

# 2020 Public Accountability Statement

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## WHO WE ARE

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CWB Financial Group (CWB) is a growth-oriented, full-service financial institution, and the only Schedule 1 chartered bank in Canada with a focus to meet the unique financial needs of business owners. Our teams deliver a uniquely proactive client experience with highly personalized service, specialized expertise, customized solutions and faster response times for our clients across Canada through our branch network, dedicated wealth and trust offices, and growing digital capabilities. We provide full-service business and personal banking, nation-wide specialized financing in targeted industries, comprehensive wealth management offerings, and trust and custody services specifically tailored for business owners, their employees and their families.

## ABOUT THIS REPORT

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The information shared in this Public Accountability Statement provides a detailed account of some of CWB's activities related to how we support our employees, communities and clients for our most recent fiscal year (November 1, 2019 to October 31, 2020). 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 operating subsidiaries:

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

This information is available in print at any CWB location open to the public and online at [cwb.com](http://cwb.com). For additional information on CWB's corporate social responsibility activities, visit [cwb.com/csr](http://cwb.com/csr).

## COMMUNITY INVESTMENT

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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 in mind. It has been designed to ensure we're contributing to economic prosperity and making meaningful impacts for Canadians, with a focus on two areas of giving– Enabling Business and Promoting Inclusivity:

#### Enabling Business

- Education
- Thought leadership
- Entrepreneurial inspiration
- Skill development
- Experiential learning

#### Promoting Inclusivity

- Financial Empowerment
- Skill Development
- Learning and mentorship
- Business opportunities

### OUR GIVING COMMITMENT

CWB is committed to contributing back into the communities we serve to support charitable and not-for-profit organizations in any given year. In fiscal 2020, we supported our community and charitable partners across Canada with donations and sponsorships totaling more than \$1.5 million.

## OUR COMMUNITY INVESTMENT

Following are some examples of contributions made in fiscal 2020:

### **Continued support for United Way**

With a continued focus to help United Way agencies across Canada create pathways out of poverty, CWB employees raised more than \$502,000 for the cause. Employees stepped up with personal donations to access corporate matching and planned various activities and events to raise additional funds.

### **Empowering entrepreneurialism**

CWB recognizes the importance of investing in entrepreneurialism to grow and strengthen our economy. We're supporting organizations like Rise Asset Development and Momentum who are working to give business owners the tools and finances they need to succeed. In 2020, we gave over \$160,000 to support entrepreneurial initiatives like these across Canada.

### **Anti-racism efforts**

Bringing our **Inclusion has Power** value to life, CWB has worked diligently to make meaningful impacts towards inclusion for the past couple of years. In 2020 we observed the actions taking place across the globe and wanted to broaden our work to support anti-racism efforts within Canada. One effort was forming new partnerships with organizations supporting the Black community in Canada. In addition to giving \$47,500 towards supporting the mentorship and skill development of Black youth, we set up what we hope will be lasting relationships for years to come.

### **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 2020, 29 charities received a donation through the program.

## Employee grants

Our charitable matching programs support employee volunteerism and fundraising efforts in their communities. Each year, CWB provides a \$300 grant for employees who volunteer 30 or more personal hours as well as matching grants for pledge-based fundraising events. In addition to that, CWB rolled out a new grant to senior leadership in 2020. Senior leaders who sit on a board of a recognized charity could receive a grant of at least \$2,500 for their charity.

Our employees are passionate about their community and recognize that giving back makes a difference in their lives and the lives of others. Throughout 2020, CWB amplified our employees' efforts by giving over \$115,000 to charitable organizations our employees support.

## ACCESS TO FINANCIAL SERVICES

CWB Financial Group provides services to a diverse client base across Canada and strives to create an inclusive environment, aligned with our Inclusion has Power core value.

## ACCESSIBLE PRODUCTS

We believe access 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. That's why we consider everything from

the design of our public spaces and products, to how we communicate and share information.

### **Banking Centre Services:**

Visiting us is a safe and inviting experience. All CWB banking centres are equipped with automatic doors, wide entranceways, wheelchair accessibility, as well as various sit-down banking options. Our employees also strive to communicate in whichever way works best for our client. We support the use of personal assistive devices, service animals or other support persons as may be needed to access our products, services or facilities.

We also proudly offer bilingual service at CWB National Leasing and CWB Franchise Finance locations.

### **Online Banking Services:**

Many personal and business clients are discovering the benefits and simplicity of online banking, which is available anywhere Internet access exists. It's a safe and convenient way to bank, especially if mobility or other health risks are a factor. In 2020, we implemented a number of enhancements across our digital platforms to make them more accessible to a wider range of users, including improved keyboard functionality and text tags for graphics. We also introduced digital client onboarding to simplify how we bring on clients.

### **Communication Materials:**

We understand some clients may need alternate formats to our standard printed materials. This may take several forms depending on individual need.

In 2020, we created a new age-friendly resource guide to assist seniors with their banking needs and help protect them from financial abuse. A key factor we considered when designing the brochure was that our older clients could have varying accessibility needs. With this in mind, we put an extra emphasis on using clear and simple language and applied a larger font size than used in other standard materials. We also took measures to ensure the colours we used provided sufficient contrast, and made the final piece available in print and digital form.

We encourage clients to contact us if they require an alternate

accessible format for any of our materials. Questions, concerns or comments regarding accessible services can be shared at [cwb.com/about-us/accessibility](http://cwb.com/about-us/accessibility) or by calling 780.423.8888 during regular business hours.

## **Initiatives or Programs Supporting Small and Medium Sized 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 and helps us pursue our vision to be the best full-service bank for business owners in Canada. This was especially important in 2020, with many businesses facing unprecedented financial challenges due to the COVID-19 pandemic. At the onset of COVID-19, we were among the first banks to proactively reach out to our business owner clients to offer support for their unique situation. CWB called this program #CWBhasyourback, and it resulted in granting loan deferral arrangements to over 25% of our loan portfolio. It also meant facilitating quick client access to the federal relief programs like the Canada Emergency Business Account (CEBA) and the Business Credit Availability Program (BCAP).

At Canadian Western Bank, business financing options of up to \$75 million are available per borrower 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 types of financing we provide and, in 2020, CWB's authorized loans to Canadian businesses totaled \$30.4 billion, an increase of 6% from the previous year.

We continue to invest in technology and third-party partnerships that enhance our client experience. This was demonstrated in 2020 through our efforts to significantly streamline the onboarding experience for our cash management products, as well as complete enhancements to existing processes and services. Together, these improvements make it easier and more convenient for commercial small and medium-sized business clients to do business with us.

## BREAKDOWN OF TOTAL CANADIAN BUSINESS FINANCING

CWB Financial Group is committed to meeting the needs of Canadian businesses. As of October 31, 2020, authorized loans totaled \$30.4 billion.

	Total for all levels	
	Authorized (\$ thousands)	Clients
British Columbia	10,462,308	10,022
Alberta	10,033,952	14,818
Saskatchewan	1,171,445	6,089
Manitoba	918,645	4,222
Ontario	6,199,973	22,303
Quebec	1,023,704	12,408
Other provinces and territories*	577,550	8,138
<b>Canada</b>	<b>30,387,577</b>	<b>78,000</b>

	\$0 - \$24,999	
	Authorized (\$ thousands)	Clients
British Columbia	462,513	4,007
Alberta	472,509	6,202
Saskatchewan	69,600	3,543
Manitoba	68,271	1,903
Ontario	346,717	12,009
Quebec	60,495	7,323
Other provinces and territories*	39,684	4,280
<b>Canada</b>	<b>1,519,789</b>	<b>39,267</b>

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

	\$25,000 - \$99,999	
	Authorized (\$ thousands)	Clients
British Columbia	151,749	2,607
Alberta	258,008	4,621
Saskatchewan	82,509	1,602
Manitoba	77,606	1,427
Ontario	321,424	6,103
Quebec	175,564	3,409
Other provinces and territories*	137,658	2,619
<b>Canada</b>	<b>1,204,518</b>	<b>22,388</b>

	\$100,000 - \$249,999	
	Authorized (\$ thousands)	Clients
British Columbia	221,036	1,162
Alberta	329,319	1,862
Saskatchewan	86,718	520
Manitoba	102,139	665
Ontario	390,284	2,539
Quebec	197,575	1,284
Other provinces and territories*	144,026	949
<b>Canada</b>	<b>1,471,097</b>	<b>8,981</b>

	\$250,000 - \$499,999	
	Authorized (\$ thousands)	Clients
British Columbia	232,641	523
Alberta	260,666	564
Saskatchewan	60,911	165
Manitoba	34,243	98
Ontario	246,569	703
Quebec	85,402	259
Other provinces and territories*	65,792	193
<b>Canada</b>	<b>986,224</b>	<b>2,505</b>

	\$500,000 - \$999,999	
	Authorized (\$ thousands)	Clients
British Columbia	452,819	474
Alberta	403,208	434
Saskatchewan	80,314	106
Manitoba	39,610	47
Ontario	277,772	382
Quebec	49,026	73
Other provinces and territories*	33,745	51
<b>Canada</b>	<b>1,336,494</b>	<b>1,567</b>

	\$1,000,000 - \$4,999,999	
	Authorized (\$ thousands)	Clients
British Columbia	2,431,469	847
Alberta	2,273,147	748
Saskatchewan	293,440	120
Manitoba	123,522	49
Ontario	1,078,764	413
Quebec	82,430	38
Other provinces and territories*	79,551	38
<b>Canada</b>	<b>6,362,323</b>	<b>2,253</b>

	\$5,000,000 +	
	Authorized (\$ thousands)	Clients
British Columbia	6,510,081	402
Alberta	6,037,095	387
Saskatchewan	497,953	33
Manitoba	473,254	33
Ontario	3,538,443	154
Quebec	373,212	22
Other provinces and territories*	77,094	8
<b>Canada</b>	<b>17,507,132</b>	<b>1,039</b>

## TAXES PAID OR PAYABLE IN CANADA

CWB's general business activities have a meaningful impact on the Canadian economy. In fiscal 2020, CWB Financial Group had \$79.2 million in federal income taxes and \$54.2 million in provincial income and capital taxes that were paid or payable in the year.

Tax jurisdiction <sup>1</sup>	Income and capital taxes <sup>2</sup> (\$ thousands)
Federal	79,246
Alberta	26,413
British Columbia	5,988
Manitoba	6,395
New Brunswick	579
Ontario	10,717
Quebec	1,379
Saskatchewan	2,732
<b>Total</b>	<b>133,449</b>

<sup>(1)</sup> Provinces or territories where no taxes are paid or payable are not included.

<sup>(2)</sup> Taxes include income and capital taxes recorded in the consolidated Statement of Income, Comprehensive Income, and Changes in Equity for the year ended October 31, 2020.

## FACILITY OPENINGS, CLOSINGS AND RELOCATIONS

Canadian Western Bank serves clients through a network of 43 branches and 40 ABMs. In 2020, we installed a new ABM at the Winnipeg Main location.

Branch	Relocated from	Relocated to	City / Province
Calgary Chinook Branch	6606 McLeod Trail SW	#5110, 324 58th Avenue SE	Calgary, AB
Mississauga Branch	New	Suite 101, Plaza 1, 2000 Argentia Road	Mississauga, ON
Abbotsford Branch	#100, 2548 Clearbrook Road	#120 - 1848 McCallum Road	Abbotsford, BC

To locate the branches in your community, visit [cwbank.com/branches](http://cwbank.com/branches).

## EMPLOYMENT BY PROVINCE

CWB is proud to employ more than 2,600 team members across Canada.

Province or territory	Full time	Part time	Total number of employees
Alberta	1,346	31	1,377
British Columbia	525	19	544
Manitoba	365	8	373
Ontario	227	4	231
Saskatchewan	86	4	90
Quebec	50	4	54
New Brunswick	9	0	9
Nova Scotia	3	0	3
Newfoundland	1	0	1
<b>Total</b>	<b>2,612</b>	<b>70</b>	<b>2,682</b>

## SUPPORT AND PROTECTION FOR SENIORS

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At CWB Financial Group, we recognize the crucial contributions seniors make to our communities. As a bank, we have an obligation to help protect them from financial abuse, fraud and scams. We do this through establishing genuine, caring and lasting relationships.

Believing firmly that people come first, in 2019 we enthusiastically adopted the voluntary Code of Conduct for the Delivery of Banking Services to Seniors (Seniors Code) published by the Canadian Bankers Association. The Seniors Code aligns with our corporate values and helps direct our policies to expand in the areas that affect seniors most.

Our Anti-Money Laundering and Fraud and Special Investigations Services teams have played a long-standing role to protect CWB clients through rigorous transaction monitoring, alerting certain account-based activities for possible fraud investigation. We also offer select banking products to seniors at reduced rates or without a monthly fee. Further, their diverse needs are considered as part of our overall accessibility program and when we close or relocate our branches.

In 2020, we strengthened our commitment by appointing a Seniors Champion, Anthony Danda, Vice President, Product Development. Under his leadership, we implemented the following enhancements:

- Established a dedicated web page for seniors on [cwbank.com](http://cwbank.com). Our age-friendly banking page is a one-stop-shop for seniors banking information, including products and services, helpful resources, accessibility options and contact information for our seniors support team.
- Created a seniors brochure, displayed in all CWB branches. It serves as a banking resource guide for elder clients, their family members and other trusted support contacts. To make it more accessible, the brochure features larger font, colour contrast considerations and is available in print and digital format.
- Developed role-based training modules to educate employees about seniors, their diverse needs, and how to spot elder or financial abuse, which we will rollout to our employees throughout 2021 to meet regulatory requirements.

- Formed a team of subject matter experts to discuss and solve seniors' matters.
- Expanded our internal resources to include new policies, procedures, blogs, and information sessions to ensure the entire CWB team is informed and able to deliver on our commitment under the Seniors Code. For daily reference, and to keep employees up-to-date, we also developed a dedicated information hub on our intranet site. Together, these resources enable our team to efficiently identify situations where seniors may require additional assistance or where suspected elder or financial abuse needs to be reported and escalated.

Our adherence to the Seniors Code formalizes our commitment to inclusive, age-friendly banking and reinforces to our clients that CWB is a trusted partner.



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