



# 2019 | PUBLIC ACCOUNTABILITY STATEMENT



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## 2019 PUBLIC ACCOUNTABILITY STATEMENT

The information shared in this report provides a detailed account of some of Canada Guaranty Mortgage Insurance Company's (CGMIC) activities related to community investment, number of employees and taxes paid in the most recent fiscal year (January 1 to December 31, 2019). This report addresses our regulatory requirement from the Canadian federal government as outlined in section 489.1 of the Insurance Companies Act.

A copy of this Public Accountability Statement is available online through the Canada Guaranty website: <https://www.canadaguaranty.ca/about-us/public-accountability-statements/>



## CORPORATE OVERVIEW | PROUDLY CANADIAN. COMMITTED TO EXCELLENCE.

On April 16, 2010, a Canadian private investor group, comprised of the Ontario Teachers' Pension Plan and National Mortgage Guaranty Holdings Inc., acquired AIG United Guaranty Mortgage Insurance Company Canada. At the time, this transaction created the only 100% Canadian-owned private mortgage insurance company, known as Canada Guaranty Mortgage Insurance Company ("Canada Guaranty").

Canada Guaranty is dedicated to meeting the diverse needs of mortgage professionals and home buyers across the country. With a commitment to delivering service excellence, Canada Guaranty is proud to offer personalized support, value-added solutions and a comprehensive suite of mortgage default insurance products to ensure Canadians are provided with greater access to affordable, responsible and sustainable homeownership.

In pursuit of our vision to be the preferred default mortgage insurer in Canada, Canada Guaranty is committed to upholding the following standards of excellence:

- **Superior Service:** Canada Guaranty offers regional underwriting across the country, bringing local expertise, industry-leading turnaround time and calls answered directly by experienced decision-makers.
- **Advanced Risk Analytics:** We continue to expand our best-in-class adjudication system and modeling techniques to provide pertinent and timely value-added lender insights and support, combined with advanced portfolio analytics capabilities.
- **Financial Strength:** Together with strong, long-term Canadian ownership, we continue to demonstrate industry-leading financial performance, supported by a current DBRS rating of AA low.

For more information about Canada Guaranty and the solutions we offer, please visit: [www.canadaguaranty.ca](http://www.canadaguaranty.ca)

## A MESSAGE FROM OUR PRESIDENT AND CEO

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*Each year, our commitment to the partnerships we've built and the communities we serve gets stronger. At the heart of our culture is an understanding that every relationship is an opportunity to create value and offer solutions that contribute to improving the lives of others. Whether it is delivering industry insights or education to build awareness that promotes responsible homeownership, participating in employee-initiated fundraisers, or taking a greater role in supporting other organizations that promote the wellbeing of Canadian communities, our team is getting involved to make a difference.*

In 2019, we added new regional and national lenders while continuing to grow our existing relationships. Through these partnerships, we look forward to expanding our participation in, and increasing our support for, community and charitable causes. We are proud of our accomplishments thus far, but know there is always more that can be done. As we navigate the coming years, we remain committed to developing a dynamic workplace and culture focused on providing personalized service, dedicated support and effective solutions to promote stronger communities across Canada.

A handwritten signature in black ink, appearing to read 'A Charles', with a stylized, cursive script.

Andy Charles  
President and Chief Executive Officer  
Canada Guaranty Mortgage Insurance Company

## COMMUNITY ENGAGEMENT

Canada Guaranty continues to recognize the importance of contributing to our communities and, in partnership with others whose focus aligns with our own, to create value while improving the lives of others.

Our support is realized through corporate donations and regional participation, with employees from all levels of the organization taking part in industry events to support a variety of charities and community programs. In 2019, this involved the following partnerships:



**CHU Sainte-Justine Foundation:** Canada Guaranty was pleased to support the Sainte-Justine Foundation and its commitment to supporting Canada's largest mother-child hospital centre. Affiliated with the Université de Montréal, the Foundation serves to engage the community and promote the support of the CHU Sainte-Justine, its patients and the families who continue to benefit from the exceptional level of care.



**Opération Enfant Soleil:** Through an industry partnership, Canada Guaranty had the opportunity to participate in an event supporting Opération Enfant Soleil, a non-profit organization focused on raising funds to develop leading pediatrics for children throughout Quebec.



**SickKids Foundation:** Canada Guaranty continues to support the exceptional work of SickKids Foundation through annual donations to support raising funds to advance research, education, and innovation to enhance the quality and quantity of life restored by transplantation at SickKids Hospital.



**Easter Seals Ontario and the True North Youth Foundation:** 2019 marked Canada Guaranty's seventh year sponsoring and participating in the Annual Dale Hawerchuk Charity Golf Classic tournaments, hosted in Muskoka, ON and Winnipeg, MB. These important and highly-anticipated events featured activities to generate continued support for Easter Seals Ontario and the True North Youth Foundation in Winnipeg.



**Steve Ludzik Foundation:** Canada Guaranty was proud to return as a key sponsor and participant at the annual Charity Golf Classic, supporting the Steve Ludzik Centre for Parkinson's Rehab and those living with Parkinson's disease in Niagara, ON.



**Wellspring Cancer Support Foundation (Ontario and Alberta):** Canada Guaranty continues to be a proud supporter of the Wellspring foundation through annual contributions in support of their efforts to help cancer patients improve their quality of life.



**The Shoebox Project for Shelters supported by Dream:** During the holiday season, employees throughout the company participated in a series of engaging events to help build awareness and generate funds to support this project and the programs that provide personalized care packages to women impacted by homelessness in communities across Canada.



**Holiday Helpers:** Each December, employees continue to engage in what has become an annual tradition through our "Spirit of Giving" initiative. During this week of goodwill and generosity, a series of fundraising activities serve to build awareness, promote community involvement and generate funds matched by a corporate donation to support the delivery of Christmas packages to low income families throughout Toronto.

As we strive to expand our corporate citizenship and create social impact, we look forward to building on our community relationships and the support we provide to the causes supported by our industry partners.



## ACCESS TO FINANCIAL SERVICES AND SOLUTIONS

Since 2010, Canada Guaranty has supported regional and national mortgage and lending partners to help more than 380,000 Canadians realize their dream of homeownership. With a direct impact on the home buyer's ability to purchase a home, each year Canadians are taking advantage of the improved choice mortgage insurance offers, including:

- The ability to purchase a home without having to save for a 20% down payment.
- A comprehensive product suite designed to meet their changing homeownership goals.
- Greater flexibility through affordable premiums and lower down payment options.
- The ability to port or transfer the mortgage insurance from one home to another, anywhere in Canada.

Whether it is a new graduate, a newlywed, a new parent, or someone who is new to Canada, Canada Guaranty's mortgage solutions support every stage of life and a variety of financial circumstances, including products designed to provide mortgage financing for:

- First-time home buyers;
- Borrowers with limited down payment;
- Investment properties;
- Second homes;
- Asset enhancement through value-added home improvements;
- Borrowers who have relocated to Canada; and
- Homeowners wishing to make energy-conscious choices for their home.

For more information about our complete product suite, please visit:

<https://www.canadaguaranty.ca/insurance-products/>



### The Homeownership Solutions Program | Helping More Homeowners Stay Homeowners

Most Canadians couldn't imagine losing their homes, but unexpected financial difficulties can leave homeowners in a challenging situation. Specifically designed to help borrowers who are experiencing temporary financial hardship, Canada Guaranty's Homeownership Solutions Program offers more options and critical alternatives to potential foreclosure, ensuring borrowers are given the best opportunity for sustainable, long-term homeownership.

In 2019, some examples of how this program has supported those facing unforeseen challenges included solutions to support: homeowners affected by national severe flooding during the spring months, those impacted by the storms experienced throughout Atlantic Canada as a result of Hurricane Dorian, and in October, the Saskatchewan Crown Labour strikes.

For additional information about the Homeownership Solutions Program, please visit:

<https://www.canadaguaranty.ca/lenders/homeownership-solutions-program/>

## Accessibility

Canada Guaranty continually works to inform affected business areas, update internal policies and guidelines, and review customer-facing technologies to ensure requirements are upheld and deadlines are met under the Accessibility for Ontarians with Disabilities Act (AODA). Initiatives are in place to ensure the Canada Guaranty web site is fully compliant with the Website Content Accessibility Guidelines (WCAG) 2.0 Level AA, by the January 1, 2021 deadline.

## Creating Value through Continuing Education and Industry Training

At the core of our success is a commitment to providing exceptional value. At Canada Guaranty, we continually strive to adapt to our evolving market environment and the changing needs of our customers through education. We do this by promoting open dialogue and creating opportunities for knowledge sharing through ongoing training in the form of:

- Interactive accredited courses (delivered in-person or live webinar),
- Topical, expert-led industry presentations, and
- Customized regional seminars

For our valued customers, we hope to provide a critical resource to help identify the demands of the Canadian housing market, provide insight to help achieve personal business objectives, and offer solutions to better understand how to approach the circumstances of each unique home buyer.

Please visit the Canada Guaranty Training Centre for an overview of the courses available:  
<https://www.canadaguaranty.ca/lenders/training-centre/>

## First-Time Home Buyer Resources

Canada Guaranty is pleased to offer helpful resources to support Canadians on their journey toward responsible homeownership.

In addition to seeking the knowledge, experience and expertise of a qualified mortgage professional, new home buyers can reference Canada Guaranty's First-Time Home Buyer's Workbook. This comprehensive guide provides helpful information about the home buying process, with a focus on:

- What to consider before purchasing a home;
- What to expect throughout the home buying process; and
- How to budget for future maintenance of the home.

For additional information about the First-Time Home Buyer's Workbook, please visit:  
<https://www.canadaguaranty.ca/firsttimehomebuyersworkbook/>

## Government of Canada First-Time Homebuyer Incentive Program | September 2019

Focused on addressing the challenges of affordable homeownership, in September 2019, Canada's national housing agency introduced the First-Time Home Buyer Incentive program. As a full-service provider committed to supporting solutions that promote accessible and sustainable homeownership, Canada Guaranty supported our partners and the associated down payment source for new applications.



## OUR EMPLOYEES



At Canada Guaranty, the professional development of our employees through continued training and educational opportunities is encouraged at all levels. Employees are provided with access to a wealth of internal and external resources and supported by a committed leadership team focused on promoting a strong culture where employees feel valued, connected, and engaged.

Recognizing that the workplace is constantly evolving, Canada Guaranty is proud to promote an environment centered on supporting an effective balance between producing exceptional results and ensuring employees have the necessary flexibility to continually enrich their lives and the communities in which they live.

From coast to coast, Canada Guaranty continues to grow and expand our support for mortgage professionals and home buyers through the regional knowledge and unique market expertise of risk managers, account executives and underwriters.

As of December 31, 2019, Canada Guaranty had 130 employees, including 126 full-time and 4 part-time employees.

- Toronto Head Office: 85 Full Time | 3 Part-Time
- Regional Employees: 41 Full-Time | 1 Part-Time
- Total Number of Employees: 130

### Number of Employees in Canada

Province of Employment	Full-Time	Part-Time	Total
Alberta	11	1	12
British Columbia	7		7
Manitoba	1		1
New Brunswick	1		1
Nova Scotia	4		4
Ontario	88	3	91
Quebec	14		14
<b>Grand Total</b>	<b>126</b>	<b>4</b>	<b>130</b>

## TAXES | PAID TO ALL GOVERNMENTS

In 2019, Canada Guaranty recorded a total of \$74.6 million of Canadian taxes paid. This includes a total of \$58.8 million of corporate income taxes and \$15.7 million of premium taxes. The following table shows the taxes paid to federal and provincial governments in 2019, as applicable.

Canada Guaranty Tax Payments for the year ending December 31, 2019

Region	Income Taxes (\$)	Premium Taxes (\$)	Total (\$)
Federal	32,916,651.00		32,916,651.00
Alberta	5,562,429.00	3,958,520.00	9,520,949.00
British Columbia	3,555,606.00	2,424,934.00	5,980,540.00
Manitoba	830,822.00	424,980.00	1,255,802.00
New Brunswick	339,839.00	149,010.00	488,849.00
Newfoundland and Labrador	407,429.00	277,850.00	685,279.00
Northwest Territories	16,623.00	8,880.00	25,503.00
Nova Scotia	948,527.00	485,160.00	1,433,687.00
Nunavut	0.00	0.00	0.00
Ontario	9,954,837.00	5,313,300.00	15,268,137.00
Prince Edward Island	67,691.00	34,600.00	102,291.00
Quebec	3,455,919.00	2,121,250.00	5,577,169.00
Saskatchewan	736,112.00	502,040.00	1,238,152.00
Yukon	47,019.00	16,034.00	63,053.00
<b>TOTAL</b>	<b>\$58,839,504.00</b>	<b>\$15,716,558.00</b>	<b>\$74,556,062.00</b>



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