PEACE HILLS TRUST COMPANY

Composition of Regulatory Capital

September 30, 2023

Dollars in thousands

		30-Sep-23	31-Dec-21
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issue qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	33,833	33,833
2	Retained earnings	64,848	49,298
3	Accumulated other comprehensive income (and other reserves)		-
6	**Common Equity Tier 1 capital before regulatory adjustments**	98,681	83,131
Common Equity Tier 1 capital: regulatory adjustments			
28	Total regulatory adjustments to Common Equity Tier 1	(147)	-
29	**Common Equty Tier 1 capital (CET1)**	98,534	83,131
36	**Additional Tier 1 capital before regulatory adjustments**		-
Additional Tier 1 capital: regulatory adjustments			
44	**Additional Tier 1 capital (AT1)**		-
45	**Tier 1 capital (T1 = CET1 + AT1)**	98,534	83,131
Tier 2 capital: instruments and provisions			
50	Expected Credit Loss - Stage 1 & Stage 2	3,306	1,974
51	**Tier 2 capital before regulatory adjustments**	3,306	1,974
Tier 2 capital: regulatory adjustments			
57	**Total regulatory adjustments to Tier 2 capital**	-	-
58	**Tier 2 capital (T2)**	3,306	1,974
59	**Total capital (TC = T1 + T2)**	101,840	85,105
60	**Total risk-weighted assets**	677,559	590,900
Capital Ratios			
61	Common Equity Tier 1 (as percentage of risk-weighted assets)	14.54%	14.07%
62	Tier 1 (as percentage of risk-weighted assets)	14.54%	14.07%
63	Total capital (as percentage of risk-weighted assets)	15.03%	14.40%
OSFI all-in target			
69	Common Equity Tier 1 target ratio	7.00%	7.00%
70	Tier 1 capital target ratio	8.50%	8.50%
71	Total capital target ratio	10.50%	10.50%

PEACE HILLS TRUST COMPANY

Leverage Ratio

September 30, 2023

Dollars in thousands

		30-Sep-23	30-Jun-23
On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	957,133	997,595
4	(Asset amounts deducted in determining Tier 1 capital)	(147)	(148)
5	**Total on-balance sheet balance exposures** (excluding derivatives and SFTs) (sum of lines 1 to 4)	956,986	997,447
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	75,015	85,943
18	(Adjustments for conversion to credit equivalent amounts)	(49,025)	(56,125)
19	**Off-balance sheet items (sum of lines 17 and 18)**	25,990	29,818
Capital and Total Exposures			
20	**Tier 1 capital**	98,534	94,392
21	**Total Exposures (sum of lines 5, 11, 16 and 19)**	982,976	1,027,265
Leverage Ratios			
22	**Basel III leverage ratio**	**10.02%**	9.19%