



# PUBLIC ACCOUNTABILITY STATEMENT

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## 2020



CANADA  
GUARANTY

*Proudly Canadian* **SINCE 2010**

[www.canadagaranty.ca](http://www.canadagaranty.ca)

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## 2020 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, 2020). 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](#).



## CORPORATE OVERVIEW | PROUDLY CANADIAN SINCE 2010

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, along with 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 modelling techniques, providing 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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In March 2020, following growing concern over the spread of the coronavirus pandemic, the health and well-being of our employees, our customers, and our communities was our top priority. Given these unanticipated challenges, I was proud to see how quickly our dedicated team mobilized to ensure all staff were prepared with the information, technology, and tools they needed to stay connected and fully supported as they adjusted to a new work-from-home environment. Thankfully, with so many of our team members already operating from home-based offices (more than 40% of our national workforce), transitioning 100% of our employees to telecommuting access proved relatively seamless.

Early on, the ubiquitous terms “unprecedented” and “unpredictable” were met with understanding and an unwavering commitment to supporting each other and our partners through these incredibly difficult months. While we could not have predicted the consequences of the global COVID-19 pandemic, I had full confidence that our team would rise to the challenge, which they did with patience and professionalism.

Preserving the strong relationships between our employees and with our partners has always been important, and it became an even greater focus. Increasing our face-to-face connections and communications was integral to sustaining a strong internal culture, while maintaining a pulse on the changing pandemic environment in our industry. Recognizing how many Canadians were impacted by the pandemic, it became all the more critical to provide solutions that offered enhanced options for sustainable homeownership. This was particularly realized through the development of the mortgage deferral program, which created added flexibility for homeowners facing pandemic-related financial challenges.

Despite these unusual circumstances, we continue to see increased housing activity which has allowed us to increase our support through the expansion of our national team. We are thankful for this growth and the opportunity to build deeper relationships in even more communities across Canada. As we continue to work with our existing partners and establish relationships with new partners, we look forward to working together to further the efforts of shared charitable and community-focused causes. Circumstances continue to evolve, but we remain committed to developing a diverse and dynamic workplace, supported by a strong culture focused on providing personalized service and effective solutions to promote healthy, sustainable, and accessible homeownership for all Canadians.

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

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.

Unfortunately, in 2020, the impact of the COVID-19 pandemic was significant and many organized events were affected; however, we were pleased to add Food Banks Canada among the causes Canada Guaranty supports each year. We look forward to the promising months ahead, when events return and we can safely reconvene to participate in, and promote, the many causes supported by our industry partners.



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



**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.



**Food Banks Canada:** Spearheaded by the employee Social Committee, in September 2020, Canada Guaranty and employees from across the country came together to support communities directly impacted by the pandemic. Through individual and corporate donations, Canada Guaranty was proud to support Food Banks Canada in their tireless efforts to provide food and funds to a network of 650 foodbanks across the country.

## ACCESS TO FINANCIAL SERVICES AND SOLUTIONS

Since 2010, Canada Guaranty has supported regional and national mortgage and lending partners to help more than 474,000 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:

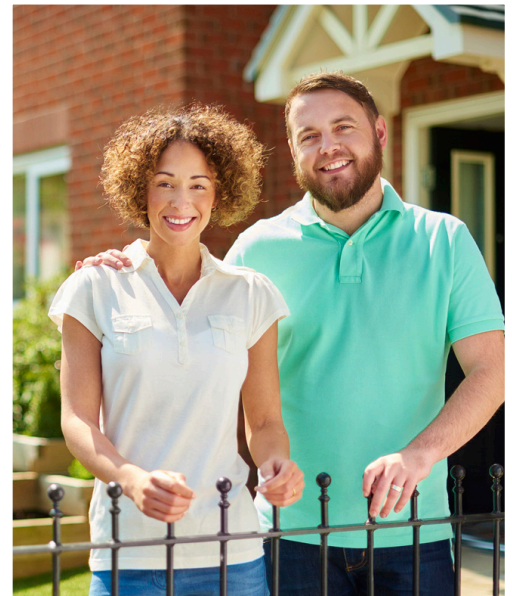
- The ability to purchase a home without having to save for a 20 per cent down payment.
- A comprehensive product suite designed to meet their changing homeownership goals.
- Greater flexibility through affordable premiums and lower down payment options.
- The ability to port or transfer the mortgage 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/complete-product-suite/>



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

Most Canadians could not 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 2020, the mortgage default insurance industry responded to an increasing concern for Canadians financially impacted by the pandemic. Canada Guaranty quickly pivoted to enhance our Homeownership Solutions Program to include solutions designed to mitigate short-term financial hardship, as a result of COVID-19. The Mortgage Deferral Program was launched to allow homeowners facing unemployment or reduced employment additional flexibility to temporarily suspend mortgage payments for a defined period of time. In addition to the Mortgage Payment Deferral Program, Canada Guaranty's Homeownership Solutions Program was instrumental in supporting those affected by severe flooding throughout Alberta.

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

<https://www.canadaguaranty.ca/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). In 2020, the Canada Guaranty website was updated to successfully comply with the Website Content Accessibility Guidelines (WCAG) 2.0 Level AA.

## Creating Value through Continuing Education and Industry Training

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 insights 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 courses available through live webinar presentations at: <https://www.canadaguaranty.ca/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/first-time-home-buyers-workbook/>

## Government of Canada First-Time Homebuyer Incentive Program

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 continues to support our partners and the associated down payment source for new applications under this evolving program.

## 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.

Canada Guaranty continues to meet increasing demand by providing regional knowledge and local market expertise, delivered through a growing team of risk managers, account executives and underwriters, serving communities across the country.

As of December 31, 2020, the Canada Guaranty team increased to 143 employees, including 137 full-time and 6 part-time employees.

### Number of Employees in Canada

Province	Full-Time	Part-Time	Total
Alberta	11	1	12
British Columbia	6		6
Manitoba	1		1
New Brunswick	1		1
Nova Scotia	5		5
Ontario	96	5	101
Quebec	17		17
<b>Grand Total</b>	<b>137</b>	<b>6</b>	<b>143</b>



## TAXES | PAID TO ALL GOVERNMENTS

In 2020, Canada Guaranty recorded a total of \$89.4 million of Canadian taxes paid. This includes a total of \$65.6 million of corporate income taxes and \$23.8 million of premium taxes. The following table shows the taxes paid to federal and provincial governments in 2020, as applicable.

Canada Guaranty Tax Payments for the year ending December 31, 2020

Region	Income Taxes (\$)	Premium Taxes (\$)	Total (\$)
Federal	37,152,856.66		37,152,856.66
Alberta	4,942,985.00	5,433,920.00	10,376,905.00
British Columbia	4,458,010.17	4,083,968.00	8,541,978.17
Manitoba	999,210.37	686,520.00	1,685,730.37
New Brunswick	375,606.55	221,190.00	596,796.55
Newfoundland and Labrador	440,075.96	403,150.00	843,225.96
Northwest Territories	24,675.91	17,700.00	42,375.91
Nova Scotia	947,643.91	651,120.00	1,598,763.91
Nunavut	920.67	630.00	1,550.67
Ontario	11,206,634.48	8,034,540.00	19,241,174.48
Prince Edward Island	115,064.65	79,040.00	194,104.65
Quebec	3,903,460.89	3,246,338.00	7,149,798.89
Saskatchewan	1,010,649.37	925,840.00	1,936,489.37
Yukon	58,067.31	26,598.00	84,665.31
<b>TOTAL</b>	<b>\$65,635,861.87</b>	<b>\$23,810,554.00</b>	<b>\$89,446,415.87</b>



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