

2026 EHS Trends: Safety's Growing Role in Insurance and Risk

EHS Trends to Watch in 2026: Why Safety Is Becoming a Core Insurance and Risk Strategy

In cannabis, EHS is no longer a compliance department, it is rapidly becoming a determinant of insurability, workers' comp cost, and long-term enterprise value.

According to Intelix's *Voice of EHS Report: 2026 Trends and Priorities*, 82% of EHS leaders believe safety and environmental programs will become more strategic and influential inside their organizations. For cannabis operators, that shift isn't theoretical, it's already happening through underwriting scrutiny, claim outcomes, and renewal negotiations.

The operators who treat EHS as a strategy will access better insurance structures. Those who don't will pay for it year after year.

Talent Shortages: The Hidden Driver of Workers' Comp Losses

Seventy-five percent of EHS professionals cite talent shortages as their biggest challenge, and 85% say the skills required to keep up with technology are evolving faster than teams can adapt.

Cannabis reality:

Inexperienced or understaffed safety teams lead to:

- Poor hazard identification
- Inconsistent training
- Weak documentation
- Higher frequency and severity of claims

From a workers' comp perspective, this shows up as:

- Rising experience mods
- Loss of preferred carrier status
- Disqualification from captives, SIGs, and alternative risk programs

Executives need to understand: under-resourcing EHS is not a cost savings—it's a premium accelerator.

Technology Adoption: Where Safety, AI, and Insurance Are Converging

The report shows growing but uneven technology adoption:

- 41% using IoT sensors and remote monitoring (mostly pilot stage)
- ~40% using wearables and smart PPE
- ~40% using predictive risk and hazard detection tools

Insurance implication:

Carriers are increasingly differentiating cannabis risks based on:

- Predictive safety capabilities
- Real time monitoring
- Data driven loss prevention

Operators leveraging technology can:

- Reduce incident frequency
- Strengthen claim defenses
- Present as “best-in-class” risks during underwriting

Operators who don't? They remain reactive and reactive risks pay more.

Mental Health: The Next Workers' Comp Cost Driver Cannabis Can't Ignore

Mental health is no longer an HR conversation, it is a **claims issue**.

Many organizations are now:

- Training managers in mental health first aid
- Improving supervisor communication skills
- Implementing formal risk management frameworks
- Actively removing stigma around reporting concerns

About 33% of North American companies are encouraging open dialogue without fear of retaliation.

Cannabis specific risk:

Unchecked stress, burnout, and workplace pressure contribute directly to:

- Strain injuries
- Substance related incidents
- Absenteeism
- Complicated workers' comp claims with psychological components

Carriers are watching how employers manage this risk. Poor mental health programs increasingly correlate with longer claim durations and higher settlements.

Three Critical Disconnects Executives Must Address

1. Leadership and EHS Define “Success” Differently

Senior leadership may believe safety is “handled,” while EHS professionals measure success through leading indicators and prevention metrics.

Insurance consequence:

Misalignment results in underinvestment until losses force the issue.

2. **Reactive Safety Cultures Are No Longer Insurable at Scale**

Many organizations still fix problems *after* incidents occur.

In cannabis, this approach:

- Drives claim frequency
- Signals weak controls to underwriters
- Limits access to competitive markets

The shift in 2026:

EHS must be embedded into daily operations not treated as an after-action function.

3. **AI Is Powerful but Poor Implementation Undermines Results**

AI and machine learning are transforming incident trend analysis and predictive safety but only when teams are trained to use them correctly.

Reality check:

Technology without execution does not reduce losses. Underwriters know the difference.

Where EHS Focus Will Shift in 2026 and Why It Matters to Insurance

AI Experimentation Will Accelerate

38% of EHS professionals expect to significantly increase AI use.

Why insurers care:

Predictive analytics reduce losses. Loss reduction improves pricing and renewability.

Proactive Safety Will Replace Incident Reaction

Analyzing trends instead of chasing incidents is becoming the standard.

Workers' comp impact:

Fewer incidents = lower mods = long-term premium control.

ESG Will Become a Risk Conversation, Not a Marketing One

EHS teams are spending more time on ESG due to:

- Regulatory pressure
- Employee expectations
- Investor scrutiny

Insurance reality:

Environmental and social governance failures increasingly trigger exclusions, higher deductibles, or restricted coverage.

Benchmarking Will Define “Good Risk” vs. “Bad Risk”

36% plan to benchmark EHS performance against industry standards.

Underwriting truth:

If you can't demonstrate how you compare, carriers will assume the worst.

Executive Bottom Line for Cannabis Operators

EHS is no longer about avoiding citations.

It is about:

- Controlling workers' comp costs
- Maintaining insurability
- Accessing better carriers
- Qualifying for captives and alternative risk programs
- Protecting enterprise value

In 2026, the most successful cannabis operators will treat EHS as **Risk Financing Strategy**, not operational overhead.

The rest will keep paying for preventable losses.

Managing EHS risk in cannabis requires industry specific expertise.

At **Cannabis Risk Manager**, we help cannabis operators align safety, compliance, and insurance strategy to reduce losses, improve insurability, and protect enterprise value.

From workers' comp optimization and EHS program development to insurance placement and loss control guidance, our team understands how underwriters evaluate cannabis risk—and how to position your operation as best-in-class.

Learn more at www.cannabisriskmanager.com

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