



Peoples Group
It's about you

**ANNUAL
REPORT**
2021



Peoples Group

Peoples Group has been providing tailored financial services to the Canadian marketplace for more than 35 years. Since 1985 our focus has been on exceptional customer service, solidly rooted in extensive product knowledge and experience.

Over the years, we've thoughtfully expanded our product and service offerings based on customer needs, and expect to continue this successful journey in the years to come. Today, Peoples Group has 350+ employees and operates nationally in Vancouver, Calgary, Toronto and Montreal.



VISION

Relentless pursuit of tailored solutions delivered with world class customer interactions.

MISSION

Exceed customers' expectations by providing access to financial products within select markets.

VALUES

Trustworthy, Creative, Willing

By valuing people, building relationships and focusing on strengths, we execute with passion.



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CEO's Message

By valuing people, building relationships and focusing on strengths, we execute with passion.

In 2021 Peoples Group steadily and strategically maneuvered through a second year of creating 'new normals' due to the pandemic. As the Canadian economy resumed its regular business activities, we proactively redefined benchmarks, setting the bar higher and improving our approaches.

I'm proud of our strong financial results and solidified growth through our main business lines and subsidiaries. We also transitioned to a flexible, hybrid working environment, creating a thriving culture that will position us as a workplace of choice.



RUN THE BUSINESS

- Maintained steady growth in profitability and financial stability
- Kept our systems safe, secure and reliable
- Sought new methods for efficiencies and effectiveness
- Continued to drive an engaged culture



GROW THE BUSINESS

- Expanded our existing market penetration through new customers, projects and channels
- Looked towards acquisitions, innovations and new partnerships
- Invested in our people, partners, customers and technology
- Focused on strengths



INNOVATE THE BUSINESS

- Created additional core capabilities
- Invested in technology to digitize, modernize and integrate
- Explored opportunities to exponentially increase our business with new customers, markets, partners, channels, products and services

Grant MacKenzie
President and Chief Executive Officer



Operations Review

Emerging stronger: Successful results through unprecedented business volumes, combined with effective process optimization.

2021 reflected significant real estate activity in a number of sectors. It provided us with an opportunity to generate commercial and residential lending volumes on a large scale, as we successfully navigated the market forces emerging post pandemic.

We continued to enhance our structures and processes as we transitioned our workforce into a hybrid environment, combining remote work with office presence. We also helped our clients navigate through new beneficial CMHC program offerings that created new opportunities for them. With our ongoing dedication to world-class customer service as our foundation, we also focused on ensuring that our customer relationships and key partnerships remained mutually beneficial.

The Peoples Trust business, comprised of Commercial Mortgages, Personal Lending and Deposit Services, demonstrated another year of robust results. This was facilitated by multiple funding sources, including: a stable deposit base; a substantial warehouse facility; and strategic securitization activities.

We appreciate our innovative business partners, and their collective ability to facilitate solutions that are key to our joint success. Together we will continue to expand our product lines in specialty financial services markets.

Given our longstanding relationships in the Prairies, we relocated our Calgary office into a modern, contemporary space strategically positioned in the downtown core.

In the Canadian card issuing business, we remain the dominant provider in the prepaid space. Our experienced payments team continues to grow and enhance a portfolio of financial technology (fintech) companies.

We are grateful to be acknowledged as being innovative collaborators by our partners. Innovation is a key component of our Vision, Mission and Values. 2021 afforded opportunities that we were able to capitalize on to enhance overall results. Thus, we are well-positioned for continued growth and innovation in 2022 and beyond.

Bill Moffatt
Chief Operations Officer



A Stable Portfolio

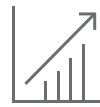
Peoples Group has been providing tailored financial services to the Canadian marketplace for more than 35 years. Since 1985 our focus has been on exceptional customer service, solidly rooted in extensive product knowledge and experience. Over the years, we've thoughtfully expanded our product and service offerings, based on customer needs. We expect to continue this successful journey in the years to come. Peoples Group financial services are offered through a selection of partners and channels.

KEY BUSINESS LINES



Lending

Specialists in residential mortgages, consumer loans and alternative financing options, including advances on inheritances.



Deposit Services

Strong roots in core products, including Savings Accounts, GICs, RRSPs and TFSAs offered with rates among the best in Canada.



Commercial Mortgages, Servicing & Securitization

Experts in CMHC and conventional lending for multi-family, commercial and construction projects, with mortgage servicing for investor clients.



Payment Solutions & Card Services

Industry-leading services for merchants and custom solutions for fintechs have been our hallmark track record for innovation in the payments area.



Our Family of Financial Services



Peoples Group



Peoples Bank



Peoples Trust



Peoples
Payment Solutions
and Card Services



Peoples Group continues to evolve our family of connected companies through strategic, measured growth. As we expand our product and service offerings, as well as the channels through which they are delivered, we tailor our solutions to an increasing audience in the financial services community.

A growing number of customers and the consumers who deal with brokers, agents, fintechs and other financial intermediaries are benefiting from their relationships with Peoples Group.

Regulatory Developments

2021 continued to be a busy year on the regulatory front.

Peoples Group's legal and compliance teams support our business lines by monitoring and responding to current and emerging regulatory issues.

Some of the key regulatory issues we tracked in 2021 were:

Federal Financial Consumer Protection Framework (Bill C-86): Regulations related to this comprehensive new consumer protection regime will apply to Peoples Bank of Canada, and establish new consumer protection processes and extend FCAC oversight to the appropriateness of products marketed to consumers. They come into force June, 2022.

Reforms to Quebec's private-sector privacy laws: On September 22, 2021, Quebec's Act to Modernize Legislative Provisions respecting the Protection of Personal Information received royal assent and will come into force in phases over the next three years. This new law will increase the enforcement powers for the Commission d'accès à l'information, mandate, risk assessments for data transfers outside Quebec, add significant new monetary penalties for non-compliance, and implement mandatory breach notification and record keeping requirements.

Canadian Anti-Money Laundering (AML) Regulations: Amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) and regulations took effect on June 1, 2021, with FINTRAC enforcement of the new regime to commence April 1, 2022.

Open Banking: On August 4, 2021, the Minister of Finance released the Advisory Committee on Open Banking's final report, a much awaited road map for launching open banking in Canada by January 2023. A national lead for this program was finally named in Spring 2022 – an important signal of the government's intention to deliver on this priority.

Peoples Group maintains active engagement across these industry associations: Banks and Trust Companies Association; Canadian Bankers Association; Canadian Prepaid Operators Organization; and Paytechs of Canada Association.

We stay well informed on industry and regulatory developments, and well positioned to contribute to critical policy issues that could impact the business.



Anne Butler
Chief Legal Officer

Information Technology

Driving and adopting a total quality approach to digital banking.

2021 marked a pivotal year within the realm of technology at Peoples. Operating, adapting, and evolving within the second year of the global pandemic presented both challenges and opportunities to accelerate major facets of our enterprise technology capabilities.

People are at the centre and heart of IT progress. Creating an environment that fosters capabilities development within a culture for honest and productive engagement cannot be underestimated in our relentless quest for excellence. Building our collective and integrated community of technology professionals is one of the essential components to our corporate strategy. To do this, we invest in and appreciate our team members through building an environment that offers challenging and meaningful work, whilst building and sustaining purposeful, professional relationships.

Strategically, IT priorities remain fully aligned with our corporate portfolio: Run, Grow, Innovate, underpinned through a philosophy of designing, building, and monitoring high availability systems and prudent risk management.

Enterprise Risk Management

An adaptive culture enables the transformation to modernized risk management.

The world experienced unprecedented change throughout the global pandemic. New selective pressures created conditions that challenge the status quo across all aspects of the value chain. This change uncovered fundamental aspects to the micro and macro-level economic and competitive forces that triggered deep reflection and revised agendas for many organizations around the globe.

At Peoples, our prudent and balanced risk management practices served us well throughout the various headwinds, originating from multiple sources. As part of our adaptive strategy, Peoples continues to invest in comprehensive risk management capabilities across all major categories of enterprise risk management:

- Market
- Liquidity
- Credit
- Regulatory/compliance
- Information security
- Third party
- Operational
- Strategic
- Reputational
- Conduct and culture

To maintain and strengthen our overall corporate resiliency, key themes and areas of heightened focus include data management, sustainability, cyber security, environmental, social and corporate governance.

At the heart of risk management is the adoption of a risk culture, competencies, and awareness, that optimizes the balance between risk and reward. Peoples places high value on transparency, challenging the norms, and relentlessly pursuing excellence in all we do. Through authentic conversations and sophisticated technologies, we distribute and integrate risk management capabilities throughout our network. We believe this philosophy, and openness to understand this balance, is the optimal approach to utilize risk management as a strategic tool, to strengthen our value proposition in ways that consistently address our customers' and broader stakeholders' expectations.



Bruce Duthie
Chief Risk Officer &
Chief Information Officer

People & Culture

Showing consistent growth since 1985.

Peoples Group is an inclusive, strengths-based and relationship-focused organization, that encourages employees to be engaged and passionate about what we do and the exceptional service we provide.

The employee experience has been at the center of our efforts because we know that we can ensure that every person does what they love when we focus on individual strengths.

We believe that we all have a role in building a great collaborative and engaging workplace experience. From our hybrid working environment, to our regular engagement sessions, our People Leaders and employees work together, knowing that everything is better when the team is engaged.



Wellbeing

Our employees are at the heart of our success and with strengths a natural part of our culture, we are focused on building the holistic wellbeing of employees to help them achieve a balanced life.

A dedicated Wellbeing Circle, formed from employees at each of our locations, organizes monthly events, activities, information and resources in the wellbeing elements which include Career, Community, Financial, Physical and Social.

Employee Engagement Survey Participation rate **91%**



Ann McDow
Chief People Officer

Innovation Hub

Payments modernization, technology and market forces have created a fast pace of change in the payments industry.

As we continue to invest heavily in our business lines and their day to day operations, our existing business experts continue to collaborate internally and externally to grow, providing world class customer service and customized solutions.

To support growth and to help us deliver on our vision and mission, we have invested in a new team focused on innovation. This team of financial services veterans brings with them varied and complimentary skills, experience and strengths.



They are encouraged to experiment with the objective of finding new internal and external opportunities to drive quantum growth, and focus on strategic and future opportunities.

The small group that makes up the innovation hub cannot do it alone. In its first year, the Innovation Hub, assisted by many colleagues within Peoples Group, and contract subject matter experts, took on several internal and product innovations.



Marketing & External Communications

“The only constant in life is change.” - Heraclitus

Our focus in 2021 was to continuously improve our customers’ experiences through our multiple websites, marketing campaigns, social media channels, statement /online messaging, and collateral materials. We remained positive while communicating about our expanding array of products, our top-notch rates and our responsive services.

Kathleen Ross
Assistant Vice President
Corporate Services



Five Websites Managed

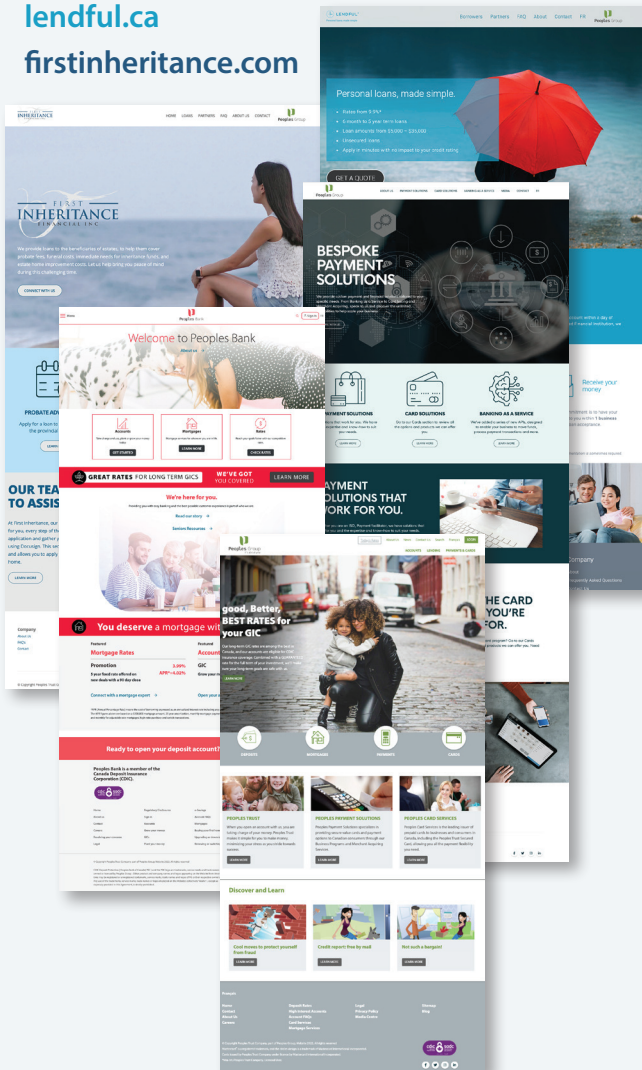
[peoplesgroup.com](https://www.peoplesgroup.com)

[peoplesbank.ca](https://www.peoplesbank.ca)

[peoplespaymentsolutions.com](https://www.peoplespaymentsolutions.com)

[lendful.ca](https://www.lendful.ca)

[firstinheritance.com](https://www.firstinheritance.com)



Customer Feedback Results

Our Customer Feedback Survey covered several of our main consumer and broker channels, yielding positive results, which increased from the 2020 survey.



Social Media



[linkedin.com/company/peoples-group-of-companies](https://www.linkedin.com/company/peoples-group-of-companies)



[facebook.com/peoplesgroupofcompanies](https://www.facebook.com/peoplesgroupofcompanies)



[instagram.com/peoplesgroupfin/](https://www.instagram.com/peoplesgroupfin/)



twitter.com/peoplesproupfin



Deposit Services

Here to serve you

We're here to support you on your path toward success.



CONTACT

Canada-wide

Phone: 604-331-3465

Toll Free: 800-663-0324

peoplesgroup.com

Peoples Trust offers a portfolio of products to consumers and businesses which allows access to financial services whenever and wherever our customers need it. We can discuss your savings goals and retirement plans.

Whether it is via our online banking platform or using our mobile app, customers have 24/7 access to their deposit accounts.





Peoples Trust

Deposit Services

Guaranteed Investment Certificates (GICs)

Competitive rates guaranteed for the full term.



Peoples Trust GICs offer high rates, that are guaranteed for a fixed term, in a safe, secure and no-fee investment, with the convenience of online banking.

With non-registered and registered options, you can save for your future while earning among the best rates in Canada; and your deposit is eligible for Canada Deposit Insurance Corporation (CDIC) insurance.

Non-Registered GICs

Whether it's a short-term investment of 30 to 364 days or a longer-term of one to five years, interest rates for your personal or business GIC are guaranteed for the full term of your investment.

Retirement Savings Plans

Available for terms of one to five years, the Peoples Trust RSP provides a fixed and guaranteed rate for the entire term of your investment. Interest is compounded annually and paid at maturity. With no set-up or service fees, saving for your retirement is easy.

Tax-Free Savings Account (TFSA) GICs

If you need a place to invest funds, our TFSA GIC is a great choice. This product offers terms from one to five years, with rates that are fixed and guaranteed for the full term. Interest is compounded annually and paid at maturity. With no set-up, service or transfer fees, you can only win with this investment option.





Peoples Trust

Deposit Services

Savings Accounts

Zero monthly fees and no minimum deposit.



Many of the milestones in life take a lot of planning to achieve, and sometimes the hassle of planning can take away from the excitement. At Peoples Trust, we offer two simple options for high-interest savings, including the e-Savings Account and TFSA high-interest savings account.

e-Savings

The e-Savings Account is all about giving you more of what you want: high-interest savings and more convenience with the benefits of online and mobile banking. Through online banking, you can also use your e-Savings to purchase our GIC products. We invite you to power up your savings with a safe, liquid and flexible e-Savings Account.

Tax-Free Savings

As a registered product, the TFSA allows you to earn interest tax free within the contribution limits set by Canada Revenue Agency. The Peoples Trust TFSA makes it easy to view your savings using online or mobile banking. With rates among the best in Canada, a TFSA is an excellent tool to save for the things that are important to you.

At Peoples Trust, our savings accounts offer competitive interest rates that will help you grow your money faster. We calculate interest daily and pay it monthly, making every dollar count. Even better, there are no set-up, service or transfer fees, and deposits are eligible for CDIC insurance.

To find out more about the benefits of our savings accounts and to apply online, visit peoplesgroup.com.



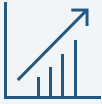


Peoples Trust

Deposit Services

Business Accounts

Real financial growth with some of the best rates.



Business GICs

The Peoples Trust Business GIC offers your business a guaranteed return on investment with competitive rates. Whether it's a short-term investment of 30-364 days or a long-term one of one to five years, our Business GIC can help your business grow. They are a safe and secure way to invest in the future of your business, and your deposits are eligible for CDIC insurance.





Suite 100

Comfortable customer service

We're here to support you on your path toward success.

CONTACT

Canada-wide

Phone: 778-309-4860

Toll Free: 833-309-4860

HOURS OF OPERATION

By Phone: Monday - Friday 5:00am - 4:30pm PT

We would be happy to serve you by email, by phone or in-person at Suite 100, our street-level customer service area in Vancouver. Our Customer Service Representatives are here to discuss your savings goals and retirement plans.

They can also connect you with the right people to help you with your mortgage needs and our other products and services, including pre-paid cards.

peoplesbank.ca

Suite 100 – 888 Dunsmuir Street,
Vancouver, BC V6C 3K4





Peoples Bank

Deposit Services

Guaranteed Investment Certificates (GICs)

Whether you're saving for a new home, a vacation or looking ahead to a comfortable retirement, we have an account for you.



Peoples Bank offers a variety of interest-bearing investment products that are eligible for CDIC insurance. Our products are perfect for those seeking a high yield with easy transaction and balance viewing through online banking or our mobile app.

Non-Registered Guaranteed Investment Certificates

Whether it's a short-term investment of 30 to 364 days or a longer-term of one to five years, interest rates for your GIC are guaranteed for the full term of your investment.

Savings Accounts

e-Savings

Now you can choose to open your new e-Savings account with Peoples Bank, Peoples Trust or both. Same great services and rates with eligibility for CDIC insurance.

EasyTransaction

Managing your money should be easy and hassle-free. With an Easy **Transaction** account, we offer two convenient service packages to choose from: Pay-as-you-go; or bundled. Enjoy the benefits of *Interac* e-transfer and Bill payments with the convenience of online banking or our mobile app.





Personal Lending

Customer Service sets us apart
We take the frustration out of financing.



CONTACT

Canada-wide

Toll Free: 833-309-4861

[**peoplesbank.ca**](https://www.peoplesbank.ca)

Peoples Bank continues the proud tradition of being a key participant in the Canadian financial services market.

We offer a number of lending products across both traditional and non-traditional markets. With a focus on both direct to consumer, and collaboration with strategic partners, Peoples provides creative and responsive solutions to prospective borrowers.





Residential Mortgages

Peoples Bank provides mortgage solutions for a range of purposes, including owner-occupied, second homes and investment homes. We offer insured, near prime and non conforming home loan products supported by a personalized, solution-focused service.

We offer our solutions through a variety of channels:

Direct to Consumer

Our team of experienced Mortgage Planners works directly with new and existing borrowers, advising them on their mortgage options, and guiding them from application through to funding. We aim to provide peace of mind and comfort.

Broker

We work with a select and exclusive group of mortgage brokers, that understand the value of partnering and building long term relationships. Our dedicated employees offer a high level of service that allows brokers to ensure their clients' mortgage needs are met.

Referral & Affinity Partners:

When partnering with select, external referral sources, and affiliated partners of Peoples Group, we focus on the exclusive relationships in order to provide the most beneficial home loan solutions to their clients and employees.



Pamela Allinott
Senior Mortgage Planner



Stephanie Crawley
Mortgage Planner



LENDING

Consumer Loans

We provide personal loans, through our online Lendful brand, that assist Canadians on their journey to financial health, by filling a mid-market void between traditional lenders and higher interest subprime lenders. We offer amounts ranging from \$5,000 to \$35,000, with terms from six months to five years.

Utilizing innovative technology and dynamic risk-based pricing, we are able to provide same day approval and, in most cases, next day funding.

We offer our Lendful personal loans through two distinct channels:

- Direct to consumer via our website lendful.ca
- Through selected partners, by enabling them through the use of connected technology, to offer Lendful Loans to their customer base

Estate Loan Advances

The unique estate loan advance solutions we offer, through our First Inheritance brand, are there to help people in their time of need. These advances can provide financial certainty to assist with payment of probate fees, funeral expenses, complete repairs and improvements on the estate property prior to sale, or gain early access to inheritance proceeds for the varied needs of beneficiaries.

We offer loans up to \$75,000 (or \$25,000 for funeral advances) with a maximum term of 12 months with no monthly repayment required. The loan is repaid upon the settlement of the estate.

We offer our First Inheritance loans through two distinct channels:

- Direct to consumer via our website firstinheritance.com
- By offering the range of First Inheritance loan advance products to the clients of select online and referral partners in the estate, will and probate-related industries.



LENDFUL

Personal loans, made simple





Ray Brooker
Senior Vice President - Operations



Stephanie Villard
National Manager
Retail & Consumer Lending



Donna Morrison
National Manager
Partners & Broker Distribution

Asset Based & Specialized Lending

Peoples Group provides tailored, creative, corporate lending and off balance sheet financing solutions, to Canadian originators of consumer lease assets, Mortgage Investment Corporations, alternative real estate service companies, and alternative asset based commercial bridge lending through affiliates, starting from \$5 million.

Our team is highly experienced in these forms of lending and works with our borrowers and partners to facilitate individually tailored financing solutions.



Pedram Kaya
Vice President
Asset Based & Specialized Lending



Commercial Lending

Over 35 Years of Expertise

National presence with three regional offices.



CONTACT

Commercial Residential Regional Offices

British Columbia 604-685-1068

Prairies 403-237-8975

Eastern Canada 416-368-3266

peoplesgroup.com

We are a provider of commercial mortgage funding to investors, landlords, developers, seniors' facility operators and non-profit affordable housing societies, in communities across the country.

This activity is supported by three regional offices located in Vancouver (servicing British Columbia), Calgary (servicing Alberta, Saskatchewan and Manitoba) and Toronto (servicing Ontario, Quebec and Eastern Canada).

Our primary focus is on Canada Mortgage and Housing Corporation (CMHC) insured multi-family lending. We also provide conventional mortgage financing for development projects, commercial building repositioning and investment acquisitions of most commercial real estate asset classes.





COMMERCIAL
LENDING

CMHC Mortgage Lending

**More than \$1.5 billion in prime mortgages under administration,
with an experienced team of experts.**

Peoples Trust, part of Peoples Group, is actively engaged in CMHC insured multi-family mortgage financing. All three regional offices have extensive experience in the underwriting and placement of CMHC loans on new and existing rental apartment buildings, seniors' residential facilities and non-profit affordable housing projects.

Our long-term relationship with CMHC underwriters helps us provide valuable insight to clients on the requirements and process involved in getting loan insurance approvals. This relationship is backed by a very robust loan securitization program tied to the CMHC Canada Mortgage Bonds™ (CMB) Program. It allows Peoples Group to offer very competitive five and ten-year term interest rates to clients, with odd lot terms also available. This program extends to any geographic location where CMHC operates.

Conventional Commercial Mortgages

Timely, creative, customized underwriting of customer mortgage requirements is the primary mission of our commercial uninsured mortgage program. Commercial real estate is always facing headwinds from economic, regulatory or market-specific factors. Our experienced underwriters in each regional office have direct local knowledge of the challenges customers are facing.

With the support of a streamlined credit approval process, they can craft creative and competitively priced loan structures that help customers achieve their goals. This program includes construction financing, bridge financing for property acquisitions and renovation programs and term financing for longer-term real estate investments.



COMMERCIAL LENDING



Douglas Lee
Senior Vice President - Distribution



Dennis Dineen
Executive Advisor and SVP Credit



Ady Steen
Vice President & Regional Manager
Commercial Banking (Eastern Canada)



Jonathan Wong
Vice President & Regional Manager
Commercial Banking (British Columbia)



Rob O'Conner
Vice President & Regional Manager
Commercial Banking (Prairies)





Lending & Portfolio Services

A full range of services



CONTACT

Canada-wide

Phone: 604-683-2881

Toll Free: 855-683-2881

peoplesgroup.com

Peoples Group is known for their commitment to providing high-quality lending and portfolio management services to our investor customers for both commercial, single family, consumer loans, and warehouse facilities.

As a long-time participant in the Institutional Investors segment of the financial industry, we are well known for our involvement with CMHC's National Housing Act Mortgage-Backed Securities Program (NHA MBS), particularly in the CMB Program.

We provide a full range of services from sourcing new business, underwriting, mortgage administration, investor reporting, and mortgage servicing.

Our investor customers include financial institutions, private lenders along with others.





MORTGAGE
INVESTING

Commercial Mortgage Services

We pride ourselves on having the people, the experience and the 'can-do' attitude.

Peoples Group is a leader in the origination, structuring, and placement of commercial real estate mortgages across Canada.

We are expanding our investment relationships allowing us to arrange and syndicate commercial mortgage loans that optimize solutions for our customers. Our extensive experience and flexibility results in mutually beneficial loan structures for investors and borrowing customers.

Structuring and funding mortgages are just the beginning of our commitment to mortgage customers. We provide banking services, such as payment processing, investor remittances and support for loans or borrowers who may require a little extra attention.

We administer a mortgage portfolio of commercial properties located throughout Canada. In keeping with our mission to provide the best in customer service, our customers appreciate that they will always be able to speak directly with any of our team members. This easy access guarantees you will have quick answers to your questions or inquiries and reaffirms our dedication to the personal approach. We make it work.

Cathleen Copeland
Assistant Vice President
Administration & Funding



Social Housing

Peoples Group actively participates in mortgage financing of social housing facilities, which include rental properties, community services, and health care and rehabilitation centres. By facilitating the transfer of mortgage debt from provincial governments to private investors, Peoples Group assists in the efficient allocation of capital away from public financing schemes.

Our financing initiatives demonstrate a close co-operation between government and private enterprise, allowing the affordable accommodation of emergency shelters, assisted living for seniors, women, and children at risk of violence. Since 2013, we have funded Social Housing mortgages which serve many communities in British Columbia and Ontario.



INVESTING

Treasury and Capital Markets

Peoples Group has maintained a fortified balance sheet with focus on managing market risk, despite the volatility induced by the pandemic.

Capital Markets

Peoples Group has become well known, and highly regarded, for its involvement in the securitization of insured multi-family and single-family mortgages, for placement in the NHA MBS and CMB Programs.

We have been a key participant in the NHA MBS market since the inception of the program in 1987. Our issuance of market MBS securities and participation in the CMB program allow us to consistently provide competitive mortgage rates to our varied clientele.

Peoples Group is also building its capabilities in other capital transactions, including syndication/sell downs and non-vanilla funding/securitization structures.

Treasury

Peoples Group Treasury is responsible for managing the Group's liquidity risk and market risk within the risk appetite of the Asset Liability Committee (ALCO) and of the Board. Despite the volatile environment induced by the pandemic, Peoples Group maintained a very liquid balance sheet with laser sharp focus on mitigating market risk and protecting margins.

Salim Hamani
Senior Vice President
Treasury & Financial Innovation





Peoples Payment Solutions & Card Services

Industry Leading Payment Solutions

We are innovative and entrepreneurial.



CONTACT

Canada-wide

Payment Solutions: 877-374-9444

Card Solutions: 855-694-6214

peoplespaymentsolutions.com

In the world of Canadian payments, Peoples Trust, part of Peoples Group, is a leading issuer of payment cards and an innovative merchant acquirer.

We are an entrepreneurial organization that excels at customizing solutions to fit the needs of our clients.

We have been recognized as a pioneer and innovator of prepaid cards in Canada and as an early adopter of payment solutions. We have partnered with many of Canada's fintechs, giving them the tools and guidance to help them realize their success.

As a licensed issuer and acquirer with all the major popular payment brands, we can provide you access to a wide array of payment products and services to bolster the growth of your business.





PAYMENT SOLUTIONS & CARD SERVICES

Customized Solutions

We excel at customizing payment solutions.

Our experienced Payments team will educate and support you with gaining an understanding of local payment regulations, laws and products. We are an enthusiastic collaborator and will work with you to find solutions to your payment challenges.

We are responsible for some of the most innovative payment products in the country. Working closely with our Program Managers, Peoples Group has issued an extensive range of award-winning prepaid and credit-issuing programs in the areas of gift-giving, corporate incentives, health care, charity, lending, multi-currency, and B2B payments.

Our relationships with American Express®, Interac®, Mastercard®, Union Pay®, and Visa* position you to get to market faster than ever before.

AMERICAN EXPRESS is a trademark of American Express Marketing & Development Corp. Used under license.

Interac, Interac e-Transfer and the Interac logo are registered trademarks of Interac Corp. Used under license.

Mastercard and the circles design are registered trademarks of Mastercard International Incorporated.

UNIONPAY is a trademark of CHINA UNIONPAY CO., LTD..

*Visa Int./Peoples Trust Company, Licensed User

**VISA DIRECT is a trademark of Visa International Service Association

™MASTERCARD SEND is a trademark of MasterCard International Incorporated.

2021 Highlights



Launched *Interac* e-Transfer and reached annualized volume of \$1 billion and growing.



Facilitated Mastercard Send™ to complement Visa Direct** and to reach full card coverage in Canada.



Grew the Visa Direct push / pull payments business and by year end, enabled more than 60% of Canadian Visa Direct volume.



Enabled CDIC coverage on general purpose reloadable prepaid cards.



PAYMENT SOLUTIONS & CARD SERVICES

Digital Enablement

We differentiate ourselves through our strong collaboration with clients to develop tailored solutions to exceed their objectives.

With the significant rise of fintech companies in Canada, Peoples Group has developed a true expertise working closely with this fast-paced community, playing a strategic role in helping them scale and succeed.

Complementing our acquiring and card issuing sponsorship services, our turnkey and API-based payments platform enables both startups and well-established companies alike to enhance their customers' payment experience, making us the leading provider of turnkey digital-first banking and payment services in Canada. We offer secure services, in a certified PCI DSS environment, to deliver the tools necessary to expand our customers' digital offering.

Today's digital payments solutions include *Interac e-Transfer*[®] Request Money, push payments with Visa Direct*, and Mastercard Send**, Electronic Funds Transfer (EFT), direct deposit, card present, card not present and physical and virtual card processing, bill payment services, and mobile payments.

Interac e-Transfer is a trademark by Interac.



Howard Klein
President
Merchant Acquiring Services



Karen Budahazy
Vice President
Digital Enablement and Issuing



Mihnea Cirica
Vice President
Compliance & Risk, C & P



Frank Lee
Senior Vice President
Peoples Payments & Card Services



Lucy Coschignano
Vice President
Payment Operations, C & P



Amer Sidhu
Vice President
Product & PMO



Gerry Serratore
Vice President
Sales and Business Development



PAYMENT SOLUTIONS & CARD SERVICES

Issuing Program Sponsorships

Our best-in-class approach ensures a strong focus on compliance and customer service excellence.

For over 16 years, Peoples Group has been offering Prepaid and Credit BIN issuing sponsorships to Program Managers to rapidly develop and deploy card programs, both physical and digital, tailored to specific needs in target markets. Our expertise, gained from leading the prepaid industry in Canada, has resulted in unsurpassed time-to-market launches of hundreds of innovative programs. We have also expanded our sponsorship offerings to the United States.

Our best-in-class approach ensures a strong focus on compliance, customer service excellence, and comprehensive implementation, allowing entrepreneurs to focus on converting their opportunities into sustainable, profitable programs. Grow and build your brand while we manage the payment network relations, settlement and regulatory compliance services.

Peoples Group issues cards tailored to niche markets in the financial, corporate, government, travel, insurance, health, and retail sectors. Our products include secure and unsecured credit programs, reloadable and non-reloadable prepaid programs, multi-currency, private label or network branded, mobile wallets and contactless payments, virtual cards, CDIC coverage for GPR cards, and more. Payment cards are extremely versatile and power many applications today such as challenger banks, expense management, buy now pay later programs, disbursements, on-demand pay, gig economy payments, corporate incentives, gifting and cheque replacement applications.

We offer the issuance of American Express*, Mastercard, UnionPay and Visa, whether those needs are country-wide or for restricted private label acceptance. Whether it is sponsoring prepaid or credit card solutions, we can facilitate your payment network needs.

*Peoples Trust is an issuer of American Express Prepaid.



PAYMENT SOLUTIONS
& CARD SERVICES

Merchant Acquiring Sponsorships

We provide choice, flexibility and innovation to merchants.

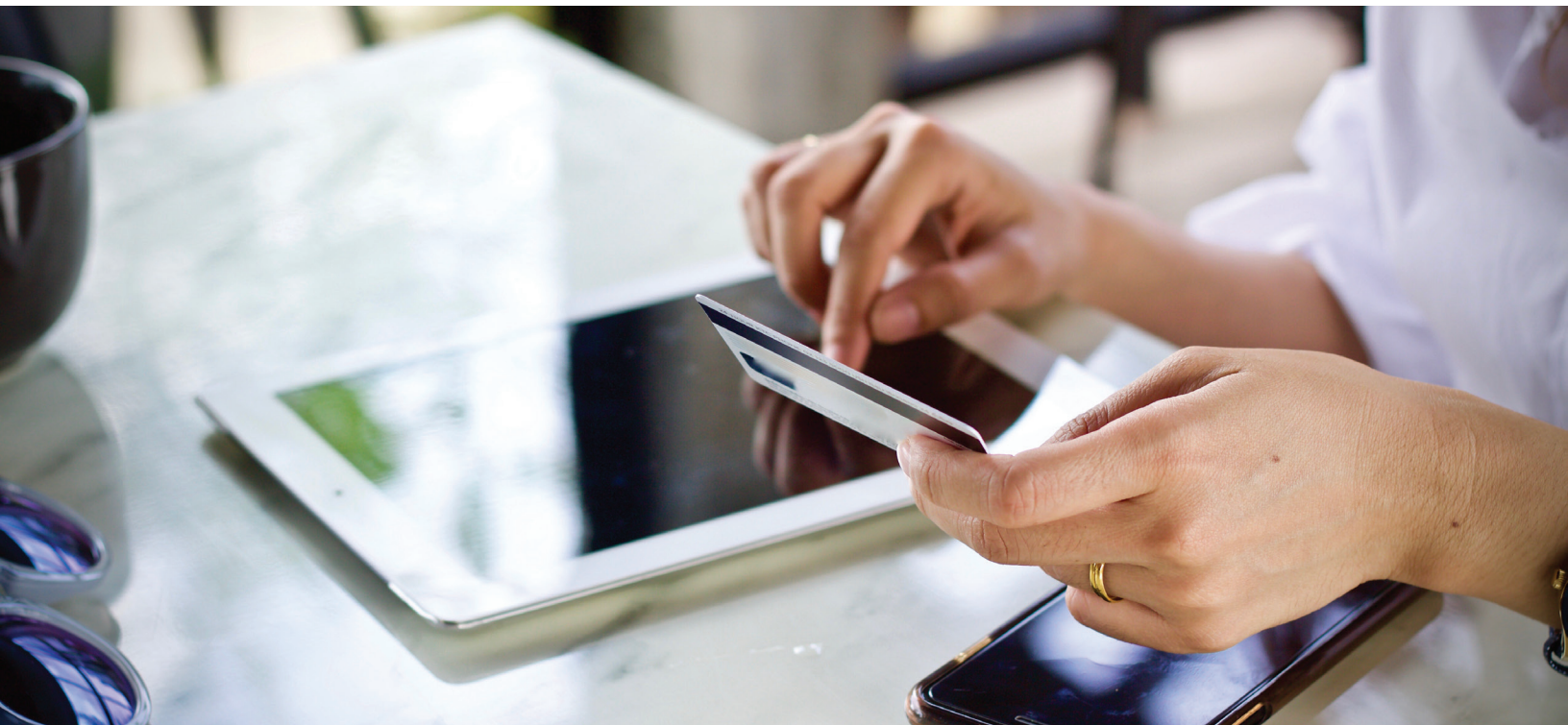
Providing access to the Canadian Payment System, Peoples Group is the leading sponsor of Independent Sales Organizations, Payment Facilitators, Processors and fintechs in Canada.

Through our sponsorship program, we work with reputable, established partners from around the world, to provide choice, flexibility and innovation to merchants and offer a 'one-stop solution' for merchant payment acquiring. We have also expanded our sponsorship offerings to the United States.

Having acquiring relationships with American Express, Interac, Discover®, Mastercard, UnionPay and Visa, we leverage our experience with BIN sponsorships and the latest push and pull funds services, such as Visa Direct and Mastercard Send, to help our clients deliver robust solutions to their merchants.

As an innovator, we are always adding to our products and services to increase and enhance the options for our clients and their merchants, providing you access to the newest services available.

Providing merchant acquiring services for over 11 years, our seasoned Payments team can support you whether your target clients are e-commerce, card present, mobile commerce, multi-currency, recurring payments or mail/telephone order merchants.



2021 Financial Results

A solid foundation for financial growth



The record financial results for Peoples Group in 2021, reflect the consistent upward momentum we continue to build, while facing change and uncertainty in the current operating environment.

Our solid base of capital and liquidity, increasing diversification in business segments, and strategic investments in technology, talent and innovation are at the heart of our solid foundation and continued growth. While the various COVID-19 variants have created headwinds to the global economic recovery over this past year, Peoples Group was able to continue steadily along our journey of growth and profitability.

Over the course of the year, our Assets Under Administration grew \$2.5 billion, rising from \$16.3 billion to an impressive \$18.8 billion. Our record Net Income surpassed a major milestone, as we posted a robust \$50.1 million of earnings, up from the prior year's \$44.9 million.

Finally, our Regulatory Capital Ratio remained solid at 16.8% with a corresponding Leverage ratio of 6.03%.

These outstanding results have created a very strong base for Peoples Group to grow further, while remaining financially resilient.



Samson Lim
Chief Financial Officer



Peoples Group

2021 Financial Results

Condensed Balance Sheet¹	2021	2020
<i>(Expressed in thousands of dollars)</i>		
Assets		
Cash and securities	988,567	881,424
Loans receivable	1,614,799	1,451,022
Securitized mortgage receivables	1,661,728	1,507,287
Other assets	796,592	777,261
Total Assets	<u>5,061,686</u>	<u>4,616,994</u>
Liabilities		
Customer deposits	2,032,496	1,934,454
Securitization liabilities	1,525,626	1,402,601
Other liabilities	1,160,138	971,716
Total Liabilities	<u>4,718,260</u>	<u>4,308,771</u>
Shareholders' Equity		
Share capital	26,884	26,884
Retained earnings	315,439	281,497
Non-controlling interest	1,103	(158)
Total Equity	<u>343,426</u>	<u>308,223</u>
Total Liabilities and Equity	<u>5,061,686</u>	<u>4,616,994</u>
Total Assets Under Administration	<u>18,830,696</u>	<u>16,343,651</u>

¹Prepared from audited consolidated financial statements of Peoples Trust Company.



Peoples Group

2021 Financial Results

Condensed Statement of Income ¹	2021	2020 ²
<i>(Expressed in thousands of dollars)</i>		
Net Interest Income		
Interest revenue	96,096	105,004
Cost of funds	60,019	75,900
	<u>36,077</u>	<u>29,104</u>
Provision for Credit Losses	<u>3,698</u>	<u>5,428</u>
Income Before Other Income, Operating Expenses and Income Taxes	32,379	23,676
Card Services & Payment Solutions Income		
Revenue	161,620	138,742
Expenses	128,407	109,830
	<u>33,213</u>	<u>28,912</u>
Securitization and Other Income/(Loss)	<u>91,634</u>	<u>92,994</u>
Income Before Operating Expenses and Income Taxes	157,226	145,582
Operating Expenses		
Administrative	37,966	43,677
Salaries and benefits	47,960	39,139
Depreciation	4,033	3,191
	<u>89,959</u>	<u>86,007</u>
Income Before Income Taxes	67,267	59,575
Provision for Income Taxes	<u>17,179</u>	<u>14,685</u>
Net Income for the Year³	<u>50,088</u>	<u>44,890</u>

¹Prepared from audited consolidated financial statements of Peoples Trust Company

²Certain prior period amounts have been reclassified to conform with current period presentation

³Includes non-controlling interest of \$1,594 (\$820 loss in 2020)

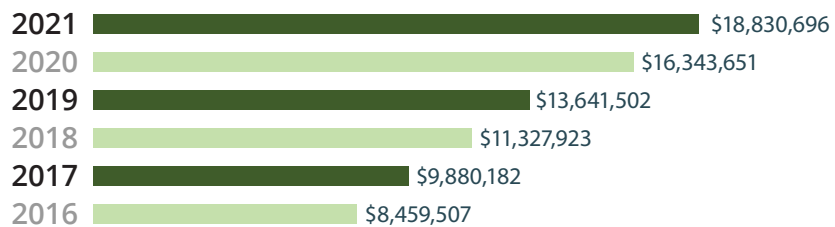


Peoples Group

2021 Financial Results

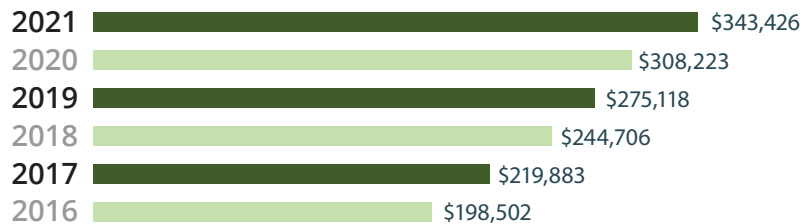
Assets Under Administration

(Expressed in thousands of dollars)



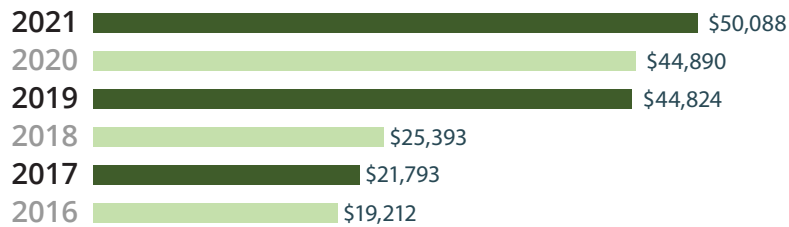
Shareholders' Equity

(Expressed in thousands of dollars)



Net Income for Year (After Tax)

(Expressed in thousands of dollars)





Peoples Group

2021 Financial Results

Administered Assets

by Location

- BC 30%
- Other 25%
- Prairies 23%
- Ontario 22%



by Security

- Multi-Family 82%
- Single-Family 12%
- Other 3%
- Care facility 3%

Administered Deposits

by Location

- Ontario 66%
- BC 21%
- Other 7%
- Prairies 6%



Peoples Giving

Connecting people through community involvement.

In 2021, many events were able to pivot to a virtual format, providing our company and employees more opportunities to participate in annual fundraising campaigns.

Our support of the Heart and Stroke Foundation and Covenant House continued. We supported the virtual Sun Run, with participation across all our offices, as well as special initiatives mentioned below.



Ride for Heart (formerly Big Bike): Our employees raised \$7,600 of which \$1,600 came from a virtual Garage Sale. With the company match, our total came to more than \$15,000, bringing our 8-year fundraising total to more than \$81,000. The Ride for Heart was in conjunction with Mission Possible 2, which took us on a heart-shaped route around the world.



Covenant House – CEO Sleepout:

Our annual fundraiser for Covenant House and the CEO sleep-out successfully raised a record \$25,450 in support of our CIO's participation in the event. In addition to a team fundraising site, we facilitated the donation process by launching a payroll deduction program and had 4% of employees participate in that launch.



In addition to our fundraising efforts, Peoples Giving also provided \$36,000 in sponsorships to:

- Bard on the Beach
- George Brown College
- Jewish Community Centre Sports Dinner Fundraiser
- BC Children's Hospital
- Tour de Cure
- Red Cross Flood Relief (via payroll deduction)

We are looking forward to doing more in 2022.



Peoples Group

Board of Directors



David Ghermezian
CHAIRMAN



Michael T. Andrews



Lori-Ann Beausoleil



Johanne Brossard



Andrew Bury



Jonathan A. Levin



Grant MacKenzie



Michael Oseen



Laura Rubino



Rubina Salim-Havlin



Charles Stuart



Keith Thompson



Martin Walrath



Peoples Group

Contact us

Connect with the Right People



We are available for you. If you want to make an investment, open a business or personal account, inquire about a mortgage, obtain a prepaid card, or find out about our merchant acquiring services, we want to make sure you can connect with the right people.

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Peoples Trust Deposit Services

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Peoples Bank Personal Lending

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For more information visit peoplesgroup.com