

# Peoples Group

Public Disclosures (Basel III Pillar 3 and Leverage Ratio)

For the quarter ended September 30, 2024

## Public Disclosures (Basel III Pillar 3 and Leverage Ratio)

### Objective and background

This document presents the Basel III Pillar 3 and Leverage Ratio disclosures for Peoples Trust Company and its subsidiaries, including Peoples Bank of Canada, Peoples Card Services LP, and Peoples Payment Solutions Ltd (collectively "Peoples Group", "PG" or "the Group"). These disclosures are made pursuant to the Pillar 3 Disclosure Guideline for Small and Medium-Sized Deposit-Taking Institutions ("SMSBs") Capital and Liquidity Requirements of the Office of the Superintendent of Financial Institutions ("OSFI"). Peoples Group is classified as Category II SMSB with total assets less than \$10 billion threshold.

### Basis of presentation

Information reported in this Public Disclosure Report (Report) are prepared in accordance with the above guideline and Pillar 3 disclosure requirements pertaining to Category II SMSB.

Full qualitative disclosures are provided annually, at the fiscal year end.

### Location and verification

This report should be read in conjunction with PG's 2023 annual report, which can be accessed at [peoplestrust.com](http://peoplestrust.com)

All numbers in this Report are Canadian dollars and are unaudited

### Use of this document

Additional financial data published on OSFI website can also be accessed through the link below.

<https://www.osfi-bsif.gc.ca/Eng/wt-ow/Pages/fd-df.aspx>

Peoples Group  
Third Quarter 2024  
Table of Contents – Pillar 3 Disclosures

Table/Tab	Table/Tab Name	Format	Frequency	Page #
KM1	KM1: Key metrics (at consolidated group level)	Fixed	Quarterly	4
Modified CC1	Modified CC1: Composition of regulatory capital for SMSBs	Fixed	Quarterly	5
LR2	LR2: Leverage ratio common disclosure template	Fixed	Quarterly	6

## KM1: Key metrics (at consolidated group level)

		a	b	c	d	e
		Q3 2024 Basel III	Q2 2024 Basel III	Q1 2024 Basel III	Q4 2023 Basel III	Q3 2023 Basel III
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	468,129	457,285	440,962	390,793	389,645
2	Tier 1	469,217	458,445	442,063	390,929	389,645
3	Total capital	492,993	481,641	459,001	402,868	407,238
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	2,461,512	2,589,986	2,684,733	2,584,239	2,410,258
4a	Total risk-weighted assets (pre-floor)	2,461,512	2,589,986	2,684,733	2,584,239	2,410,258
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	CET1 ratio (%)	19.02%	17.66%	16.42%	15.12%	16.17%
5a	CET1 ratio (%) (pre-floor ratio)	19.02%	17.66%	16.42%	15.12%	16.17%
6	Tier 1 ratio (%)	19.06%	17.70%	16.47%	15.13%	16.17%
6a	Tier 1 ratio (%) (pre-floor ratio)	19.06%	17.70%	16.47%	15.13%	16.17%
7	Total capital ratio (%)	20.03%	18.60%	17.10%	15.59%	16.90%
7a	Total capital ratio (%) (pre-floor ratio)	20.03%	18.60%	17.10%	15.59%	16.90%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0%	0%	0%	0%	0%
10	Bank G-SIB and/or D-SIB additional requirements (%) <b>[Not applicable for SMSBs]</b>					
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	12.02%	10.66%	9.42%	8.12%	9.17%
<b>Basel III Leverage ratio</b>						
13	Total Basel III leverage ratio exposure measure	8,364,317	8,764,586	9,029,905	8,765,591	8,227,605
14	Basel III leverage ratio (row 2 / row 13)	5.61%	5.23%	4.90%	4.46%	4.74%

## Modified CC1: Composition of regulatory capital for SMSBs

		a	b	c	d	e
		Q3 2024 Basel III	Q2 2024 Basel III	Q1 2024 Basel III	Q4 2023 Basel III	Q3 2023 Basel III
	<b>Common Equity Tier 1 capital: instruments and reserves</b>					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	91,888	91,888	91,888	66,886	26,884
2	Retained earnings	392,422	382,108	365,598	340,957	380,697
3	Accumulated other comprehensive income (and other reserves)	-	-	-	-	-
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to Federal Credit Unions)</i>	-	-	-	-	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	-	-	-
6	<b>Common Equity Tier 1 capital before regulatory adjustments</b>	484,310	473,996	457,486	407,843	407,581
	<b>Common Equity Tier 1 capital: regulatory adjustments</b>					
28	<b>Total regulatory adjustments to Common Equity Tier 1</b>	16,181	16,711	16,524	17,050	17,936
29	<b>Common Equity Tier 1 capital (CET1)</b>	468,129	457,285	440,962	390,793	389,645
	<b>Additional Tier 1 capital: instruments</b>					
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-	-	-	-
31	of which: classified as equity under applicable accounting standards	-	-	-	-	-
32	of which: classified as liabilities under applicable accounting standards	-	-	-	-	-
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1 (applicable only to Federal Credit Unions)</i>	-	-	-	-	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-	-	-	-	-
35	of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)	-	-	-	-	-
36	<b>Additional Tier 1 capital before regulatory adjustments</b>	-	-	-	-	-
	<b>Additional Tier 1 capital: regulatory adjustments</b>					
43	<b>Total regulatory adjustments to additional Tier 1 capital</b>	-	-	-	-	-
44	<b>Additional Tier 1 capital (AT1)</b>	1,088	1,160	1,101	136	-
45	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	469,217	458,445	442,063	390,929	389,645
	<b>Tier 2 capital: instruments and provisions</b>					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	-	-	-
47	<i>Directly issued capital instruments subject to phase out from Tier 2 (applicable only to Federal Credit Unions)</i>	-	-	-	-	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	96	116	114	28	-
49	of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)	-	-	-	-	-
50	Collective allowances	23,680	23,079	16,824	11,911	17,593
51	<b>Tier 2 capital before regulatory adjustments</b>	23,776	23,195	16,938	11,939	17,593
	<b>Tier 2 capital: regulatory adjustments</b>					
57	<b>Total regulatory adjustments to Tier 2 capital</b>	-	-	-	-	-
58	<b>Tier 2 capital (T2)</b>	23,776	23,195	16,938	11,939	17,593
59	<b>Total capital (TC = T1 + T2)</b>	492,993	481,641	459,001	402,868	407,238
60	<b>Total risk-weighted assets</b>	2,461,512	2,589,986	2,684,733	2,584,239	2,410,258
	<b>Capital ratios</b>					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	19.02%	17.66%	16.42%	15.12%	16.17%
62	Tier 1 (as a percentage of risk-weighted assets)	19.06%	17.70%	16.47%	15.13%	16.17%
63	Total capital (as a percentage of risk-weighted assets)	20.03%	18.60%	17.10%	15.59%	16.90%
	<b>OSFI target</b>					
69	Common Equity Tier 1 target ratio	7.00%	7.00%	7.00%	7.00%	7.00%
70	Tier 1 capital target ratio	8.50%	8.50%	8.50%	8.50%	8.50%
71	Total capital target ratio	10.50%	10.50%	10.50%	10.50%	10.50%
	<b>Capital instruments subject to phase-out arrangements (For Federal Credit Unions only)</b>					
80	Current cap on CET1 instruments subject to phase-out arrangements	-	-	-	-	-
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-
82	Current cap on AT1 instruments subject to phase-out arrangements	-	-	-	-	-
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-
84	Current cap on Tier 2 instruments subject to phase-out arrangements	-	-	-	-	-
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-

## LR2: Leverage ratio common disclosure template

		a	b	c	d	e
		Q3 2024 Basel III	Q2 2024 Basel III	Q1 2024 Basel III	Q4 2023 Basel III	Q3 2023 Basel III
<b>On-balance sheet exposures</b>						
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	\$7,648,339	\$7,760,574	\$7,906,777	\$7,709,051	\$6,794,875
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework (IFRS)	-	-	-	-	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-	-	-	-
4	(Asset amounts deducted in determining Tier 1 capital)	(16,181)	(16,711)	(16,524)	(17,050)	(17,936)
5	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)</b>	<b>7,632,158</b>	<b>7,743,863</b>	<b>7,890,253</b>	<b>7,692,001</b>	<b>6,776,939</b>
<b>Derivative exposures</b>						
6	Replacement cost associated with all derivative transactions	57,971	11,903	14,787	13,427	43,397
7	Add-on amounts for potential future exposure associated with all derivative transactions	-	-	-	-	-
8	(Exempted central counterparty-leg of client cleared trade exposures)	-	-	-	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-	-	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-	-
11	<b>Total derivative exposures (sum of lines 6 to 10)</b>	<b>57,971</b>	<b>11,903</b>	<b>14,787</b>	<b>13,427</b>	<b>43,397</b>
<b>Securities financing transaction exposures</b>						
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	-	-	-	48,333	170,048
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-	-
14	Counterparty credit risk (CCR) exposure for SFTs	-	-	-	(351)	(98)
15	Agent transaction exposures	-	-	-	-	-
16	<b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>	-	-	-	47,982	169,950
<b>Other off-balance sheet exposures</b>						
17	Off-balance sheet exposure at gross notional amount	1,804,634	3,094,960	3,316,663	2,922,179	3,160,802
18	(Adjustments for conversion to credit equivalent amounts)	(1,130,446)	(2,086,140)	(2,191,798)	(1,909,998)	(1,923,483)
19	<b>Off-balance sheet items (sum of lines 17 and 18)</b>	<b>674,188</b>	<b>1,008,820</b>	<b>1,124,865</b>	<b>1,012,181</b>	<b>1,237,319</b>
<b>Capital and total exposures</b>						
20	<b>Tier 1 capital</b>	\$ 469,217	\$ 458,445	\$ 442,063	\$ 390,929	\$ 389,645
21	<b>Total Exposures (sum of lines 5, 11, 16 and 19)</b>	\$ 8,364,317	\$ 8,764,586	\$ 9,029,905	\$ 8,765,591	\$ 8,227,705
<b>Leverage ratio</b>						
22	<b>Basel III leverage ratio</b>	5.61%	5.23%	4.90%	4.46%	4.74%

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