

PEACE HILLS TRUST COMPANY

All-in Capital Disclosure

December 31, 2021

Dollars in thousands

	31-Dec-21	30-Sep-21	31-Dec-20
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	49,298	47,281	45,133
3 Accumulated other comprehensive income (and other reserves)	-	532	-
6 Common Equity Tier 1 capital before regulatory adjustments	83,131	81,646	78,966
Common Equity Tier 1 capital: regulatory adjustments			
28 Total regulatory adjustments to Common Equity Tier 1	-	-	-
29 Common Equity Tier 1 capital (CET1)	83,131	81,646	78,966
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)	83,131	81,646	78,966
Tier 2 capital: instruments and provisions			
50 Expected Credit Loss - Stage 1 & Stage 2	1,974	3,278	3,046
51 Tier 2 capital before regulatory adjustments	1,974	3,278	3,046
Tier 2 capital: regulatory adjustments			
57 Total regulatory adjustments to Tier 2 capital	-	-	-
58 Tier 2 capital (T2)	1,974	3,278	3,046
59 Total capital (TC = T1 + T2)	85,105	84,924	82,012
60 Total risk-weighted assets	590,900	544,604	520,202
Capital Ratios			
61 Common Equity Tier 1 (as percentage of risk-weighted assets)	14.1%	15.0%	15.2%
62 Tier 1 (as percentage of risk-weighted assets)	14.1%	15.0%	15.2%
63 Total capital (as percentage of risk-weighted assets)	14.4%	15.6%	15.8%
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)	7.1%	8.0%	8.2%
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)	532	805	805

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Leverage Ratio

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	31-Dec-21	30-Sep-21	31-Dec-20
On-balance sheet exposures			
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	867,343	802,373	766,531
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)	867,343	802,373	766,531
Other off-balance sheet exposures			
17 Off-balance sheet exposure at gross notional amount	72,310	83,007	51,682
18 (Adjustments for conversion to credit equivalent amounts)	(65,079)	(74,706)	(46,514)
19 Off-balance sheet items (sum of lines 17 and 18)	7,231	8,301	5,168
Capital and Total Exposures			
20 Tier 1 capital	83,131	81,646	78,966
21 Total Exposures (sum of lines 3, 11, 16 and 19)	874,574	810,674	771,699
Leverage Ratios			
22 Basel III leverage ratio	9.51%	10.07%	10.23%

PEACE HILLS TRUST COMPANY

Remuneration

December 31, 2021

The key features and objectives of the Company's remuneration policy include:

- The Board of Directors and/or Senior Management are responsible for the application of the remuneration principles, practices and processes;
- The Company pays its employees fairly with industry comparability. The Board of Directors reviews the remuneration on an annual basis;
- The Company's remuneration consists of fixed compensation (salary and employee benefits), variable compensation, and Directors' fees. Variable compensation is paid to certain personnel and is based on the achievement of pre-determined financial results.
- The Company's key management personnel include all members of the Board of Directors and executive management who have the authority, responsibility for planning, executing, and controlling the activities of the Company.

The summary of compensation of key management personnel is as follows:

Total value of remuneration awards for 2021	Unrestricted	Deferred
Fixed remuneration		
Cash-based	2,380,881	-
Shares and share-linked instruments	-	-
Other	-	-
Variable remuneration		
Cash-based	201,428	-
Shares and share-linked instruments	-	-
Other	-	-