



Credit Canada
Debt Solutions

2020 Credit Canada Annual Report

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Message from the CCDS Team + Overview

At Credit Canada Debt Solutions (CCDS), we understand that 2020 was a difficult year for many of our fellow Canadians. The COVID-19 pandemic that swept the globe resulted in financial hardships as businesses closed their doors — in some cases permanently — and numerous people lost the steady income they relied on to take care of basic bills.

In 2020, amidst the challenges that the year brought, CCDS once again demonstrated its enduring commitment to service excellence. In our 54th year of operation, the CCDS team continued to be a leader in the industry, helping thousands of people across all of Canada's provinces achieve the financial peace of mind they need amid the pandemic.

Moving forward and maintaining innovative government, industry, and community partnerships that benefit consumers and constituencies across the nation during the global health crisis posed a major challenge. To help Canadians without increasing the risk of the pandemic's spread, CCDS placed an emphasis on a fully digital experience for all of its services, including:

- » Credit counselling
- » Debt management
- » Financial education programs



In this report, we will walk you through the details of how we delivered services digitally to people across the country and leveraged our partnerships with various organizations to help Canadians through these trying times.

We would like to extend our gratitude to the CCDS Board of Directors, management, and staff for their knowledge, guidance, support, and commitment to our mission and cause.



Jonathan Goodman
Board Chair/President



Caroline Cakebread
Vice Chair



Colin Cunningham
Treasurer



R. Derek Frost
Secretary



Resilience Through Adaptability

For CCDS, 2020 was a year that emphasized the need for adaptability. In an economy struggling to adjust to the impact of the coronavirus outbreak and economic tensions, CCDS needed to adapt its services, partnerships, and even its future expectations to help Canadians effectively manage their finances throughout the year.

Adaptability of Services

Many industries in Canada and the rest of the world had to adapt to “the new normal.” One of the major adaptations was the switch to a digital service delivery model. CCDS was swift to shift to digital services for everything from our counselling to our educational programs.

Some of our key digital services in 2020 were:



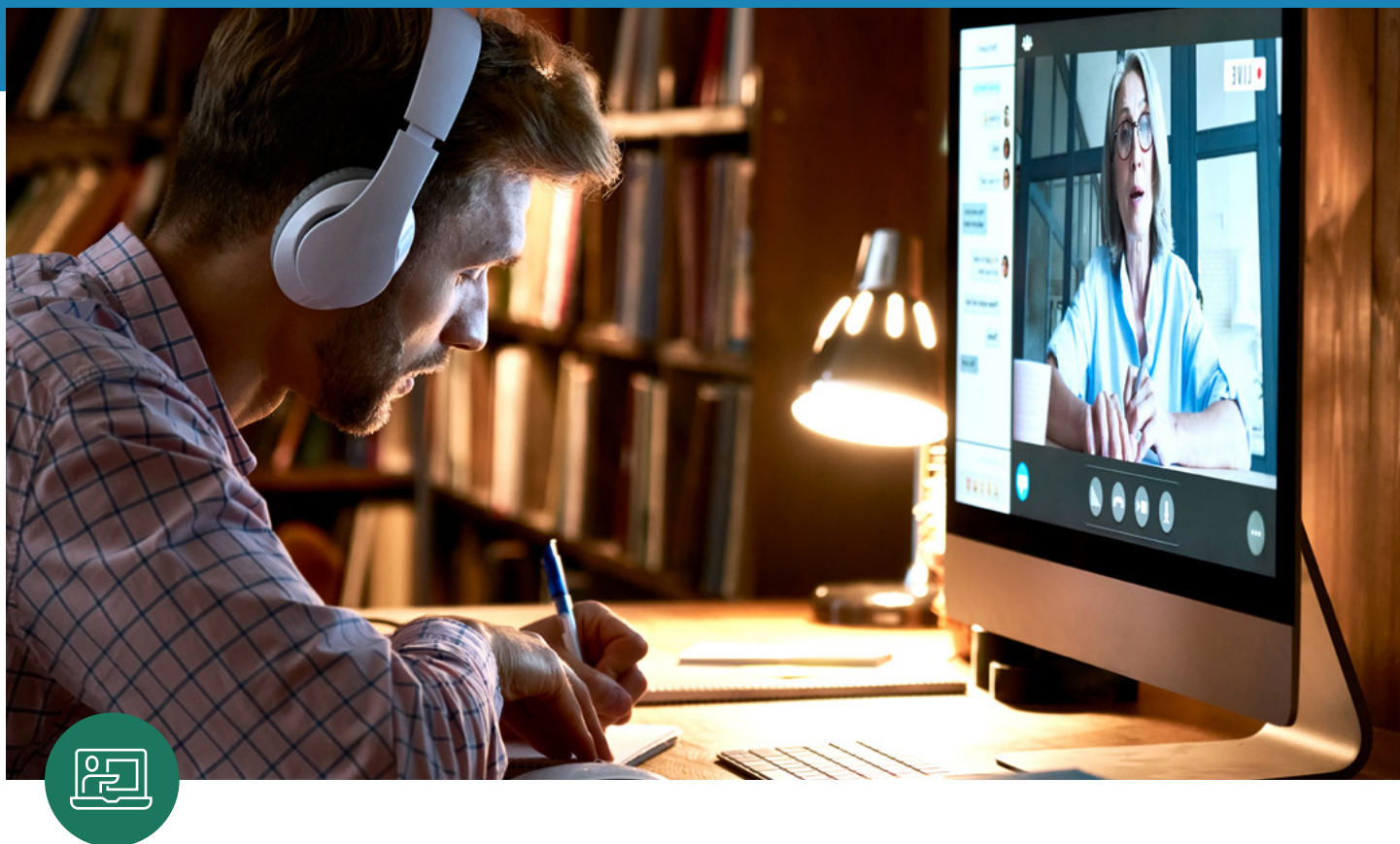
Video and Online Counselling.

CCDS was already in the process of making digital video and online counselling available when COVID-19 accelerated the demand for these services. CCDS now connects with Canadians via video, telephone appointments, and online counselling to provide one-on-one counselling services while upholding high standards for service delivery, confidentiality, and compassion.



Live Chat Feature.

2020 saw the implementation of a live chat feature on the CCDS website. With this live chat feature, CCDS was able to expand its delivery and outreach on a variety of services to online clients to fit their changing needs. This includes brief assessments, half-hour appointments, and email counselling when requested.



Webinars.

Our Education Department played a crucial role in CCDS' community outreach in 2020. Through the facilitation of webinars, the CCDS team provided financial literacy tools, resources, group counselling, and “face-to-face” credit education virtually. Even before the COVID outbreak, CCDS had begun to shift the dissemination of educational programs through a digital interface, dedicating more resources to improving how we impart credit education to all Canadians.

These online teaching opportunities proved to be an invaluable way to eliminate the physical barriers keeping Canadians across the country from accessing the knowledge they needed to improve their financial lives.

Adaptability of Partnerships

CCDS also adapted its partnerships with other organizations and financial institutions to deliver critical resources to Canadians in need. Much of CCDS' funding and partnership resources were redirected to support the digital delivery of educational programs and credit counselling services, which also led to the establishment of a new credit education brand.

This adaptability with new and existing partners assisted in the creation and expansion of several key programs. For example, our team evolved Credit Education Week Canada (CEWC) from a week-long event into an annual program — developing year-round initiatives to provide digital educational resources to Canadians, including a dedicated webinar series.

The CCDS team is proud to work with a large and diverse group of partners to deliver vital educational resources and support to our clients.

Adaptability of Future Expectations

The outbreak of COVID-19 was a massive disruption to everyone — including the CCDS team. The pandemic changed the way people think about their financial wellbeing and how they seek debt relief services. The so-called “new normal” drove Canadians to seek financial services online in unprecedented numbers due to the health risks posed by in-person counselling as well as the resulting rolling lockdowns.

Additionally, the increase in payment deferrals from creditors and income supports provided by the federal government shined a light on the uncertainty experienced by Canadians across the country. The uncertainty surrounding the continuation of financial support and the deferment of bills for rent, loans, and other financial obligations — especially during the transition from pandemic to post-pandemic conditions — meant that CCDS had to continuously update and adjust expectations for our clients’ needs.

The alignment of the financial industry and the government showed a shared goal of helping the most vulnerable Canadians develop financial resiliency during the pandemic.

Throughout 2020, we witnessed a period of time where there was complete alignment between both the financial sector and the government to help Canadians.

The 2020 pandemic emphasized the key role that organizations like CCDS play in helping Canadians manage their financial wellness during a crisis. Our team is proud to have helped thousands of vulnerable Canadians make the transition to improve their financial wellbeing during the crisis and prepare for the eventual economic recovery of the country.

We look forward to many more years of helping Canadians improve their financial health and wellness by transforming the way they use credit.



Clients Served

2020 Breakdown



11,790

1:1 Counselling
Sessions



3,428

Triage Counselling
Sessions



1,888

Live Chats



644,778

Website Visits



208

Webinars



3,979

Webinar Attendees



7,363

Tool Downloads



18,282

Debt Calculator
Visits



452,983

Blog Views





2020 Partnerships

The CCDS team is proud to work with many partners in the financial sector and beyond to deliver top-quality services and support to our clients. Every year, we cultivate new partnerships and expand existing ones to better serve our clients and promote credit education and financial wellness for every Canadian.

Some of the partnerships we are especially proud of from 2020 include:



Red Cross

In 2020, the Canadian government committed \$350 million to help community organizations serve vulnerable Canadians during the global health crisis. Red Cross was one of the community agencies the government selected to distribute and manage the Emergency Community Support Fund. The grant program included support for non-profit organizations to receive training on the prevention of disease transmission as well as personal protective equipment (PPE).



Red Cross (Cont.)

CCDS applied under the grant program that supported Canadian non-profits' direct service delivery to those who were most vulnerable to the health, social, and economic impacts of COVID-19. We worked with Red Cross during the application process to help address the social inclusion and wellbeing needs of vulnerable groups—delivering critical community-based support to people throughout Canada.

By working with Red Cross, CCDS was able to expand its existing budgeting workshops into webinars that focused on different budgeting and money management strategies for dealing with the financial impacts of COVID-19. These webinars were also made available for viewing on-demand to accommodate all Canadians coast-to-coast.

Red Cross also helped expand our COVID-19 Financial Resource Centre between August 2020 and February 2021. With their generous support, we were able to help many Canadians cope through the challenges of the global pandemic.



Capital One

CCDS' long-standing partnership with Capital One dates back to 2007, when Credit Education Week Canada (CEWC) was first established as a week-long program to help expand and enhance credit education for all Canadians. Since then, CEWC has grown into a national event and precursor to Financial Literacy Month held every November. As CEWC evolved, so did our unique partnership with Capital One, and our dedication to promoting financial literacy has been going strong for over a decade.

As the Platinum Sponsor of CEWC for the last 13 years, Capital One has helped steer many of the program's premier events. This includes the Grade 12 Essay contest where students were awarded scholarships between \$500 and \$5,000 for their post-secondary education, as well as a 60-page magazine containing helpful tips from Canada's leading financial experts.

In 2020, Capital One helped expand CEWC from a week-long event in November to an all-year-round initiative focused on supporting Canadians as they managed the financial impact of the pandemic. Together, we were able to provide Canadians up-to-date and timely information on how to manage their debt and credit through a crisis, and how to set themselves up for financial success in the months ahead.

We are proud to work with Capital One as we continue to support Canadians' financial health, including how to manage credit wisely. We look forward to many more years of helping Canadians gain the tools, knowledge, and skills they need to achieve their financial goals and wellness.

DUCA Impact Lab

The DUCA Impact Lab (DIL) is an organization that is developing a model to provide access to fairly priced credit products for individuals with a lower credit rating. Normally, these individuals would be denied affordable credit services using traditional risk assessment criteria.

DIL partnered with CCDS to pilot one of their key initiatives, offering a low-cost consolidation loan (referred to as an Escalator Loan) for eligible clients that will help with the repayment of high-interest debt, such as payday loans. The Escalator Loan allows CCDS' clients to avoid high-interest credit products that can often make their debt repayment even more difficult (prolonging their indebtedness to lenders).

Our Escalator Loan clients are supported with online budgeting tools through CacheFlo — a behavioural cash flow money management digital interface — that:

- » Helps them control their spending;
- » Sends motivating incentives throughout their loan repayment term; and
- » Works closely with their Credit Counsellor to help clients stay on track with their payments and goals.

Together with DIL, CCDS hopes to change the world of borrowing and debt refinancing to ensure fair financial services are available to all Canadians.





Acquisitions Made by Credit Canada

In addition to our partnerships, CCDS also made several acquisitions of credit counselling programs in 2020. These acquisitions helped the CCDS team improve our ability to service the financial wellness needs of Canadians living in Ontario. Some of the notable acquisitions that CCDS made in 2020 include:

» **January 3, 2020**

Acquired credit counselling program from
Community Counselling Centre of Nipissing.

» **March 3, 2020**

Acquired credit counselling program from Family
Counselling Centre of Brant.

» **April 15, 2020**

Acquired credit counselling program from
Employment and Education Centre in Brockville.

» **September 1, 2020**

Acquired credit counselling program from
Financial Fitness Centre Windsor/Sarnia.



Educational Programs

In 2020, CCDS embraced the use of digital education to ensure our clients and community partners had access to resources and information on improving their financial resilience when facing a crisis. Online educational tools allowed the CCDS team to continue delivering program materials to Canadians across the country during the height of the pandemic. This included reaching Canadians living in more remote areas that would have been underserved, even without the health crisis closing local offices.

Some of the highlights of CCDS' educational efforts in 2020 include:

Financial Literacy Month

As part of Financial Literacy Month 2020, CCDS provided a three-part webinar series at 2-week intervals titled *Debt Management Planning in the Wake of COVID-19* to help Canadians take control of their bill payments and other money management issues following the pandemic's initial economic impacts.

Each webinar of the three-part series was offered live at different times of the day (12:00 PM ET, 4:00 PM, and 8:00 PM ET). They were also subsequently offered as on-demand recordings and made available via CCDS' online COVID-19 Financial Resource Centre.



Financial Literacy Month (Cont.)

These webinars helped arm Canadians with important information surrounding the financial difficulties they faced, income supports they could use, and how to prepare for the eventual recovery of the economy after the pandemic. The first webinar provided a look at some of the general options Canadians have from a Credit Counsellor's point of view. The second webinar looked at specific "hardship" options, and the third webinar in the series provided a roadmap back to financial health and good credit after the pandemic.

Credit Education

The CCDS team expanded Credit Education Week Canada from a single week event into a year-round effort. Key initiatives in the year-round education program included our *Talking with the Experts* webinar series and the *Debt Management Planning in the Wake of COVID-19* webinar series previously mentioned.

Our *Talking with the Experts* webinar series ran from April to September 2020. The series provided a forum for vulnerable Canadians and CCDS clients to hear from leaders, organizations serving the public, and recognized experts on a variety of topics related to coping with the financial impact of COVID.

Some of the expert speakers who participated in the series included:

- » Ana Bailao, Deputy Mayor, City of Toronto
- » Catherine Thompson, Sales Operations Team Leader, Options for Homes
- » Darlene Vilas, Mortgage Broker, The Mortgage Centre
- » Glenna Harris, Manager of Learning & Training, Prosper Canada
- » Julie Kuzmic, Director of Consumer Advocacy, Equifax Canada
- » Katrina Gordon, Real Estate Sales Representative, Century 21
- » Lisette McGann, Account Manager – Client Relations, Canada Mortgage and Housing Corp.
- » Luke Connell, Executive Director, SmartSAVER / Omega Foundation
- » Nilanka Boteju, Staff Lawyer, Downsview Community Legal Services
- » Otis Mushonga, Manager of Programs and Services, ACCESS Community Capital Fund
- » RuthAnne Corley, Senior Stakeholder Engagement Officer, Financial Consumer Agency of Canada
- » Sinead McCarthy, VP of Development, Programs and HR, Youth Employment Services (YES)
- » Stephanie Holmes-Winton, CEO & Founder, CACHEFLO
- » Suzanne Tyson, CEO & Founder, HigherEdPoints
- » Tanya Loor, Financial Empowerment Worker, Jane Finch Community & Family Centre

In addition to the webinars featuring experts, CCDS hosted numerous other webinar series to help improve credit education. Some examples include:



Basic Budgeting. Webinars designed to help Canadians master the art of household budgeting so they can better manage their debt.



Finances in Tough Times. A series on the challenges presented by COVID and other potential situations that can create hardships for Canadian households.



Finances for Young Adults. A series on how younger Canadians can take control of their finances and avoid potential debt pitfalls that could negatively impact their futures.



Debt Management Planning. Lessons to help Canadians plan for paying off their debt, including the pros and cons of several debt management strategies.

Working with Other Agencies

CCDS also provided support to community organizations that were in the process of delivering digital educational resources to their clients. We are proud of their work as they quickly mobilized their services online to help those who needed it most, especially throughout the pandemic.

Our prior experience in beginning to launch our own online educational programs in the years leading up to 2020 proved to be a significant factor in our ability to assist.



Operations

CCDS, like many other organizations, was forced to significantly modify its operations in 2020 due to the pandemic. Our number one priority during this time was to ensure the safety of our staff and our clients while maintaining strong service and support.

CCDS was able to rapidly adapt the workplace to accommodate the need for remote work and remote meetings with clients. At the onset of the pandemic, CCDS transitioned the majority of staff to a remote work (i.e., “work from home”) strategy. This allowed CCDS to maintain a minimal presence at its offices while still providing a high level of service to clients.

Our policies and procedures were in alignment with public health standards and laws as outlined by the federal and provincial government.

The acquisition of Financial Fitness Windsor also helped us improve our operations. By taking on two of the group’s Counsellors, CCDS was able to establish a presence in the Windsor/Sarnia community and leverage the priceless experience of staff who had worked with the local community for years.





Our Credit Counsellors also underwent extensive training throughout 2020 to sharpen their skills and help them better aid our clients. Some of the training programs the CCDS team took part in included:

- » The LIFT Ethics Program
- » Epilepsy Toronto
- » Ontario Energy Board Updates
- » Relationships and Money training
- » Motivational Interviewing
- » GTA Legal Symposium — CERB and EI Changes and Workers' Rights During COVID-19
- » Navigating Credit Files (with TransUnion)
- » Probate, Wills, and Estates training
- » Consumer Debt and Financial Vulnerability Among Low and Moderate Income Households in Canada



Communications and Public Relations

To expand the CCDS brand and help more Canadians throughout the year, our team engaged in extensive marketing and communications campaigns. These efforts generated a significant number of media impressions and drove traffic to our website.

Some of our more notable public relations (PR) initiatives in 2020 included:

Survival Guide Study

The 2020 Survival Guide Study PR campaign launched in May. The study was released to benchmark the threats and realities of how crisis-proof Canadians are in terms of their financial lives and how Canadians fare when faced with a financial setback.

Two-in-three respondents (66%) said job loss or reduced income would (or already had) caused them a severe financial crisis. Meanwhile, more than half (53%) said a health/mental health crisis had the potential to trigger financial turmoil.

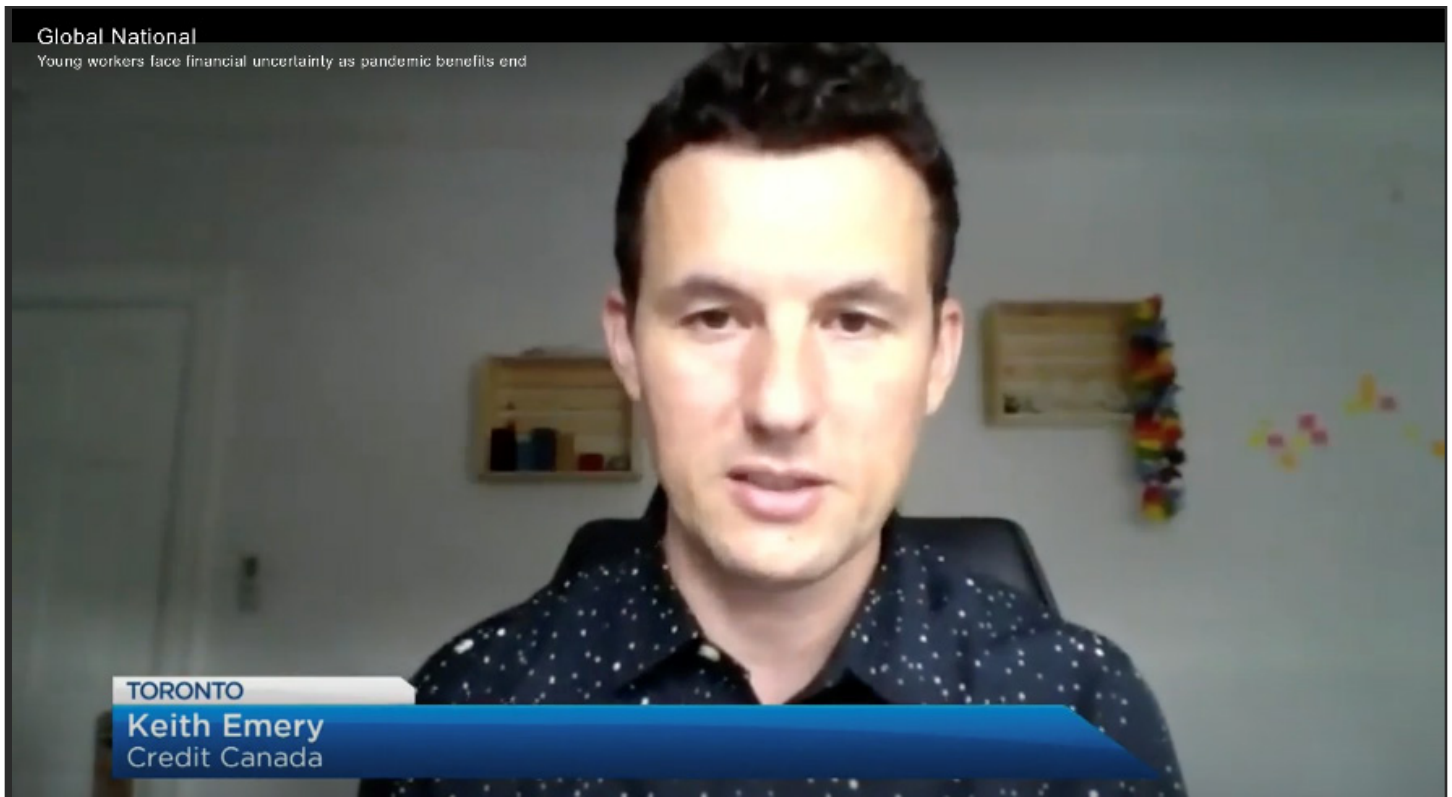
The campaign garnered a total earned media reach of 31,777,200 impressions through 55 articles/media mentions in radio, broadcast TV and online media outlets. Campaign highlights included broadcast TV interviews with CTV News Consumer Alert and CP24.



Students Face a Perfect Storm

In September 2020, CCDS launched a PR campaign that offered guidance to students struggling to manage their debt: Students Face a Perfect Storm. The Canada Student Loans payment deferral period was ending, which meant approximately one million borrowers would need to resume payments on their federal student loans, adding to the immense financial pressure millennials were already under.

The campaign acquired 256 articles/media mentions in radio, broadcast TV and online media outlets, generating a total earned media reach of 13,948,249 impressions. Campaign highlights included a Canadian Press interview that was syndicated 150 times.

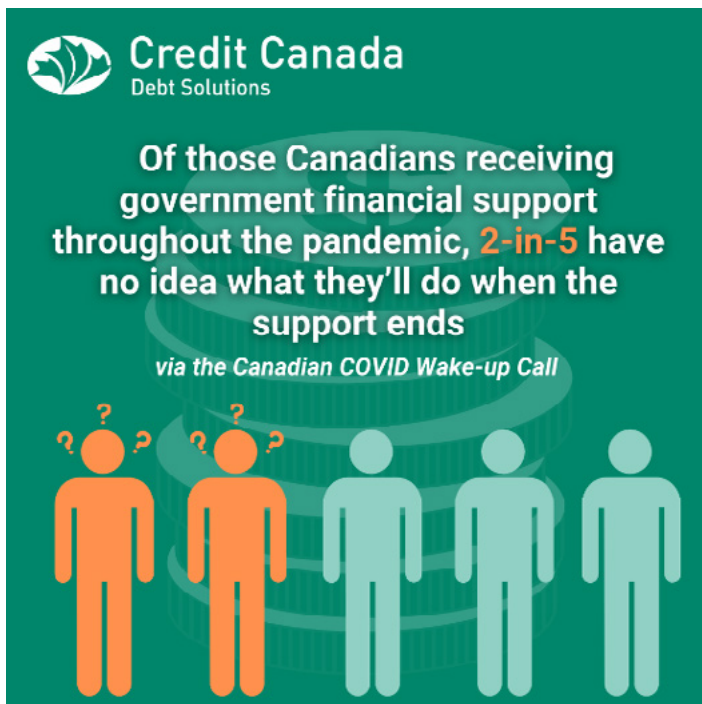


Canadian COVID Wake Up Call

In October 2020, CCDS released the Canadian COVID Wake Up Call survey. The study revealed how many Canadians were taking a wait-and-see approach to managing their debt and other financial issues during the pandemic — leaving them especially vulnerable when government support and payment deferrals fully come to an end.

The poll found that of those Canadians receiving assistance, two-in-five (39%) have no idea what they'll do when the support runs out. Overall, one-in-four Canadians (24%) had used income supports (government assistance, CERB, CRB, EI, etc.) and one-in-10 (9%) used payment deferrals (car, mortgage, rent, lines of credit, credit cards etc.) due to COVID-19.

When asked how they planned to address their personal finances once income supports and payment deferrals have ended, one-in-10 indicated they would turn to traditional borrowing, including family loans, bank loans, and credit cards.



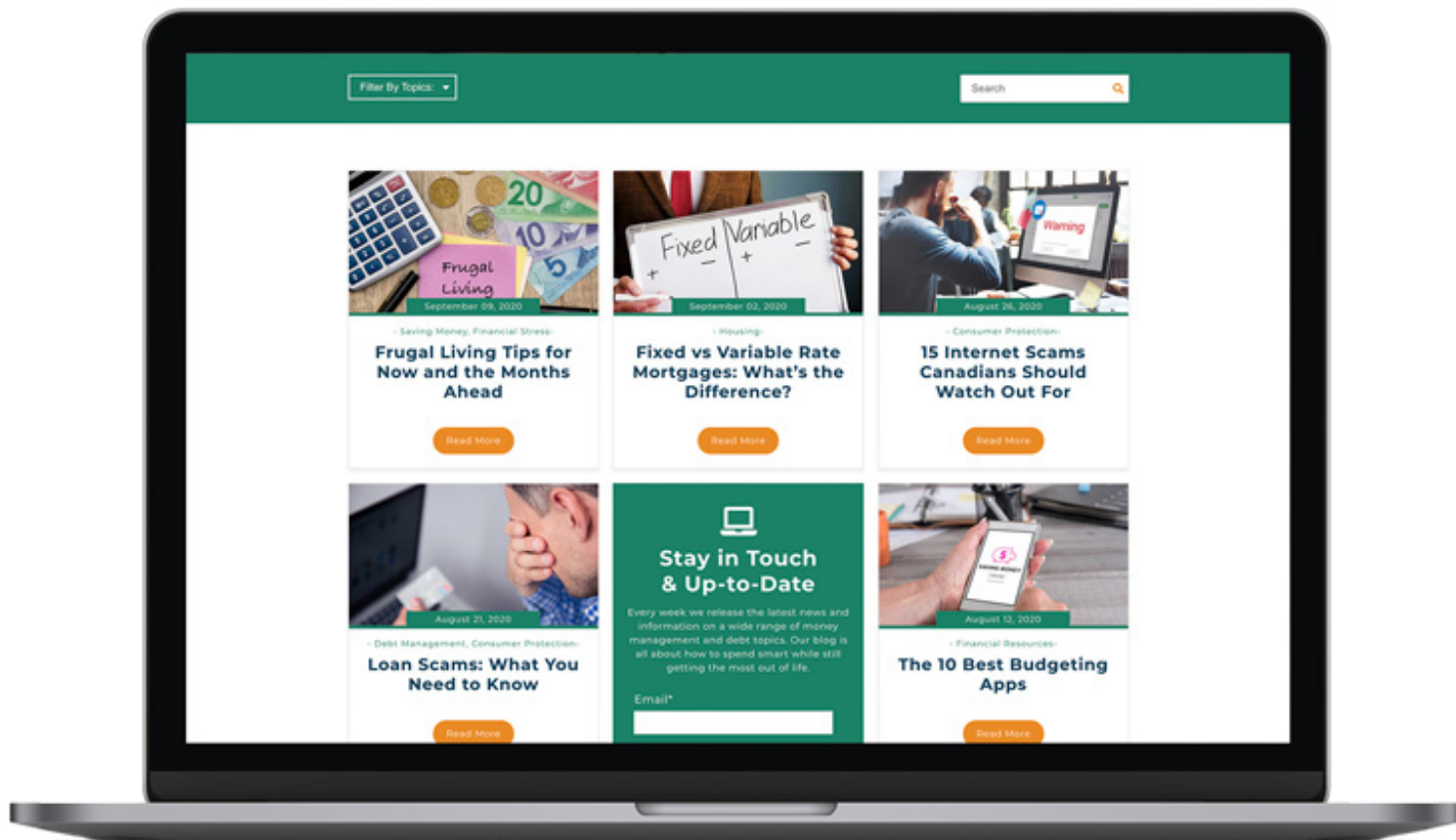
The campaign garnered a total earned media reach of 23,619,750 impressions through 149 articles/media mentions in radio, broadcast TV and online media outlets. Campaign highlights included CBC syndicated interviews.





2020 Media Coverage Information

	# of Articles/ Mentions	Reach/ Impressions
Radio	704	52,274,388
Print	13	2,431,210
Broadcast	267	73,838,850
Online	640	150,827,629
Opinions/ Editorials	28	4,253,811
Total	1,652	283,625,888



The Credit Canada Blog

To help keep the Canadian public informed about credit education, money management, and debt relief topics throughout 2020, the CCDS team published numerous blogs. During 2020, CCDS' blog averaged more than 35,000 views a month with a total of 452,983 views for the year.

These blogs helped answer common financial questions such as:

Will I need to pay back CERB and what to do if I do?

Is it smart to pay my credit card debt with a line of credit?

Do I need to pay off my debt during COVID?

They also served to provide tips on debt management and repayment options to help Canadians take control of their household budgets and bill payments.

Online Videos



In 2020, CCDS released its first animated video which described what a client can expect when they book a free Debt Assessment with us and choose to work with our dedicated team.

The goal of the video was to convey the level of comfort, ease, acknowledgement, reassurance, and support a client receives when working with our certified Credit Counsellors. The video describes how working with CCDS is like having a best friend helping you through your financial struggles — albeit one who just so happens to be an expert in credit and debt management.



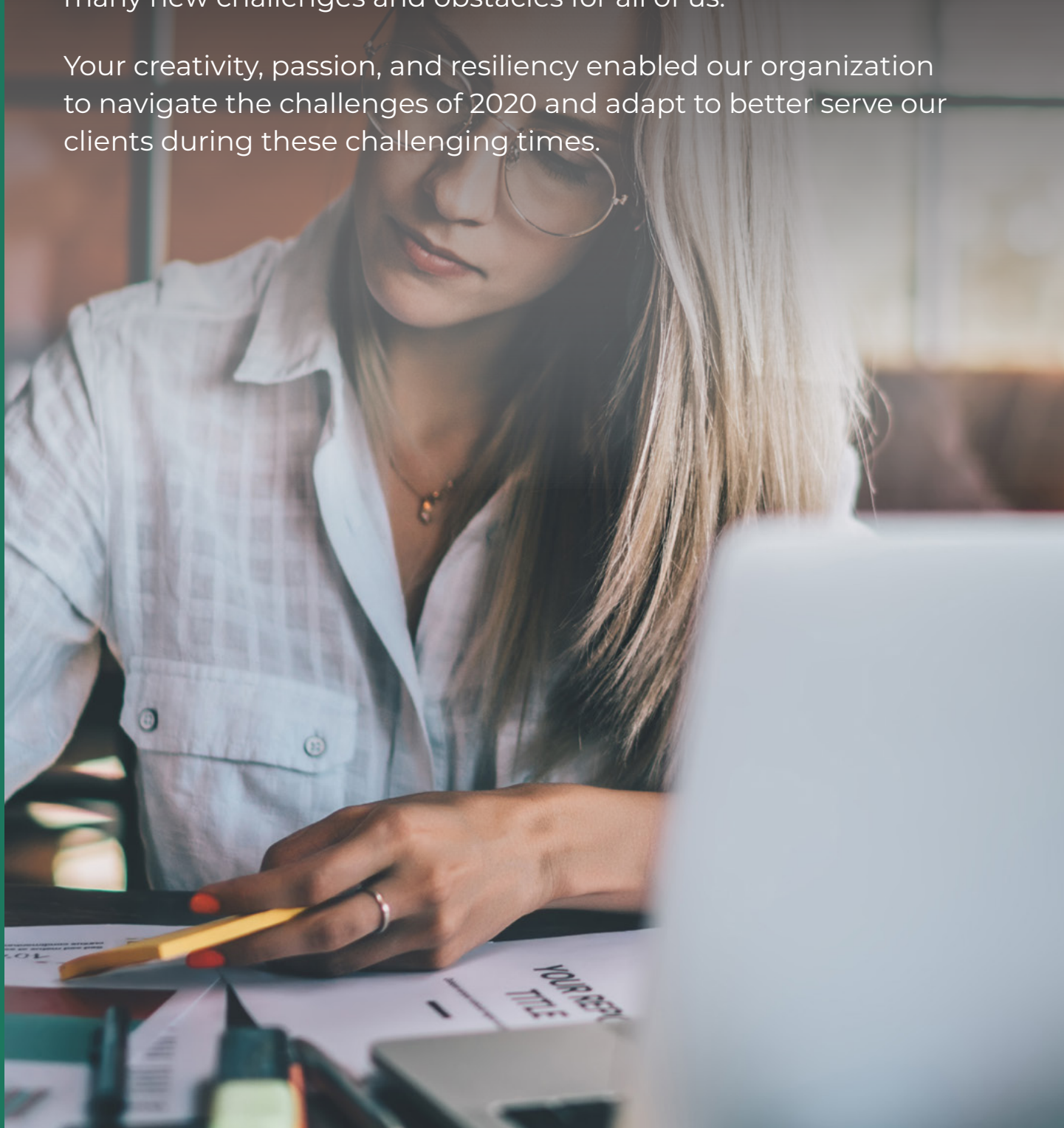
CCDS Credit Counsellors understand that speaking openly about money, debt, and other financial issues (especially with a stranger) can be difficult, so our team wanted to remove that obstacle by providing a warm welcome and describing a service that ultimately makes people feel better. We also wanted to provide positive reinforcement through our videos, congratulating and reassuring viewers for taking control and seeking support.

Anyone dealing with debt issues is already experiencing enough stress and doubt. In light of this, we wanted to emphasize how personable, accessible, and non-judgmental our debt services are and for clients to feel relaxed and secure in the knowledge that there are real solutions to their worries. Our animated video helped personify the friendly face to help make them feel comfortable looking for assistance.

Note of Thanks from the Board

CCDS' Board of Directors sincerely thanks all management and staff for their hard work, dedication, and professionalism throughout all of 2020. We understand that this year presented many new challenges and obstacles for all of us.

Your creativity, passion, and resiliency enabled our organization to navigate the challenges of 2020 and adapt to better serve our clients during these challenging times.



Board Chair's Letter

Helping Canadians Build Financially Healthy Lives

2020 was a challenging year for Canadians — one that put CCDS' long-standing reputation for service excellence and dedication to supporting our clients to the test. The impact of the COVID-19 pandemic on the global economy and on millions of working Canadians cannot be overstated.

Despite the increase in demand for credit counselling services caused by the closure (both temporary and permanent) of Canadian businesses due to COVID, our staff rose to the challenge and helped thousands of Canadians improve their finances. By educating Canadians on managing their money and counselling individuals struggling with debt payments, the CCDS team was able to improve the financial well-being of Canadians and their families across the country.

I am personally grateful to the organization's management and staff for overcoming the challenges of 2020 and helping CCDS achieve its goals of assisting Canadians through some very trying times — and doing so while maintaining the compassion, care, and commitment needed to ease their hearts and minds.

From myself and the Board of Directors, we all offer a most sincere and heartfelt “thank you” to all the Credit Counsellors, managers, and other staff members who made our successes in 2020 possible.

Sincerely,

Jonathan Goodman

Board Chair