

2023 **PUBLIC ACCOUNTABILITY STATEMENT**



**CANADA
GUARANTY**

Service you deserve. People you trust.

www.canadaguaranty.ca

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2023 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, 2023). 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).

CORPORATE OVERVIEW

Service you deserve. People you trust.

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.

Canada Guaranty's commitment to supporting a healthy and robust housing market is reflected in the strong government relationships established with the Department of Finance, the Office of the Superintendent of Financial Institutions, and the Bank of Canada. In addition, Canada Guaranty works with various industry associations including the Mortgage and Title Insurance Association of Canada and Mortgage Professionals Canada and is a member of the C.D. Howe Institute. Working with governments at the federal and provincial level, together with agencies and industry regulators, Canada Guaranty is dedicated to helping shape Canada's evolving housing finance policies and practices.

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:

- **Exceptional 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 (stable trends).

For more information about Canada Guaranty and the solutions we offer, please visit: www.canadaguaranty.ca

A MESSAGE FROM OUR PRESIDENT AND CEO

Throughout 2023, economic conditions continued to evolve, impacting various aspects of Canada's housing market dynamics. Following a period of rapid price appreciation in the preceding years, the early months of 2023 marked a significant adjustment. As the year progressed, factors such as interest rate increases and elevated inflation impacted homebuyers' expectations and their ability to save for a down payment. This led to a more normalized growth trajectory in the housing market, albeit with significant interest rate volatility impacting the housing industry. Despite these challenges, we remain committed to supporting our industry partners and home buyers throughout Canada.

Throughout the country, homeownership stands as a cornerstone for individuals, families, and communities alike. While affordability continues to be a concern, provincial and federal governments continue to offer programs to help new home buyers, and Canada Guaranty is dedicated to collaborating with our industry partners to develop solutions that support access to sustainable homeownership.

While we continue to actively expand our network of regional and national lenders, we remain focused on strengthening existing partnerships. Central to our mission is a relentless pursuit of excellence. Whether it's through personalized support, targeted training programs, or engagement in initiatives helping Canadians across the country, we are eager to enhance our support for our partners and the communities we serve.



A handwritten signature in black ink, appearing to read 'A Charles', with a stylized, looping flourish at the end.

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

COMMUNITY ENGAGEMENT

Across the country, Canada Guaranty remains dedicated to making a positive impact and enriching the lives of others in our communities. Our commitment is demonstrated through corporate contributions and active engagement at local and regional levels. Across the organization, employees are encouraged to participate in industry events, rallying behind a diverse array of charities and community initiatives.

In 2023, Canada Guaranty team members had the honour of engaging in numerous regional and national events, as well as initiatives championed by our industry partners. Below are a few examples of Canada Guaranty's support for various causes.

Food Banks Canada

Comprised of 10 provincial associations and over 500 local food banks, Food Banks Canada supports Canadians in need, across the country. Canada Guaranty continued its annual tradition of supporting Food Banks Canada with a contribution made during the challenging holiday season.



Holiday Helpers

Throughout December, employees from across the country participated in various in-person and virtual fundraising activities organized throughout the annual "Holiday Spirit Week".

During this week promoting employee engagement and generosity, a series of fundraising events are organized to help build awareness, encourage community involvement, and raise funds (matched by a corporate donation) in support of Holiday Helpers and their work to provide customized holiday packages to brighten the season for families with young children, living in low-income situations.



Wellspring Cancer Support

Canada Guaranty continues to be a proud supporter of the Wellspring foundation and its annual *Well Dressed for Spring* event, through contributions in support of their efforts to help families living with cancer.



Canadian Women's Foundation

Canada Guaranty was honoured to support the Canadian Women's Foundation through sponsorship at their annual fundraising event. Their efforts help raise funds for the Canadian Women's Foundation, supporting women, girls, and gender-diverse individuals transition out of challenging conditions of violence and poverty, and into confident positions of independence and leadership.



Donna Squire International Student Nursing Bursary

Canada Guaranty was honoured to sponsor and participate in the Donna Squire International Nursing Student Bursary Charity Golf Tournament. The bursary program is designed to prepare internationally educated nurses to practice their profession in Canada to help address current and future nursing shortages throughout the country.



Hawerchuk Strong

The spring and summer of 2023 marked Canada Guaranty's 10th year sponsoring and participating in the Annual Dale Hawerchuk Charity Golf Classic tournaments, hosted in Muskoka, ON and in Winnipeg, MB.

These highly anticipated events feature activities that generate continued support for the Hawerchuk Strong fundraising initiative, supporting important causes serving communities across Canada.



ACCESS TO FINANCIAL SERVICES AND SOLUTIONS

Since 2010, Canada Guaranty has supported regional and national mortgage and lending partners to help more than 1.1 million 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 2023, Canada Guaranty's Homeownership Solutions Program was instrumental in supporting those affected by the flooding throughout Nova Scotia and the wildfires impacting communities across Canada.

For more 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). This includes updates 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 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 courses available through live 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/>





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 a work 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, 2023, the Canada Guaranty team was comprised of 149 employees, including 143 full-time and 6 part-time employees.

Number of Employees in Canada

Province	Full-Time	Part-Time	Total
Alberta	12		12
British Columbia	6	1	7
Manitoba	1		1
New Brunswick	2		2
Nova Scotia	2		2
Ontario	98	5	103
Quebec	21		21
Saskatchewan	1		1
Grand Total	143	6	149

TAXES | PAID TO ALL GOVERNMENTS

In 2023, Canada Guaranty recorded a total of \$230.6 million of Canadian taxes paid. This includes a total of \$210.5 million of corporate income taxes and \$20.1 million of premium taxes. The following table shows the taxes paid to federal and provincial governments in 2023, as applicable.

Canada Guaranty Tax Payments for the year ending December 31, 2023

Region	Income Taxes (\$)	Premium Taxes (\$)	Total (\$)
Federal	121,923,482.26		121,923,482.26
Alberta	16,895,557.46	5,903,520.00	22,799,077.46
British Columbia	11,604,372.15	2,703,135.12	14,307,507.27
Manitoba	3,436,483.52	600,390.00	4,036,873.52
New Brunswick	2,201,583.19	329,670.00	2,531,253.19
Newfoundland and Labrador	2,072,227.69	482,700.00	2,554,927.69
Northwest Territories	72,946.29	13,290.00	86,236.29
Nova Scotia	3,885,744.23	775,840.00	4,661,584.23
Nunavut	0.00	0.00	0.00
Ontario	28,319,878.85	5,162,760.00	33,482,638.85
Prince Edward Island	483,485.57	84,480.00	567,965.57
Quebec	15,920,025.83	3,192,473.00	19,112,498.83
Saskatchewan	3,490,117.97	813,000.00	4,303,117.97
Yukon	186,873.77	43,530.60	230,404.37
TOTAL	\$210,492,778.78	\$20,104,788.72	\$230,597,567.50



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Canada Guaranty Mortgage Insurance Company
1 Toronto Street, Suite 400, Toronto, Ontario M5C 2V6
www.canadaguaranty.ca

Main Number 866.414.9109 | National Underwriting Centre 877.244.8422