Peoples Trust Company

Public Disclosures (Basel III Pillar 3 and Leverage Ratio)

For the period ended March 31, 2025

Public Disclosures (Basel III Pillar 3 and Leverage Ratio)

Objective and background

This document presents the Basel III Pillar 3 and Leverage Ratio consolidated 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 the $10 billion threshold.

Basis of presentation

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

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

Location and verification

This Report is published under the Regulatory Disclosures section of the Group’s website.

This Report is subject to internal review and has not been audited by PG’s external auditors

All numbers in this Report are Canadian dollars.

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
First Quarter 2025
Table of Contents – Pillar 3 Disclosures

KM1 – Key metrics (at consolidated group level)

	Dollars in thousands	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	469,628	457,218	468,129	457,285	440,962
2	Tier 1	470,958	458,527	469,217	458,445	442,063
3	Total capital	490,888	480,657	492,993	481,641	459,001
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	2,368,258	2,412,708	2,461,512	2,589,986	2,684,733
4a	Total risk-weighted assets (pre-floor)	2,368,258	2,412,708	2,461,512	2,589,986	2,684,733
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	19.83%	18.95%	19.02%	17.66%	16.42%
5a	CET1 ratio (%) (pre-floor ratio)	19.83%	18.95%	19.02%	17.66%	16.42%
6	Tier 1 ratio (%)	19.89%	19.00%	19.06%	17.70%	16.47%
6a	Tier 1 ratio (%) (pre-floor ratio)	19.89%	19.00%	19.06%	17.70%	16.47%
7	Total capital ratio (%)	20.73%	19.92%	20.03%	18.60%	17.10%
7a	Total capital ratio (%) (pre-floor ratio)	20.73%	19.92%	20.03%	18.60%	17.10%
	Additional CET1 buffer requirements as a percentage of RWA					
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 (%) **[Not applicable for SMSBs]**					
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 (%)	12.83%	11.95%	12.02%	10.66%	9.42%
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	8,304,376	8,223,974	8,364,317	8,764,586	8,765,591
14	Basel III leverage ratio (row 2 / row 13)	5.67%	5.58%	5.61%	5.23%	5.04%

Modified CC1 – Composition of regulatory capital for SMSBs

		Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	Common Equity Tier 1 capital: instruments and reserves					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	91,888	91,888	91,888	91,888	91,888
2	Retained earnings	395,737	383,294	392,422	382,108	365,598
3	Accumulated other comprehensive income (and other reserves)					
4	Directly issued capital subject to phase out from CET1 (only applicable to Federal Credit Unions)					
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)					
6	**Common Equity Tier 1 capital before regulatory adjustments**	**487,625**	**475,182**	**484,310**	**473,996**	**457,486**
	Common Equity Tier 1 capital: regulatory adjustments					
28	**Total regulatory adjustments to Common Equity Tier 1**	17,997	17,964	16,181	16,711	16,524
29	**Common Equity Tier 1 capital (CET1)**	469,628	457,218	468,129	457,285	440,962
	Additional Tier 1 capital: instruments					
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	*Directly issued capital instruments subject to phase out from Additional Tier 1 (applicable only to Federal Credit Unions)*					
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	**Additional Tier 1 capital before regulatory adjustments**					
	Additional Tier 1 capital: regulatory adjustments					
43	**Total regulatory adjustments to additional Tier 1 capital**					
44	**Additional Tier 1 capital (AT1)**	1,330	1,309	1,088	1,160	1,101
45	**Tier 1 capital (T1 = CET1 + AT1)**	470,958	458,527	469,217	458,445	442,063
	Tier 2 capital: instruments and provisions					
46	Directly issued qualifying Tier 2 instruments plus related stock surplus					
47	*Directly issued capital instruments subject to phase out from Tier 2 (applicable only to Federal Credit Unions)*					
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)	130	136	96	116	114
49	*of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)*					
50	Collective allowances	19,800	21,994	23,680	23,079	16,824
51	**Tier 2 capital before regulatory adjustments**	**19,930**	**22,130**	**23,776**	**23,195**	**16,938**
	Tier 2 capital: regulatory adjustments					
57	**Total regulatory adjustments to Tier 2 capital**					
58	**Tier 2 capital (T2)**	19,930	22,130	23,776	23,195	16,938
59	**Total capital (TC = T1 + T2)**	490,888	480,657	492,993	481,641	459,001
60	**Total risk-weighted assets**	**2,368,258**	**2,412,708**	**2,461,512**	**2,589,986**	**2,684,733**
	Capital ratios					
61	Common Equity Tier 1 (as a percentage of risk-weighted assets)	19.83%	18.95%	19.02%	17.66%	16.43%
62	Tier 1 (as a percentage of risk-weighted assets)	19.89%	19.01%	19.06%	17.70%	16.47%
63	Total capital (as a percentage of risk-weighted assets)	20.73%	19.92%	20.03%	18.60%	17.10%
	OSFI target					
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%
	Capital instruments subject to phase-out arrangements (For Federal Credit Unions only)					
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

		Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
On-balance sheet exposures						
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	7,765,860	7,684,984	7,648,339	7,760,574	7,906,777
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)	(17,997)	(17,964)	(16,181)	(16,711)	(16,524)
5	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)**	**7,747,863**	**7,667,020**	**7,632,158**	**7,743,863**	**7,890,253**
Derivative exposures						
6	Replacement cost associated with all derivative transactions	15,145	21,832	57,971	11,903	14,787
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	**Total derivative exposures (sum of lines 6 to 10)**	**15,145**	**21,832**	**57,971**	**11,903**	**14,787**
Securities financing transaction exposures						
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	-	-	-	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-	-
14	Counterparty credit risk (CCR) exposure for SFTs	-	-	-	-	-
15	Agent transaction exposures					
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	-	-	-	-	-
Other off-balance sheet exposures						
17	Off-balance sheet exposure at gross notional amount	1,456,540	1,450,120	1,804,634	3,094,960	3,316,663
18	(Adjustments for conversion to credit equivalent amounts)	(915,172)	(914,997)	(1,130,446)	(2,086,140)	(2,191,798)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**541,368**	**535,123**	**674,188**	**1,008,820**	**1,124,865**
Capital and total exposures						
20	**Tier 1 capital**	470,958	458,527	469,217	458,445	442,063
21	**Total Exposures (sum of lines 5, 11, 16 and 19)**	8,304,376	8,223,974	8,364,317	8,764,586	9,029,905
Leverage ratio						
22	**Basel III leverage ratio**	5.67%	5.58%	5.61%	5.23%	4.90%

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