

PEACE HILLS TRUST COMPANY

All-in Capital Disclosure

March 31, 2023

Dollars in thousands

| | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 |
|--|----------------|----------------|----------------|
| 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 | 33,833 |
| 2 Retained earnings | 56,628 | 53,450 | 49,782 |
| 3 Accumulated other comprehensive income (and other reserves) | - | - | - |
| 6 Common Equity Tier 1 capital before regulatory adjustments | 90,461 | 87,283 | 83,615 |
| Common Equity Tier 1 capital: regulatory adjustments | | | |
| 28 Total regulatory adjustments to Common Equity Tier 1 | - | - | - |
| 29 Common Equity Tier 1 capital (CET1) | 90,461 | 87,283 | 83,615 |
| 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) | 90,461 | 87,283 | 83,615 |
| Tier 2 capital: instruments and provisions | | | |
| 50 Expected Credit Loss - Stage 1 & Stage 2 | 2,551 | 2,482 | 1,943 |
| 51 Tier 2 capital before regulatory adjustments | 2,551 | 2,482 | 1,943 |
| Tier 2 capital: regulatory adjustments | | | |
| 57 Total regulatory adjustments to Tier 2 capital | - | - | - |
| 58 Tier 2 capital (T2) | 2,551 | 2,482 | 1,943 |
| 59 Total capital (TC = T1 + T2) | 93,012 | 89,765 | 85,558 |
| 60 Total risk-weighted assets | 663,048 | 653,837 | 616,860 |
| Capital Ratios | | | |
| 61 Common Equity Tier 1 (as percentage of risk-weighted assets) | 13.6% | 13.3% | 13.6% |
| 62 Tier 1 (as percentage of risk-weighted assets) | 13.6% | 13.3% | 13.6% |
| 63 Total capital (as percentage of risk-weighted assets) | 14.0% | 13.7% | 13.9% |
| 64 Institution-specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk-weighted assets) | 7.0% | 7.0% | 7.0% |
| 68 Common Equity Tier 1 available to meet buffers (as percentage of risk-weighted assets) | 6.6% | 6.3% | 6.6% |
| OSFI all-in target | | | |
| 69 Common Equity Tier 1 all-in target ratio | 7.0% | 7.0% | 7.0% |
| 70 Tier 1 capital all-in target ratio | 8.5% | 8.5% | 8.5% |
| 71 Total capital all-in target ratio | 10.5% | 10.5% | 10.5% |
| Amounts below the thresholds for deduction (before risk weighting) | | | |
| 75 Deferred tax assets arising from temporary differences (net of related tax liability) | 647 | 647 | 532 |

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Leverage Ratio

March 31, 2023

Dollars in thousands

| | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 |
|--|------------------|------------------|------------------|
| On-balance sheet exposures | | | |
| 1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral) | 1,007,082 | 949,763 | 959,466 |
| 2 (Asset amounts deducted in determining Basel III "all-in" Tier 1 capital) | | | - |
| 3 Total on-balance sheet balance exposures (excluding derivatives and SFTs) (sum of lines 1 and 2) | 1,007,082 | 949,763 | 959,466 |
| Other off-balance sheet exposures | | | |
| 17 Off-balance sheet exposure at gross notional amount | 70,151 | 66,453 | 61,245 |
| 18 (Adjustments for conversion to credit equivalent amounts) | (63,136) | (59,808) | (55,121) |
| 19 Off-balance sheet items (sum of lines 17 and 18) | 7,015 | 6,645 | 6,125 |
| Capital and Total Exposures | | | |
| 20 Tier 1 capital | 90,461 | 87,283 | 83,615 |
| 21 Total Exposures (sum of lines 3, 11, 16 and 19) | 1,014,097 | 956,408 | 965,591 |
| Leverage Ratios | | | |
| 22 Basel III leverage ratio | 8.92% | 9.13% | 8.66% |