



2018 Public Accountability Statement



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WHO WE ARE

CWB Financial Group (CWB) operates with a clear focus to meet the unique financial needs of business owners. Clients recognize CWB for our in-depth knowledge of targeted segments within Canada's commercial banking industry, our uncommon brand of personal service and our full suite of relevant financial solutions. Shareholders value CWB's strong track record of high-quality balance sheet and dividend growth, conservative approach to risk management and consistent profitability.

ABOUT THIS REPORT

The information shared in this Public Accountability Statement provides a detailed account of some of CWB Financial Group's (CWB) activities related to community investment, small business financing, number of employees and taxes paid in our most recent fiscal year (November 1, 2017 to October 31, 2018). This report addresses our regulatory requirement from the Canadian federal government as outlined in section 459.3 of the *Bank Act* (Canada) and includes information on Canadian Western Bank and its affiliate companies:

- CWB National Leasing Inc.
- CWB Maxium Financial Inc.
- Canadian Western Trust Company
- CWB Wealth Management Ltd.
- McLean & Partners Wealth Management Ltd
- Canadian Western Financial Ltd.
- Valiant Trust Company

This information is available in print at any CWB location and online at cwb.com. For additional information on CWB's activities in the community, visit cwb.com/community-investment.

COMMUNITY INVESTMENT

We take pride in actively participating in the growth, development and sustainability of the communities we serve. For CWB, this means giving back through financial support and volunteerism.

OUR PRIORITIES

Our community investment program is aligned with our business goals and strategies, and has been designed to ensure our contributions have the greatest impact possible. We're focused on helping local charitable and community organizations fulfil their respective mandates in the pillars of:

- Education
- Health research and promotion
- Community development

Within these pillars, we're committed to supporting:

- Financial literacy
- Access to post-secondary education
- Curriculum development for business-related educational programs
- Health research and disease management focused on children and youth
- Recreation and physical activity
- At-risk youth
- Attainable housing
- Arts and culture

OUR GIVING COMMITMENT

CWB is committed to contributing a minimum percentage of annual net income, based on a five-year rolling average, back into the communities we serve to support charitable and not-for-profit organizations in any given year. In fiscal 2018, we supported our community and charitable partners across Canada with donations and sponsorships totaling more than \$2 million.

OUR COMMUNITY INVESTMENT

Following are some examples of contributions made in fiscal 2018:

Week of Caring

Inspired by employee requests for more time off to spend in their communities, CWB held our second annual *Week of Caring* in 2018. From October 1 to 5, more than 600 employees across Canada volunteered together for two to three hours in their communities for a combined 1,850+ hours. Our people were encouraged to choose a charity close to their hearts, or to volunteer through their local United Way. Popular activities included meal service, donation sorting, food bank support, building maintenance and seasonal outdoor cleanup.

Continued support for United Way

With a renewed focus to help United Way agencies across Canada create pathways out of poverty, CWB employees raised more than \$640,000 for the cause, which matched our campaign from 2017. Employees stepped up with personal donations to access corporate matching, and planned various activities and events to raise additional funds.

Responding to relief efforts

Our top priority when natural disaster strikes in a community where we do business is to take care of employees who have affected family or friends, to ensure our clients have the support they need, and to contribute to the overall relief efforts. In 2018, when the record-breaking wildfires devastated the province of British Columbia, our people sprang into action to help those displaced. We also made a donation of \$15,000 to the Canadian Red Cross to assist with relief efforts.

Supporting our not-for-profit clients

Not-for-profit and charitable organizations can minimize the time and resources they spend on managing their money and focus on their vision by taking advantage of our *Community Banking Program*. Eligible clients can apply to receive an annual donation equivalent to all or a portion of their monthly banking fees, as well as value-added product-bundling options. In 2018, 22 charities received a donation through the program.

Sharing our talents

Our employees volunteer thousands of hours to local community and charitable organizations each year, with a desire to help our communities prosper. Judging student business case competitions, packing and delivering hampers for the less fortunate, running or walking for various health causes, participating on not-for-profit boards: our employees are committed to the causes they care about, and we're extremely proud to support their efforts.

Many of our employees took part in efforts to support hard-working students in building their careers. In 2018, CWB supported a number of business case competitions and student initiatives through groups such as JDC West, Enactus Canada and Junior Achievement. Employees gave their time judging case competitions, sharing their career stories and advice, participating on panels and making genuine connections with the next generation of business leaders.

Employee matching

Our *Employee Volunteer Grant* program supports the personal community work of our employees by providing a donation to the causes they care about. Employees who spend 30+ hours volunteering in a given year are awarded a \$300 grant for the charity or community organization of their choice. In total, CWB awarded 87 grants totaling \$26,100 in 2018. Recipients include Ducks Unlimited, Edmonton Humane Society and the BC Children's Hospital Foundation.

We also support employee-led initiatives through our *Funds for Fundraisers Grant*, which awards matching dollars for pledge-based fundraising in support of registered charities. Employees can apply for an individual or team grant and will be awarded a matching contribution from \$250 to \$5,000, depending on the number of CWB employees participating. In 2018, we funded 27 applications totaling \$36,004 to organizations such as the Leukemia & Lymphoma Society, the Juvenile Diabetes Research Foundation, Habitat for Humanity Edmonton and Make-A-Wish Foundation of Southern Alberta.

ACCESS TO FINANCIAL SERVICES

CWB Financial Group provides services to a diverse client base across Canada and strives to create an inclusive environment.

ACCESSIBLE PRODUCTS

We believe accessibility to basic banking is essential for all Canadians, including youth, students, seniors and those living on fixed or low incomes.

We offer:

- A low-cost chequing account for as little as \$4 per month
- A no-fee account for youth under 18 or students pursuing post-secondary education
- A no-fee account for persons with a disability
- A no-fee Gold Leaf Plus® account for clients aged 57 years or older, which also includes reduced fees for safe deposit boxes and an option to receive monthly interest payments on guaranteed investment certificates (GICs)

ACCESSIBLE SERVICES

We are also committed to removing barriers that may exclude clients from accessing our services.

We offer:

- Automatic doors, wide entranceways, wheelchair accessibility, as well as various sit-down banking options, at all CWB branches
- Online banking services for personal and business clients, available anywhere Internet access exists
- Bilingual service offered at CWB National Leasing and CWB Franchise Finance

Questions, concerns or comments regarding accessible services can be shared at cwb.com/about-us/accessibility or by calling 780-423-8888 during regular business hours.

INITIATIVES OR PROGRAMS SUPPORTING SMALL BUSINESS

Working with small and medium-sized businesses to provide the financing and services they need to grow is one of the things we do best.

At Canadian Western Bank, business financing options typically range in size from \$100,000 to \$50 million across each of our core areas of expertise: general commercial banking, commercial real estate and construction financing, and equipment leasing and financing. In situations where clients require more than our maximum thresholds, we can accommodate their needs by sharing the lending facilities with other banking partners. We're continuously increasing the financing we provide and, in 2018, CWB's authorized loans to Canadian businesses totaled \$25.8 billion, an increase of 15% from the previous year.

We continue to invest in technology and third-party partnerships that enhance our client experience. In 2018, we added Remote Deposit Capture so our business clients can now deposit cheques remotely. We also introduced a new online banking platform specifically for small and medium-sized businesses, a new Flex Notice account, and a new and improved business credit card with enhanced online support.

In June, CWB announced an investment in the Canadian Business Growth Fund (CBGF). CBGF is funded by Canada's leading banks and insurance companies, and will help Canadian entrepreneurs access the capital they need to drive growth and expansion for their high-potential mid-market businesses.

BREAKDOWN OF TOTAL CANADIAN BUSINESS FINANCING

CWB Financial Group is committed to meeting the needs of Canadian businesses. As of October 31, 2018, authorized loans totaled \$25.8 billion.

	Total for all levels		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	9,676,106	7,495,102	11,085
Alberta	8,865,206	7,019,730	18,295
Saskatchewan	1,302,209	1,167,311	11,145
Manitoba	702,071	660,038	5,531
Ontario	4,079,375	3,604,725	31,092
Quebec	699,073	690,074	17,361
Other provinces and territories*	460,143	428,603	8,723
Canada	25,784,183	21,065,583	103,232

	\$0 - \$24,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	218,192	41,569	5,409
Alberta	447,962	87,290	10,009
Saskatchewan	87,718	69,265	7,043
Manitoba	34,092	29,925	3,350
Ontario	200,015	171,276	20,050
Quebec	94,534	92,940	12,200
Other provinces and territories*	46,391	45,866	6,241
Canada	1,128,904	538,131	64,302

*Data for YT, NT, NU, NS, NB, PEI and NL have been consolidated.

	\$25,000 - \$99,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	156,160	121,339	2,309
Alberta	256,442	239,320	4,683
Saskatchewan	148,977	147,328	3,029
Manitoba	77,947	77,439	1,548
Ontario	351,726	351,550	7,035
Quebec	196,632	196,632	4,015
Other provinces and territories*	87,608	87,563	1,759
Canada	1,275,492	1,221,171	24,378

	\$100,000 - \$249,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	197,154	164,284	1,039
Alberta	257,263	234,983	1,535
Saskatchewan	112,061	101,899	689
Manitoba	70,763	67,510	452
Ontario	353,087	352,955	2,310
Quebec	138,648	138,648	919
Other provinces and territories*	71,306	71,231	479
Canada	1,200,282	1,131,510	7,423

	\$250,000 - \$499,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	240,340	204,347	566
Alberta	249,577	197,214	551
Saskatchewan	60,917	57,244	159
Manitoba	28,802	25,902	76
Ontario	269,580	268,807	769
Quebec	54,694	54,694	159
Other provinces and territories*	54,650	54,523	156
Canada	958,560	862,731	2,436

	\$500,000 - \$999,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	451,424	334,544	470
Alberta	425,852	309,046	427
Saskatchewan	74,429	60,014	85
Manitoba	26,188	25,089	35
Ontario	302,416	299,650	429
Quebec	30,151	30,151	43
Other provinces and territories*	36,071	36,071	54
Canada	1,346,531	1,094,565	1,543

	\$1,000,000 - \$4,999,999		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	2,620,350	2,027,393	903
Alberta	2,141,625	1,726,442	739
Saskatchewan	262,548	224,308	103
Manitoba	110,708	104,598	45
Ontario	869,165	799,412	395
Quebec	23,676	23,526	14
Other provinces and territories*	60,234	59,484	28
Canada	6,088,306	4,965,163	2,227

	\$5,000,000 +		
	Authorized (\$ thousands)	Outstanding (\$ thousands)	Clients
British Columbia	5,792,486	4,601,626	389
Alberta	5,086,485	4,225,435	351
Saskatchewan	555,559	507,253	37
Manitoba	353,571	329,575	25
Ontario	1,733,386	1,361,075	104
Quebec	160,738	153,483	11
Other provinces and territories*	103,883	73,865	6
Canada	13,786,108	11,252,312	923

TAXES PAID IN CANADA

CWB Financial Group's general business activities have a meaningful impact on the Canadian economy. In fiscal 2018, CWB Financial Group paid \$55.8 million in federal income taxes and \$33.7 million in provincial income and capital taxes.

Tax jurisdiction*	Income and capital taxes (\$ thousands)
Federal	55,821
Alberta	16,198
British Columbia	3,874
Manitoba	4,904
New Brunswick	379
Ontario	4,977
Quebec	1,473
Saskatchewan	1,910
Total	89,536

*Provinces or territories where no taxes are paid are not included.

FACILITY OPENINGS, CLOSINGS AND RELOCATIONS

Canadian Western Bank serves clients through a network of 42 branches and 35 ABMs. In 2018, we closed a small equipment financing location in Cranbrook, British Columbia, and consolidated an equipment financing office in Kelowna, British Columbia into our other location in that same city. We also introduced the CWB Virtual Branch through a pilot phase operating from our corporate office in Edmonton, Alberta.

Branch	Relocated from	Relocated to	City / Province
Cranbrook	Suite 202, 828 Baker Street	CLOSED	Cranbrook, British Columbia
Kelowna (Client-facing services now provided from single location)	#101-1505 Harvey Avenue	1674 Bertram Street	Kelowna, British Columbia

To locate the branches in your community, visit cwbank.com/branches.

EMPLOYMENT BY PROVINCE

CWB Financial Group is proud to employ more than 2,300 employees across Canada.

Province or territory	Full time	Part time	Total number of employees
Alberta	1,251	38	1,289
British Columbia	490	16	506
Manitoba	355	2	357
New Brunswick	9	0	9
Newfoundland	2	0	2
Nova Scotia	1	0	1
Ontario	105	2	107
Quebec	27	0	27
Saskatchewan	86	5	91
Total	2,326	63	2,389



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