

ATB Financial™
Corporate Social
Responsibility Report
2011



CELEBRATING ALBERTA'S STORIES

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Our Corporate Social Responsibility Policy is the foundation on which ATB is building a high-performance, principled organization.

Corporate Social Responsibility and ATB

Corporate Social Responsibility—CSR. It sounds like one of those business “buzzword” acronyms that get thrown around offices. A big term that doesn’t mean much to the average person. In reality, corporate social responsibility is about the little things that add up to big results, both within the day to day lives of ATB associates and customers and, in a broader sense, within the communities we serve.

ATB has made these elements of CSR a priority, whether it’s through sponsoring a charity or helping a community build a recreation centre to enrich the lives of its citizens. It might involve supporting existing businesses, both small and large, rural and urban, or developing programs to ensure our children will grow up to be financially savvy adults that further strengthen our economy.

Being a socially responsible financial institution isn’t in conflict with being a profitable one. In fact, the two go hand in hand. Being socially responsible *is* good business and it lines up perfectly with our three strategic goals: to be number one in every market we choose, to be *the* place to work, and to be loved and respected by Albertans. We want to be Albertans’ financial institution of choice. We want them to be proud to be our customers and see that we care not only about their financial security, but also about the wellbeing of the communities they live in. Similarly, we want our associates to be proud to work for ATB. By being known as *the* place to work, we will hold on to our already stellar workforce and also attract new talent, ideas, and energy, which will further aid us in being number one in every market we choose. Whether it is in business, the workplace, or the communities we live and work in: simply put, our goal is to be the best.

What you will see throughout this report is that CSR is not a second thought to ATB and its associates. Being a socially responsible organization is a source of pride. The creation of our first CSR report not only allows us to showcase and highlight the good work we’ve been doing for years, but will also help us identify, monitor and develop new ways to better improve our CSR record and reach our goal of being both a leading Alberta organization and a supportive, responsible member of Alberta’s communities.

In this report, we have selected four key areas of CSR: Economy, Workplace, Community, and Environment.

Economy

Economics is what we do best but it’s not just about making money. ATB is positioned to play a key role in strengthening Alberta’s economy. We have a strong commitment to serving business in all sectors, including agriculture and independent businesses. We take pride in our work in Alberta communities.

Workplace

Our workplace is what makes our associates proud to work for ATB. We are ranked as one of the best places to work in Canada. We encourage educational development and leadership skills that make our associates stronger employees and offer a flexibility that allows our associates to balance their work and personal lives. We also support the volunteer and personal causes that our associates champion in their own time.



Jake Thiessen, Two Hills Mennonite School, Two Hills

Community

For ATB Financial, it’s more than just writing a cheque. We sponsor and donate to dozens of programs, events and charities that enrich the lives of Albertans and try to find ways to get involved. This extends to large, established Alberta organizations like the Edmonton Oilers and the Stollery and Alberta Children’s Hospitals, as well as to the smaller, grassroots causes that make such a huge difference in the wellbeing of Albertans.

Environment

Finally, ATB is making environmental stewardship an ongoing goal. We endeavour to reduce our carbon footprint and lower our energy consumption. Being a socially responsible organization means striving to reduce our impact on the environment.

Throughout this report you will notice many works of art: small masterpieces that were created by Grade 4 students from across the province. As part of our commitment to celebrating Alberta’s stories, we held the first ATB Financial Young Artists Competition in the spring of 2011, from which we selected several of the winners to showcase here.

Introduction

This report shows the many faces of Alberta—both people and landscapes—that make this province great. You'll find your neighbours and business associates. You'll hear about your community and your province. You'll see masterpieces created by grade four students who call Alberta home and will one day be our leaders. These are the stories that drive ATB Financial to push the boundaries of corporate social responsibility (CSR).

We have always been committed to Alberta; formalizing CSR allows us to take that commitment further, raising the volume to celebrate the stories of the people we are proud to work with, serve, and support. We passionately believe that we can make a difference.

We operate only in Alberta, so we're unique in being able to genuinely tell Alberta's stories, as we do on wearealberta.ca, a website that tells the stories of ATB associates and customers who have done remarkable things, Alberta causes and events supported by ATB, and made-in-Alberta competitions. People are encouraged to tell their own stories, too. It's a conversation, really, about how we can all reach for bigger dreams.

ATB was created 73 years ago, in the darkest days of the Great Depression, to serve Albertans. We were a home-grown alternative, striving to know and understand this province better than anyone, and to support it regardless of whatever economic cycle was buoying or ravaging Albertans.

We can do that by aspiring to be as expert and sophisticated as any big bank, and as caring and connected to your community as any small business. We want to be regarded as the place to work in the financial industry.

And we want Albertans to be proud. Proud that they own a \$27-billion organization with exceptional governance and a thoughtful business plan that will see us grow, improve, and innovate. Proud of the myriad ways ATB gives back to the 242 communities where our more than 5,300 associates live and work.

ATB Financial: An Alberta Story

We started with one small branch in Rocky Mountain House. Today, ATB Financial (ATB) is the largest Alberta-based financial institution, with assets of approximately \$27 billion, over 5,300 employees (called "associates"), net income of \$198.5 million, and total revenue of \$1.1 billion.

ATB was established in 1938 as Province of Alberta Treasury Branches and has been a provincial Crown corporation since 1997. ATB serves more than 680,000 Albertans in 242 communities through 167 branches and 130 agencies, telephone and Internet banking, a Customer Contact Centre, and 270 automated banking machines. 189 of our 297 branches and agencies are operated from rural communities and we are the sole financial institution in more than 100.⁵

ATB operates through our head office in Edmonton, Alberta, and our four lines of business are:

- Retail Financial Services
- Independent Business & Agriculture
- Investor Services
- Corporate Financial Services

ATB built two new branches this year, Medicine Hat Northlands and Sylvan Lake; relocated and expanded Lethbridge Paramount and Red Deer North Gaetz Avenue; and expanded Lacombe and Lloydminster. No branches were closed during the year.



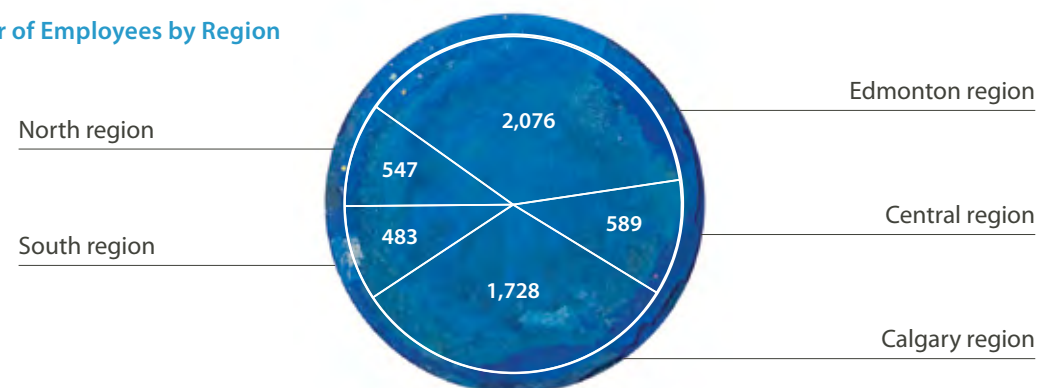
One of downtown Lethbridge's most prominent and recognizable landmarks, the old Paramount Cinema is now home to ATB's newly expanded Lethbridge Paramount Branch, preserving this important piece of Alberta's history. Photographer: Michael Warf

Honours and Awards

In 2010–11, ATB received the following honours and awards:

- Named one of Canada's Top 100 Employers (Mediacorp Canada Inc.)
- Named one of Alberta's Top 50 Employers (Mediacorp Canada Inc.)
- Named one of the 50 Best Employers in Canada (Aon Hewitt)
- Named one of Canada's Top Employers for Young People (Mediacorp Canada Inc.)
- Received the Edmonton Mayor's Award for Innovative Support by a Business for the Arts, for the 2010 ATB Financial Untapped Alberta concert series
- Received the Dan H. Minchin Award for outstanding community service (from the Grande Prairie and District Chamber of Commerce), in large part due to ATB's sponsorship of the Grande Prairie Street Performers Festival
- Received an international Communitas Award for Excellence in Community Service for a Company-Sponsored Volunteer Project (from the Association of Marketing and Communication Professionals), for the 2010 Teddy for a Toonie fundraising campaign

Number of Employees by Region



⁵ "Rural communities" includes non-urban areas with a population of less than 10,000 and where less than 50 per cent of employed individuals commute to a Census Metropolitan Area or Census Agglomeration. (Source: "Rural and Small Town Alberta Aboriginal Identity Population," Government of Alberta Office of Statistics and Information, last modified March 2010, <https://osi.alberta.ca/osi-content/Pages/Factsheets/RuralandSmallTownAlbertaAboriginalIdentityPopulation.aspx>.)

A Message from ATB's President and CEO, Dave Mowat



There are lots of different ways of describing “corporate social responsibility” and what it means for an organization. A strong sense of doing what’s right for our province, for communities, for people who need our help, has been engrained in our DNA since ATB was first created back in 1938. Whether that’s sticking by Alberta businesses, farmers and ranchers through the inevitable ups and downs of Alberta’s economy, helping make communities great places to live, lending a helping hand when people need it, or doing our part to reduce ATB’s impact on our environment, all of these things are part of our overall approach to corporate social responsibility. We do these things because that’s the kind of company we are. It’s what our associates expect, it’s what our customers expect, and it’s what communities have come to know and love about ATB.

We also don’t view corporate social responsibility as an add-on – something we do at the end of the day after we’ve taken care of the banking side of our business. Our actions to become a responsible and sustainable organization are directly linked to ATB’s three strategic goals: to be number one in every market we choose, to be THE place to work, and to be loved and respected by Albertans.

Throughout this report, you’ll read about stories, information and measures describing our performance in four key areas of corporate social responsibility: economy, workplace, community and environment. Our actions in each of these four areas contribute directly to our three strategic goals.

In relation to the economy, people who live, work or own a business in Alberta know that we are fortunate indeed to live in a prosperous province with so many opportunities ahead.

This is ATB’s first corporate social responsibility report, and I want to begin by thanking all the associates at ATB who have not only helped prepare this report but worked so hard every day to maintain ATB’s deep connection to communities across the province. They are the names and voices and energy behind so many of the stories you’ll read about in this report. They are the countless people across our organization who believe not only in providing our customers with outstanding service – they believe we can make a positive difference for communities and for our province.

ATB’s commitment to corporate social responsibility begins with a bold dream: We’re changing our world by putting people first and making dreams come true. And it runs through our strong belief that through countless small steps, we truly can change our world.

ATB Financial locations across Alberta

Edmonton

Calgary

At the same time, we know how volatile Alberta's economy can be and that's why we pride ourselves on understanding our customers, sticking by businesses and agriculture producers through the inevitable ups and downs they experience, and being there for the long term. With that perspective, our goal is to be number one in every market we choose. Measures will be in place to assess and report on our progress in achieving that goal. Our business plan focuses on serving the needs of our customers through four strong lines of business: Retail Financial Services, Independent Business & Agriculture, Corporate Financial Services, and Investor Services. Work will continue on building strong relationships and expanding markets within each of those lines of business, maintaining strong lending practices, continuing to support independent businesses, agricultural operations, and corporations, and maintaining a strong branch and agency network to bring financial services close to Albertans. In addition, plans are in place to expand our focus on financial literacy and increase the number of Junior ATB programs in schools across the province.

In terms of the workplace, every company talks about being a great place to work. But too often, their lips move but their feet don't. At ATB, when we say our goal is to be THE place to work, we're determined to put those words into action. Through our annual engagement survey, we take the pulse on our associates' views about what it's like to work at ATB and, most important, we listen and take action on areas they identify for improvement. Looking ahead, we'll focus on improving leadership throughout the organization, expanding opportunities for training and professional development, building a new corporate wellness strategy, and continuing to provide a safe and healthy work environment.

Our strong commitment to communities is directly linked to our goal of being loved and respected by Albertans. We're a unique financial institution in Canada, owned directly by the people of Alberta. And we owe it to our owners to be a thriving, sustainable and successful organization.

Work is underway on a new reputation index to measure Albertans' views about ATB. At the heart of it is being relevant in our role of providing financial services in Alberta.

Being a financial institution that is "loved" is perhaps the highest bar in this report and really says it all on how we will operate. We will continue to increase our contributions to charitable causes and community sponsorships, support the volunteer efforts of our associates, assess the views of our customers and their loyalty to ATB, and expand our already successful community programs. We also plan to launch a new website – www.atbcares.com – that will allow Albertans to make donations to any registered charitable organization in Canada. This new site will make it easy for our customers and any Albertan to give to charities that are important to them, and ATB will contribute up to an additional \$25,000 to top up our customers' donations made to Alberta charities.

In terms of the environment, we've got work to do. We took the first big step of doing an independent assessment of our environmental footprint. Now we've set a goal of reducing our carbon footprint by 30 per cent. It's a bold goal and work is just underway. Short-term priorities include retrofitting branches to be more energy efficient, using technology like our successful ATB Connect initiative to reduce travel and still bring outstanding service to our customers, and tapping into the ideas of associates across ATB who are keen to help us develop a "green" culture at ATB. While progress has been slower than we would have liked, we now have a strong team in place and are confident things will move much more quickly this year.

As President of ATB, I'm continually amazed by the energy, ideas and willingness of our associates to step in and make a difference. In the past year, we've faced a number of challenges as an organization. Replacing our entire banking system has proven to be a more complex task than we imagined but, in spite of the fact that a significant number of our associates were taken out of their regular day jobs to work on this project, ATB's commitment to community events and causes

didn't suffer. Our employee engagement scores continued to improve at a time when our associates were busier than ever. We launched a new bursary program – the Youth Education Support program – for young Albertans who were once in provincial government care. We expanded our Junior ATB program and have ambitious plans in place to expand that opportunity to more schools across the province. We have an environmental sustainability plan in place with ambitious targets and a comprehensive set of actions to make sure those targets are achieved. We engaged talented young children across the province in a Young Artists Competition in partnership with the Art Gallery of Alberta. And, as usual, our associates put their hearts and wallets behind our major fundraising campaigns for the Stollery and Children's Hospitals, United Way and the Christmas Bureau.

Certainly, there are challenges ahead. Alberta's economy is definitely picking up steam again and forecasts are very positive. That means our lines of business will be working hard to support the growing financial needs of businesses and agricultural producers across the province. At the same time, international economic instability could have an impact on continuing prospects for growth in Alberta's and Canada's economies. Once our new banking system is in place, we'll begin the transition from building and implementing the system to achieving the full potential of the benefits the new banking system can provide. As an organization, our focus will continue to be on enhancing leadership across the organization, driving innovation so we can be first to the market on new services and new approaches to meet our customers' needs, improving our processes and efficiency as an organization, and digging even deeper to understand our customers' needs and use those insights to guide our business decisions. Our commitment to corporate social responsibility is woven throughout all of our plans and, in the coming months, we expect to "raise the volume" on ATB and make Albertans proud that they own a financial institution like ATB.



Caterina Mowbrey, St. Mary Catholic Elementary School, Edmonton

Producing this first corporate social responsibility report, and ensuring that it meets the Global Reporting Initiative Guidelines, is an important step for ATB. We've always known that we were a sustainable and responsible company – but reports like this give us an opportunity to share the stories, assess our results, and map our opportunities to improve against international standards.

Celebrating Alberta's stories is what ATB is all about. Every day there's a new story being written in one of our branches, at a community rodeo or local hockey rink, in one of our Junior ATB schools, at the Stollery or Children's Hospitals, and in countless organizations reaching out to help people in need. With all of those stories, ATB is proud to be there when people need us. That's what defines a responsible and sustainable company. That's what defines ATB.

Dave Mowat

Governance and Stakeholder Engagement

Our Board of Directors

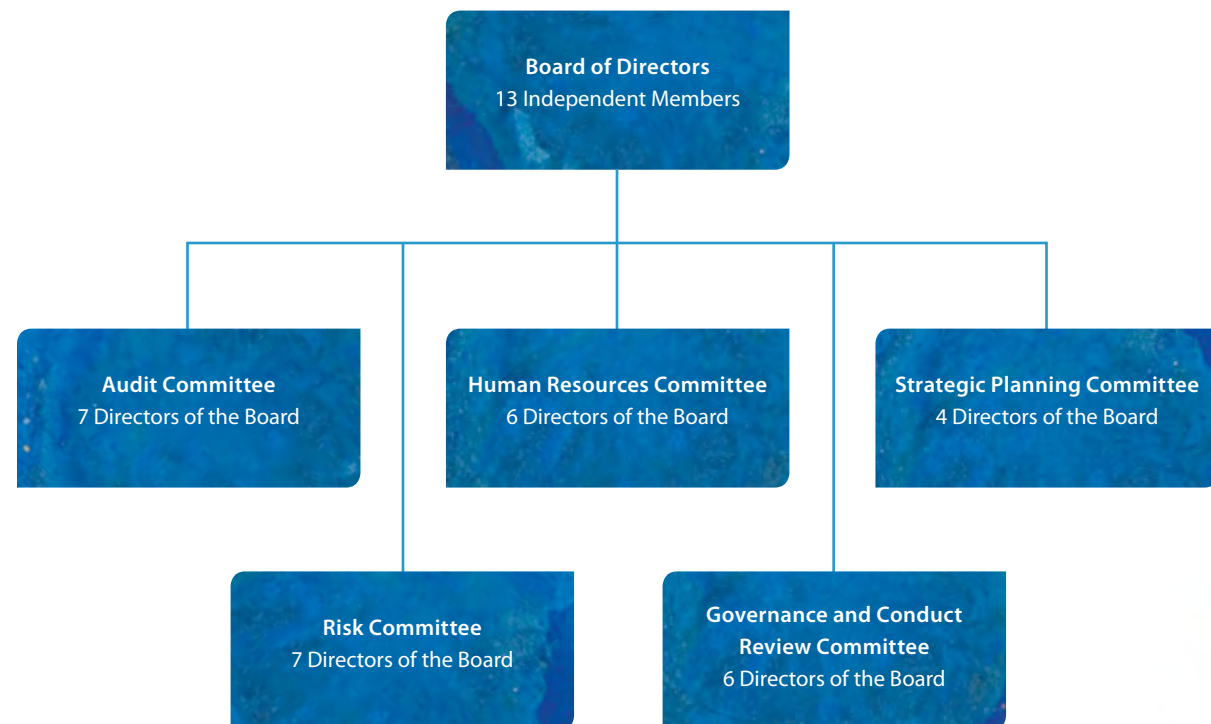
ATB is governed by a Board of Directors, with five formal committees:

- Audit
- Risk
- Governance and Conduct Review
- Human Resources
- Strategic Planning

ATB's board includes 13 directors who are independent, non-executive members. Every year the Governance and Conduct Review Committee reviews questionnaires

completed by the directors to determine independence, any related party matters, and potential conflicts of interest. This process ensures that directors are independent in character and judgement and that any circumstance that could affect the exercise of independent judgement has been disclosed and reviewed.

On the following page is a list of our Board members and the committees on which they serve. All committee mandates, compositions, and responsibilities are described at www.atb.com/pages/dev/aboutatb/atb_about_board.aspx.



Bob Splane
Chair of the Board
Risk
Governance and Conduct Review

Garnet Altwasser
Chair, Risk
Audit
Governance and Conduct Review

Doug Baker
Chair, Audit
Risk
Governance and Conduct Review

Jim Carter
Audit
Human Resources

Jim Drinkwater
Risk
Human Resources

Arthur Froehlich
Chair, Governance and Conduct Review
Risk

Patricia Glenn
Human Resources
Strategic Planning

Joan Hertz
Chair, Strategic Planning
Audit
Governance and Conduct Review

Linda Hohol (retired December 2010)
Chair, Risk
Audit
Governance and Conduct Review

Bern Kotelko
Human Resources
Risk

Colette Miller
Audit
Human Resources

Mike Percy
Audit
Strategic Planning

Wayne Wagner
Chair, Human Resources
Governance and Conduct Review
Strategic Planning

Our Officers

Dave Mowat
President and Chief Executive Officer

Bob Mann
Chief Risk Officer

Stuart McKellar
Vice-President, Legal and Corporate Secretary

Jim McKillop
Chief Financial Officer

Omar Rehman
Vice-President

Our Mandate

ATB is a Crown corporation with regulatory requirements similar to those of the chartered banks and credit unions. For more information on our mandate, please refer to the "Our Corporate Governance" section on page 44 of our **2011 annual report**.

Our Ethical Conduct

The Board sets the tone for ATB's commitment to honesty, integrity, and trustworthiness in the conduct of ATB's business operations. Annually, each director confirms his or her compliance with the Director's Code of Conduct and Ethics.

In 2009, the Board approved the new Code of Conduct and Ethics for associates which is founded on six principles:

1. Conduct yourself with honesty and integrity
2. Act objectively
3. Respect confidentiality and privacy
4. Honour your commitments
5. Behave in a professional manner
6. Uphold the law, rules, and regulations

Ethical issues are monitored by ATB's Ethics Committee, which also oversees the Code of Conduct training program for all associates and the annual confirmation of the compliance process. To further enhance the ethics process, the Board has approved the Safe Disclosure Policy. For more information on our Safe Disclosure Policy, please refer to page 45 of our **2011 annual report**.

Our Supervisory Framework

The Minister of Finance and Enterprise is responsible as supervisor for ATB. The powers of the Minister as supervisor include the examination of the business and affairs of ATB to ensure compliance with legislation,

to ensure that ATB is in sound financial condition, and to require ATB to implement any measure the Minister considers necessary to maintain or improve ATB's financial safety and soundness. For more information on our supervisory framework, please refer to page 46 of our **2011 annual report**.

Corporate Social Responsibility Governance

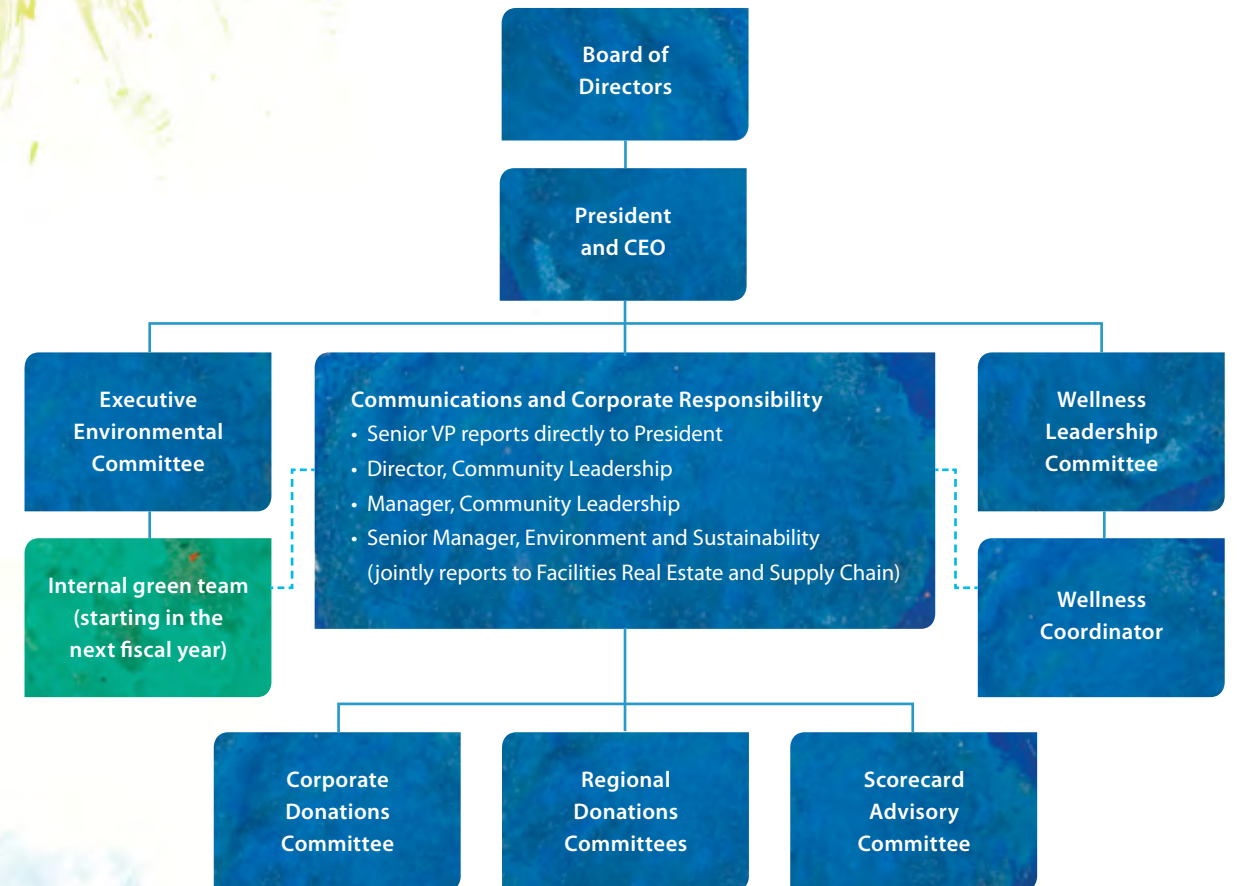
CSR is a key part of ATB's organizational strategy and is managed within the framework of internal control, governance, and risk-management. Our Corporate Social Responsibility Policy and report are reviewed annually by our Board of Directors.

The Senior Vice-President for Communications and Corporate Responsibility is responsible for all CSR activities at ATB and is a member of the corporate management committee. The diagram on the following page shows ATB's CSR governance structure.



'Outlaws' ATB district general manager Mark Baron and branch manager Marvin Beier are led to jail by 'sheriffs' (associates) Brody Nelson and Prabir Dey. The ATB Financial Round-Up at the Ponoka Stampede raises funds for Ponoka Victim Services.

Corporate Social Responsibility Structure



Corporate Donations Committee

The Corporate Donations Committee reviews and approves funding for donation requests at the organizational level, based on the principles and criteria outlined in ATB's Corporate Giving Approach. The committee is co-chaired by Peggy Garritty, Senior Vice-President of Communications and Corporate Responsibility, and Sandra Huculak, Director of Community Leadership.

During the next fiscal year, ATB plans to evolve this committee into the Community Leadership Advisory Committee. The new committee will provide direction and monitor progress for all aspects of our CSR program, including but not limited to corporate donations and fundraising.

Regional Donations Committees

Committees have been established in each of ATB's five regions to review and approve funding for donation requests at the regional level, based on the principles and criteria outlined in ATB's Corporate Giving Approach.

Scorecard Advisory Committee

Please see details about the Scorecard Advisory Committee in About this Report on page 52.

Wellness Leadership Committee

A Wellness Leadership Committee was established in spring 2011, with terms and policies to be determined in the summer 2011. The committee's executive sponsor is Jim McKillop, Chief Financial Officer. This committee will be responsible for establishing policies and providing direction for associate wellness. A project team has been established to support the committee.

Executive Environmental Committee

The Executive Environmental Committee is responsible for monitoring progress on environmental sustainability and ensuring ATB's environmental targets are met. The committee is co-led by Peggy Garritty, Senior Vice-President of Communications and Corporate Responsibility, and Stef Schiedon, Vice-President of Facilities, Real Estate, and Supply Chain. The committee has representation from across all of our lines of business.

Engaging Stakeholders

We define "stakeholders" as "any person/group affecting the daily operations of ATB." According to this definition, our stakeholders include our owner (the Province of Alberta), our regulator, our associates, and our customers. As a Crown corporation, we believe it is imperative to engage with all stakeholders that fall under this definition.

Feedback Mechanisms for Stakeholders

ATB engages with all stakeholders through a variety of channels:

Our Owner (the Province of Alberta)

ATB's Board Chair regularly reports to the Minister of Alberta's Ministry of Finance and Enterprise. ATB's CEO reports regularly to the Deputy Minister. The Minister can give direction and feedback to the CEO and Board during the annual business planning process.

Our Associates

ATB associates have many ways to make suggestions, to be more involved in decisions that affect their jobs, to seek solutions for what they consider to be an undesirable workplace situation, or to challenge or appeal decisions made by management.

Our annual engagement survey measures our associates' commitment to the company. We have always had high associate participation rates (84 per cent – 87 per cent) because our people care enough to actively participate and provide their input. They trust they will be heard and leaders work with the feedback to make ATB a better place to work.

ATB furthers our associate feedback processes through our Board approved Safe Disclosure Policy. Under this policy, ATB has arrangements with an external service provider who manages anonymous e-mail, telephone, and web-based complaints. All reported concerns are taken seriously and investigated fully.

ATB's Idea Sharing Forum is a voluntary online discussion and research forum for ATB associates. Here, they can share opinions and experiences, test or contribute ideas, solve problems and suggest solutions, or collect feedback about programs for our customers or associates.

Our President and CEO, Dave Mowat, has given all associates a "Dear Dave" email address to send questions straight to the top. Dave also visits as many branches as possible each year to spend time with associates, ask questions, and listen to their thoughts.

Leaders seek input from current, potential, future, and former associates—through engagement surveys, focus groups, and exit interviews—to gain insights so we can offer existing and future associates what they most value.

Our Customers

ATB gathers customer feedback through surveys, ATB's Customer Contact Centre (1-800-332-8383), ATB Online (atb.com), feedback brochures located in the branches, and focus groups.

Key Customer Stats:

- Customer loyalty – TRIM Score: 89
- % of Albertans⁶ who are ATB customers⁷ – 17.3%

Surveys

Retail Financial Services conducts transactional customer surveys six days a week throughout the year. Approximately 18,000 transactional surveys are collected and the results are distributed to associates and branches. Retail Financial Services also conducts annual telephone surveys about its overall performance.

Independent Business & Agriculture conducts an annual customer loyalty survey as well as a quarterly customer value proposition survey. Both are mailed to customers.

Corporate Financial Services conducts an annual telephone survey that usually generates about 200 responses.

Investor Services conducts an annual customer loyalty study by mailing a survey to every household serviced by a financial advisor, portfolio manager, or funds specialist. We receive about 4,000 completed surveys, and each advisor, manager, and specialist receives a performance scorecard.

ATB regularly uses customer focus groups to collect feedback on specific topics. These needs-based groups are set up to gather information from customers on specific topics or to ask for feedback about a specific marketing campaign. Retail Financial Services has the largest customer focus group with 2,500 people. Investor Services' focus group has 1,000 customers and Independent Business and Agriculture's focus group has 600 customers.

⁶ "Albertans" here refers to a member of the Alberta population having a permanent Alberta address.

⁷ In this context, "ATB customers" refers to all countable customers that have or are a joint account-holder on at least one active account. They include both retail and business customers.

Corporate Social Responsibility Overview

Our Commitment

ATB has always exemplified social responsibility. Corporate social responsibility (CSR) is thought of as good business and part of being a community. Today, we are more aware of and focused on CSR, trying to be more systematic about applying best practices and lessons learned from other companies in order to make a greater impact.

CSR includes a range of activities that encompass not only charitable giving and community leadership but also activities that contribute in broader ways to the well-being of society. While CSR supports the attainment of ATB's strategic objectives, it also makes the communities in which we operate better places and improves the lives of our associates, customers, and all Albertans.

Our Corporate Social Responsibility Policy is built on the values of integrity, customer focus, teamwork, and ownership. We are committed to maintaining the highest standards of corporate governance, and to conducting business in a respectable, open, and transparent manner—with our associates and our customers.

As a socially responsible company, we are also committed to environmental stewardship and to supporting our communities through charitable giving and community leadership. Transparency and accountability are key elements of CSR. ATB management is committed to preparing an annual report of activities that must be reviewed and approved and made available to the public.

ATB at a Turning Point

ATB has been working on launching a brand new banking platform, which means 2011 will be an exciting turning point for ATB as the system becomes operational. After several years of building and implementing this new system, ATB's focus will shift to optimizing it and converting its potential into real, tangible results.

The investment of time and resources in our new banking system, combined with new leadership and innovative approaches in each line of business, means we're on track to take ATB to the next level—maintaining all the strengths that make us classic Alberta for more than 680,000 Albertans, but, at the same time, using innovation, insights into our markets, elevated leadership, and sophisticated processes to up our game.

Our Business Priorities

ATB's vision is to change our world by putting people first and making dreams come true. Our priorities to achieve this over the next five years are as follows:

1. Leadership – Outstanding leadership is critical to our success. Initiatives include transforming and growing the role of branch managers; and revisiting and revamping as appropriate all of our processes for leadership recruitment and development.
2. Core – Successfully implementing the new banking system is only the starting point. We must leverage the system's capacity to improve services for our customers, improve productivity, drive innovative new business ideas, and grow our business.

3. Raising the volume – ATB is well known for our community involvement, but we have been “quiet” leading up to Core. “Raising the volume” on our reputation will help attract more customers, increase our market share, and make more Albertans proud to own ATB.
4. Innovation – Our goal is to be first to the marketplace with innovations that add real value for our customers.
5. Productivity and results – With new tools, broad reach, a strong reputation, and engaged people, we believe there is opportunity to achieve significantly better financial results, which will involve gains in productivity, market share, and controls on expense growth.
6. Regulation and compliance – We will continue to work closely with our regulator to ensure that ATB meets the same standards as other financial institutions.

Connecting Business and Corporate Social Responsibility

ATB's dream statement—our vision—says we are about changing our world by putting people first and making dreams come true. We plan to do that through our three bold business goals: Being number one in every market we choose, making ATB the place to work, and being loved and respected by Albertans.

ATB's business goals—which focus on our customers, our associates, and our communities—perfectly align with our CSR goals, because the efforts that make a business succeed are those very same things that need to be done to make it sustainable. To ATB, success and sustainability go hand in hand.

A sustainable company must be responsible. Customers don't want to do business with companies that are not responsible citizens. Being sustainable is about being profitable, being a good place to work, and being a good community citizen.



Brittney Delowski, Allan Johnstone School, Hardisty

Building Alberta's Economy

In 2010–11, ATB recorded a net income of \$198.5 million and increased performing loans by 4.2 per cent to \$25.1 billion.

Our deep understanding of our customers helps us ascertain the true risks and exposures, so we don't prematurely exit industries in a down cycle. By operating only in Alberta, we have a better understanding of local market dynamics, which allows us to help our customers survive and thrive here.

Part of this involves educating Albertans about our economy—helping explain the current global situation and how it affects Alberta, and forecasting economic trends. ATB's Economics and Research group gives over 100 economic presentations each year to external groups at ATB client functions, industry associations, and conferences, and to internal audiences.

They also provide online **Daily Economic Comments and Weekly Economic Bulletins**. Our economists are relied upon as experts by Alberta businesses and media across the country, and they have helped position ATB as the most knowledgeable financial institution on Alberta's economy.

"For the past three years, ATB has presented an economic forecast as part of our annual conference. Our delegates take that information back to their respective communities and businesses in order to help position them for future success. We value ATB's commitment to sustainable economic prosperity in the province and hope to continue our partnership in the future."

—Leann Hackman-Carty, Executive Director,
Economic Developers Alberta

ALBERTA
ECONOMY
GROWING

Celebrating Alberta Stories Investing in Tomorrow's Leaders through Junior ATB

In 2009, ATB launched the Junior ATB program to schools in Sherwood Park and Edmonton to teach young Albertans how to save and spend wisely. This year, we expanded Junior ATB to schools in Sylvan Lake and Hinton.

Junior ATB branches are real branches, which allow Grades 4–7 kids to apply for all ATB positions—greeter, teller, back cash, directors on the board—and run it from the ground up. Students deposit real money during their lunch breaks on deposit days, and an ATB branch contact makes sure the money gets into the accounts at the partner branch.

By working with local branches and schools, ATB has provided unique and rewarding opportunities to Alberta's elementary students, says Michele Milburn, ATB's Junior ATB Branch Representative for Edmonton's Daly Grove School. "It gives them a basic understanding of finances and how to apply the finances in a real-world environment."

Nine new Junior ATB locations are planned for 2012. Whether depositing a penny or a \$20 bill, Junior ATB helps students save for their dreams, big or small.



Andi Bates, Junior ATB teller (student), learns to balance the books from ATB associate Sandi Kochan as part of the Junior ATB program in Hinton, Alberta.

"I think the most rewarding part [of Junior ATB] is seeing something in a child that they didn't know they had and bringing that out. It helps them with their math, but also helps them with their confidence and their interpersonal skills."

—Tanya Hulbert, ATB Branch Manager, Hinton

Committed to Albertans

Credit is the fuel that keeps the economy running. And, just as some geographic regions are more drought prone than others, some jurisdictions are more adversely impacted than others when the availability of credit dries up. History has shown that small business, rural areas, and commodity-based economies are most at risk to economy-wide credit shocks.

Alberta has long been drought prone when it comes to credit. The Great Depression taught us this fact and that was why ATB was first established.

Over the years and business cycles, ATB specialized in understanding and operating in Alberta's unique economic climate. We took a longer-term view of the economy, and made sure credit-worthy borrowers weren't put out of business temporarily only to have their services demanded again as soon as conditions changed.

Serving Rural Alberta and Independent Business

ATB's Independent Business & Agriculture line of business (IB & Ag) combines expertise in small business and agriculture with a high level of understanding of the Alberta economy, which makes us perfect partners for farmers and small businesses. Our 300-plus regional agri-industry managers, financial industry experts, and agrologists live Alberta's entrepreneurial spirit the same way our customers do.

Fluctuating commodity prices and input costs are not abnormal in agriculture as this industry is impacted by weather conditions not only locally but globally.



ATB associates volunteer their time at a water station at the first annual Drumheller Dinosaur Valley Half Marathon, September 2010. In this picture: Charlene Vescarelli, Personal Banking Specialist; Alisha Ferguson, Customer Service Representative; and Lisa Kluck, Branch Manager.

ATB Financial has a history of supporting the agriculture industry and understands the changing economics of our customers. ATB continues to support the industry by offering products and services that will accommodate any erosions in net farm income. This support ranges from products such as revolving loans which can be increased to assist those requiring additional short-term capital, to Farmland Financing (a product where the customer can make interest only payments in order to reduce debt servicing when the operation is under financial stress). More importantly, our IB & Ag Associates will tailor a financial solution for each customer as circumstances differ for each business.

Supporting Community Development

At ATB, we empower our regions and branches to contribute to their communities by leaving regional decision-making to the people who live and work in these communities. ATB also entrusts our associates with the flexibility to support local activities and build a strong presence in the communities in which they serve. ATB contributed to the construction of 11 different community arenas, pools, recreation centres, and event halls. Construction of these community facilities has spurred job creation and provided these small towns with infrastructure to help them be sustainable.

- Community hall construction (Stirling)
- Picture Butte Sportsplex (Picture Butte)
- Badlands Community Facility (Drumheller)
- Ponoka Ag Event Centre (Ponoka)
- Holden Complex renovations (Holden)
- Mayerthorpe Exhibition Centre (Mayerthorpe)
- Tri-Leisure Centre (Spruce Grove)
- Sportex (Consort)
- Beaverlodge/West County Pool (Beaverlodge)
- Standard Community Hall (Standard)
- Whitecourt Recreation Centre (Whitecourt)

Supporting Economic Development in Our Communities

ATB supports the success of Alberta communities by helping people move into home ownership.

Habitat for Humanity – Edmonton

ATB, through its financial support of Edmonton's Habitat for Humanity Anderson Gardens build, helped a single mom with two children achieve ownership of a half-duplex, allowing her to break the cycle of poverty. Anderson Gardens is Edmonton's largest Habitat build to date and also the biggest "green project" built for a Canadian Habitat. Anderson Gardens will be home to 47 families once completed in 2011.

Habitat for Humanity – Calgary

ATB supported a single-family home build in Calgary's Albert Park. Construction was completed in 2010, and ATB contributed to final costs after completion. The proud new homeowners are a family of four with two children who are known for giving back to the community. ATB is proud to have participated in giving this family the benefit of safe, affordable housing.

Promoting Financial Literacy

Record high debt levels in Canada and the U.S. showcase the importance of financial literacy. We believe that our clients need to understand financial basics so they can manage their finances successfully. By promoting financial literacy among our clients through various channels, we believe our customers are better prepared to save for the future. Through programs such as Junior Achievement, College Life 101, Real Cash, Real Profit, and Junior ATB we contribute to our communities' economic well-being. We also donate to charities mandated to promote financial literacy and play an ongoing role where we can.

Building Alberta's Economy Our Economic Scorecard and Indicators

Junior Achievement

In addition to giving financial support this year, more than 40 ATB associates across the province volunteered for Junior Achievement. These associates delivered the Junior Achievement program to more than 500 elementary and high school students, helping them to develop an understanding of basic financial, educational, and career responsibilities. Some ATB volunteers also provided direction by serving on Junior Achievement Rural Advisory committees.

College Life 101

Each September and January, new students at Lethbridge College are treated to an informative presentation developed and sponsored by ATB to help them manage their money. Each breakfast or lunch presentation covers financial literacy basics (e.g., Beacon score, credit bureaus, cash-flow budgeting, credit cards, line of credit options), typical costs associated with starting college (tuition, books, damage deposit, groceries, etc.), and creative ways to save money when cash flow is an issue.

This September, 15 ATB associates greeted around 600 students, provided handouts, and delivered the presentation. In January, associates presented to around 100 people.

Real Cash, Real Profit

For 10 years, ATB has been helping clients and non-clients improve cash flow, increase profits, and operate their businesses more effectively and efficiently. Real Cash, Real Profit: Financial Tools for Success is a two-day seminar that walks business owners through an easy-to-follow process for improving their financial position and their businesses. The course is held five times a year and is open to any small business owner in Alberta.

This year, ATB also introduced a one-day course designed specifically for clients in the agriculture industry. The course was delivered in Lethbridge and Camrose.



Zayin Brown, Airdrie Koinonia Christian School, Airdrie

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Debt financing for Alberta businesses (authorized)	\$15 billion	\$14 billion	Continue to support Alberta's businesses through the provision of credit
Money spent on goods and services from suppliers ⁸	\$326 million	\$342 million	Introduce sustainability practices as criteria for evaluating suppliers
Direct economic value generated and distributed	Economic value generated: \$1,019 million Economic value distributed: \$733 million (\$326 million in operating costs, \$401 million in employee wages and benefits, \$6 million in community investment) Economic value retained: \$286 million	Economic value generated: \$896 million Economic value distributed: \$672 million (\$299 million in operating costs, \$368 million in employee wages and benefits, \$5 million in community investment) Economic value retained: \$224 million	Grow our direct economic value generated and distributed to the Alberta economy by developing our employees to better serve customers and leveraging the benefits of our new banking system
Ratio of standard entry-level wage at ATB compared to local minimum wage at significant locations ⁹	156% or 1.6:1	152% or 1.5:1	Continue to keep entry-level wages above minimum wage

⁸ Within this indicator, "suppliers" are defined as external entities that provide any good or service to ATB, excluding payroll-related expenses.

⁹ Within this indicator, "significant locations" refers to the five regions of Alberta – North, South, Central, Edmonton, and Calgary.

Being the Place to Work

This year, 87 per cent of our associates said that their personal values are very similar to those of ATB, 86 per cent said they would readily recommend ATB to a friend looking for work, and 84 per cent said they say great things to others about working at ATB.¹⁰

Celebrating Alberta Stories

Realizing Young Potential through ATB's YES Bursary Program

One of ATB's newest programs is the Youth Education Support (YES) Bursary Program. ATB tailors the program to the unique needs of youth who have been in the care of the provincial government. With mentorship, career advice, and \$100,000 in bursaries, ATB has already partnered with the Government of Alberta to reward six young Albertans who have their hearts and minds set on post-secondary success.

"These students have overcome challenges that many of us can't comprehend, and today they're among the best examples of the promise and potential that Alberta's universities and colleges offer," said ATB's President and CEO Dave Mowat. "At ATB, we're uniquely positioned to help these amazing young Albertans achieve their educational and career goals."

The YES recipients come from across Alberta and are mentored by an ATB vice-president and other senior associates from their region. The students can also access courses on financial literacy and employment opportunities with ATB in their area of study, whether related to banking or one of ATB's internal functions such as Human Resources. In fact, three out of the six recipients are currently working part-time at ATB while they prepare for their future.

"The financial support, the career advice, the chance to meet leaders from a great company and learn from them—these are opportunities a lot of young students don't have," said Stephanie Kendall, a NAIT Finance student and YES bursary recipient.

"I would like to thank ATB for partnering with my Ministry to help provide special opportunities for young people to realize their dreams."

—Honourable Yvonne Fritz, Minister of Children and Youth Services



The Youth Education Support (YES) bursary program, for youth who have been in the care of the provincial government, is announced in Edmonton. Pictured here are Honourable Yvonne Fritz, Minister of Children and Youth Services; Stephanie Kendall, YES recipient, NAIT; Ami Price-Gagnon, YES recipient, University of Alberta; and Dave Mowat, President & CEO, ATB Financial.

WORKPLACE

Being a Top Employer

This year, Mediacorp Canada Inc. named ATB one of Canada's Top 100 Employers¹¹ for the second year in a row, because, among many other things, ATB:

- invests in employees' ongoing education with tuition subsidies for courses taken at outside institutions, and subsidies for professional accreditation
- offers great financial benefits including referral bonuses for employees who refer a candidate that is successfully hired by the company through a campaign for hard-to-fill positions, and year-end bonuses available to eligible employees
- provides maternity leave top-up payments to employees who are new mothers (to 95 per cent of salary for up to 20 weeks)
- helps older employees prepare for retirement with retirement planning workshops and a transitional work program that allows them to gradually decrease their hours
- helps employees find balance between their personal and working lives through alternative work arrangements including flexible hours, telecommuting, and shortened and compressed work week options

ATB received a string of A-ratings from Mediacorp for work atmosphere and communications, financial benefits and compensation, training and skills development, and community involvement. It received B-ratings for physical workplace, health and family-friendly benefits, vacation and personal time off.

Engaging Associates

ATB's annual engagement survey is a measure of our associates' support for our organization. Leaders within ATB seriously consider our associates' survey feedback and create work plans to address the concerns expressed.

Our engagement scores have continued to increase year over year. We are very proud of the hard work we've done to make this happen, since over the last eight years the scores have gone from a low of 48 per cent in 2003 to a high of 79 per cent in 2011.

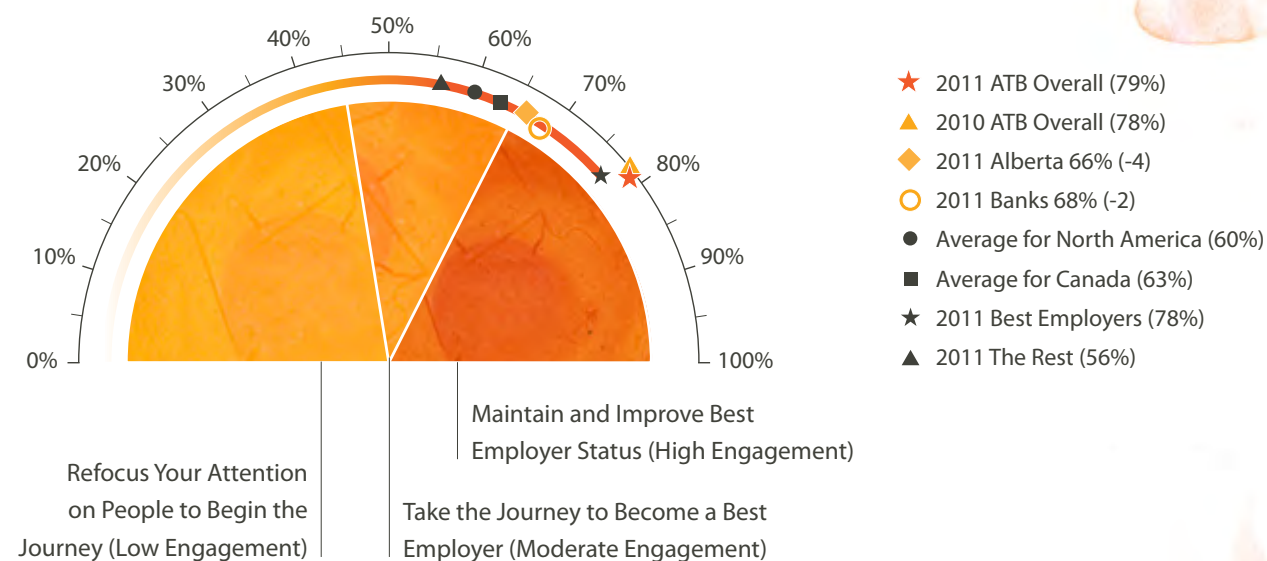
Elevating Leadership

This year, elevating leadership became a key strategy for ATB, including the identification of nine leadership attributes that will be required of every person in a leadership role at ATB. Three of the attributes – translator, connector and hungry – will be used as a filter in identifying and recruiting leaders. These, along with the next three (collaborator, catalyst, agile), are exhibited by strong leaders at ATB and will be used to develop our leaders. The final three (creator, explorer, synthesizer) are exhibited by great leaders and senior leaders at ATB in order to transform our organization.

These nine attributes will be integrated into the overall leadership strategy for ATB to demonstrate what is valued at ATB and what behaviours will be recognized and rewarded. This year, we also developed tools to give leaders feedback on their demonstration of the new leadership attributes.

We will support leaders in recruitment by identifying individuals with the nine attributes. We have incorporated the leadership attributes into the behavioural-based interview process for leaders. Finally, the leadership attributes will form part of the development framework for leaders to be developed by our Corporate Learning Centre.

Benchmark Averages



Power cards are sent for the little things, for having a broader impact on a team or department, or for a major contribution that impacts ATB as a whole. Power cards equate to hero points, which can be redeemed for gifts, and to Everyday Heroes nominations to become members of the President's League.

All associates can nominate someone, whether the person's supervisor or their peer. Business unit leaders review and approve nominations quarterly, and determine which ones go forward for the President's League.

President's League
 The President's League is the highest level of recognition an Everyday Hero can receive each year, with 80 members chosen from the Everyday Heroes nominations. Members get to attend a celebratory event with the CEO and other senior executives, choose a travel voucher (worth \$2,500), and get three days off with pay.

The response to this program has been positive, with more than 600 nominations made since the program started.

Throughout the year, they enjoy other perks and opportunities to participate in lunch-and-learn meetings, ATB-sponsored volunteer opportunities and charitable events, marketing events and concerts, mentoring opportunities, focus groups, charitable events, and new business development activities or special events.

Rewarding and Recognizing

ATB has a recognition-rich culture, and it is evident in the robust and well-used recognition programs in place for all associates, whether permanent or casual. ATB has both formal and informal recognition programs in place within all lines of business and corporate business units.

"I was born and raised in Grande Prairie and believe strongly in supporting the community that I call home. ATB actively promotes and supports me in my volunteer efforts and sees the value of having associates being involved in their communities."

—Kevin Mack, Market Manager, ATB Financial, Grande Prairie

Community Power

ATB's Community Power program recognizes the efforts of those associates who have volunteered more than 40 hours of their personal time. Every month, Community Power winners receive a \$250 donation to the not-for-profit organization they volunteer for along with a certificate of accomplishment. Every quarter, a draw is made for a \$1,000 donation to the charities the winner volunteers for. This year, ATB associates volunteered over 14,000 hours through the Community Power Program and ATB donated \$34,250 to the charities these volunteers supported.

Everyday Heroes

This year, the new Everyday Heroes recognition program was started so associates could say: Thank you, Great job, I appreciate you, What you did was amazing, or You made an important contribution to ATB.



The Blue Spark

Connectro

Captain Can-Do

Associate Volunteer Activities – \$0.48 Million

Each year, ATB's associates roll up their sleeves and get directly involved as volunteers in countless community events and causes during the business day. ATB associates volunteered approximately 19,000* hours through Community Power and other initiatives such as Teddy for a Toonie, United Way, Hair Massacure, and Junior Achievement.

*Volunteer hours are calculated based on self-reported volunteerism through the Community Power program (although not all of the time reported occurs during working hours), the number of Helping Hands applications received, and a combination of estimated and known volunteer hours for a number of charities.

Helping Hands

ATB's Helping Hands program offers financial grants for personal causes or challenging events that touch the lives of ATB associates. All ATB associates are eligible to participate. Helping Hands allows associates to apply for three different categories of financial compensation:

- prizes and auction items for fundraising events of choice,
- sponsorship of an individual/team participating in a charity run/walk or sporting event that is raising money for a specific cause, or
- fundraising and event management to help plan and execute an event or fundraiser for a specific cause.

This year, Helping Hands donated \$14,536 and supported these 19 causes.

1. Alberta Association for the Dependent Handicapped
2. Alberta Diabetes Foundation
3. Alberta Cancer Foundation's Underwear Affair
4. Babes on Bikes
5. Canadian Breast Cancer Foundation
6. Canadian Cancer Society 12 Hour Relay for life
7. Champions of Hope
8. Junior Achievement of Southern Alberta
9. Juvenile Diabetes Research Foundation Canada
10. Kids Kottage Golf Tournament
11. La Société Pommes de Reinette Day Care
12. Lifeline Haiti
13. MS Walk
14. NSD Soccer Club
15. Paralympic Sports Association
16. Red Deer Rural Victim Assistance Society
17. The Ride to Conquer Cancer
18. The Weekend to End Women's Cancers
19. Tofield Volunteer Fire Department

Elder Abuse Program

In an industry-leading initiative, ATB teamed with law enforcement and municipal agencies to develop an elder abuse training program to help associates recognize and take action to prevent financial abuse of seniors. This can include anything from misusing joint bank accounts and credit cards to abusing power of attorney.

ATB approached the Edmonton and Calgary police services and RCMP for assistance in building a training program to help ATB associates in this cause, and The City of Edmonton's Elder Abuse Intervention Team joined the effort.

"There is no industry-wide curriculum or set of standards for elder abuse training in Canada," said Karen Comeau, ATB's vice-president, sales and operations. "We're proud to be the first financial institution in Alberta to do this."

All current frontline associates at ATB have received elder abuse training, and new hires are also required to complete it.

Offering Flexibility

ATB offers its associates flexibility through its benefits program and through alternative work arrangements.

Flexible Benefits

ATB has a flexible health plan with varying levels of coverage so associates can tailor their coverage to their particular needs. Through our plans, we help associates manage the costs of routine dental, restorative dental, orthodontics, traditional medicine, alternative medicine, massage therapy, medical equipment and supplies, homecare, and travel insurance. Our family-friendly benefits include maternity top-up payments, health benefits during maternity and parental leave, and extended unpaid parental leave.

Flexible Workplace and Balanced Life

ATB assists associates with work/life balance through arrangements such as compressed work weeks, flexible work hours, job-sharing, reduced work week, and telecommuting. Where possible, we establish evening shifts to meet the needs of some of our associates within our Customer Contact Centre, and we have successfully piloted a program to have some of our workforce work from home. These home agents are employed with our Customer Contact Centre (call centre) but work only from home to seamlessly serve our customers.

Approximately, 1,500 associates across all of ATB report either working from home or having the ability to work from home. This represents approximately 30 per cent of ATB's workforce. 53 per cent of ATB's workforce reports having the ability to adjust the beginning or end of their workdays.

Being the Place to Work Our Workplace Scorecard and Indicators

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Employee engagement	79%	78%	Maintain or exceed the Aon Hewitt Best Employer average (78%)
Employee engagement – CSR-related questions	87%	87%	Release our first CSR report to help engage employees in CSR activities
Percentage of employees stating that ATB supports their learning and development	87%	85%	Continue supporting and advocating employee training and development
Occupational health and safety compliance rate	80% ¹²	94%	Improve our corporate documentation compliance process to achieve 100% compliance rate
Percentage of employees who completed code-of-conduct training (includes Anti-Money Laundering, Business Continuity Plan, Information Security Awareness, Occupational Health and Safety, and Privacy)	100%	99%	Maintain a 100% rate of completion to encourage employees to report code-of-conduct breaches
Percentage of employees who completed compliance training module	95%	No information available	Increase rate of completion to 100%
Percentage of employees receiving regular performance and career development reviews ¹³	Performance assessment in the last year: 85% Career opportunities conversation in the last year: 70%	Performance assessment in the last year: 82% Career opportunities conversation in the last year: 68%	Improve our annual performance reviews and discussion processes to ensure 100% of employees receive appropriate feedback

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Ratio of basic salary of men to women by employee category ^{14,15}	Average ratio – 0.97 A 1.12 B 1.06 C 0.95 D 0.93 F 1.01 G 1.01 H 0.99 I 0.88 J 0.88 K 0.88 L 0.92 M 0.88 N 1.13 O 0.99	Average ratio – 1.00 A 1.07 B 0.96 C 1.00 D 1.07 F 1.01 G 0.98 H 0.90 I 0.96 J ^{16,17} 0.96 K 0.97 L ¹⁸ 0.93 M 1.06 N 1.12 O 1.00	Ensure compensation plans are fair and equitable.
Total workforce by employment type, employment contract, and region ¹⁹	Active salaried employees: hourly – 546; permanent full-time – 4198; permanent part-time – 576; temporary full-time – 78; temporary part-time – 25 Geographic breakdown: north region – 547; Edmonton region – 2,076; central region – 589; Calgary region – 1,728; south region – 483	Active salaried employees: hourly – 435; permanent full-time – 3788; permanent part-time – 628; temporary full-time – 58; temporary part-time – 29 Geographic breakdown: North region – 545; Edmonton region – 1,776; Central region – 557; Calgary region – 1,648; South region – 428	Continue growing as lines of business develop and maintain healthy turnover rates while encouraging retention and upward mobility into leadership roles
Money spent on Helping Hands program	No information available	\$14,536	Enhance existing program by adding a new component to support health and wellness for ATB employees

¹² Because some of our documentation was marked as incomplete, we received a zero score, which lowered our overall rate. Work is underway to improve our tracking.

¹³ This measure is currently a proxy based on our internal employee engagement survey. Therefore, the employee numbers used in this calculation were based on response rates and not ATB's total workforce.

¹⁴ "Employee category" refers to where an ATB associate falls within ATB's pay-grade system. A – O refers to ATB's pay-grade system.

¹⁵ Every ratio over 1 means that women in that pay category earn more money than men on average. Every ratio below 1 means that men earn more than women in that pay category.

¹⁶ "Management" is defined as ATB associates earning pay grade "J" and above.

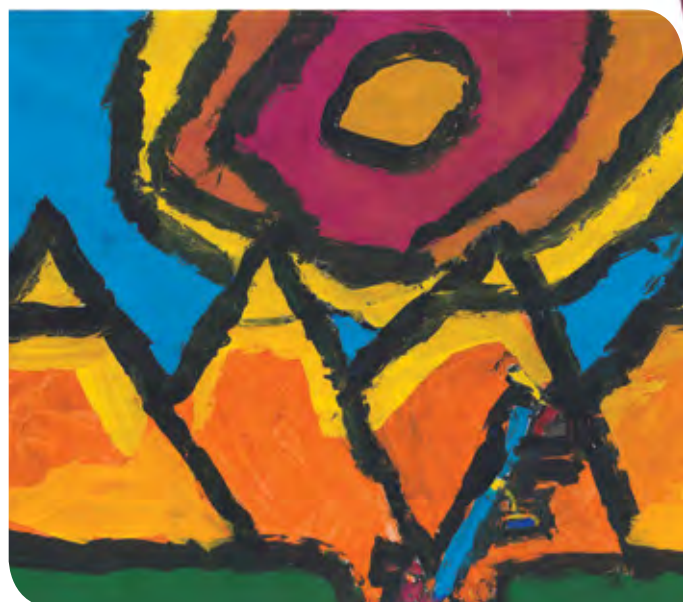
¹⁷ "Non-management" is defined as ATB associates earning pay grade "J" and below.

¹⁸ "Senior management" is defined as pay grade "L" (\$68,770-\$103,154 salary) and above.

¹⁹ Our current definition of "total workforce" does not include contracted third-party individuals.



Masterpieces in the making... Grade four students at Belmont Elementary School in Edmonton create their submissions for the first-ever ATB Financial Young Artists Competition.



Divyraj Parmar, Kateri Mission Catholic School, Grande Prairie

COMMUNITY

Being Loved and Respected by Albertans

Strong communities provide our neighbours with a great place to live, work, and play. Our 167 branches and 130 agencies located throughout Alberta are an integral part of the community. Combined with that community focus, ATB has both a mandate and a responsibility to make a positive contribution to Alberta as a whole.

Because of our efforts in the community, 95 per cent of our associates say ATB plays an active role in the community²⁰ and 94 per cent say ATB is fair, respectful and honest with customers and clients.²¹

Celebrating Alberta Stories Supporting Alberta's 4-H Clubs

ATB has always had a strong relationship with rural Alberta, as demonstrated by our sponsorship and support of 4-H clubs for over 20 years. This commitment spurred us to team up with Gord Bamford, a country music star raised in Lacombe, to raise money and awareness for 4-H.

The "Why 4-H is Great" contest asked ATB branches to show how much the organization means to their communities. The Fort Macleod branch received the honour of best entry, winning a Gord Bamford concert in their community, with all proceeds from the concert going to local 4-H clubs.

Gord enjoyed 4-H when he was growing up and wanted to give back to the organization. "I never really realized the life skills it was teaching me along the way," he says.

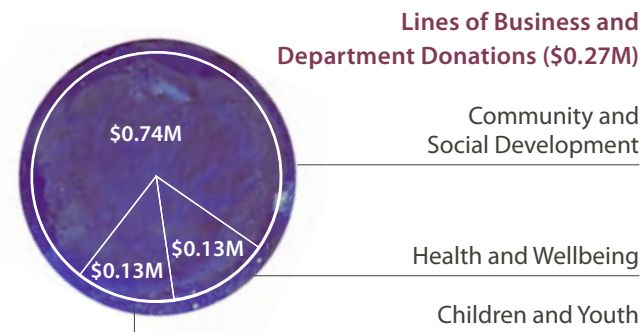
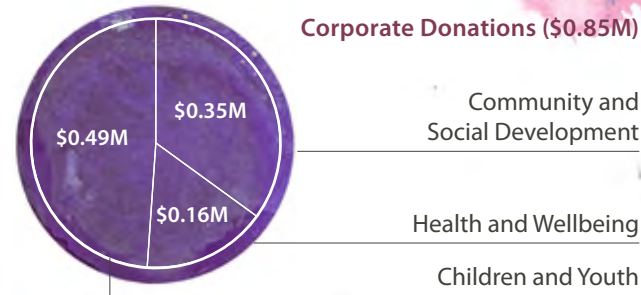
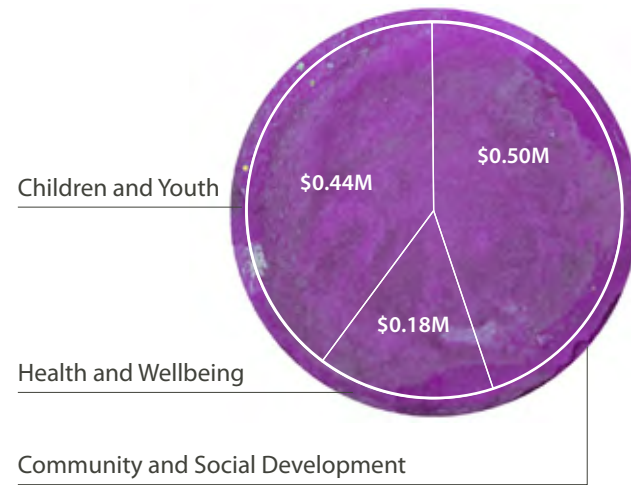


The Fort Macleod branch took home the win for ATB's "Why 4-H is Great" contest with a creatively (and carefully) orchestrated video submission showing how 4-H benefits the community. In order: Tommy, the horse; Rianne den Toom, 4-H; and Marion Van Sluys, ATB Financial retiree.

²⁰ Aon Hewitt, "2011 Employee Opinion Survey Presentation of Results for ATB Financial, April 13, 2011."

²¹ Aon Hewitt, "2011 Employee Opinion Survey Presentation of Results for ATB Financial, April 13, 2011."

Overall Donations (\$1.12M)



Corporate Giving and Community Investment

ATB's priorities for charitable giving and community investment focus on:

- Health and wellbeing,
- Community and social development, and
- Children and youth.

These broad categories, or pillars, remain consistent with the areas where ATB currently makes donations, support the overall direction of ATB's business objectives, and are general enough to include causes our associates or customers strongly support.

ATB and our associates have a high profile in the community by supporting hundreds of worthy causes across Alberta. This year, ATB gave over \$2.7 million to community organizations and not-for-profit groups in Alberta through corporate and branch charitable donations, community fundraising programs, and associate volunteerism (see Workplace section for information on associate volunteerism).

Charitable Giving – \$1.12 Million

Donations made on behalf of ATB are consistent with our corporate giving pillars. Below are some examples of ATB's charitable giving recipients for this past year.

Ronald McDonald House – Central Alberta

Alberta's newest Ronald McDonald House, in Red Deer, is due to open in 2011. The facility will provide temporary housing for families of seriously ill children needing treatment in this part of the province. In the past, ATB has donated to Ronald McDonald House in Edmonton and Calgary.

Camp fYrefly

ATB reaches out to youth by supporting Camp fYrefly, a community educational outreach program run by the Faculty of Education at the University of Alberta. For four days in July, sexual minority and gender-variant youth build leadership skills and personal resiliency in an effort to help them become champions for positive social change in their schools, families, and communities across Alberta.

"ATB helped us in our efforts to accommodate 48 youth and eight youth leaders who could choose among 20 workshops focused on individual development, socialization as young citizens, building leadership skills, and growing into resilience as healthy persons. They also helped us to offer travel bursaries to students from rural, northern, and other areas of the province outside the Edmonton area"

—Dr. André Grace, Director, Institute for Sexual Minority Studies and Services

Grande Prairie Northern Light Show

ATB helped bring some seasonal cheer to Grande Prairie through the Grande Prairie Northern Light Show, November 25 to December 31, by donating funds for wagon rides, hot chocolate, and a Christmas light display. The annual drive-through Christmas light

show brings together family and friends for old-fashioned holiday fun. Money raised this year was donated to the Community Foundation of Greater Grande Prairie to fund programs for young people.

YMCA Calgary – Active Y Kids Program

ATB is encouraging physical activity and proper nutrition through YMCA Calgary's enhanced health and wellness curriculum called Active Y Kids. The program operates within YMCA's School Support Program in schools identified by the Calgary Board of Education, the Calgary Catholic School District, the Calgary Police Service, the United Way of Calgary, and City of Calgary census data as those needing structured and accessible programs for children. Funding from ATB will go towards enhancing programming for the 2011/2012 school year.

KidSport Alberta

Our customers and associates helped give some deserving children the gift of sport this holiday season by donating a total of \$5,000 to KidSport Alberta. Donations collected for the charity during ATB's customer holiday receptions in Edmonton and Calgary helped to cover sport registration fees and equipment costs for youth from low-income families in our province.



Around 40 ATB associates volunteered their time to the Hair Massacure event in Edmonton, February 2011. The event benefits the Stollery Children's Hospital Foundation, Make-a-Wish of Northern Alberta, and Ronald McDonald House Northern Alberta.

Here are just a few of ATB's \$2,500+ charitable donation recipients for this past year:

Airdrie Storm Bantam Football Club	Junior Achievement
Alberta Emerald Foundation	KidSport Alberta
Art Gallery of Alberta	Killam ACE Team – revitalization of Heritage Park
ATB Financial Youth Education Support (YES) Program, in partnership with Alberta Children and Youth Services	Mayerthorpe Exhibition Centre
Badlands Community Facility	Northern Spirit Light Show
Beaverlodge/West County Pool	Parks Foundation Calgary – Radisson Heights playground
Building Hope Compassionate Association	Picture Butte Sportex Building renovation
Calgary Health Trust	Red Deer College Foundation
Canadian Red Cross – Pakistan relief efforts	Ronald McDonald House – Central Region
Computers for Schools	St. Albert Mayor's Celebration of the Art's Gala – Sustained Commitment of the Arts Award
Consort Sportex facility	Standard Community Hall
Crime Stoppers	Stirling Community Hall
Crystal Kids Youth Centre	Sundre community events sign
Easter Seals McQueen Residence	The Mustard Seed – Edmonton
Fort Saskatchewan Community Hospital Foundation	University of Alberta Faculty of Education – Camp fyrefly
Friends of the Sheep River Library Foundation	University of Calgary – Haskayne School of Business
Habitat for Humanity – Calgary	West Springs School playground
Habitat for Humanity – Edmonton	Whitecourt Recreation Centre
Hair Massacure 2011	YMCA Calgary Active Y Kids program
Haying in the 30s, in support of families of cancer patients	Youth Emergency Shelter Society (YESS)

Community Fundraising – \$1.1 Million

Every year, ATB organizes corporate fundraising programs involving associates and customers across the province. Monies raised from these efforts are contributed by ATB customers and associates and are distinct from our corporate charitable donations.

Teddy for a Toonie

Each year during the month of May, Albertans are invited to visit any ATB location to purchase a two dollar entry to win an extra-large teddy bear. All proceeds go to support critically needed services and equipment at both the Stollery and Alberta Children's Hospitals. This year, ATB raised \$600,000 through its Teddy for a Toonie campaign. Since launching in 1999, ATB customers and associates have raised more than \$3.7 million through Teddy for a Toonie.



Draxton, the 2010 Teddy for a Toonie campaign child, assists Sandy Chipchar, Chief People & Marketing Officer, in presenting a cheque to the Stollery Children's Hospital

Edmonton Christmas Bureau and Santa's Anonymous

For the 13th year, ATB raised money for the Edmonton Christmas Bureau, which has been providing festive meals for over 70 years to seniors and families who might otherwise struggle during this time of year. Our branches raised \$50,000 for the Christmas Bureau this year by encouraging customers to donate. In return, branches hung tree ornaments in honour of each donation. ATB associates also volunteered their time to wrap gifts with Santa's Anonymous or hold their own fundraising activities.

United Way

The 2010 United Way fundraising campaign saw ATB associates raising money and making personal donations to help out the less fortunate in their own communities. Associates could also contribute through an online donation program. Normally, the campaign is four weeks long, but this year's was shortened because of our focus on implementing our new banking system. In just two short weeks, the campaign exceeded our goal of \$600,000, raising a total of \$401,303, plus corporate match donation of \$228,697, which brought the grand total to \$630,000.

Toys for Teens (with Calgary's Jack FM)

This year, ATB again teamed up with Jack FM Radio in Calgary to collect toys for kids aged 10 to 17. Jack FM listeners and ATB customers were invited to drop off new, unwrapped gifts at any ATB Branch or at Jack FM's station. The event brought in 1,822 toys, including iPods and other electronics, and \$27,079 in cash and gift cards.

Sponsorships – \$4.9 Million

A keen interest in sports, recreation, and the arts, plus great partners in all corners of Alberta, and you've got the makings of a first-rate sponsorship portfolio which includes everything from the Edmonton Oilers and the ATB Financial Classic to numerous rodeos.

ATB sponsors hundreds of events across the province to visibly support community projects and events and to raise awareness of the value ATB brings to customers and communities. In fiscal year 2010–11, we sponsored the following organizations and events.

Art Gallery of Alberta and ATB Young Artists Competition

This year, ATB launched the ATB Financial Young Artists Competition as part of its five-year partnership with the Art Gallery of Alberta. To do more than just put our name on a gallery or exhibition, we sponsored the Alberta Early Masters Series, the Alberta Biennial of Contemporary Art, the Alberta Triennial of Contemporary Art, and the ATB Young Artists Competition.

For the Young Artists Competition, we asked grade four students across Alberta to submit a picture that portrays Alberta's history. Judges selected 31 winning masterpieces from the hundreds of submissions to be professionally framed and featured in a spring exhibition at the Art Gallery of Alberta. (Some of those winning masterpieces have helped to beautifully decorate this report.)



Competing for the ATB Financial Cup in Spruce Meadows, June 2010. Spruce Meadows in Calgary is the leading venue in the world for international horse sports, and ATB is proud to be a sponsor.

Untapped Alberta

In the fall of 2010, ATB Financial's Untapped Alberta concert series brought home-grown heroes to all corners of the province. Untapped Alberta—created by ATB, the Alberta Foundation for the Arts, Alberta Music, and Big Rock Brewery—boasted an extraordinary lineup of the province's best rock, folk, country, electronic, R&B, and reggae artists. The series, which launched in 2009 with five dates, expanded to eight concerts: Calgary, Medicine Hat, Red Deer, Beaverlodge, Whitecourt, Camrose, Lethbridge, and Edmonton. All proceeds went to charities in each community. For example, the sold-out Edmonton show raised \$6,203 for Kids Up Front. ATB provided financial support for artists, venues, and concert production.

All-Albertan Song Contest (with CKUA Radio and Alberta Music)

ATB's partnership with CKUA Radio and Alberta Music is a great example of how we celebrate Alberta stories. ATB created the All-Albertan Song Contest in August 2010 to run alongside ATB's Untapped Alberta concert series and to profile the work of songwriters from all corners of the province.

The contest winner, Danny Vacon (of Calgary-based rock band The Dudes), received \$10,000 in cash from ATB, \$2,000 from Alberta Music toward a professional, radio-ready recording of his winning song (Gold and Green), and inclusion on Alberta Music's 2012 Sampler. The contest sparked more than 200 new works about our wonderful province.

ATB Financial Rink of Dreams Charity Shootout

ATB partnered with CTV Edmonton for the second annual ATB Financial Rink of Dreams Charity Shootout—an NHL-styled shootout played on CTV Edmonton's



Playing for STARS Air Ambulance, Carrie LeClaire, District General Manager at ATB Financial, gives it her best shot at the ATB Financial Charity Shootout on CTV's Rink of Dreams.

backyard rink. CTV personalities, an ATB representative, plus one other contestant chosen through an online contest at wearealberta.ca, competed head-to-head on live TV to win cash for their favourite charities. CTV's sports director won, and claimed \$3,500 for the fledgling Matt Cook Foundation, which hopes to increase awareness and funding for rare forms of cancer. In all, nine grassroots charities benefited from the shootout and ATB's \$15,000 in prize money.

"ATB has been there for us since the beginning. They are not the kind of sponsor that just tacks their name onto an event; ATB management and staff pitches in as festival volunteers with big smiles and loads of enthusiasm. It's with their help that we're able to put on such a great festival every year."

—Wayne Ayling, Co-Founder, Grande Prairie International Street Performers Festival Association



Enjoying a day at the Grande Prairie Street Performers Festival. Renee Laverick and her children Liam, Maren, and J.T.

Lethbridge Dragonboat Festival

Every year since 2002, ATB has been the presenting sponsor and a participant in the Lethbridge Rotary Dragon Boat Festival. At this fun summer tradition, corporate teams race each other in dragon boats to raise money for charity. ATB's tent includes kids' activities such as face painting, balloon animals, games, and free giveaways. All proceeds support the next year's festival as well as Rotary-funded international and community projects.



The ATB team competes at the 2010 ATB Financial Lethbridge Rotary Dragon Boat Festival. More than sixty teams competed in the races over the weekend-long event.

Rodeos

The flash of motion and the spray of dirt can mean only one thing in Alberta: It's rodeo season! ATB loves Canadian Professional Rodeo and because Alberta hosts over 30 rodeos each year, including two of the largest in North America, it's a natural partnership for ATB. This year, ATB sponsored the Calgary Stampede, Ponoka Stampede, High River Rodeo, Innisfail Pro Rodeo, Grande Prairie Stompede, Lethbridge Whoop-Up Days, and Strathmore Heritage Days Rodeo.



Rodeo is part of our western culture and connects us to our roots. ATB is proud to be part of this tradition by sponsoring the Innisfail Pro Rodeo (above) and other rodeos across Alberta.

Scholarships and Bursaries

ATB supports post-secondary education in Alberta through the following scholarships and bursaries.

Organization	Purpose
Bow Valley College	Bursary
ATB Financial Youth Education Support Program, in partnership with Alberta Children and Youth Services	Youth Education Support (YES) Bursary
Grant MacEwan University	Bursary
Mount Royal College	Bursary
Northern Alberta Institute of Technology (NAIT)	Bursary
Red Deer College – Business Administration Program	ATB Financial Endowment Fund
South Alberta Institute of Technology (SAIT)	Bursary
South Alberta Institute of Technology (SAIT)	Community Leadership Award
Telus Foundation	Westbury Family Awards in Philanthropy
University of Alberta – Alberta School of Business	Partnership with Business Exchange Association to sponsor one student per year
University of Alberta – Alberta School of Business	Bob Normand Scholarship
University of Calgary –Haskayne School of Business	Bob Normand Scholarship
University of Lethbridge	Bursary
A.O. Bray Scholarships	Students applying for this scholarship must be children of ATB associates with 2 or more years of permanent continuous service
University of Lethbridge	Clint Dunford Scholarship

Being Loved and Respected by Albertans Our Community Scorecard and Indicators

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Total donations (corporate and by region) (\$)	\$1.12 million	\$1 million	Create a community forum to align local community donations
Corporate sponsorships (\$)	\$4.9 million	\$3.5 million	Enhance our ability to effectively measure and track our sponsorships and create outstanding customer experiences
ATB fundraising	\$1.136 million	\$1.017 million	Launch atbcares.com, a leading-edge, user-friendly web site that enables Albertans to donate to charities of their choice and receive instant tax receipts
Junior ATB	242 accounts; 4 schools	125 accounts; 2 schools	Open 9 new locations across Alberta
Youth Education Support (YES) Bursary students	\$100,000 distributed to 6 post-secondary students	No information available	Increase the number of recipients to 7 post-secondary students
Money distributed through Community Power	\$34,250	\$40,800	Continue to support employees in their volunteer endeavours and look for opportunities to promote their work within ATB



Above all, a team... Associates from ATB's Independent Business & Agriculture gather for an official launch of the new line of business in Lake Louise, May 2010. Pictured here are Chris Radulski, Tim Nichol, Grace Klassen, and Janice Tiberio.



ATB Financial is proud to support chuckwagon racing across Alberta. In this picture, Chad Harden competing at the Calgary Stampede, July 2010.



Associates from the new Windermere branch in Edmonton celebrate the grand opening of the branch, July 2010.

Living Green

At ATB, we believe that every person and organization is responsible for taking action to reduce their carbon footprint. If we all choose to live green, we can make an enormous difference.

81 per cent of our associates believe ATB tries to minimize its impact on the environment.²²

Celebrating Alberta Stories Using Technology to Green Up

Last year, ATB used technologies like ATB Connect, Office Communicator Server, and Tandberg to help us serve customers better, increase productivity, reduce travel time and reduce our carbon footprint.

In 2010–11, we introduced the first phase of ATB Connect into 17 branches. ATB Connect brings wealth management services to communities that previously had no full-time ATB financial advisor. Through video-conferencing and state-of-the-art technology, it allows customers to visit their local branch and be linked to an Investment Fund Specialist or other financial advisor at another ATB location. This equipment creates a win-win-win situation: those in rural communities get increased service, and advisors spend less time travelling, which means less carbon emissions from their vehicles.

The use of Microsoft's Office Communicator Server (OCS) for instant messaging among ATB associates is also on the rise. Some associates started using OCS's video component to meet with clients, like a downsized version of ATB Connect. Although not meant to replace all face-to-face meetings, it provides a great alternative when a face-to-face appointment isn't necessary, or when bad weather means driving is not the best option. Since most associates already have OCS on their computers, they can quickly connect with clients at branches or agencies anywhere in the province.

Tandberg, another of ATB's real-time video-conferencing systems, is replacing the need for many face-to-face meetings between associates located in Calgary, Edmonton, and other cities. The system works for one-on-one meetings as well as group meetings and conferences.



While Calgary-based ATB associate Aly Sumar has an employee in Edmonton, the use of video-conference technology reduces the need for him to travel back and forth between the two cities.

"Tandberg has helped me save 1200 km a month by reducing my weekly trips to Edmonton. Using its video-conference and document sharing capabilities, I can converse with my Edmonton employee without having to meet face to face. Not only has it saved the distance, I can now spend more time at home in Calgary."

—Aly Sumar, Director – Capital Management, ATB Financial

ENVIRONMENT

Envisioning a Greener ATB

We're making a concerted effort to build a strong foundation of stewardship.

In 2009, we asked the Canadian Business for Social Responsibility and Pinchin Environmental to assess our carbon footprint. After analyzing greenhouse gas emissions from our operations during 2008, they discovered that 95 per cent of our carbon footprint comes from energy use in our buildings and from employees driving to work.

We had previously set the ambitious goal of reducing our carbon footprint by 30 per cent by the end of the 2012 calendar year. During the initial stages of implementation, we realized that we were overly ambitious in this goal and that the 30 per cent reduction would not be possible by 2012. We will actively continue our initiatives to reduce our carbon footprint by 30 per cent and set a new timeline in the coming months. We are committed to becoming a greener organization.

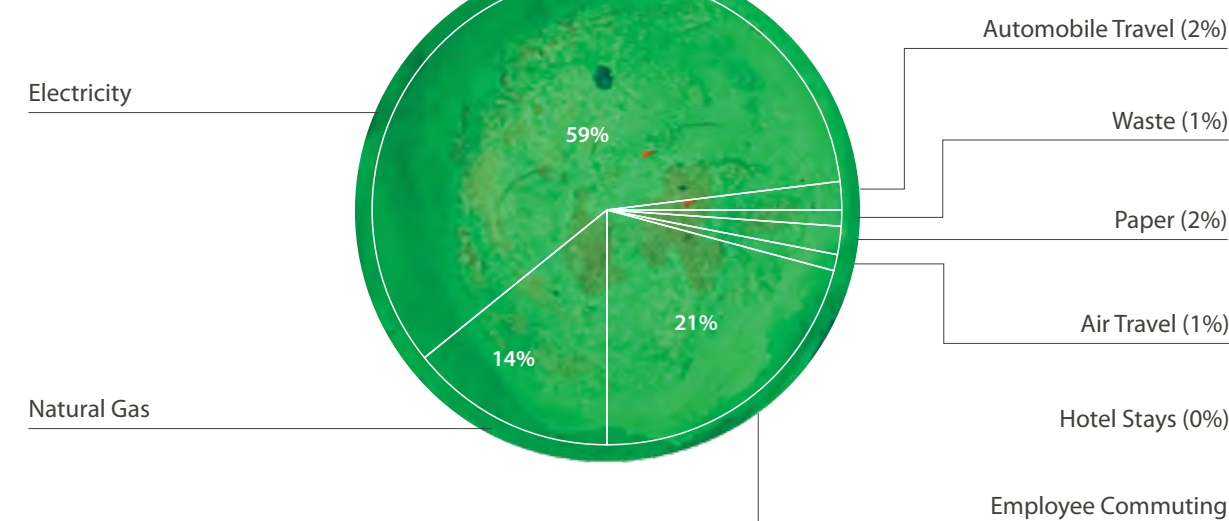
Reducing Our Carbon Footprint

ATB's benchmarked carbon footprint is 41,693 tonnes of CO₂e (according to Pinchin Environmental): 73 per cent comes from building energy (heating and lighting buildings); 24 per cent from travel (including associate commuting and corporate travel); and 2 per cent from building operations (waste and paper).

ATB's strategic approach to living green focuses on reducing energy usage in the following areas, in order of priority based on ATB's carbon footprint:

1. Electricity (lighting, IT, properties, and re-commissioning)
2. Heating and cooling (includes building standards and green procurement)
3. Travel/associate commuting
4. Paper and waste

Breakdown of ATB's carbon footprint



Electricity

Lighting accounts for 27.2 per cent of ATB's carbon footprint. ATB plans to reduce lighting by:

- Turning things off – We will implement a program for corporate offices and branches that enables associates to turn off signage and other lighting.
- Introducing more efficient lighting and information technology – We will introduce new and efficient lighting, motion sensors, and timers. IT upgrades are already on course, with most laptops and desktop units having the Energy Star rating. We will also educate our associates to turn off equipment, where it poses no security risk to do so.
- LED signage – We will replace exterior signage with energy-efficient LED signage.

Heating and Cooling

Other electricity and heating and cooling account for 14.1 per cent of ATB's carbon footprint. We are reducing heating and cooling by:

- Piloting retrofits – ATB completed energy audits of seven representative branches throughout Alberta. From these audits we will complete retrofit pilot projects in select locations. The findings will help us plan province-wide branch retrofits in 2012.
- Developing green building standards – We also started gathering information about green building programs (e.g., LEED or Green Building Council), to determine recommendations by June 2011. In the meantime, we continue to follow LEED construction standards and will consider applying for silver accreditation.

Travel

Associate commuting and business travel accounts for 21.3 per cent of ATB's carbon footprint. In addition to using ATB Connect, Office Communicator Server, and Tandberg, we'll get these numbers down by:

- Encouraging responsible business travel – ATB currently owns 21 fuel-efficient fleet vehicles. ATB will develop a policy for associate business travel between Edmonton and Calgary, with implementation to start in late 2011 or early 2012. The policy will encourage associates to take the bus or our fuel-efficient fleet vehicles, carpool, or avoid business travel altogether by using videoconferencing or WebEx technology.
- Employee Commuting – We are researching programs that offer reduced transit rates. We are working closely with Teletrips in Calgary to reduce commuting in Calgary.

Paper and Waste

While paper and waste do not contribute greatly to our carbon footprint, reducing the amount we use and produce is an easy way to immediately help our environment. Today we recycle office paper, but we can only do that in communities that have recycling programs. Paper and waste will be one of the issues addressed by ATB's new green team.

87 per cent of our associates believe ATB is a socially and environmentally responsible organization²³

Tracking our Footprint and Greening our Workspace

ATB is working with Teletrips and the City of Calgary Economic Development to increase efficient travel in the Calgary region. Teletrips is an online tool that helps organizations track work-from-home and commuting data based on associate reporting.

In February 2011, Investor Services sent a Teletrips survey to associates of which 65 responded. They said they would prefer to work from home and 91 per cent said they would benefit from working off-site. According to the survey, potential impacts per associate per year could add up to 95 trips avoided, 47 hours saved (over six working days), and 2,365 kg CO₂ emissions reduced.

Computers for Schools

Since 2008, ATB has partnered with Computers for Schools, a provincial program that takes old and aged information technology (IT) equipment, refurbishes it, and then gives it to schools, local communities, and local charities. Printers, desktops, monitors, laptops, and other IT assets are kept out of landfills and given to the people who need them. This fiscal year, ATB donated 353 computers, 256 monitors, 401 printers, 172 servers, and two scanners.

Since the partnership with Computers for Schools began in 2008, ATB has donated 1,604 computers, 1,300 monitors, 837 printers, 189 servers, and five scanners.



Cameron Orr, Mills Haven Elementary, Sherwood Park

Living Green Our Environmental Scorecard and Indicators

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Carbon footprint	No information available	FY09 baseline: 41,655 tonnes of CO2e	Take action to begin reducing 29,158 tonnes of CO2e (30% reduction from baseline)
Direct energy consumption by primary energy source	No information available	FY09 baseline: 6,105 tonnes of CO2e	Regional properties: Continue to monitor and track energy usage for the baseline branch locations from FY10 Corporate properties: Discuss monitoring and tracking of energy usage at monthly landlord meetings; track energy usage for corporate properties in 2012
Indirect energy consumption by primary source	No information available	FY09 baseline: 24,652 tonnes of CO2e	Regional properties: Continue to monitor and track energy usage for the baseline branch locations from FY10 Corporate properties: Discuss monitoring and tracking of energy usage at monthly landlord meetings; track energy usage for corporate properties in 2012
Paper use	Spent \$398,000 on paper (18% was "environmental paper")	Spent \$418,000 on paper	Reduce paper usage through creating a "greener" culture, encouraging employees to recycle paper, print on both sides, and print only when necessary. We will also begin to purchase only recycled paper.
Employee commuting	No information available	FY09 baseline: 8,858 tonnes of CO2e	Include CO2 emissions associated with commuting in carbon footprint study Monitor the reduction in commuting associated with working from home and shared work spaces

Indicator	FY11 Achievements	FY10 Achievements	Action Plan for FY12
Use of fleet car/ alternative transportation (Red Arrow)	Fleet vehicles: Edmonton: 17, Calgary: 3; handyman vans: 3; Core vehicles ²⁴ : 2; regional vehicles: 13: (South 3; Calgary: 2; Central: 3; Edmonton: 2; North: 3)	No information available	Monitor and measure the usage of fleet vehicles and increase employee awareness of carpooling
Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	No information available	No information available	Incorporate environmental sustainability in supplier's evaluation criteria
Meeting environment standards in all new buildings and renovations	No information available	No information available	New buildings: Use LEED gold standards to design all new builds and monitor energy usage Existing buildings: Incorporate energy-saving measures in major renovations and renewal projects within a 10- year pay-back period; use proven technologies to reduce energy usage
Percentage of supply base that conform to environmental standards	No information available	No information available	Determine a baseline percentage

About this Report

Scope

This report is divided into four key areas of corporate social responsibility (CSR): economy, workplace, community, and environment. It was produced to show our customers, business partners, and associates our deliberate efforts to be both a profitable business as well as a responsible corporate citizen.

ATB Financial (ATB) operates in Alberta only, and our only subsidiaries (ATB Investment Management Inc., ATB Securities Inc., and ATB Insurance Advisors Inc.), operate through our Investor Services line of business. We have no specific limitations on the scope or boundary of this report. It reflects ATB's overall performance as well as its significant economic, environmental, and social impacts on Alberta.

Reporting Period

All activities described within this report were undertaken within Alberta communities between April 1, 2010, and March 31, 2011, unless otherwise noted. This period is also referred to within as fiscal year 2011. This report and its content will be updated in September 2012.

Developing the Report

This is ATB's first CSR report. To aid in developing and presenting our content in a balanced and reasonable way, we used **Global Reporting Initiative's guidance**.¹ We used the "materiality" principle² to choose significant economic, workplace, community and environmental topics that we believe are relevant to our stakeholders. The "stakeholder inclusiveness" principle³ helped us to identify our stakeholders and their expectations.

All information in this report is presented to show what makes ATB sustainable. It reflects our significant economic, community, workplace, and environmental activities. The completeness of the report will enable our stakeholders to accurately assess our performance over the reporting period.

Our Scorecard Advisory Committee led and guided development of the indicators, targets, and measures. This committee, which represents key areas of ATB such as Finance, Human Resources, Environmental Sustainability, and Communications and Corporate Responsibility, includes the following members:

- Peggy Garritty, Senior Vice-President, Communications and Corporate Responsibility
- Sandra Huculak, Director, Community Leadership
- Holly Regel, Manager, Community Leadership
- Victoria Schaefer, Senior Analyst, Capital Management
- Maureen Galway, Vice-President, Human Resources
- Sophie Bonneau, Senior Human Resources Insights Analyst
- Colleen Purdy, Vice-President and Controller
- Tracy Millard, Senior Manager, Finance – People and Marketing
- Kylana Rogers, Senior Manager, Environment and Sustainability

ATB's internal reviewers for this report are Jim McKillop, Chief Financial Officer, and Robert Short, Senior Manager, Operations – Independent Business and Agriculture.

To ensure accuracy, members from across the organization also reviewed the data.

This report was framed around ATB's Board-approved **Corporate Social Responsibility Policy**. Our CSR values and commitment, combined with the understanding of the fundamental operations at ATB, helped us to focus our efforts.

The works of art throughout this report have been created by grade four students from across Alberta. These masterpieces are part of ATB Financial's Young Artists Competition, which aims to capture Alberta's stories.

The Scorecard Advisory Committee chose indicators to measure the results of our efforts within each of the four key areas. Our resulting annual CSR report showcases ATB's efforts in CSR for all ATB stakeholders: our owner (the Province of Alberta), our regulator, our associates, and our customers.

Aligning with Global Reporting Initiative

Transparency and accountability are key elements of CSR. ATB believes it is important to align ourselves with Global Reporting Initiative's **G3 Guidelines**⁴ to ensure a complete and balanced report.

ATB has participated in a third-party application level check to confirm that our report qualifies for Global Reporting Initiative's G3 application level C. Canadian Business for Social Responsibility (CBSR) concurs with ATB Financial's own assessment that it has achieved GRI reporting level C. ATB Financial was responsible for the preparation of its Corporate Responsibility Report, and CBSR's responsibility was to provide an independent review of the Corporate Responsibility Report's GRI Content Index.

Our Global Reporting Initiative content index can be found on page 54 of this report.

For More Information

For questions about this report or its content, please email the Director of Community Leadership at corporategiving@atb.com.



Taylor Stanley, Belmont School, Edmonton

¹ "Defining Report Content," Global Reporting Initiative, <https://www.globalreporting.org/reporting/guidelines-online/G3Online/DefiningReportContentQualityAndBoundary/Pages/DefiningReportContent.aspx>.

² "Materiality," Global Reporting Initiative, <https://www.globalreporting.org/reporting/guidelines-online/G3Online/DefiningReportContentQualityAndBoundary/Pages/DefiningReportContent.aspx>.

³ "Stakeholder Inclusiveness," Global Reporting Initiative, <https://www.globalreporting.org/reporting/guidelines-online/G3Online/DefiningReportContentQualityAndBoundary/Pages/DefiningReportContent.aspx>.

⁴ "G3 Guidelines," Global Reporting Initiative <https://www.globalreporting.org/resource/library/G3-Sustainability-Reporting-Guidelines.pdf>.

Global Reporting Initiative Index

GRI#	Indicator	ATB Financial Information
Strategy and Profile		
Strategy and Analysis		
1.1	President and CEO's statement	A Conversation With Our President and CEO, page 9
Organizational Profile		
2.1	Name of organization	ATB Financial
2.2	Primary brands, products, and services	ATB Financial: An Alberta Story, page 7
2.3	Operational structure	ATB Financial: An Alberta Story, page 7
2.4	Location of headquarters	ATB Financial: An Alberta Story, page 7
2.5	Countries of operations	ATB Financial operates in Alberta, Canada
2.6	Nature of ownership and legal form	ATB Financial: An Alberta Story, page 7
2.7	Markets served	ATB Financial: An Alberta Story, page 7
2.8	Scale of organization	ATB Financial: An Alberta Story, page 6
2.9	Significant changes during reporting period	This is ATB Financial's first CSR report—there are no significant changes.
2.10	Awards received	Honours and Awards, page 7
Report Parameters		
3.1	Reporting period	About This Report, page 52
3.2	Date of most recent report	This is ATB Financial's first report.
3.3	Reporting cycle	Annual
3.4	Contact point on the report	corporategiving@atb.com

GRI#	Indicator	ATB Financial Information
3.5	Process for defining report content	About This Report, page 52
3.6	Boundary of report	About This Report, page 52
3.7	Limitations on the scope or boundary of report	About This Report, page 52
3.8	Basis for reporting on other entities	About This Report, page 52
3.10	Explanation of any restatements	There are no restatements—this is our first report.
3.11	Significant changes from previous period	There are no significant changes—this is our first report.
3.12	Table identifying GRI standard disclosure in the report	GRI Index, page 54
Governance, Commitments, and Engagement		
4.1	Governance structure	Governance and Stakeholder Engagement, page 12
4.2	Indicate whether chair of highest governance body is also an executive officer	Governance and Stakeholder Engagement, page 12
4.3	Independent and/or non-executive members	Governance and Stakeholder Engagement, page 12
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Governance and Stakeholder Engagement, pages 16
4.14	List of stakeholders engaged by organization	Governance and Stakeholder Engagement, pages 16
4.15	Basis for identification and selection of stakeholders to engage	Governance and Stakeholder Engagement, page 16

GRI#	Indicator	ATB Financial Information
Economic Indicators		
Economic Performance		
EC1	Economic value generated and distributed	Building Alberta's Economy: Our Economic Scorecard and Indicators, page 25 <i>Details on community investment can be found on pages 36, 39, and 40.</i>
Market Presence		
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	Building Alberta's Economy: Our Economic Scorecard and Indicators, page 25
Environmental Indicators		
Energy		
EN3	Direct energy consumption by primary source	Living Green: Our Environmental Scorecard and Indicators, page 50
EN4	Indirect energy consumption by primary source	Living Green: Our Environmental Scorecard and Indicators, page 50
Emissions, Effluents and Waste		
EN16	Total direct and indirect greenhouse gas emissions by weight	Living Green: Our Environmental Scorecard and Indicators, page 50
Social: Labor Practices and Decent Work		
Employment		
LA1	Total workforce by employment type, employment contract, and region	Being the Place to Work: Our Workplace Scorecard and Indicators, page 33
Training and Education		
LA12	Percentage of employees receiving regular performance and career development reviews	Being the Place to Work: Our Workplace Scorecard and Indicators, page 32 <i>The total number of employees can be found on page 33</i>

GRI#	Indicator	ATB Financial Information
Diversity and Equal Opportunity		
LA14	Ratio of basic salary of men to women by employee category	Being the Place to Work: Our Workplace Scorecard and Indicators, page 33
Social: Society		
Corruption		
SO2	Percentage and total number of business units analyzed for risks related to corruption	Being the Place to Work: Our Workplace Scorecard and Indicators, page 32
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	Being the Place to Work: Our Workplace Scorecard and Indicators, page 32
Social: Product Responsibility		
Product and service labelling		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Engaging Stakeholders, page 17
Financial Services Supplement		
Product Portfolio		
FS3	Process for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transaction.	Living Green: Our Environmental Scorecard and Indicators, page 51
Community		
FS13	Access points in low-populated or economically disadvantaged areas by type.	ATB Financial: An Alberta Story, page 7

