond to challenges as they arose and adapt as needed have made it once again the provider of choice to the CAF and our CFOne community, today and into the future.

“

After my injury I was defeated but, through the power of sport and Soldier On that changed. I have taken life back and now make it my mission to pay it forward. Soldier On is a life-saving transformation organization of men and women who will stop at no cost to get you motivated, inspired, and fired up to take on any task big or small. It has saved my life made me a better person, husband, and father. Soldier On will forever be in my heart and mind, and with that, I will continue to Soldier On.

MCpl (Ret'd) Trevor Vautour

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SERVICE CENTRE

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Invested in your life.



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and Welfare Services**

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