

ANNUAL REPORT 2021

Office of the Ombudsman



407 ETR
Express Toll Route

FAST. SAFE. RELIABLE.

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MESSAGE FROM THE OMBUDSMAN



2021 was a year of change but also a year of recovery. We continued to support those who needed it the most, learned how to safely come together again and returned to some normalcy amid an ongoing global pandemic.

In the Ombudsman Office, we remained focused on serving 407 ETR customers and resolving disputes as efficiently as possible. In 2021, almost all of the complaints we received were handled within 10 business days and all cases were closed by December 31, 2021.

In 2021, our Office saw a decline of almost 40 per cent in customer contacts compared to 2020. This is due to most complaints being resolved early on in the dispute resolution process and the COVID-19 Repayment Assistance program (RAP) continued to be an option for many customers to pay their debt.

407 ETR continues to offer support to customers who have been financially impacted by the pandemic by extending the COVID-19 Repayment Assistance Program for qualifying business and personal customers. Compared to 2020, 407 ETR reported a 158 per cent increase of RAP applications, of which 58 per cent were approved.

In addition, payment assistance continues to be available through the Financial Hardship Program (FHP) and the Exceptional Hardship Payment Plan (EHP) for those who would suffer hardships through the denial of their vehicle licence plate. Our Office continues to manage the EHP on behalf of 407 ETR. In 2021, we handled a total of 45 EHP applications, down 36 per cent from 2020.

We are proud to work with the Company to facilitate positive changes to improve the customer experience. Thank you for giving us the opportunity to work collaboratively, respectfully and effectively during a challenging time.

Sincerely,
Brian Fernandes
Ombudsman & Chief Internal Auditor

DISPUTE RESOLUTION PROCESS

407 ETR has a well-defined dispute resolution process designed to assist customers and resolve their concerns.

While the Ombudsman is an important component of the dispute resolution process, the following steps must be followed before engaging the Office of the Ombudsman. This provides the Company with an opportunity to review concerns and offer a reasonable solution.



Customer Service

A Customer Service Representative is happy to review your concern by phone, live chat or email.

Monday - Friday
8:30 a.m. - 4:30 p.m.
1-888-407-0407
407etr.com

481,871
total contacts to
Customer Service in
2021



Office of the President

If the issue remains unresolved, the matter may be escalated to a Customer Advocate within the Office of the President. The Office of the President has a thorough dispute handling process and will review your issue and the resolution provided by the Customer Service Representative.

3,375
total escalations to
the Office of the
President in
2021



Office of the Ombudsman

After a review by the Office of the President, if the issue remains unresolved, you may outline your issue in writing to our office.

ombudsman@407etr.com
905-264-4485

143
total contacts to the
Office of the
Ombudsman in
2021

ENGAGING OUR OFFICE

COMPLAINT INTAKE



We always encourage customers to use 407 ETR's existing dispute resolution process prior to contacting our Office. This gives the Company the opportunity to review the matter and offer a reasonable resolution.

If you have a service issue that remains unresolved, you may submit the Ombudsman's Contact Form by email or mail.

After assessing the complaint, if the issue falls outside our mandate, we will work to refer it to the appropriate group.

RESULTS AND REPORTS



Results of our informal investigations are shared with you in writing, within 10 business days from the date the complaint was assessed.

Findings and recommendations from a formal investigation are presented to the Company and stakeholders. All results and summaries are published annually.

ADVICE REFERRAL



If the issue falls outside of our mandate, our Office will collaborate with other stakeholders who are best equipped to address the concern.

INFORMAL INTERVENTION



If the issue remains unresolved and falls within our mandate, we will commence an informal investigation by requesting information from 407 ETR to learn more about its policies, processes and practices. As part of our investigation, we may request additional information from you regarding your complaint.

FORMAL INVESTIGATION



During the informal investigation or trend analysis, we may discover an underlying systemic issue that may require us to conduct a formal investigation. In this case, we will notify the Company and the relevant stakeholders of our investigation.

ABOUT OUR OFFICE

OUR ROLE

The role of our Office is to act objectively and not as an advocate for the Company, the Province of Ontario or the customer. In order to adjudicate in a manner that is fair, transparent and unbiased, we require all submissions to be in writing. Any recommendations we present are non-binding. Our services are free of charge.

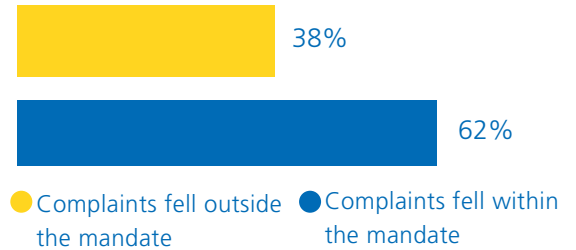
OUR MANDATE

The main objective of our Office is to impartially listen to customer issues as they relate to Highway 407 ETR and the Province of Ontario's Highway 407, 412 and 418 (Highway 407), and to deliver a recommendation to assist parties in reaching a fair and reasonable solution. In 2021, our Office received one complaint related to Highway 407.

98

Complaints received

(Including one case for the Provincially owned and operated Highway 407)

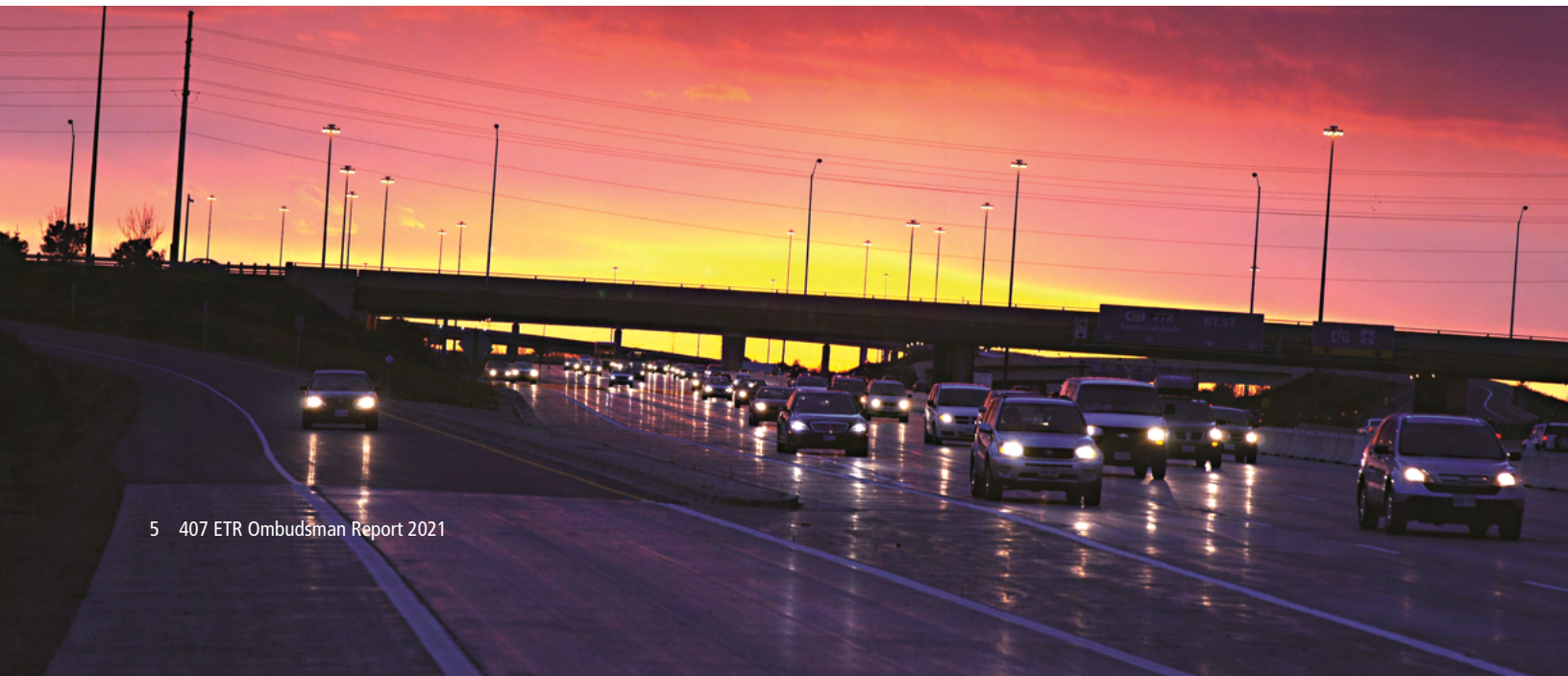


WHAT WE CAN DO:

- ✓ Review and investigate complaints related to Highway 407 ETR and the Province of Ontario's Highway 407, 412 and 418.
- ✓ We will refer your complaint to the relevant group who can help resolve it, if the matter falls beyond our mandate.
- ✓ Conduct an investigation to determine if the Company's actions, policies and processes were fair, if the matter remains unresolved, and falls within our mandate.
- ✓ Identify trends and determine whether a formal investigation of the Company's policies and processes are required, and make recommendations.

WHAT WE CANNOT DO:

- ✗ Review matters before the courts or those with a legal ruling.
- ✗ Reverse or overrule decisions by the Highway Operations department related to damage claims. However, we may review the complaint and the decision to determine whether proper procedures were followed.
- ✗ Engage in highway infrastructure and design.
- ✗ Hear matters involving policing and enforcement.
- ✗ Make recommendations to change, amend or influence laws or regulations, or otherwise impact customer pricing or fees.
- ✗ Hear complaints related to financial settlements on customer accounts or award punitive damages.



YEAR IN REVIEW

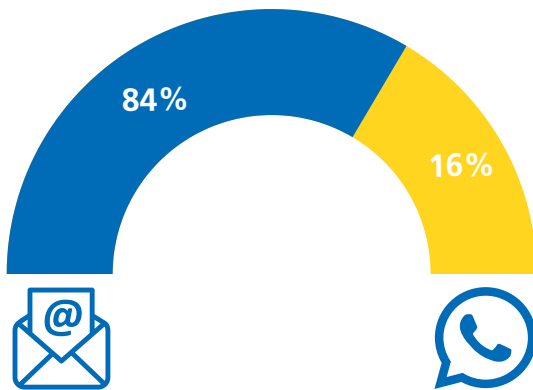


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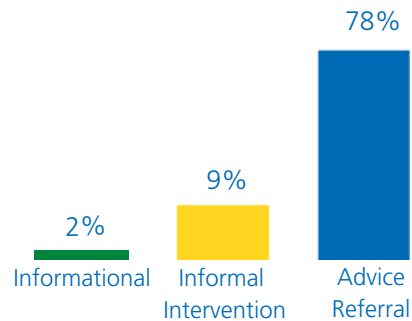
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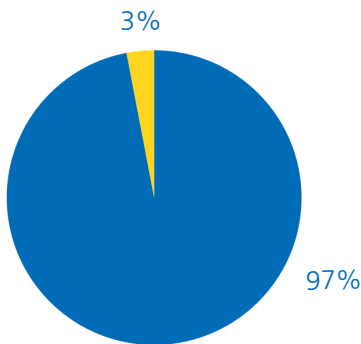
METHOD OF CONTACT



TYPE OF COMPLAINTS



CASE CLOSURE RATE



TOP CONCERNS



- Resolved within 10 business days
- Resolved after 10 business days*

*Unexpected delays while waiting for additional information from complainant or stakeholder

DID YOU KNOW?

For every complaint that is received by our Office, we attempt to resolve the issue as quickly and efficiently as possible. We review the scope of each complaint and ensure 407 ETR's dispute resolution process was followed prior to engaging our Office.

THE EXCEPTIONAL HARDSHIP PAYMENT PLAN

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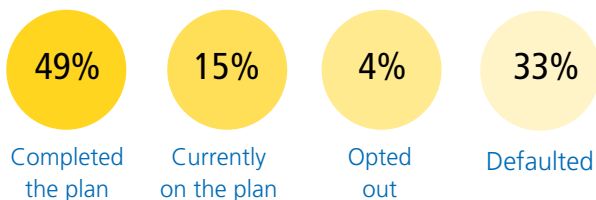
407 ETR offers an Exceptional Hardship Payment Plan (EHP) to assist customers who have accumulated significant debt with the Company, and who would suffer an exceptional hardship through the denial of their vehicle licence plate permit. The plan will permit eligible customers to pay an outstanding amount over a period of time, rather than all at once. Customers are presented with the plan and must accept the repayment terms. The review of these applications remains the responsibility of our Office. For more information about the program, visit 407etr.com/EHP.

PROGRAM HIGHLIGHTS 2017-2021

To assess the effectiveness of the EHP, we reviewed the five year results. During this period, we received 354 applications. Of the 164 approved applications, 65 per cent accepted the offer, 34 per cent declined the offer, and 1 per cent of the applicant's have yet to accept or decline.

PROGRAM PERFORMANCE, 2017-2021

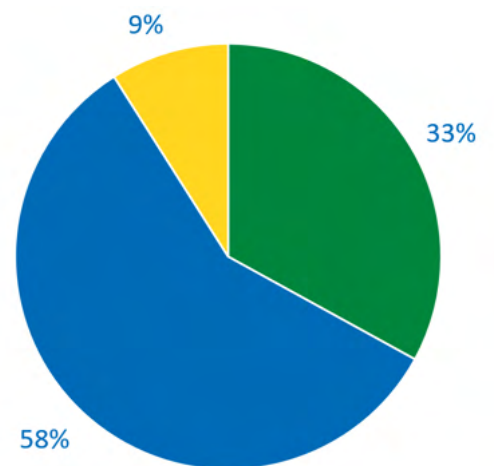
Based on its five-year performance, the program proves to be a valuable option for approved applicants who accept the terms of the payment plan.



PROGRAM HIGHLIGHTS 2021

45

Applications received in 2021



Approved

16% Accepted and currently on plan
13% Did not respond or accept proposed plan
4% Pending customer acceptance

Rejected

49% Did not complete the application process
7% Presented a financial hardship
2% Account did not meet eligibility criteria

Pending follow-up



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