



# Peoples Group

It's about you

**2019 ANNUAL REPORT**



# Peoples Group

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## It's about you.

Your needs for the highest level of customer service are the reason we focus our resources on a select line up of products and services.



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### VISION

Relentless pursuit of tailored solutions delivered with world class customer interactions.

### MISSION

Exceed customers' expectations by providing access to financial products within select markets.

### VALUES

Trustworthy, Creative, Willing

By valuing people, building relationships and focusing on strengths, we execute with passion.



## Message from the CEO

# Strong Results Despite Global and Market Turmoil

We entered 2019 with our eyes wide open and a hawkish view to the global economy, domestic economic slowdown and continued house price pressures. All of these were present last year but acted differently than perhaps the markets expected. The global economy continues to perform well regardless of unique pressures. Domestically our markets continue to perform well, with real estate rebounding and in some markets, outperforming expectations.

Here at Peoples Group, we continue to focus on what is important to our employees and our customers: delivering great service; investing in the development of our people and enlarging our footprint and product offerings. Our success stems from the collaborative contribution of our employees, empowered by leadership, to thrive in a strength-based organization that executes with passion.

Our corporate family was expanded by obtaining a Schedule 1 Bank Charter and we established Peoples Bank of Canada, which opened with a 'soft launch' in late 2019.

We continue to look for opportunities to diversify and grow our business, while maintaining a conservative risk profile. We are mindful of consumer debt levels, while looking to offer new products and services in both the Trust Company and the Bank.

2019 was a record year for the group, and we are poised to continue the robust growth trajectory with a great team and a rock-solid foundation into 2020 and beyond.



**Grant MacKenzie**  
PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

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"We are poised to continue the robust growth trajectory with a great team and a rock-solid foundation ..."

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## Operations Review

# A Record Year with Exceptional Growth

Peoples Group has solidified the outcomes of the previous year across all business lines.

The Peoples Trust business, which includes Commercial Mortgages, Retail Lending and Deposit Services, demonstrated another year of record lending volume, supported by strong deposit growth. Our multiple funding sources come from strong roots in stable deposits, a warehouse line facility and strategic securitization activities, delivered through robust financial partners. Together with our business partners, we continue to expand into consumer lending and specialty financial services.

In 2019 we received a banking license from the Office of the Superintendent of Financial Institutions and commenced Peoples Bank, a new initiative which will start offering our consumer products under a new brand going forward, based on our evolving go-to-market strategy.

In the Canadian issuing business, we remain the dominant provider in prepaid cards. Our experienced payments team continues to build a successful portfolio of financial technology (fintech) companies, enabling their solutions with financial services.

We're grateful to be accredited as being creative collaborators by our entrepreneurial partners, as this is one of Peoples Group's hallmark core competences. Already, 2020 has a favourable outlook for further growth and innovation.



**Waheed Hirji**

CHIEF OPERATIONS OFFICER

"2020 has a favourable outlook for further growth and innovation."

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## A Stable Portfolio

Peoples Group has been providing tailored financial services to the Canadian marketplace for more than 35 years. Since 1985 our focus has been on exceptional customer service, solidly rooted in extensive product knowledge and experience.

Over the years, we've thoughtfully expanded our product and service offerings based on customer needs. We expect to continue this successful journey in the years to come. Peoples Group financial services are offered through a selection of partners and channels.

### Retail Lending

Specialists in residential mortgages, consumer loans and alternative financing options, including advances on inheritances.

### Commercial Mortgages, Services & Securitization

Experts in CMHC and conventional lending for multi-family, commercial and construction projects with mortgage servicing for investor clients.

### Deposit Services

Strong roots in core products including Savings Accounts, GICs, RRSPs and TFSAs offered with rates among the best in Canada.

### Payment Solutions & Card Services

Industry leading services for merchants and custom solutions for fintechs have been our hallmark track record for innovation in the payments area.



**Bruce Duthie**  
CHIEF INFORMATION OFFICER



**Darren Kozol**  
GENERAL COUNSEL AND  
CORPORATE SECRETARY



**Michael Lombard**  
CHIEF CREDIT OFFICER



## Marketing & Innovation

# It's about you™

In 2019, your ratings of our services were among the highest in the Canadian financial industry, again. We are truly grateful for our long-term relationships with you as our customer, our most valued asset. We're delighted that you're very satisfied with our services. You've told us we exceeded your expectations and you would highly recommend Peoples Group to friends and family. This is a high bar we're happy to continue to meet in the years to come. Should you have comments or suggestions about any of our products or services, we encourage you to let us know.

### True Colours

In 2020, with a new decade comes a new era for Peoples Group. Based on a solid foundation and inspired by recent initiatives, we decided to adjust our branding to reflect our strong growth and the roadmap towards future endeavours.



Commercial mortgages, mortgage investing, payment solutions and card services will be offered through Peoples Group.



New customers for accounts, term deposits, residential mortgages, brokered personal loans and advances on estate inheritances will be welcomed at Peoples Bank. Stay tuned as our portfolio develops over time.



Our existing, loyal deposit customers will continue being served by Peoples Trust.

Remember, we believe it's about more than the innovative products, services or competitive rates we offer.

It's about you.

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**John Pals**  
VICE PRESIDENT,  
MARKETING & INNOVATION

"In 2019, your ratings of our services were among the highest in the Canadian financial industry, again."

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## Our Family of Financial Services



Peoples Group continues to evolve our family of connected companies through measured and intelligent growth.

As we add to our range of products and services, as well as the channels through which they are delivered, we are able to tailor solutions to an increasing audience in the financial services community.

A growing number of customers, and the consumers who deal with brokers, agents, fintechs and other financial intermediaries, are benefiting from their relationships with Peoples Group.



# Peoples Trust



## Deposit Services

### Still here to serve you.

We're here to support you on  
your path toward success.



Peoples Trust offers a portfolio of products to consumers and businesses which allows access to financial services whenever and wherever our customers need it. We can discuss your savings goals and retirement plans.

Whether it is via our online banking platform or using our mobile app, customers have 24/7 access to their deposit accounts.

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#### Contact Us

Phone: 604-683-2881

Toll Free: 800-663-0324

Fax: 604-683-5110

[peoplesgroup.com](http://peoplesgroup.com)

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## Deposit Services

# Guaranteed Investment Certificates (GICs)

Why a Peoples Trust GIC? Simply put, high rates are guaranteed for a fixed term in a safe, secure and no-fee investment, with the convenience of online banking. With non-registered and registered options, you can save for your future while earning among the best rates in Canada; and your deposit is eligible for Canada Deposit Insurance Corporation (CDIC) insurance.

### Non-Registered GICs

Whether it's a short-term investment of 30 to 364 days or a longer-term of one to five years, interest rates for your personal or business GIC are guaranteed for the full term of your investment.

### Retirement Savings Plans

Available for terms of one to five years, the Peoples Trust RSP provides a fixed and guaranteed rate for the full term of your investment. Interest is compounded annually and paid at maturity. With no set-up or service fees, saving for your retirement is easy.

### Tax-Free Savings Account (TFSA) GICs

If you need a place to invest funds, our TFSA GIC is a great choice. This product offers terms from one to five years, with rates that are fixed and guaranteed for the full term. Interest is compounded annually and paid at maturity. With no set-up, service or transfer fees, you can only win with this investment option.



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“Competitive rates guaranteed for the full term.”

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## Deposit Services

# Savings Accounts

Many of the milestones in life take a lot of planning to achieve and sometimes the hassle of planning can take away from the excitement. At Peoples Bank we offer two simple options for high-interest savings, including the e-Savings Account and TFSA high interest savings account.

### E-Savings Account

The e-Savings Account is all about giving you more of what you want: high-interest savings and more convenience with the benefits of online and mobile banking. Through online banking, you can also use your e-Savings to purchase our GIC products. We invite you to power up your savings with a safe, liquid and flexible e-Savings Account.

### Tax-Free Savings Account

As a registered product, the TFSA allows you to earn interest tax free within the contribution limits set by Canada Revenue Agency. The Peoples Trust TFSA makes it easy to view your savings using online or mobile banking. With rates among the best in Canada, a TFSA is an excellent tool to save for the things that are important to you.

Why save with Peoples Trust? Our savings accounts offer competitive interest rates that will help you grow your money faster. We calculate interest daily and pay it monthly making every dollar count. Even better, there are no set-up, service or transfer fees and deposits are eligible for CDIC insurance.

To find out more about the benefits of our savings accounts and to apply online, visit [peoplesgroup.com](http://peoplesgroup.com).



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“Zero monthly fees and no minimum deposit.”

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## Deposit Services

# Business Accounts

### Business GICs

The Peoples Trust Business GIC offers your business a guaranteed return on investment with competitive rates. Whether it's a short-term investment of 30-364 days or a long-term one of one to five years, our Business GIC can help your business grow. They are a safe and secure way to invest in the future of your business and your deposits are eligible for CDIC Insurance.



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“Real financial growth with some of the best rates in Canada.”

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# Peoples Bank



## Suite 100



## You are welcome, anytime.

We would be happy to greet you in person at Suite 100, our street-level customer service area in Vancouver. Our Customer Service Representatives are there to discuss your savings goals and retirement plans. They can also connect you with the right people to help you with your mortgage needs and our other products and services, including pre-paid cards.

Next time you're in downtown Vancouver, visit us in Suite 100 at Dunsmuir and Hornby.

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### Contact Us

Phone: 778-309-4860

Toll Free: 833-309-4860

Fax: 604-331-2245

Suite 100 – 888 Dunsmuir Street, Vancouver, BC V6C 3K4

[peoplesbank.ca](http://peoplesbank.ca)

### Hours of Operation

Phone: Monday - Friday 8:00am - 4:30pm PT

Office: Monday - Friday 9:00am - 4:00pm PT





## Deposit Services

# Guaranteed Investment Certificates (GICs)

Peoples Bank offers a variety of interest-bearing investment products that are eligible for CDIC insurance. Our products are perfect for those seeking a high yield with easy access through online banking.

### Non-Registered Guaranteed Investment Certificates

Whether it's a short-term investment of 30 to 364 days or a longer-term of one to five years, interest rates for your GIC are guaranteed for the full term of your investment.

# Savings

### e-Savings

Now you can choose to open your new e-Savings account with Peoples Bank, Peoples Trust or both. Same great services and rates with eligibility for CDIC coverage.

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"Whether you're saving for a new home, a vacation or looking ahead to a comfortable retirement, we have an account for you."

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# Peoples Bank



## Retail Lending

### Customer service sets us apart.

We take the frustration out of financing.



Peoples Bank is continuing the proud tradition as a key participant in the Canadian Mortgage Market. Our national presence is supported by our regional offices which provide creative, responsive support to our borrowing customers and brokers.

If you are looking to purchase your own home directly or through a broker, we are here to help.

#### Contact Us

Vancouver | Toronto | Montreal

Toll-Free: 833-309-4861

[peoplesbank.ca](http://peoplesbank.ca)



## Retail Lending

# Residential Mortgages and Lending Alternatives

Peoples Trust has been helping Canadians buy their homes for more than 35 years. Now, through Peoples Bank, we bring our tailored mortgage solutions to provide our customers and strategic partners with a range of mortgage products to meet a diverse range of financial needs.

We provide residential mortgages to customers ranging from first home buyers, second home purchasers, investors and mortgage transfers, through to uniquely structured lending alternatives when it matters most.

Our activity is supported by three regional offices located in Vancouver, Toronto and Montreal, with deep expertise across all facets of the mortgage process, providing our customers and strategic partners with certainty.



**Ray Brooker**  
SENIOR VICE PRESIDENT,  
RETAIL LENDING



**Douglas Lee**  
SENIOR VICE PRESIDENT,  
RETAIL DISTRIBUTION



**Tom Wollner**, RI, AMP  
NATIONAL CREDIT MANAGER,  
RETAIL LENDING

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## Lending

# Residential Mortgages

### First or Second Home Purchase, Rentals

We guide you through:

- **Pre-approval**  
Ensuring you know what you can afford and your down-payment options;
- **Stress-tests**  
Helping you work through future interest rate and income scenarios to ensure you are in-the-know before buying a home; and
- **Funding**  
Serving as the conduit to help you close on-time with less stress.

### Renewals or Transfers

#### Existing customers

You can lock in your rate 90 days in advance of renewal for added peace of mind.

#### New customers

If you have a mortgage elsewhere and want to transfer to Peoples Bank, our quick switch process makes it easy. There are no legal fees and we'll contact your lender to make things happen.



**Pamela Allinott**

SENIOR MORTGAGE PLANNER

"Our team can help you get the mortgage that meets your needs."

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## Mortgage Lending

# Lending Alternatives

Peoples Bank is one of Canada's leading mortgage lenders offering an alternative for customers with concerns about income qualification or credit.

We use a common-sense approach to lending that provides customers a lending alternative from traditional banks.

For example, we may have options for:

- Small business owners having difficulty verifying enough income to qualify elsewhere;
- New immigrants with limited or no credit history in Canada;
- Homeowners with insufficient income verification to meet the requirements of a standard mortgage; and
- Canadians with previous credit problems that are now resolved, including discharged bankruptcies.



**Adam Clark**  
SENIOR BUSINESS  
DEVELOPMENT MANAGER



**Fiona Keller**  
NATIONAL RELATIONSHIP  
MANAGER



**Jonathan Siva**  
SENIOR BUSINESS  
DEVELOPMENT MANAGER

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## Consumer Lending

# Personal Loans

Peoples Bank specializes in providing consumer loans through our Lendful brand from \$5,000-\$35,000 with terms from six months to five years.

With a fast turnaround time, our clients get an answer within 24-48 hours, rather than waiting weeks for a decision.

Currently, we provide existing customers and clients of our accredited mortgage brokers, a simple online process to:

- Refinance expensive, high-interest credit card debt;
- Consolidate existing consumer loans;
- Work to improve credit scores; and
- Help with home renovations, new furniture, and many of life's other needs.

With flexible repayment options and a streamlined application process, our consumer loans offer a true value-added service.

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“Our consumer loans offer a true value-added service for brokers and their customers.”

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# Peoples Group



## Commercial Lending

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### Over 35 Years of Expertise.

National presence with regional offices.



We are a provider of commercial mortgage funding to investors, developers, seniors' facility operators and non-profit affordable housing societies, in communities across the country.

This activity is supported by three regional offices located in Vancouver (servicing British Columbia), Calgary (servicing Alberta, Saskatchewan and Manitoba) and Toronto (servicing Ontario, Quebec and Eastern Canada).

Our program focuses primarily on CMHC insured multi-family lending but also includes conventional mortgage financing for development projects, commercial building repositioning and investment acquisitions of most commercial real estate asset classes

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#### Contact Us

##### Commercial Residential

BC Regional Office Phone: 604-685-1068

Prairie Regional Office Phone: 403-237-8975

Eastern Canada Regional Office Phone: 416-368-3266

[peoplesgroup.com](http://peoplesgroup.com)

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## Commercial Lending

# CMHC Mortgage Lending

Peoples Trust, part of Peoples Group, is actively engaged in CMHC insured multi-family mortgage financing. All three regional offices have extensive experience in the underwriting and placement of CMHC loans on rental apartment buildings, seniors' residential facilities and non-profit affordable housing projects. Our long-term relationship with CMHC underwriters helps us provide valuable insight to clients on the requirements and process involved in getting loan insurance approvals. This relationship is backed by a very robust loan securitization program, tied to the CMHC Canada Mortgage Bond (CMB) Program, that allows Peoples Group to be able to offer very competitive five and ten-year term interest rates to clients, with odd lot terms also available. This program extends to any geographic location where CMHC will participate.

# Conventional Commercial Mortgages

Timely, creative, customized underwriting of customer mortgage requirements is the primary mission of our commercial uninsured mortgage program. Commercial real estate is always facing headwinds from economic, regulatory or market specific factors. Our very experienced underwriters in each regional office have direct local knowledge of the challenges customers are facing. With the support of a streamlined credit approval process, they can craft creative and competitively priced loan structures that assist customers in achieving their goals. This program includes construction financing, bridge financing for property acquisitions and renovation programs and term financing for longer-term real estate investments.



**Dennis Dineen**

SENIOR VICE PRESIDENT,  
COMMERCIAL BANKING



**Jonathan Wong**

VICE PRESIDENT & REGIONAL  
MANAGER, COMMERCIAL BANKING,  
BRITISH COLUMBIA



**Josh Barker**

VICE PRESIDENT & REGIONAL  
MANAGER, COMMERCIAL BANKING,  
PRAIRIES



**Ady Steen**

VICE PRESIDENT & REGIONAL  
MANAGER, COMMERCIAL BANKING,  
EASTERN CANADA





# Peoples Group



## Mortgage Investing

### Mortgage Management Services.

A full range of services.



Peoples Group is known for their commitment to providing high-quality mortgage management services to our investor customers for both CMHC insured and conventional mortgages.

As a long-time participant in the Institutional Investors segment of the financial industry, we are well known for our involvement with CMHC's National Housing Act Mortgage-Backed Securities Program (NHA MBS), particularly in the CMB Program.

We provide a full range of services from sourcing new business, underwriting, mortgage administration, investor reporting, and mortgage servicing.

Our investor customers include large pension funds, financial institutions and private lenders.

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#### Contact Us

Phone: 604-683-2881

Toll Free: 855-683-2881

Fax: 604-331-3469

Suite 1400 - 888 Dunsmuir Street, Vancouver, BC V6C 3K4

[peoplesgroup.com](http://peoplesgroup.com)

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## Mortgage Investing

# Mortgage Services

Peoples Group is a leader in the origination, structuring, and placement of commercial real estate mortgages across Canada.

We are expanding our investment relationships allowing us to arrange and syndicate commercial mortgage loans that optimize solutions for our customers. Our extensive experience and flexibility results in mutually beneficial loan structures for investors and borrowing customers.

Structuring and funding mortgages are just the beginning of our commitment to mortgage customers. We provide banking services such as payment processing, investor remittances and support for loans or borrowers who may require a little extra attention.

We administer a mortgage portfolio of commercial properties located throughout Canada. We pride ourselves on having the people, the experience and the 'can-do' attitude that makes our customers value our commitment and ability to deliver time and time again.

In keeping with our mission to provide the best in customer service, our customers appreciate that they will always be able to speak directly with any of our team members. This easy access guarantees you will have quick answers to your questions or inquiries and reaffirms our dedication to the personal approach. We make it work.



**Cathleen Copeland**  
ASSISTANT VICE PRESIDENT,  
MORTGAGE SERVICES

"We pride ourselves on having  
the people, the experience and the  
'can-do' attitude ..."

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## Mortgage Investing

# Securitization

Peoples Group has become well known and highly regarded for its involvement in the origination of insured multi-family and single-family mortgages for placement in the NHA MBS and CMB Programs.

Peoples has been a key participant in the NHA MBS market since the inception of the program in 1987.

Our issuance of market MBS securities and participation in the CMB program allow us to consistently provide competitive mortgage rates to our varied clientele.

# Social Housing

Peoples Group actively participates in mortgage financing of social housing facilities, which include rental properties, community services, and health care and rehabilitation centres.

By facilitating the transfer of mortgage debt from provincial governments to private investors, Peoples Group assists in the efficient allocation of capital away from public financing schemes.

Our financing initiatives demonstrate a close co-operation between government and private enterprise, allowing the affordable accommodation of emergency shelters, assisted living for seniors, women, and children at risk of violence. Since 2013, we have funded Social Housing mortgages which serve many communities in BC and Ontario.



**Salim Hemani**

VICE PRESIDENT, GROUP TREASURY  
& CAPITAL MARKETS

“Since 2013, we have funded Social Housing mortgages which serve many communities in BC and Ontario.”

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# Peoples Group



## Peoples Payment Solutions & Card Services

### Industry leading payment solutions.

Innovative and entrepreneurial.



In the world of Canadian payments, Peoples Trust, part of Peoples Group is a leading issuer of prepaid payment cards and an innovative merchant acquirer. We are an entrepreneurial organization that excels at customizing solutions to fit the needs of our clients. As a result, we have been recognized as a pioneer and innovator of prepaid cards in Canada, and an early adopter of payment solutions. We have partnered with many of Canada's fintechs, giving them the tools and guidance to help realize their success.

As a licensed issuer and acquirer with the most popular payment brands, we can provide you access to a wide array of payment products and services to bolster the growth of your business.

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#### Contact Us

##### Vancouver:

Phone: 604-694-6214

Toll Free: 855-694-6214

[peoplesgroup.com](http://peoplesgroup.com)

##### Toronto:

Phone: 844-304-2083

Toll Free: 855-694-6214

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## Peoples Payment Solutions & Card Services

# Customized Solutions

Our experienced Payments team will educate and support you with gaining an understanding of local payment regulations, laws and products. We are an enthusiastic collaborator and will work with you to find solutions to your payment challenges.

We are responsible for some of the most innovative payment products in the country. Working closely with our Program Managers, Peoples Group has issued an extensive range of award-winning prepaid and credit issuing programs in the areas of gift giving, corporate incentives, health care, charity, lending, multi-currency, and B2B payments.

Our relationships with American Express®, Discover®, Interac®, Mastercard®, Union Pay®, and Visa\* position you to get to market faster than ever before.



**Howard Klein**  
PRESIDENT



**Gajen Pararajalingam**  
CHIEF OPERATIONS OFFICER,  
PEOPLES PAYMENTS & CARDS



**Shirley Matthew**  
VICE PRESIDENT, PAYMENT  
AND CARD PRODUCTS



## Peoples Payment Solutions & Card Services

# Digital Enablement

With the rise of fintech companies in Canada, Peoples Group has developed a true expertise working closely with this fast-paced community, playing a strategic role in helping them grow and succeed.

Complementing our acquiring and card issuing sponsorship services, our turnkey and API-based payments platform enables both startups and well-established companies alike to enhance their payment experience to their customers. We offer secure services, in a certified PCI DSS environment, to deliver the tools necessary to expand our customers' digital offering.

Today's digital payments solutions include, Interac e-Transfer, Visa Direct, Electronic Funds Transfer (EFT), direct deposit, card present, card not present and physical and virtual card processing, bill payment services, and mobile payments.

We excel at customizing solutions, so whatever your business is looking for to facilitate the digital movement of funds, reach out to us.



**Karen Budahazy**

VICE PRESIDENT,  
DIGITAL ENABLEMENT  
AND ISSUING



**Gerry Serratore**

VICE PRESIDENT,  
SALES AND BUSINESS  
DEVELOPMENT

“We excel at customizing  
payment solutions ...”



## Peoples Payment Solutions & Card Services

# Issuing Program Sponsorships

For over 15 years, Peoples Group has been offering Prepaid and Credit BIN issuing sponsorships to Program Managers to rapidly develop and deploy card programs, both physical and digital, tailored to specific needs in target markets. Our expertise, gained from leading the prepaid industry in Canada, has resulted in unsurpassed time-to-market launches of hundreds of innovative programs. Our best-in-class approach ensures a strong focus on compliance, customer service excellence, and comprehensive implementation, allowing entrepreneurs to focus on converting their opportunities into sustainable, profitable programs. Grow and build your brand while we manage the payment network relations, settlement and regulatory compliance services.

Peoples Group issues cards tailored to niche markets in the financial, corporate, government, travel, insurance, health, and retail sectors. Payment cards are extremely versatile and are an ideal medium for gifting, expense management, mobile wallets, and cheque replacement applications.

Peoples Group offers the issuance of American Express, Mastercard, UnionPay and Visa, whether those needs are country-wide or for restricted private label acceptance. Whether it is sponsoring prepaid or credit card solutions, we can facilitate your payment network needs.



**Mihnea Cirica**  
VICE PRESIDENT,  
OPERATIONS AND RISK  
PEOPLES CARD SERVICES

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“Our best-in-class approach ensures a strong focus on compliance and customer service excellence ...”

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## Peoples Payment Solutions & Card Services

# Merchant Acquiring Sponsorships

Providing access to the Canadian Payment System, Peoples Group offers sponsorships to Independent Sales Organizations, Payment Facilitators, Processors and fintechs. Through our sponsorship program, we work with reputable, established partners from around the world to provide choice, flexibility and innovation to merchants and offer a 'one stop solution' for merchant payment acquiring.

Having acquiring relationships with American Express, Discover, Interac, Mastercard, UnionPay and Visa, we leverage our experience with BIN sponsorships, and the latest push and pull funds services, to help our clients deliver robust solutions to their merchants.

As an innovator, we are always adding to our products and services to increase and enhance the options for our clients and their merchants.

Our experienced Payments team can support you whether your target clients are e-commerce, card present, mobile commerce, multi-currency, recurring payments or mail / telephone order merchants.



**Claude Belmonte**  
VICE PRESIDENT,  
PAYMENTS TECHNOLOGY



**Lucy Coschignano**  
VICE PRESIDENT,  
PAYMENT OPERATIONS  
PEOPLES PAYMENT SOLUTIONS

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“We provide choice,  
flexibility and innovation  
to merchants ...”

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## 2019 Financial Results

# Record Results as Strategy Gains Traction

2019 was another year of tremendous results for Peoples Group. We continued to record robust growth in our single and multi-family lending segments and, in alignment with our strategy, we are particularly active in newer business segments, including our payment card and merchant payment services entities. Of particular note, our diversification goals have significantly ramped up in the retail financing space, where partnership-based origination channels have dramatically moved us forward. The opening of our new Peoples Bank of Canada will continue that trajectory.

Given the uncertain economic backdrop, coronavirus (COVID-19) impacts, and the continuing energy sector challenges, Peoples Group strategy reminds us to continue to adhere to our core principal risk management practices, even as we move towards improving and expanding client services and products. We also looked inward to improve operating efficiencies including restructuring related party management expenses to be more aligned to our industry peers and we continue to identify and implement beneficial system and process improvements.

As a result, our Assets Under Administration grew over \$2 billion to \$13.6 billion at year-end, our Net Income correspondingly increased from \$25.4 million in 2018 to a record \$44.8 million for 2019 and our Regulatory Capital Ratio strengthened by nearly 2% to end the year at 17.3%.



**Samson Lim**, CPA, CA  
EXECUTIVE VICE PRESIDENT  
AND CHIEF FINANCIAL OFFICER

“Our diversification goals have significantly ramped up in the retail financing space ...”



## 2019 Financial Results

### Condensed Balance Sheet<sup>1</sup>

2019

2018

(Expressed in thousands of dollars)

#### Assets

Cash and securities	649,469	637,955
Loans receivable	1,690,919	1,301,661
Securitized mortgage receivables	1,204,901	684,434
Other assets	623,096	571,868
Total Assets	4,168,385	3,195,918

#### Liabilities

Customer deposits	2,133,492	1,634,793
Securitization liabilities	1,082,063	685,261
Other liabilities	677,712	631,158
Total Liabilities	3,893,267	2,951,212

#### Shareholders' Equity

Share capital	26,884	26,884
Retained earnings	246,333	216,776
Non-controlling interest	1,901	1,046
Total Equity	275,118	244,706

Total Liabilities and Equity	4,168,385	3,195,918
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Total Assets Under Administration	13,641,502	11,327,923
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<sup>1</sup>Prepared from audited consolidated financial statements of Peoples Trust Company.



## 2019 Financial Results

Condensed Statement of Income <sup>1</sup>	2019	2018
<i>(Expressed in thousands of dollars)</i>		
<b>Net Interest Income</b>		
Interest revenue	129,838	100,950
Cost of funds	79,998	56,231
	49,840	44,719
<b>(Provisions for) / Recovery of Loan Losses</b>	(4,222)	(3,787)
<b>Income Before Other Income, Operating Expenses and Income Taxes</b>	45,618	40,932
<b>Securitization, Card Services and Payment Services Income</b>	72,031	37,680
<b>Other Income</b>	3,340	18,297
<b>Income Before Operating Expenses and Income Taxes</b>	120,989	96,909
<b>Operating Expenses</b>		
Administrative	20,168	30,678
Salaries and benefits	36,948	29,159
Depreciation	2,466	1,689
	59,582	61,526
<b>Income Before Income Taxes</b>	61,407	35,383
<b>Provision for Income Taxes</b>	16,583	9,990
<b>Net Income for the Year<sup>2</sup></b>	44,824	25,393

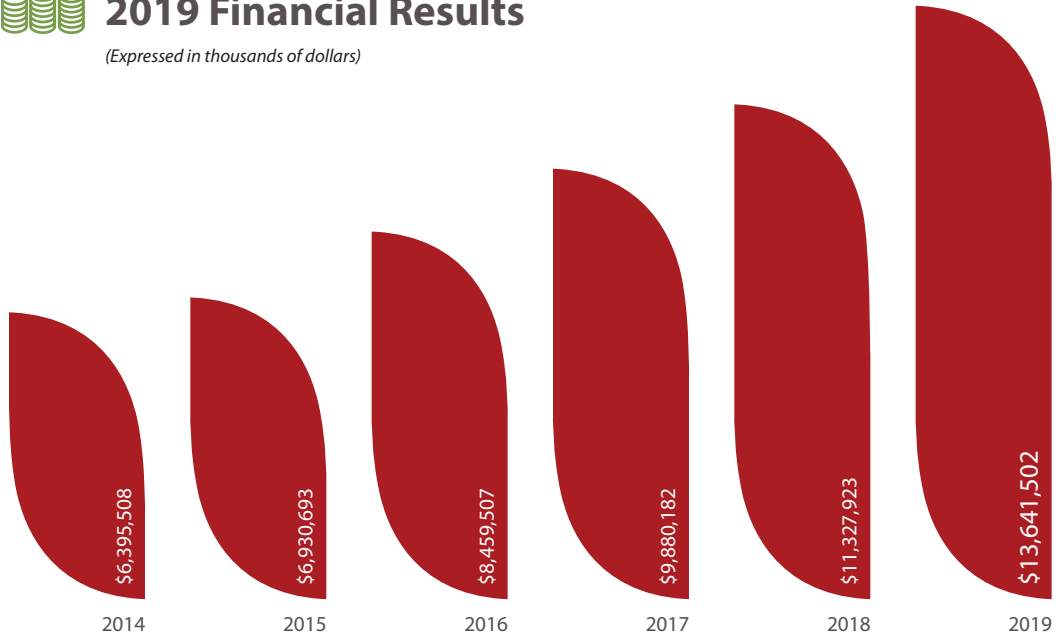
<sup>1</sup>Prepared from audited consolidated financial statements of Peoples Trust Company.

<sup>2</sup>Includes non-controlling interest of \$1,649 (\$1,124 in 2018).

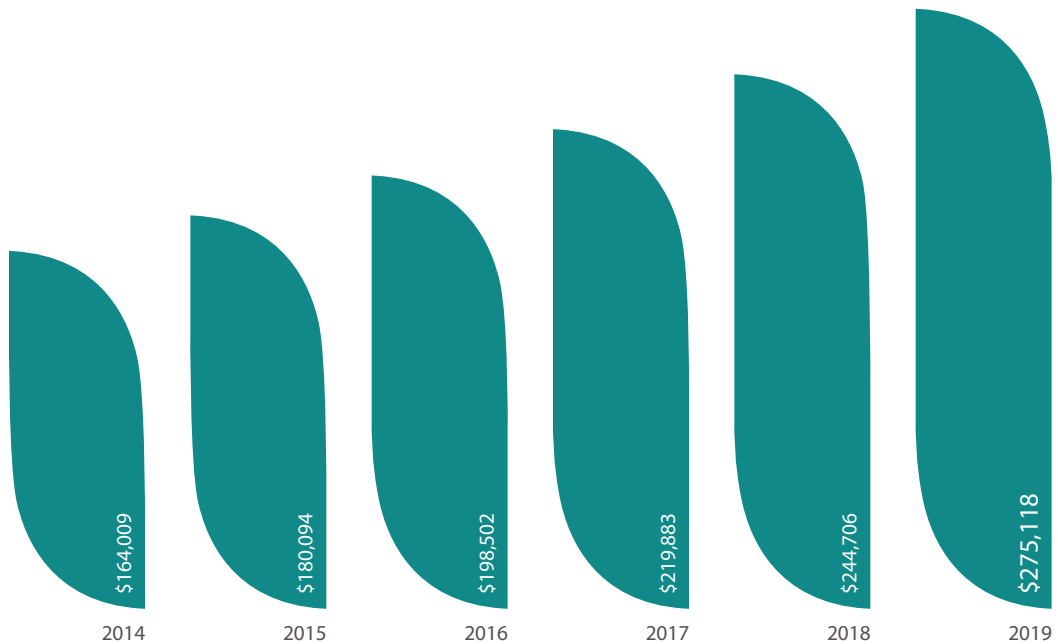


## 2019 Financial Results

(Expressed in thousands of dollars)



## Assets Under Administration

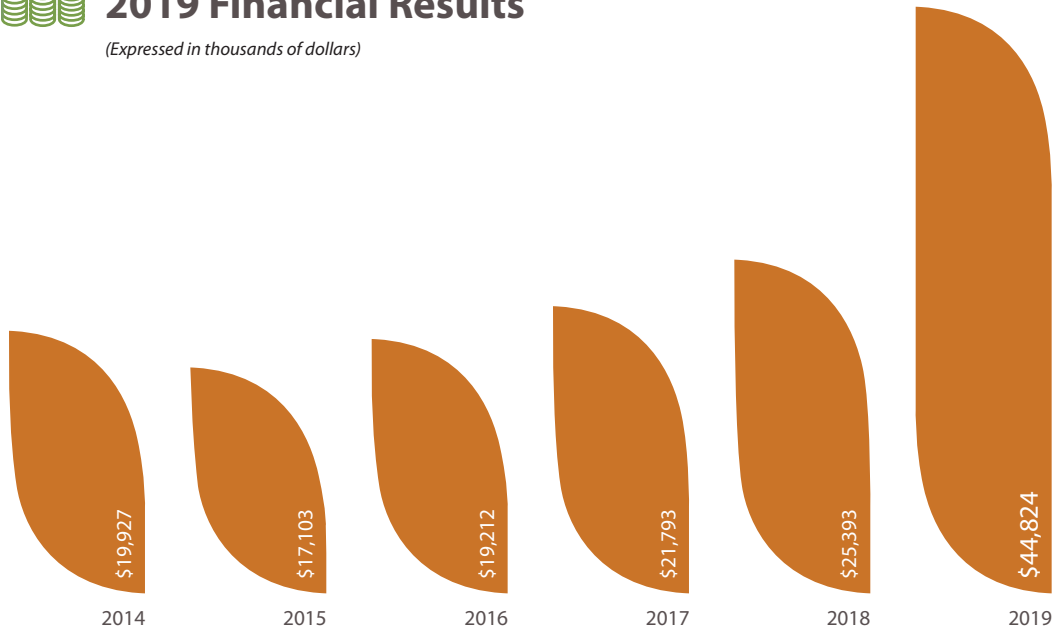


## Shareholders' Equity



## 2019 Financial Results

(Expressed in thousands of dollars)



### Net Income for Year (After Tax)



Administered Assets  
by Location

BC	30%
Other	25%
Ontario	23%
Prairies	22%



Administered Assets  
by Security

Multi-Family	81%
Single-Family	11%
Care Facility	4%
Other	4%



Administered Deposits  
by Location

Ontario	76%
BC	14%
Prairies	5%
Other	5%



## Peoples Group: We Value People

For the past 35 years, Peoples Group has succeeded because we value People, and we take pride in providing tailored solutions with world-class customer interactions.

We understand that our People are our most valuable asset. We have worked on building the best team possible and investing in their success. As a strength-based company, we strive to provide a supportive, dynamic, and rewarding work environment where everyone is encouraged to live our values: Trustworthy, Creative, Willing. By valuing people, building relationships, and focusing on strengths, we execute with passion.

Our passion becomes more visible with our sense of community both within our offices and extending to our cities, where we support a variety of corporate and individual community causes throughout the year. Teamwork is evident in our ongoing fundraising events in support of the Heart & Stroke Foundation and Covenant House and our corporate sponsorship of Bard on the Beach Shakespeare Festival, to name a few.

We recognize that engaged employees contribute significantly to our ongoing growth and success, making us an award-winning leader in the industry.



**Ann McDow**  
SENIOR VICE PRESIDENT,  
PEOPLE & CULTURE

“By valuing people, building relationships, and focusing on strengths, we execute with passion.”

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## Peoples Giving

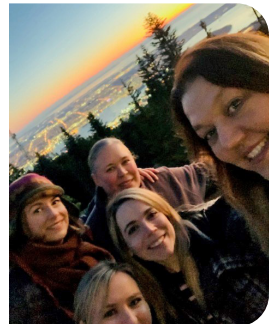
### Our community involvement includes:

- Raising funds for the Heart & Stroke Foundation by riding the Big Bike;
- Sponsoring the Volunteer Program for Vancouver's Bard on the Beach Shakespeare Festival;
- Raising funds for Covenant House which provides support for at-risk youth, and;
- Participating in the Vancouver Sun Run's Corporate Team Challenge since 2003.



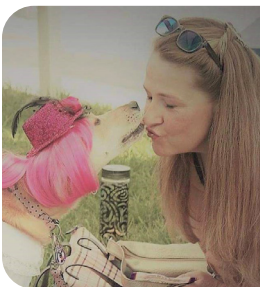


# Meet the People





# of Peoples Group





# Peoples Group



## Board of Directors



**David Ghermezian**  
CHAIRMAN



**Michael T. Andrews**



**Johanne Brossard**



**Andrew Bury**



**Jonathan A. Levin**



**Grant MacKenzie**



**Michael Oseen**



**Laura Rubino**



**Charles Stuart**



**Keith Thompson**



**Martin Walrath**

*Absent: Eskandar Ghermezian, Chairman Emeritus*



# Peoples Group



## Contact us

## Connect with the Right People

We are available for you. If you want to make an investment, open a business or personal account, inquire about a mortgage, obtain a prepaid card, or find out about our merchant acquiring services, we want to make sure you can touch base with the right people.

### **Peoples Group Head Office**

Suite 1400  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-683-2881  
Toll Free: 855-683-2881  
Fax: 604-331-3469

### **Peoples Bank Deposit Services**

Suite 100  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-331-3465  
Toll Free: 800-663-0324  
Fax: 604-683-5110

### **Peoples Bank Retail Lending**

Toll Free: 833-309-4861

### **Commercial Mortgage Regional Offices**

**BC Regional Office**  
Suite 1400  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-685-1068  
Fax: 604-683-2787

**Prairie Regional Office**  
Suite 955  
808 – 4th Avenue S.W.  
Calgary, AB T2P 3E8  
Phone: 403-237-8975  
Fax: 403-266-5002

**Eastern Canada Regional  
Office**  
Suite 1310  
95 Wellington Street West  
P.O. Box 15  
Toronto ON M5J 2N7  
Phone: 416-368-3266  
Fax: 416-368-3328

### **Peoples Payment Solutions & Card Services**

Suite 1400  
888 Dunsmuir Street  
Vancouver, BC V6C 3K4  
Phone: 604-694-6214  
Toll Free: 855-694-6214  
Fax: 604-331-3469

Suite 1310  
95 Wellington Street West  
P.O. Box 15  
Toronto ON M5J 2N7  
Phone: 416-933-6990  
Toll Free: 844-304-2083  
Fax: 416-642-1550

### **Peoples Trust Deposit Services**

Phone: 604-683-2881  
Toll Free: 855-683-2881  
Fax: 604-683-5110

For more information visit [peoplesgroup.com](http://peoplesgroup.com)



**Peoples** Group  
It's about you

[peoplesgroup.com](http://peoplesgroup.com)

[peoplesbank.ca](http://peoplesbank.ca)