Basel III Pillar 3 Capital Disclosure

Effective January 1, 2013 OSFI requires Canadian financial institutions to manage and report regulatory capital in accordance with a new capital management framework, commonly referred to as Basel III. The new Basel III Pillar 3 public capital disclosure requirements, leverage ratio requirement and Key metrics are intended to improve both the transparency and comparability of the Bank's capital position. The revised table is in conformity with the templates provided by OSFI in its Basel III Pillar 3 Advisory issued February 2025 for SMSBs.

Additional financial information published can be accessed at OSFI's Financial Data for Banks. Website: (https://www.osfi-bsif.gc.ca/en/data-forms/financial-data/financial-data-banks).

1. Regulatory Capital

(In Thousands CAD)

	Modified Capital Disclosure Template – Q1 2025	Q1 2025
	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	$ 438,913
2	Retained earnings	$ 244,718
3	Accumulated other comprehensive income (and other reserves)	$ 4,426
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**	**$ 688,057**
	Common Equity Tier 1 capital: regulatory adjustments	
28	Total regulatory adjustments to Common Equity Tier 1	$ (9,384)
29	Common Equity Tier 1 capital (CET1)	$ 678,673
	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)**	-

45	**Tier 1 capital (T1 = CET1 + AT1)**	**$ 678,673**
	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)	-
49	*of which: instruments issued by subsidiaries subject to phase out*	-
50	Collective allowances	$ 15,951
51	**Tier 2 capital before regulatory adjustments**	**$ 15,951**
	Tier 2 capital: regulatory adjustments	
57	**Total regulatory adjustments to Tier 2 capital**	-
58	**Tier 2 capital (T2)**	$ 15,951
59	**Total capital (TC = T1 + T2)**	**$ 694,624**
60	**Total risk-weighted assets**	**$ 2,486,335**
	Capital ratios	
61	**Common Equity Tier 1 (as a percentage of risk-weighted assets)**	**27.30%**
62	**Tier 1 (as a percentage of risk-weighted assets)**	**27.30%**
63	**Total capital (as a percentage of risk-weighted assets)**	**27.94%**
	OSFI target	
69	Common Equity Tier 1 capital target ratio	**7.0%**
70	Tier 1 capital target ratio	**8.5%**
71	Total capital target ratio	**10.5%**

2. Leverage Ratio

	Leverage Ratio Framework – Q1 2025	T	T-1
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	$ 3,518,472	$ 3,015,073
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)	$ (9,384)	$ (7,023)
5	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 to 4)**	**$ 3,509,088**	**$ 3,008,050**
	Derivative exposures		

6	Replacement cost associated with all derivative transactions	$ 81,241	$ 77,125
7	Add-on amounts for potential future exposure associated with all derivative transactions	$ 60,974	$ 79,904
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)**	**$ 142,215**	**$ 157,029**
	Securities financing transaction exposures		
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	$ 1,308,760	$ 1,509,280
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)**	**$ 1,308,760**	**$ 1,509,280**
	Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	$ 811,526	$ 837,860
18	(Adjustments for conversion to credit equivalent amounts)	$ (30,740)	$ (33,867)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**$ 780,786**	**$ 803,993**
	Capital and Total Exposures		
20	**Tier 1 capital**	**$ 678,673**	**$ 670,786**
21	**Total Exposures (sum of lines 5, 11, 16 and 19)**	**$ 5,740,849**	**$ 5,478,352**
	Leverage Ratio		
22	**Basel III leverage ratio**	**11.82%**	**12.24%**

3.Key Metrics Disclosure (KM1)

(in Thousands CAD)

Key metrics (at consolidated group level)		Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	678,673	670,786	743,022	724,656	705,129
2	Tier 1	678,673	670,786	743,022	724,656	705,129
3	Total capital	694,624	680,319	752,332	734,876	715,323
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	2,486,335	2,451,100	2,520,312	2,888,414	2,837,678
4a	Total risk-weighted assets (pre-floor)	2,486,335	2,451,100	2,520,312	2,888,414	2,837,678
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	27.30%	27.37%	29.48%	25.09%	24.85%
5a	CET1 ratio (%) (pre-floor ratio)	27.30%	27.37%	29.48%	25.09%	24.85%
6	Tier 1 ratio (%)	27.30%	27.37%	29.48%	25.09%	24.85%
6a	Tier 1 ratio (%) (pre-floor ratio)	27.30%	27.37%	29.48%	25.09%	24.85%
7	Total capital ratio (%)	27.94%	27.76%	29.85%	25.44%	25.21%
7a	Total capital ratio (%) (pre-floor ratio)	27.94%	27.76%	29.85%	25.44%	25.21%
	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 (%)	-	-	-	-	-
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 (%)*	22.80%	22.87%	24.98%	20.59%	20.35%
	Basel III Leverage ratio					
13	Total Basel III leverage ratio exposure measure	5,740,849	5,478,352	6,254,764	7,052,611	6,616,280

14	Basel III leverage ratio (row 2 / row 13)	11.82	12.24	11.88	10.28	10.66

* Calculated as row 5 minus minimum CET1 requirement of 4.5%

4. Market risk under the standardised approach

		Q1 2025 *(in Thousands CAD)*
	MR1: Market risk under the standardised approach	**Capital requirement in standardised approach**
1	General interest rate risk	461
2	Equity risk	2,415
3	Commodity risk	-
4	Foreign exchange risk	696
5	Credit spread risk – non-securitisations	-
6	Credit spread risk – securitisations (non-correlation trading portfolio)	-
7	Credit spread risk – securitisation (correlation trading portfolio)	-
8	Default risk – non-securitisations	1,308
9	Default risk – securitisations (non-correlation trading portfolio)	-
10	Default risk – securitisations (correlation trading portfolio)	-
11	Residual risk add-on	-
12	**Total**	4,880