



# RETURNS

+16% ROE 10-YEAR AVERAGE

# GROWTH

12.7% EPS GROWTH 10-YEAR CAGR

# WEALTH

230% 10-YEAR TSR

# DRIVE CHANGE

TO ENRICH PEOPLE'S LIVES

# INNOVATION

TECHNOLOGY TO BETTER SERVE CANADIANS

# SCALE

EQB WELCOMES CONCENTRA BANK

# GAINS

578,000 CUSTOMERS

# SUSTAINABILITY

CARBON NEUTRAL IN SCOPE 1 & 2 GHG EMISSIONS

For the four and ten months ended  
October 31, 2023

Note: all cover measures as at October 31, 2023.

**Canada's Challenger Bank™**



## Notes to Readers

### Purpose of this document

This Supplemental Financial Information Report (Report) aims to provide the readers with additional financial information that will assist the readers' assessment of business performance of EQB Inc. (EQB) and its wholly-owned subsidiary, Equitable Bank, including disclosures related to Equitable Bank's loan portfolio, some of which relate to disclosure requirements outlined in OSFI's Guideline B-20, 'Residential Practices and Procedures'.

### Use of this document

Readers are cautioned that financial information contained in this Report include both Generally Accepted Accounting Principles (GAAP) and non-GAAP measures. The latter often does not have any standardized meaning, and therefore, are not comparable to similar measures presented by other financial institutions.

This Report should be read in conjunction with EQB's 2023 annual report.

### Basis of presentation

All numbers in this Report are Canadian dollars and the quarterly numbers are unaudited.

GAAP measures have been prepared in accordance with International Financial Reporting Standards (IFRS) unless otherwise stated. Non-GAAP measures used in this Report are defined under the Section "Non-GAAP financial measures and ratios".

### Concentra acquisition

During Q4 2022 on November 1st, Equitable Bank completed its acquisition of Concentra Bank. Results for Q4 2022 include consolidated balances as of December 31, 2022, contributions from Concentra Bank and Concentra Trust corresponding to two months of the quarter (November and December) and incremental common shares of EQB following the conversion of 3,266,000 subscription receipts at 1:1 ratio upon acquisition closing and funding.

### Change of EQB's fiscal year end

EQB has changed its current fiscal reporting period to end on October 31, 2023 rather than December 31, 2023. With this change, EQB's reporting cycle is now consistent with Canada's largest publicly traded Canadian banks.

During the transition, comparative periods will differ. For this report:

**Q4 2023:** as at or for the four months period ended October 31, 2023, and is presented compared to Q4 2022 ending December 31, 2022. Results for current and future periods will not show a Q3 2023 period.

**Fiscal year 2023:** as at or for the ten months period ended October 31, 2023, and is presented compared to the twelve months period ended December 31, 2022.



FOURTH QUARTER 2023

SUPPLEMENTAL FINANCIAL INFORMATION

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**Table 1: Financial highlights**

(\$000s, except share, per share amounts and percentages)	2023			2022				2021	YTD	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022
<b>Adjusted results (\$ thousands, unless stated otherwise)<sup>(1)</sup></b>										
Net interest income	<b>345,783</b>	251,699	236,630	218,775	187,264	167,604	163,086	155,952	<b>834,112</b>	736,729
Non-interest revenue	<b>49,503</b>	32,883	27,975	16,317	9,481	(2,528)	25,446	15,911	<b>110,361</b>	48,716
<b>Revenue</b>	<b>395,286</b>	284,582	264,605	235,092	196,745	165,076	188,532	171,863	<b>944,473</b>	785,445
Non-Interest expenses	<b>173,012</b>	121,910	120,262	102,259	78,903	75,567	69,800	69,702	<b>415,184</b>	326,529
Pre-provision pre-tax income <sup>(1)</sup>	<b>222,274</b>	162,672	144,343	132,833	117,842	89,509	118,732	102,161	<b>529,289</b>	458,916
Provision for credit losses (recoveries)	<b>19,566</b>	13,042	6,248	7,776	5,354	5,233	(125)	(1,420)	<b>38,856</b>	18,238
Income before income taxes	<b>202,708</b>	149,630	138,095	125,057	112,488	84,276	118,857	103,581	<b>490,433</b>	440,678
Income tax expense	<b>55,673</b>	34,124	36,366	32,562	30,339	22,742	26,447	22,984	<b>126,163</b>	113,942
<b>Net income</b>	<b>147,035</b>	115,506	101,729	92,495	82,149	61,534	92,410	80,597	<b>364,270</b>	326,736
Net income available to common shareholders	<b>144,686</b>	113,175	99,411	90,190	81,063	60,448	91,321	79,508	<b>357,272</b>	321,170
Earnings per share – diluted (\$)	<b>3.80</b>	2.98	2.62	2.46	2.35	1.75	2.64	2.30	<b>9.40</b>	9.17
Return on equity <sup>(4)</sup>	<b>16.5</b>	18.3	16.9	15.9	15.6	12.1	19.2	17.1	<b>17.1</b>	15.7
Efficiency ratio (%) <sup>(2)(4)</sup>	<b>43.8</b>	42.8	45.4	43.5	40.1	45.8	37.0	40.6	<b>44.0</b>	41.6
Net interest margin (%) <sup>(1)</sup>	<b>2.00</b>	1.99	1.92	1.87	1.94	1.81	1.87	1.81	<b>1.97</b>	1.87
<b>Reported results (\$ thousands, unless stated otherwise)</b>										
Net interest income	<b>345,783</b>	251,699	240,797	218,325	186,251	166,657	162,172	155,952	<b>838,279</b>	733,405
Non-interest revenue	<b>49,503</b>	60,848	27,034	16,382	9,481	(2,528)	25,446	15,911	<b>137,385</b>	48,781
<b>Revenue</b>	<b>395,286</b>	312,547	267,831	234,707	195,732	164,129	187,618	171,863	<b>975,664</b>	782,186
Non-Interest expenses	<b>181,165</b>	127,030	126,548	139,180	84,082	78,276	74,933	70,427	<b>434,743</b>	376,471
Pre-provision pre-tax income	<b>214,121</b>	185,517	141,283	95,527	111,650	85,853	112,685	101,436	<b>540,921</b>	405,715
Provision for credit losses (recoveries)	<b>19,566</b>	13,042	6,248	26,796	5,354	5,233	(125)	(1,420)	<b>38,856</b>	37,258
Income before income taxes	<b>194,555</b>	172,475	135,035	68,731	106,296	80,620	112,810	102,856	<b>502,065</b>	368,457
Income tax expense	<b>53,409</b>	41,550	35,516	22,912	28,717	21,784	24,863	22,794	<b>130,475</b>	98,276
<b>Net income</b>	<b>141,146</b>	130,925	99,519	45,819	77,579	58,836	87,947	80,062	<b>371,590</b>	270,181
Net income available to common shareholders	<b>138,797</b>	128,594	97,201	43,514	76,493	57,750	86,858	78,973	<b>364,592</b>	264,615
Earnings per share – basic (\$) <sup>(3)</sup>	<b>3.67</b>	3.41	2.58	1.20	2.24	1.69	2.55	2.32	<b>9.67</b>	7.63
Earnings per share – diluted <sup>(3)</sup>	<b>3.64</b>	3.39	2.56	1.19	2.22	1.67	2.51	2.29	<b>9.59</b>	7.55
Return on equity	<b>15.8</b>	20.8	16.5	7.7	14.8	11.6	18.3	17.0	<b>17.5</b>	12.9
Efficiency ratio (%)	<b>45.8</b>	40.6	47.2	59.3	43.0	47.7	39.9	41.0	<b>44.6</b>	48.1
Net interest margin (%)	<b>2.00</b>	1.99	1.95	1.85	1.93	1.80	1.86	1.81	<b>1.98</b>	1.86
Return on average assets <sup>(4)</sup>	<b>0.8</b>	1.0	0.8	0.4	0.8	0.6	1.0	0.9	<b>0.8</b>	0.7
Return on RWA <sup>(4)</sup>	<b>2.12</b>	2.68	2.10	1.07	2.10	1.60	2.60	2.50	<b>2.26</b>	1.68

<sup>(1)</sup> See Non-GAAP financial measures and ratios section.<sup>(2)</sup> Increases in this ratio reflect reduced efficiencies, whereas decreases reflect improved efficiencies.<sup>(3)</sup> YTD EPS may not equal the sum of the quarterly EPS' as a result of rounding and the computation of in the money options for the year versus the quarter.<sup>(4)</sup> See Glossary section.

**Table 1: Financial highlights (continued)**

(\$000s, except share, per share amounts and percentages)	2023			2022				2021	YTD	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022
<b>Select balance sheet and other information (\$ millions, unless stated otherwise)</b>										
Total assets	52,933	53,319	51,793	51,145	40,150	39,418	37,150	36,159		
Assets under management <sup>(1)</sup>	67,932	65,910	63,336	61,569	47,331	45,767	43,422	42,020		
Loans receivable	47,361	47,437	46,580	46,510	36,792	36,246	34,217	32,901		
Loans under management <sup>(1)</sup>	62,397	60,112	58,238	57,078	43,872	42,505	40,403	38,670		
Assets under administration <sup>(1)</sup>	43,173	42,037	41,469	41,234	-	-	-	-		
Total deposits principal	31,577	31,783	31,278	30,831	23,824	23,533	22,080	20,695		
EQ Bank deposits principal	8,233	8,204	8,097	7,923	7,562	7,588	7,261	6,968		
Other deposits principal	23,344	23,579	23,181	22,908	16,262	15,945	14,819	13,727		
Total risk-weighted assets <sup>(2)</sup>	19,809	19,427	18,981	18,926	15,459	14,748	14,018	13,310		
Common shareholders' equity	2,664	2,538	2,429	2,354	2,091	2,024	1,967	1,882		
Preferred shares	181	181	181	181	70	70	71	71		
Liquid assets <sup>(1)</sup>	3,795	4,101	3,882	3,938	3,203	3,068	3,045	3,056		
Total assets held for regulatory purposes as a % of total Equitable Bank assets (%)	7.0	7.6	7.4	7.6	7.8	7.6	7.9	8.0		
Total liquid assets as a % of total assets (%)	7.2	7.7	7.5	7.7	8.0	7.8	8.2	8.5		
<b>Credit quality (% , unless stated otherwise)</b>										
Provision for credit losses (\$ thousands)	19,566	13,042	6,248	26,796	5,354	5,233	(125)	(1,420)	38,856	37,258
Provision for credit losses - rate <sup>(2)</sup>	0.12	0.11	0.05	0.25	0.06	0.06	(0.001)	(0.02)	0.10	0.10
Net impaired loan as a % of total loan assets	0.76	0.47	0.32	0.28	0.23	0.18	0.22	0.27		
Net allowance for credit losses as a % of total loan assets	0.22	0.20	0.19	0.18	0.15	0.14	0.14	0.15		
<b>Share information</b>										
Common share price - close (\$)	68.82	70.00	58.30	56.73	46.44	53.15	71.74	68.91		
Book value per common share <sup>(2)</sup> (\$)	70.33	67.33	64.47	62.65	61.14	59.25	57.64	55.24		
Common shares outstanding	37,879,352	37,729,584	37,680,498	37,564,114	34,204,632	34,160,770	34,130,326	34,070,810		
Common share market capitalization (\$ millions)	2,607	2,641	2,197	2,131	1,588	1,816	2,449	2,348		
Dividends declared - common share (\$) <sup>(3)</sup>	0.38	0.37	0.35	0.33	0.31	0.29	0.28	0.19	1.10	1.21
Dividends declared - preferred share - Series 3 (\$) <sup>(3)</sup>	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	1.11	1.49
Dividend Yield - common shares (%) <sup>(2)</sup>	2.0	2.3	2.3	2.5	2.3	1.9	1.5	1.0	2.2	2.0
Dividend Payout (%) <sup>(2)</sup>	10.4	10.9	13.7	27.7	14.0	17.4	11.2	8.1	11.5	16.0
<b>Equitable Bank capital information (%)<sup>(4)(5)</sup></b>										
CET1 ratio	14.0	14.1	14.0	13.7	13.3	13.5	13.5	13.3		
Tier 1 capital ratio	14.6	14.8	15.0	14.7	13.7	14.0	14.0	13.9		
Total capital ratio	15.2	15.4	15.5	15.1	14.0	14.3	14.3	14.2		
Leverage ratio	5.3	5.2	5.3	5.3	5.1	5.1	5.1	4.9		

<sup>(1)</sup> See Non-GAAP financial measures and ratios section.<sup>(2)</sup> See Glossary section.<sup>(3)</sup> YTD dividends declared per share may not equal the sum of the quarterly dividends per share as a result of rounding.<sup>(4)</sup> Regulatory capital requirements for Equitable Bank are determined in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline, which is based on the capital standards developed by the Basel Committee on Banking Supervision. See Glossary section.<sup>(5)</sup> Effective April 1, 2023, Equitable Bank adopted OSFI Basel III banking reforms, including the implementation of Capital Adequacy Requirements with revised standard approach for credit risk and operational risk (CAR 23) and revised Leverage Requirements (LR). Prior periods have not been restated.

**Table 2: Consolidated balance sheets**

(\$000s)	2023			2022			2021	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Assets</b>								
Cash and cash equivalents	549,474	373,492	345,621	495,106	298,999	539,509	725,281	773,251
Restricted cash	767,195	870,247	666,530	737,656	547,836	557,283	448,631	462,164
Securities purchased under reverse repurchase agreements	908,833	1,208,930	732,608	200,432	750,072	420,009	-	550,030
Investments	2,120,645	2,235,530	2,483,604	2,289,618	1,092,628	1,097,004	1,220,397	1,033,438
Loans – Personal	32,390,527	32,333,611	32,183,036	31,996,950	24,343,276	24,122,303	23,324,211	22,421,603
Loans – Commercial	14,970,604	15,103,519	14,397,192	14,513,265	12,448,825	12,123,469	10,893,131	10,479,159
Securitization retained interests	559,271	474,542	410,441	373,455	276,464	227,013	220,685	207,889
Deferred tax assets	14,230	14,392	15,024	-	-	-	-	-
Other assets	652,675	704,440	558,962	538,475	392,009	331,168	317,632	231,536
	<b>52,933,454</b>	<b>53,318,703</b>	<b>51,793,018</b>	<b>51,144,957</b>	<b>40,150,109</b>	<b>39,417,758</b>	<b>37,149,968</b>	<b>36,159,070</b>
<b>Liabilities and Shareholders' Equity</b>								
<b>Liabilities:</b>								
Deposits	31,996,450	32,137,347	31,589,063	31,051,813	24,048,937	23,708,958	22,238,382	20,856,383
Securitization liabilities	14,501,161	15,397,103	15,311,657	15,023,627	11,611,083	11,366,847	10,966,178	11,375,020
Obligations under repurchase agreements	1,128,238	875,718	904,658	665,307	748,881	814,494	880,203	1,376,763
Deferred tax liabilities	128,436	106,723	92,417	72,675	75,755	64,180	64,488	63,141
Funding facilities	1,731,587	1,487,008	768,717	1,239,704	800,283	711,380	324,575	200,128
Subscription receipts	-	-	-	-	232,018	230,821	230,386	-
Other liabilities	602,039	594,952	515,871	556,876	471,499	426,527	407,920	335,001
	<b>50,087,911</b>	<b>50,598,851</b>	<b>49,182,383</b>	<b>48,610,002</b>	<b>37,988,456</b>	<b>37,323,207</b>	<b>35,112,132</b>	<b>34,206,436</b>
<b>Shareholders' equity:</b>								
Preferred shares	181,411	181,411	181,411	181,411	70,424	70,424	70,607	70,607
Common shares	471,014	466,711	463,862	462,561	236,368	234,372	232,854	230,160
Contributed surplus	12,795	12,668	12,002	11,445	10,908	10,106	9,357	8,693
Retained earnings	2,185,480	2,065,478	1,954,394	1,870,100	1,839,561	1,773,658	1,727,169	1,650,757
Accumulated other comprehensive (loss) income	(5,157)	(6,416)	(1,034)	9,438	4,392	5,991	(2,151)	(7,583)
	<b>2,845,543</b>	<b>2,719,852</b>	<b>2,610,635</b>	<b>2,534,955</b>	<b>2,161,653</b>	<b>2,094,551</b>	<b>2,037,836</b>	<b>1,952,634</b>
	<b>52,933,454</b>	<b>53,318,703</b>	<b>51,793,018</b>	<b>51,144,957</b>	<b>40,150,109</b>	<b>39,417,758</b>	<b>37,149,968</b>	<b>36,159,070</b>



**Table 3: Consolidated statements of income**

(\$000s, except share and per share amounts)	2023			2022			2021		YTD	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022
Interest income:										
Loans – Personal	598,177	420,578	391,816	327,596	225,502	190,830	173,780	170,354	1,410,571	917,708
Loans – Commercial	361,864	256,731	241,768	218,428	172,579	133,540	115,746	110,762	860,363	640,293
Investments	24,613	18,856	21,893	10,754	3,377	3,351	3,855	3,491	65,362	21,337
Other	31,688	21,083	17,352	19,298	9,178	5,558	2,859	2,111	70,123	36,893
	1,016,342	717,248	672,829	576,076	410,636	333,279	296,240	286,718	2,406,419	1,616,231
Interest expense:										
Deposits	461,786	322,503	293,231	244,413	146,202	106,221	82,162	78,695	1,077,520	578,998
Securitization liabilities	165,853	118,416	118,174	93,163	64,567	53,741	49,290	51,096	402,443	260,761
Funding facilities	24,719	11,891	7,917	11,025	6,180	2,468	306	231	44,527	19,979
Others	18,201	12,739	12,710	9,150	7,436	4,192	2,310	744	43,650	23,088
	670,559	465,549	432,032	357,751	224,385	166,622	134,068	130,766	1,568,140	882,826
Net interest income	345,783	251,699	240,797	218,325	186,251	166,657	162,172	155,952	838,279	733,405
Non-interest revenue <sup>(1)</sup> :										
Fees and other income <sup>(2)</sup>	18,508	14,489	13,898	10,503	6,679	7,866	6,033	5,355	46,895	31,081
Gains (losses) on strategic investments	3,655	27,933	(2,613)	(5,137)	(7,403)	(8,655)	15,901	8,990	28,975	(5,294)
Net gains (losses) on other investments <sup>(2)</sup>	4,428	1,726	(687)	(77)	(606)	(165)	(1,912)	(656)	5,467	(2,760)
Gain on sale and income from retained interests	25,948	16,104	14,332	9,247	10,277	2,197	5,044	3,851	56,384	26,765
Net (losses) gains on securitization activities and derivatives	(3,036)	596	2,104	1,846	534	(3,771)	380	(1,629)	(336)	(1,011)
	49,503	60,848	27,034	16,382	9,481	(2,528)	25,446	15,911	137,385	48,781
Revenue	395,286	312,547	267,831	234,707	195,732	164,129	187,618	171,863	975,664	782,186
Provision for credit losses (recoveries)	19,566	13,042	6,248	26,796	5,354	5,233	(125)	(1,420)	38,856	37,258
Revenue after provision for credit losses	375,720	299,505	261,583	207,911	190,378	158,896	187,743	173,283	936,808	744,928
Non-interest expenses:										
Compensation and benefits	81,683	59,707	58,362	64,999	41,767	40,067	36,772	34,166	199,752	183,605
Other	99,482	67,323	68,186	74,181	42,315	38,209	38,161	36,261	234,991	192,866
	181,165	127,030	126,548	139,180	84,082	78,276	74,933	70,427	434,743	376,471
Income before income taxes	194,555	172,475	135,035	68,731	106,296	80,620	112,810	102,856	502,065	368,457
Income taxes:										
Current	28,803	26,612	28,651	22,154	17,142	22,091	23,516	29,720	84,066	84,903
Deferred	24,606	14,938	6,865	758	11,575	(307)	1,347	(6,926)	46,409	13,373
	53,409	41,550	35,516	22,912	28,717	21,784	24,863	22,794	130,475	98,276
Net income	141,146	130,925	99,519	45,819	77,579	58,836	87,947	80,062	371,590	270,181
Dividends on preferred shares	2,349	2,331	2,318	2,305	1,086	1,086	1,089	1,089	6,998	5,566
Net income available to common shareholders	138,797	128,594	97,201	43,514	76,493	57,750	86,858	78,973	364,592	264,615
Common shares outstanding:										
Weighted average basic	37,797,862	37,684,983	37,608,878	36,354,160	34,162,438	34,132,726	34,085,536	34,048,160	37,708,123	34,688,502
Weighted average diluted	38,117,929	37,975,115	37,910,348	36,632,711	34,450,617	34,479,387	34,545,393	34,538,314	38,013,723	35,031,166
Earnings per share:										
Basic	3.67	3.41	2.58	1.20	2.24	1.69	2.55	2.32	9.67	7.63
Diluted	3.64	3.39	2.56	1.19	2.22	1.67	2.51	2.29	9.59	7.55

<sup>(1)</sup> Prior period comparatives have been reclassified to conform to current period presentation.<sup>(2)</sup> The grouping for certain gains reported under Net gains (losses) on other investments in Q1, was changed to Fees and other income in Q2. Prior period grouping has not been changed.

**Table 4: Net interest income and margin**

	2023								
	Q4			Q2			Q1		
	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense
<b>Revenues derived from:</b>									
Cash and debt securities	3,583,460	4.61%	55,656	3,411,998	4.60%	39,111	3,239,039	4.51%	36,025
Equity securities	32,984	5.80%	645	70,065	4.74%	828	71,071	5.65%	990
Single-family mortgages - insured <sup>(3)</sup>	10,697,406	3.39%	122,090	10,992,114	3.34%	91,534	11,149,777	3.35%	92,078
Single-family mortgages - uninsured <sup>(3)</sup>	19,313,878	6.33%	412,205	19,217,107	5.96%	285,560	18,949,397	5.56%	259,653
Decumulation loans	1,362,954	6.73%	30,899	1,146,939	6.85%	19,585	1,039,004	6.69%	17,150
Consumer lending	878,685	11.14%	32,983	814,707	11.77%	23,899	816,651	11.04%	22,221
<b>Total Personal loans</b>	<b>32,252,923</b>	<b>5.50%</b>	<b>598,177</b>	<b>32,170,867</b>	<b>5.24%</b>	<b>420,578</b>	<b>31,954,829</b>	<b>4.96%</b>	<b>391,102</b>
Commercial loans	8,429,993	9.26%	263,160	8,221,422	9.13%	187,053	7,891,891	8.89%	173,061
Equipment financing	1,298,806	9.60%	42,034	1,246,770	9.45%	29,375	1,229,381	9.31%	28,233
Insured multi-unit residential mortgages	5,699,152	2.95%	56,670	5,662,415	2.85%	40,303	5,672,807	2.89%	40,473
<b>Total Commercial loans</b>	<b>15,427,951</b>	<b>6.96%</b>	<b>361,864</b>	<b>15,130,607</b>	<b>6.81%</b>	<b>256,731</b>	<b>14,794,079</b>	<b>6.63%</b>	<b>241,767</b>
<b>Average interest earning assets</b>	<b>51,297,318</b>	<b>5.88%</b>	<b>1,016,342</b>	<b>50,783,537</b>	<b>5.66%</b>	<b>717,248</b>	<b>50,059,018</b>	<b>5.43%</b>	<b>669,884</b>
<b>Expenses related to:</b>									
Deposits	31,619,200	4.33%	461,849	31,425,561	4.12%	322,503	31,111,263	3.84%	294,403
Securitization liabilities	14,968,018	3.29%	165,770	15,258,203	3.11%	118,416	16,589,281	2.89%	118,157
Other	2,236,369	5.70%	42,940	1,895,837	5.21%	24,630	1,665,067	5.04%	20,694
<b>Average interest bearing liabilities</b>	<b>48,823,587</b>	<b>4.08%</b>	<b>670,559</b>	<b>48,579,601</b>	<b>3.84%</b>	<b>465,549</b>	<b>49,365,611</b>	<b>3.56%</b>	<b>433,254</b>
<b>Adjusted net interest income and margin<sup>(2)</sup></b>		<b>2.00%</b>	<b>345,783</b>		<b>1.99%</b>	<b>251,699</b>		<b>1.92%</b>	<b>236,630</b>
Net fair value amortization adjustment - assets	-	-	-	-	-	-	(357)	-	2,976
Net fair value amortization adjustment - liabilities	-	-	-	-	-	-	-	-	1,191
<b>Reported net interest income and margin</b>	<b>51,297,318</b>	<b>2.00%</b>	<b>345,783</b>	<b>50,783,537</b>	<b>1.99%</b>	<b>251,699</b>	<b>50,058,661</b>	<b>1.95%</b>	<b>240,797</b>

<sup>(1)</sup> Average balances are calculated based on the daily average balances outstanding during the period.

<sup>(2)</sup> See Non-GAAP financial measures and ratios section.

<sup>(3)</sup> The presentation has changed for single family mortgages from previous quarters from "alternative and prime" to "uninsured and insured" to better align characteristics of mortgages within each lending portfolio, including both asset yield and capital required. Prior period comparatives have been updated to conform to current period's presentation.



**Table 4: Net interest income and margin (continued)**

	2022											
	Q4			Q3			Q2			Q1		
	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense
<b>Revenues derived from:</b>												
Cash and debt securities	2,851,708	3.75%	26,925	1,506,881	3.07%	11,676	1,860,012	1.74%	8,074	1,782,923	1.27%	5,579
Equity securities	69,271	5.29%	923	74,882	4.66%	879	82,217	4.07%	835	107,185	4.29%	1,135
Single-family mortgages - insured <sup>(3)</sup>	10,283,555	2.78%	71,975	8,092,490	2.63%	53,645	8,331,632	2.08%	43,215	8,586,852	1.91%	40,468
Single-family mortgages - uninsured <sup>(3)</sup>	17,746,942	4.68%	209,462	15,494,667	4.21%	164,379	14,812,033	3.86%	142,644	13,878,478	3.80%	129,884
Decumulation loans	860,039	5.79%	12,557	549,657	5.40%	7,478	427,368	4.67%	4,971	329,939	4.21%	3,428
Consumer lending	570,938	9.19%	13,225	-	0.00%	-	-	0.00%	-	-	0.00%	-
<b>Total Personal loans</b>	<b>29,461,474</b>	<b>4.14%</b>	<b>307,219</b>	<b>24,136,814</b>	<b>3.71%</b>	<b>225,502</b>	<b>23,571,033</b>	<b>3.25%</b>	<b>190,830</b>	<b>22,795,269</b>	<b>3.09%</b>	<b>173,780</b>
Commercial loans	7,740,333	8.04%	156,922	6,734,195	6.60%	112,022	6,240,134	5.35%	83,291	5,753,730	4.88%	69,175
Equipment financing	1,142,903	8.89%	25,624	920,795	9.27%	21,516	814,594	9.49%	19,278	730,638	10.16%	18,310
Insured multi-unit residential mortgages	5,071,626	2.71%	34,609	4,944,913	3.13%	39,041	4,606,319	2.70%	30,971	4,228,059	2.71%	28,261
<b>Total Commercial loans</b>	<b>13,954,862</b>	<b>6.17%</b>	<b>217,155</b>	<b>12,599,903</b>	<b>5.43%</b>	<b>172,579</b>	<b>11,661,047</b>	<b>4.59%</b>	<b>133,540</b>	<b>10,712,427</b>	<b>4.38%</b>	<b>115,746</b>
<b>Average interest earning assets</b>	<b>46,337,315</b>	<b>4.73%</b>	<b>552,222</b>	<b>38,318,480</b>	<b>4.25%</b>	<b>410,636</b>	<b>37,174,309</b>	<b>3.60%</b>	<b>333,279</b>	<b>35,397,804</b>	<b>3.39%</b>	<b>296,240</b>
<b>Expenses related to:</b>												
Deposits	28,706,869	3.15%	228,256	23,772,964	2.44%	146,202	22,739,126	1.87%	106,221	21,255,610	1.57%	82,162
Securitization liabilities	15,319,192	2.19%	84,689	12,721,965	2.01%	64,567	12,344,432	1.75%	53,741	11,915,319	1.68%	49,290
Other	1,813,408	4.49%	20,502	1,556,113	3.21%	12,603	1,482,795	1.55%	5,713	1,417,133	0.71%	1,702
<b>Average interest bearing liabilities</b>	<b>45,839,469</b>	<b>2.89%</b>	<b>333,447</b>	<b>38,051,042</b>	<b>2.33%</b>	<b>223,372</b>	<b>36,566,353</b>	<b>1.82%</b>	<b>165,675</b>	<b>34,588,062</b>	<b>1.56%</b>	<b>133,154</b>
<b>Adjusted net interest income and margin<sup>(2)</sup></b>		<b>1.87%</b>	<b>218,775</b>		<b>1.94%</b>	<b>187,264</b>		<b>1.81%</b>	<b>167,604</b>		<b>1.87%</b>	<b>163,086</b>
Interest earned on the subscription receipt escrow account	77,344		2,220	-		-	-		-	-		-
Interest paid to subscription receipt-holders			654			(1,013)			(947)			(914)
Net fair value amortization adjustment - assets	(207,643)		21,714	-		-	-		-	-		-
Net fair value amortization adjustment - liabilities			(25,038)			-			-			-
<b>Reported net interest income and margin</b>	<b>46,207,016</b>	<b>1.85%</b>	<b>218,325</b>	<b>38,051,042</b>	<b>1.93%</b>	<b>186,251</b>	<b>36,566,353</b>	<b>1.80%</b>	<b>166,657</b>	<b>34,588,062</b>	<b>1.86%</b>	<b>162,172</b>

<sup>(1)</sup> Average balances are calculated based on the daily average balances outstanding during the period.

<sup>(2)</sup> See Non-GAAP financial measures and ratios section.

<sup>(3)</sup> The presentation has changed for single family mortgages from previous quarters from "alternative and prime" to "uninsured and insured" to better align characteristics of mortgages within each lending portfolio, including both asset yield and capital required. Prior period comparatives have been updated to conform to current period's presentation.

**Table 4: Net interest income and margin (continued)**

	YTD					
	2023			2022		
	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense
<b>(\$000s, except percentages)</b>						
<b>Revenues derived from:</b>						
Cash and debt securities	3,428,695	4.58%	130,792	2,000,381	2.61%	52,255
Equity securities	55,534	5.33%	2,463	83,389	4.52%	3,772
Single-family mortgages - insured <sup>(3)</sup>	10,921,546	3.36%	305,702	8,823,632	2.37%	209,303
Single-family mortgages - uninsured <sup>(3)</sup>	19,175,503	5.99%	957,418	15,483,030	4.17%	646,368
Decumulation loans	1,222,703	6.64%	67,634	541,751	5.25%	28,434
Consumer lending	840,845	11.30%	79,103	142,734	9.27%	13,225
<b>Total Personal loans</b>	<b>32,160,597</b>	<b>5.26%</b>	<b>1,409,857</b>	<b>24,991,147</b>	<b>3.59%</b>	<b>897,330</b>
Commercial loans	8,205,992	9.12%	623,274	6,617,098	6.56%	433,940
Equipment financing	1,262,367	9.48%	99,642	902,233	9.39%	84,728
Insured multi-unit residential mortgages	5,680,227	2.91%	137,446	4,712,730	2.55%	120,353
<b>Total Commercial loans</b>	<b>15,148,586</b>	<b>6.82%</b>	<b>860,362</b>	<b>12,232,061</b>	<b>5.22%</b>	<b>639,021</b>
<b>Average interest earning assets</b>	<b>50,793,412</b>	<b>5.68%</b>	<b>2,403,474</b>	<b>39,306,978</b>	<b>4.05%</b>	<b>1,592,378</b>
<b>Expenses related to:</b>						
Deposits	31,408,726	4.12%	1,078,755	24,118,643	2.33%	562,843
Securitization liabilities	15,541,453	3.11%	402,343	13,075,227	1.93%	252,286
Other	1,962,818	5.40%	88,264	1,567,362	2.59%	40,520
<b>Average interest bearing liabilities</b>	<b>48,912,997</b>	<b>3.85%</b>	<b>1,569,362</b>	<b>38,761,232</b>	<b>2.21%</b>	<b>855,649</b>
<b>Adjusted net interest income and margin<sup>(2)</sup></b>		<b>1.97%</b>	<b>834,112</b>		<b>1.87%</b>	<b>736,729</b>
Interest earned on the subscription receipt escrow account	-	-	-	154,079	-	2,220
Interest paid to subscription receipt-holders						(2,220)
Net fair value amortization adjustment - assets	(107)		2,976	(69,215)		21,714
Net fair value amortization adjustment - liabilities			1,191			(25,038)
<b>Reported net interest income and margin</b>	<b>50,793,305</b>	<b>1.98%</b>	<b>838,279</b>	<b>39,391,842</b>	<b>1.86%</b>	<b>733,405</b>

<sup>(1)</sup> Average balances are calculated based on the daily average balances outstanding during the period.

<sup>(2)</sup> See Non-GAAP financial measures and ratios section.

<sup>(3)</sup> The presentation has changed for single family mortgages from previous quarters from "alternative and prime" to "uninsured and insured" to better align characteristics of mortgages within each lending portfolio, including both asset yield and capital required. Prior period comparatives have been updated to conform to current period's presentation.

**Table 5: Non-interest expenses and efficiency ratio**

(\$000s, except percentages and FTE)	2023			2022				2021	YTD	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022
Compensation and benefits	<b>81,683</b>	59,707	58,362	64,999	41,767	40,067	36,772	34,166	<b>199,752</b>	183,605
Technology and system costs	<b>25,551</b>	17,937	18,174	23,969	11,572	11,250	11,950	11,557	<b>61,662</b>	58,741
Regulatory, legal and professional fees	<b>17,877</b>	12,419	12,863	11,303	11,570	8,492	10,085	6,383	<b>43,159</b>	41,450
Product costs	<b>29,719</b>	18,866	17,957	14,943	8,618	8,090	7,211	7,212	<b>66,542</b>	38,862
Marketing and corporate expenses	<b>22,548</b>	15,455	14,671	20,146	6,902	6,564	5,065	7,178	<b>52,674</b>	38,677
Premises	<b>3,787</b>	2,646	4,521	3,820	3,653	3,813	3,850	3,931	<b>10,954</b>	15,136
<b>Total non-interest expenses - reported</b>	<b>181,165</b>	127,030	126,548	139,180	84,082	78,276	74,933	70,427	<b>434,743</b>	376,471
Less: integration related costs and other expenses	<b>(8,153)</b>	(5,120)	(6,286)	(36,921)	(5,179)	(2,709)	(5,133)	(725)	<b>(19,559)</b>	(49,942)
<b>Total non-interest expenses - adjusted</b>	<b>173,012</b>	121,910	120,262	102,259	78,903	75,567	69,800	69,702	<b>415,184</b>	326,529
Efficiency ratio - reported	<b>45.8%</b>	40.6%	47.2%	59.3%	43.0%	47.7%	39.9%	41.0%	<b>44.6%</b>	48.1%
Efficiency ratio - adjusted <sup>(1)</sup>	<b>43.8%</b>	42.8%	45.4%	43.5%	40.1%	45.8%	37.0%	40.6%	<b>44.0%</b>	41.6%
Full-time equivalent (FTE) - period average	<b>1,743</b>	1,740	1,685	1,635	1,373	1,295	1,191	1,121	<b>1,721</b>	1,386

<sup>(1)</sup> See Non-GAAP financial measures and ratios section.

**Table 6: Average balance sheet information<sup>(1)</sup>**

(\$000s)	2023			2022			2021	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Assets</b>								
Cash and cash equivalents	<b>609,439</b>	809,759	496,180	525,718	398,120	765,963	821,431	910,976
Restricted cash	<b>887,978</b>	767,334	677,468	668,525	569,508	552,648	443,528	488,461
Securities purchased under reverse repurchase agreements	<b>845,753</b>	485,385	233,260	337,720	385,020	167,503	205,863	287,509
Investments	<b>2,169,857</b>	2,331,173	2,342,268	1,613,407	1,109,114	1,171,394	1,120,923	960,840
Loans – Personal	<b>32,344,424</b>	32,289,530	32,080,702	28,158,496	24,249,633	23,689,488	22,878,985	21,952,479
Loans – Commercial	<b>15,175,014</b>	14,870,987	14,620,041	13,576,278	12,437,054	11,541,125	10,657,146	10,242,454
Securitization retained interests	<b>521,090</b>	434,763	385,140	320,166	245,940	220,052	213,216	204,563
Deferred tax assets	<b>14,896</b>	14,808	3,756	-	-	-	-	-
Other assets	<b>680,100</b>	609,506	531,674	481,731	345,427	338,301	264,049	230,991
	<b>53,248,551</b>	52,613,245	51,370,489	45,682,041	39,739,816	38,446,474	36,605,141	35,278,273
<b>Liabilities and Shareholders' Equity</b>								
<b>Liabilities:</b>								
Deposits	<b>32,103,775</b>	31,943,248	31,415,708	27,716,569	23,961,807	22,946,697	21,519,411	20,477,756
Securitization liabilities	<b>15,080,125</b>	15,387,868	15,165,554	13,267,215	11,435,783	11,318,630	11,209,242	11,397,001
Obligations under repurchase agreements	<b>1,057,737</b>	899,719	865,860	716,273	786,466	872,770	1,199,223	887,745
Deferred tax liabilities	<b>115,299</b>	95,932	76,841	99,231	67,436	64,533	63,782	67,901
Funding facilities	<b>1,470,191</b>	1,064,116	740,180	868,288	688,431	493,330	201,965	233,158
Subscription receipts	-	-	-	116,123	231,361	230,574	57,597	-
Other liabilities	<b>630,309</b>	556,128	531,123	541,783	439,244	451,607	357,848	300,404
	<b>50,457,436</b>	49,947,011	48,795,266	43,325,482	37,610,528	36,378,141	34,609,068	33,363,965
<b>Shareholders' equity:</b>								
Preferred shares	<b>181,411</b>	181,411	181,411	125,918	70,424	70,508	70,607	70,821
Common shares	<b>468,555</b>	464,644	463,322	348,726	234,910	233,243	230,973	229,395
Contributed surplus	<b>13,007</b>	12,366	11,746	11,247	10,510	9,743	9,001	8,536
Retained earnings	<b>2,130,681</b>	2,006,350	1,911,935	1,864,715	1,810,052	1,753,392	1,691,548	1,614,035
Accumulated other comprehensive income (loss)	<b>(2,539)</b>	1,463	6,809	5,953	3,392	1,447	(6,056)	(8,479)
	<b>2,791,115</b>	2,666,234	2,575,223	2,356,559	2,129,288	2,068,333	1,996,073	1,914,308
	<b>53,248,551</b>	52,613,245	51,370,489	45,682,041	39,739,816	38,446,474	36,605,141	35,278,273

<sup>(1)</sup> Average balance is calculated based on opening and closing month-end balances outstanding during the period.

**Table 7: Loans under management – by lending business<sup>(1)</sup>**

(\$000s)	2023			2022				2021
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Insured</b>								
Personal	<b>10,547,687</b>	10,863,782	11,109,325	11,249,787	7,942,977	8,113,893	8,369,594	8,591,090
Commercial	<b>6,809,589</b>	6,933,999	6,265,073	6,356,334	5,077,883	5,254,149	4,561,886	4,416,171
Total loan principal outstanding	<b>17,357,276</b>	17,797,781	17,374,398	17,606,121	13,020,860	13,368,042	12,931,480	13,007,261
Total loan principal outstanding percentage	<b>37%</b>	38%	37%	38%	35%	37%	38%	40%
<b>Uninsured</b>								
Personal <sup>(4)</sup>	<b>21,868,384</b>	21,534,175	21,163,137	20,862,623	16,294,025	15,904,977	14,844,542	13,718,285
Commercial	<b>8,173,401</b>	8,188,509	8,157,463	8,185,062	7,376,146	6,883,048	6,354,456	6,083,529
Total loan principal outstanding	<b>30,041,785</b>	29,722,684	29,320,600	29,047,685	23,670,171	22,788,025	21,198,998	19,801,814
Total loan principal outstanding percentage	<b>63%</b>	62%	63%	62%	65%	63%	62%	60%
Total loan principal outstanding – on Balance Sheet	<b>47,399,061</b>	47,520,465	46,694,998	46,653,806	36,691,031	36,156,067	34,130,478	32,809,075
<b>Derecognized</b>								
Commercial	<b>14,998,436</b>	12,591,570	11,542,502	10,424,114	7,181,301	6,349,413	6,272,342	5,860,830
Total loan principal outstanding – off Balance Sheet	<b>14,998,436</b>	12,591,570	11,542,502	10,424,114	7,181,301	6,349,413	6,272,342	5,860,830
Total Loans under management	<b>62,397,497</b>	60,112,035	58,237,500	57,077,920	43,872,332	42,505,480	40,402,820	38,669,905
<b>Personal</b>								
Single family mortgages – insured <sup>(3)</sup>	<b>10,547,686</b>	10,863,782	11,109,325	11,249,787	7,942,977	8,113,893	8,369,594	8,591,090
Single family mortgages – uninsured <sup>(3)</sup>	<b>19,467,440</b>	19,414,981	19,204,814	18,949,300	15,681,114	15,396,888	14,471,566	13,414,945
Decumulation loans <sup>(4)</sup>	<b>1,460,098</b>	1,240,701	1,114,401	1,021,667	612,911	508,089	372,976	303,340
Consumer lending <sup>(2)</sup>	<b>940,847</b>	878,493	843,922	891,656	-	-	-	-
Total	<b>32,416,071</b>	32,397,957	32,272,462	32,112,410	24,237,002	24,018,870	23,214,136	22,309,375
<b>Commercial</b>								
Mortgages – to Corporates	<b>2,830,654</b>	2,895,401	2,845,597	2,971,525	2,814,127	2,611,121	2,446,158	2,326,676
Mortgages – to Small Business	<b>1,437,946</b>	1,351,892	1,333,971	1,327,917	1,318,727	1,228,665	1,154,573	1,086,826
Specialized financing loans	<b>1,078,594</b>	1,026,748	1,097,176	1,069,963	750,322	738,675	714,856	645,588
Construction loans	<b>3,276,367</b>	3,047,115	2,738,680	2,570,361	2,159,031	1,904,891	1,665,236	1,616,160
Equipment financing	<b>1,354,906</b>	1,320,927	1,264,212	1,262,584	965,155	902,054	772,868	732,682
Insured multi-unit residential mortgages	<b>20,002,959</b>	18,071,995	16,685,402	15,763,160	11,627,968	11,101,204	10,434,993	9,952,598
Total	<b>29,981,426</b>	27,714,078	25,965,038	24,965,510	19,635,330	18,486,610	17,188,684	16,360,530
Total Loans under management	<b>62,397,497</b>	60,112,035	58,237,500	57,077,920	43,872,332	42,505,480	40,402,820	38,669,905

<sup>(1)</sup> The numbers in this table are reported on consolidated basis, including Concentra, prior to acquisition-related fair value adjustments that are captured in balance sheet measures.

<sup>(2)</sup> A sub-portfolio of consumer lending carries a limited financial guarantee backed by a cash reserve account held on deposit with EQB's subsidiary, Concentra Bank, reducing the credit risk exposure. As at October 31, 2023, approximately 94.1% of the consumer term loans portfolio is covered by the limited financial guarantee.

<sup>(3)</sup> The presentation has changed for single family mortgages from previous quarters from “alternative and prime” to “uninsured and insured” to better align characteristics of mortgages within each lending portfolio, including both asset yield and capital required. Prior period comparatives have been updated to conform to current period’s presentation.

<sup>(4)</sup> The loan portfolio balance has started to include capitalized interests for Reverse mortgage since Q4 2023. Prior period comparatives have been updated to conform to current period presentation.

**Table 8: Deposit principal<sup>(1)</sup>**

(\$000s)	2023			2022				2021	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
<b>Term deposits:</b>									
Brokered	<b>15,877,380</b>	15,718,746	15,405,626	15,653,371	12,511,263	11,869,556	11,066,252	10,370,958	
EQ Bank	<b>4,644,623</b>	4,272,539	4,161,586	3,729,785	3,055,028	2,306,170	2,486,567	1,525,299	
Credit unions	<b>1,908,415</b>	2,159,688	2,323,444	2,016,627	-	-	-	-	
Deposit notes	<b>1,592,417</b>	1,943,910	1,967,938	1,961,029	1,715,494	1,922,576	1,935,380	1,451,940	
Covered bonds	<b>1,701,796</b>	1,665,211	1,259,708	1,242,608	827,784	856,340	473,486	502,058	
Corporate and institution	<b>111,644</b>	101,955	139,502	260,320	-	-	-	-	
<b>Total</b>	<b>25,836,275</b>	25,862,049	25,257,804	24,863,740	18,109,569	16,954,642	15,961,685	13,850,255	
Share of term deposits of total (%)	<b>82%</b>	81%	81%	81%	76%	72%	72%	67%	
<b>Demand deposits:</b>									
Brokered	<b>542,836</b>	614,775	725,201	707,327	850,770	918,097	954,830	1,004,691	
EQ Bank	<b>3,588,092</b>	3,931,305	3,935,798	4,193,476	4,506,817	5,281,371	4,774,100	5,442,811	
Credit unions	<b>479,451</b>	443,303	639,025	369,851	-	-	-	-	
Strategic partnerships	<b>996,627</b>	735,868	551,937	505,836	357,315	379,096	389,713	396,866	
Corporate and institution	<b>133,869</b>	195,361	167,961	190,587	-	-	-	-	
<b>Total</b>	<b>5,740,875</b>	5,920,612	6,019,922	5,967,077	5,714,902	6,578,564	6,118,643	6,844,368	
Share of demand deposits of total (%)	<b>18%</b>	19%	19%	19%	24%	28%	28%	33%	
<b>Total deposit principal</b>	<b>31,577,150</b>	31,782,661	31,277,726	30,830,817	23,824,471	23,533,206	22,080,328	20,694,623	
<b>EQ Bank deposit principal (excludes accrued interest)</b>	<b>8,232,715</b>	8,203,844	8,097,384	7,923,261	7,561,845	7,587,541	7,260,667	6,968,110	

<sup>(1)</sup> The numbers in this table are reported on consolidated basis, including Conentra, prior to acquisition-related fair value adjustments that are captured in balance sheet measures.



**Table 9: Impaired loans – by lending business**

(\$000s, except percentages)	2023			2022			2021	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Gross impaired loan assets</b>								
Personal excluding consumer lending	<b>120,809</b>	82,491	60,350	51,235	22,965	17,016	17,960	21,352
Consumer lending	<b>981</b>	974	1,044	916	-	-	-	-
Commercial excluding equipment financing	<b>222,303</b>	125,911	77,987	64,472	45,627	29,785	38,602	49,121
Equipment financing	<b>35,497</b>	23,921	17,482	21,890	19,283	20,927	20,650	20,495
<b>Total</b>	<b>379,590</b>	233,297	156,863	138,513	87,875	67,728	77,212	90,968
<b>Net impaired loan assets</b>								
Personal excluding consumer lending	<b>117,902</b>	78,771	57,561	48,993	22,323	16,482	17,560	20,720
Consumer lending	<b>176</b>	155	187	161	-	-	-	-
Commercial excluding equipment financing	<b>212,829</b>	122,859	74,974	62,170	43,514	28,434	37,030	47,835
Equipment financing	<b>30,689</b>	20,193	15,306	20,338	18,505	19,857	19,904	19,825
<b>Total</b>	<b>361,596</b>	221,978	148,028	131,662	84,342	64,773	74,494	88,380
<b>Net impaired loan assets as a % of portfolio loan assets</b>								
Personal excluding consumer lending	<b>0.37%</b>	0.25%	0.18%	0.16%	0.09%	0.07%	0.08%	0.09%
Consumer lending	<b>0.02%</b>	0.02%	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%
Commercial excluding equipment financing	<b>1.56%</b>	0.89%	0.57%	0.47%	0.38%	0.25%	0.36%	0.49%
Equipment financing	<b>2.32%</b>	1.56%	1.22%	1.62%	1.92%	2.20%	2.58%	2.71%
<b>Total</b>	<b>0.76%</b>	0.47%	0.32%	0.28%	0.23%	0.18%	0.22%	0.27%



**Table 10: Provision for credit losses (PCL) – by lending business**

(\$000s, except percentages)	2023			2022				2021	YTD	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022
<b>Stage 1</b>										
Personal excluding consumer lending	(1,002)	1,768	(337)	6,811	534	336	(1,666)	(2,461)	429	6,015
Consumer lending	1,175	53	244	3,969	-	-	-	-	1,472	3,969
Commercial excluding equipment financing	(3,565)	1,846	1,571	(677)	(2,342)	(144)	1,165	(2,085)	(148)	(1,998)
Equipment financing	2,775	537	909	1,602	594	1,157	662	1,282	4,221	4,015
<b>Total</b>	<b>(617)</b>	<b>4,204</b>	<b>2,387</b>	<b>11,705</b>	<b>(1,214)</b>	<b>1,349</b>	<b>161</b>	<b>(3,264)</b>	<b>5,974</b>	<b>12,001</b>
<b>Stage 2</b>										
Personal excluding consumer lending	2,713	593	3,099	2,211	1,256	966	370	1,658	6,405	4,803
Consumer lending	402	288	650	1,755	-	-	-	-	1,340	1,755
Commercial excluding equipment financing	1,310	(329)	(2,409)	7,712	1,714	763	(1,173)	(159)	(1,428)	9,016
Equipment financing	(1,529)	1,127	(982)	1,142	1,217	469	(581)	(1,367)	(1,384)	2,247
<b>Total</b>	<b>2,896</b>	<b>1,679</b>	<b>358</b>	<b>12,820</b>	<b>4,187</b>	<b>2,198</b>	<b>(1,384)</b>	<b>132</b>	<b>4,933</b>	<b>17,821</b>
<b>Stage 3</b>										
Personal excluding consumer lending	(353)	1,086	908	878	112	116	(198)	99	1,641	908
Consumer lending	380	128	(89)	(304)	-	-	-	-	419	(304)
Commercial excluding equipment financing	6,598	39	(1,615)	(1,063)	760	343	281	261	5,022	321
Equipment financing	10,662	5,906	4,299	2,760	1,509	1,227	1,015	1,352	20,867	6,511
<b>Total</b>	<b>17,287</b>	<b>7,159</b>	<b>3,503</b>	<b>2,271</b>	<b>2,381</b>	<b>1,686</b>	<b>1,098</b>	<b>1,712</b>	<b>27,949</b>	<b>7,436</b>
<b>Total PCL</b>										
Personal excluding consumer lending	1,358	3,447	3,670	9,900	1,902	1,418	(1,494)	(704)	8,475	11,726
Consumer lending	1,957	469	805	5,420	-	-	-	-	3,231	5,420
Commercial excluding equipment financing	4,343	1,556	(2,453)	5,972	132	962	273	(1,983)	3,446	7,339
Equipment financing	11,908	7,570	4,226	5,504	3,320	2,853	1,096	1,267	23,704	12,773
<b>Total</b>	<b>19,566</b>	<b>13,042</b>	<b>6,248</b>	<b>26,796</b>	<b>5,354</b>	<b>5,233</b>	<b>(125)</b>	<b>(1,420)</b>	<b>38,856</b>	<b>37,258</b>
<b>PCL – rate (annualized)</b>										
Personal excluding consumer lending	0.01%	0.05%	0.09%	0.14%	0.03%	0.02%	(0.03%)	(0.01%)	0.03%	0.05%
Consumer lending	0.65%	0.22%	0.37%	3.65%	-%	-%	-%	-%	0.42%	3.65%
Commercial excluding equipment financing	0.09%	0.05%	(0.07%)	0.19%	0.01%	0.04%	0.01%	(0.08%)	0.03%	0.07%
Equipment financing	2.67%	2.34%	1.34%	1.90%	1.42%	1.36%	0.58%	0.72%	2.17%	1.39%
<b>Total</b>	<b>0.12%</b>	<b>0.11%</b>	<b>0.05%</b>	<b>0.25%</b>	<b>0.06%</b>	<b>0.06%</b>	<b>(0.001%)</b>	<b>(0.02%)</b>	<b>0.10%</b>	<b>0.10%</b>

**Table 11: Allowance for credit losses continuity<sup>(1)</sup>**

(\$000s, except percentages)	2023			2022				2021	YTD		
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2023	2022	
<b>Stage 1 &amp; 2 allowances</b>											
Balance, beginning of period	98,961	92,607	89,931	51,658	48,685	45,138	46,361	49,493	89,931	46,361	
Provision for credit losses:											
Transfer from Stage 3	864	5,745	(5,007)	214	457	189	696	544	1,602	1,556	
Transfer to Stage 3	(5,105)	(11,420)	264	(268)	(289)	(213)	(288)	(159)	(16,261)	(1,058)	
Re-measurement <sup>(2)</sup>	4,558	9,757	6,983	4,445	416	727	(3,300)	(5,203)	21,298	2,288	
Originations	9,650	6,780	4,191	3,469	4,273	5,146	3,760	2,084	20,621	16,648	
Discharges	(7,767)	(4,508)	(3,755)	(2,129)	(1,884)	(2,302)	(2,091)	(398)	(16,030)	(8,406)	
Loans acquired from business combination	-	-	-	32,542	-	-	-	-	-	-	32,542
Balance, end of period	101,161	98,961	92,607	89,931	51,658	48,685	45,138	46,361	101,161	89,931	
<b>Stage 3 allowance</b>											
Balance, beginning of period	11,319	8,835	6,851	3,533	2,955	2,718	2,588	2,649	6,851	2,588	
Provision for credit losses:											
Transfer to Stage 1	(253)	(80)	(11)	(68)	(222)	(101)	(617)	(452)	(344)	(1,008)	
Transfer to Stage 2	(611)	(394)	(253)	(146)	(235)	(88)	(79)	(92)	(1,258)	(548)	
Transfer from Stage 1	1,437	932	571	21	74	19	13	13	2,940	127	
Transfer from Stage 2	3,668	5,217	4,436	247	215	194	275	146	13,321	931	
Re-measurement <sup>(2)</sup>	30,554	1,447	(814)	2,366	2,549	1,662	1,506	2,097	31,187	8,083	
Discharges	(17,492)	-	-	-	-	-	-	-	(17,492)	-	
Loans acquired from business combination	-	-	-	4,117	-	-	-	-	-	-	4,117
Write-offs	(11,695)	(4,298)	(3,519)	(3,217)	(1,803)	(902)	(939)	(1,691)	(19,512)	(6,861)	
Realized losses	760	(692)	(1,036)	(20)	(19)	(573)	(69)	(191)	(968)	(681)	
Recoveries	307	352	2,610	18	19	26	40	109	3,269	103	
Balance, end of period	17,994	11,319	8,835	6,851	3,533	2,955	2,718	2,588	17,994	6,851	
<b>Total allowance</b>											
Balance, beginning of period	110,280	101,442	96,782	55,191	51,640	47,856	48,949	52,142	96,782	48,949	
Provision for credit losses:											
Re-measurement <sup>(2)</sup>	35,112	11,204	6,169	6,811	2,965	2,389	(1,794)	(3,106)	52,485	10,371	
Originations	9,650	6,780	4,191	3,469	4,273	5,146	3,760	2,084	20,621	16,648	
Discharges	(25,259)	(4,508)	(3,755)	(2,129)	(1,884)	(2,302)	(2,091)	(398)	(33,522)	(8,406)	
Loans acquired from business combination	-	-	-	36,659	-	-	-	-	-	-	36,659
Write-offs	(11,695)	(4,298)	(3,519)	(3,217)	(1,803)	(902)	(939)	(1,691)	(19,512)	(6,861)	
Realized losses	760	(692)	(1,036)	(20)	(19)	(573)	(69)	(191)	(968)	(681)	
Recoveries	307	352	2,610	18	19	26	40	109	3,269	103	
Balance, end of period	119,155	110,280	101,442	96,782	55,191	51,640	47,856	48,949	119,155	96,782	

<sup>(1)</sup> The allowance for credit losses as at October 31, 2023 includes allowance on loan commitments amounting to \$1.7 million.<sup>(2)</sup> Includes movement as a result of significant changes in credit risk, changes in credit risk that did not result in a transfer between stages and changes in model inputs and assumptions.

**Table 12: Allowance for credit losses – by lending business**

(\$000s, except percentages)	2023			2022				2021
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Stage 1</b>								
Personal excluding consumer lending	12,945	13,948	12,180	12,517	5,705	5,171	4,835	6,501
Consumer lending	17,001	16,190	15,917	15,786	-	-	-	-
Commercial excluding equipment financing	14,893	18,458	16,583	14,999	15,716	18,058	18,202	17,037
Equipment financing	12,611	9,835	9,328	8,431	6,788	6,194	5,037	4,375
<b>Total</b>	<b>57,450</b>	<b>58,431</b>	<b>54,008</b>	<b>51,733</b>	<b>28,209</b>	<b>29,423</b>	<b>28,074</b>	<b>27,913</b>
<b>Stage 2</b>								
Personal excluding consumer lending	16,151	13,439	12,846	9,749	7,537	6,281	5,315	4,945
Consumer lending	5,606	4,917	4,377	3,683	-	-	-	-
Commercial excluding equipment financing	10,103	8,795	9,085	11,448	3,821	2,107	1,344	2,517
Equipment financing	11,851	13,379	12,291	13,318	12,091	10,874	10,405	10,986
<b>Total</b>	<b>43,711</b>	<b>40,530</b>	<b>38,599</b>	<b>38,198</b>	<b>23,449</b>	<b>19,262</b>	<b>17,064</b>	<b>18,448</b>
<b>Stage 3</b>								
Personal excluding consumer lending	2,907	3,719	2,789	2,242	642	534	400	632
Consumer lending	806	820	857	755	-	-	-	-
Commercial excluding equipment financing	9,473	3,052	3,013	2,302	2,113	1,351	1,572	1,286
Equipment financing	4,808	3,728	2,176	1,552	778	1,070	746	670
<b>Total</b>	<b>17,994</b>	<b>11,319</b>	<b>8,835</b>	<b>6,851</b>	<b>3,533</b>	<b>2,955</b>	<b>2,718</b>	<b>2,588</b>
<b>Total allowance for credit losses</b>								
Personal excluding consumer lending	32,003	31,106	27,815	24,508	13,884	11,986	10,550	12,078
Consumer lending	23,413	21,927	21,151	20,224	13,884	-	-	-
Consumer lending - cash reserve	(14,817)	(14,895)	(14,446)	(14,089)	13,884	-	-	-
Commercial excluding equipment financing	34,469	30,305	28,681	28,749	21,650	21,516	21,118	20,840
Equipment financing	29,270	26,942	23,795	23,301	19,657	18,138	16,188	16,031
<b>Total - net of cash reserves<sup>(1)</sup></b>	<b>104,338</b>	<b>95,385</b>	<b>86,996</b>	<b>82,693</b>	<b>55,191</b>	<b>51,640</b>	<b>47,856</b>	<b>48,949</b>
<b>Total gross allowance</b>	<b>119,155</b>	<b>110,280</b>	<b>101,442</b>	<b>96,782</b>	<b>55,191</b>	<b>51,640</b>	<b>47,856</b>	<b>48,949</b>
<b>Allowance for credit losses as a % of portfolio loan assets</b>								
Personal excluding consumer lending	0.10%	0.10%	0.09%	0.08%	0.06%	0.05%	0.05%	0.05%
Consumer lending - net of cash reserve	0.92%	0.82%	0.81%	0.70%	-	-	-	-
Commercial excluding equipment financing	0.25%	0.22%	0.22%	0.22%	0.19%	0.19%	0.21%	0.21%
Equipment financing	2.17%	2.05%	1.89%	1.86%	2.04%	2.01%	2.09%	2.19%
<b>Total allowance - net of cash reserves</b>	<b>0.22%</b>	<b>0.20%</b>	<b>0.19%</b>	<b>0.18%</b>	<b>0.15%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>0.15%</b>

<sup>(1)</sup>As at October 31, 2023, the consumer lending portfolio is backed by guarantees of \$14.8 million provided by a third party. Allowance amounts are shown net of these cash reserves.



**Table 13: Loan principal outstanding - by province<sup>(1)(2)(3)</sup>**

	2023						2022						2021			
	Q4		Q2		Q1		Q4		Q3		Q2		Q1		Q4	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Personal</b>																
Alberta, Manitoba & Saskatchewan	5,709,651	12%	5,774,527	12%	5,826,368	12%	5,854,111	13%	4,056,999	11%	4,040,737	11%	3,994,499	12%	3,926,251	12%
Atlantic provinces & Quebec	2,940,913	6%	2,930,727	6%	2,912,129	6%	2,901,594	6%	2,253,011	6%	2,227,640	6%	2,120,092	6%	2,045,485	6%
British Columbia and Territories	4,455,626	9%	4,323,794	9%	4,241,545	9%	4,156,101	9%	3,039,502	8%	2,991,829	8%	2,865,095	8%	2,655,986	8%
Ontario	19,309,880	41%	19,368,908	41%	19,292,420	41%	19,200,604	41%	14,887,490	41%	14,758,664	41%	14,234,450	42%	13,681,653	42%
	<b>32,416,070</b>	<b>68%</b>	32,397,956	68%	32,272,462	69%	32,112,410	69%	24,237,002	66%	24,018,870	66%	23,214,136	68%	22,309,375	68%
<b>Commercial</b>																
Alberta, Manitoba & Saskatchewan	2,575,308	5%	2,486,934	5%	2,211,114	5%	2,285,261	5%	1,725,304	5%	1,783,190	5%	1,532,008	4%	1,466,194	4%
Atlantic provinces & Quebec	3,159,731	7%	3,238,659	7%	3,080,239	7%	3,106,520	7%	2,776,224	8%	2,664,054	7%	2,353,423	7%	2,330,548	7%
British Columbia and Territories	1,654,960	3%	1,549,606	3%	1,588,875	3%	1,548,261	3%	1,368,030	4%	1,340,114	4%	1,159,849	3%	1,208,679	4%
Ontario	7,592,992	16%	7,847,310	17%	7,542,308	16%	7,601,354	16%	6,584,471	18%	6,349,839	18%	5,871,062	17%	5,494,279	17%
	<b>14,982,991</b>	<b>32%</b>	15,122,509	32%	14,422,536	31%	14,541,396	31%	12,454,029	34%	12,137,197	34%	10,916,342	32%	10,499,700	32%
<b>Total loan principal</b>																
Alberta, Manitoba & Saskatchewan	8,284,959	17%	8,261,461	17%	8,037,482	17%	8,139,372	17%	5,782,303	16%	5,823,927	16%	5,526,507	16%	5,392,445	16%
Atlantic provinces & Quebec	6,100,644	13%	6,169,386	13%	5,992,368	13%	6,008,114	13%	5,029,235	14%	4,891,694	14%	4,473,515	13%	4,376,033	13%
British Columbia and Territories	6,110,586	13%	5,873,400	12%	5,830,420	12%	5,704,362	12%	4,407,532	12%	4,331,943	12%	4,024,944	12%	3,864,665	12%
Ontario	26,902,872	57%	27,216,218	57%	26,834,728	57%	26,801,958	57%	21,471,961	59%	21,108,503	58%	20,105,512	59%	19,175,932	58%
Total loan principal	<b>47,399,061</b>	<b>100%</b>	47,520,465	100%	46,694,998	100%	46,653,806	100%	36,691,031	100%	36,156,067	100%	34,130,478	100%	32,809,075	100%

<sup>(1)</sup> Geographic location based on the address of the property mortgaged or the address of leasee.

<sup>(2)</sup> The numbers in this table are reported on consolidated basis, including Concentra, acquisition-related fair value adjustments that are captured in balance sheet measures.

<sup>(3)</sup> The loan portfolio balance has started to include capitalized interests for Reverse mortgage since Q4 2023. Prior period comparatives have been updated to conform to current period presentation.

**Table 14: Residential mortgage and HELOC principal outstanding – by province<sup>(1)(2)(5)</sup>**

(\$000s except percentages)	Residential mortgages				HELOC <sup>(4)(6)</sup>		Total			
	Insured <sup>(3)</sup>		Uninsured		Uninsured		Insured		Uninsured	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	Q4 2023									
Alberta, Manitoba & Saskatchewan	4,005,328	13%	1,474,250	5%	53,818	4%	4,005,328	13%	1,528,068	5%
Atlantic provinces & Quebec	1,022,418	3%	1,428,216	5%	59,419	4%	1,022,418	3%	1,487,635	5%
British Columbia and Territories	1,255,148	4%	2,725,457	9%	378,398	27%	1,255,148	4%	3,103,855	10%
Ontario	4,264,481	14%	13,757,812	46%	918,124	65%	4,264,481	14%	14,675,936	47%
<b>Total</b>	<b>10,547,375</b>	<b>35%</b>	<b>19,385,735</b>	<b>65%</b>	<b>1,409,759</b>	<b>100%</b>	<b>10,547,375</b>	<b>34%</b>	<b>20,795,494</b>	<b>66%</b>
	Q4 2022									
Alberta, Manitoba & Saskatchewan	4,197,336	14%	1,433,094	5%	47,795	5%	4,197,336	13%	1,480,889	5%
Atlantic provinces & Quebec	1,099,055	4%	1,380,279	5%	31,353	3%	1,099,055	4%	1,411,632	5%
British Columbia and Territories	1,358,713	5%	2,452,501	8%	247,727	25%	1,358,713	4%	2,700,228	9%
Ontario	4,594,343	15%	13,606,538	45%	656,782	67%	4,594,343	15%	14,263,320	46%
<b>Total</b>	<b>11,249,447</b>	<b>37%</b>	<b>18,872,412</b>	<b>63%</b>	<b>983,657</b>	<b>100%</b>	<b>11,249,447</b>	<b>36%</b>	<b>19,856,069</b>	<b>64%</b>

<sup>(1)</sup> Geographic location based on the address of the property mortgaged.

<sup>(2)</sup> This table was prepared based on the disclosure requirements outlined in OSFI's Guideline B-20. For the purpose of this guideline, all reverse mortgages secured by residential property are considered to be HELOC.

<sup>(3)</sup> Insured by either CMHC, Sagen or Canada Guaranty.

<sup>(4)</sup> HELOC, Standalone HELOC (SHELOC), and Reverse Mortgage are collectively referred to as "HELOC" in this Report wherever applicable.

<sup>(5)</sup> The numbers in this table are reported on consolidated basis, including Concentra, prior to acquisition-related fair value adjustments that are captured in balance sheet measures.

<sup>(6)</sup> The loan portfolio balance has started to include capitalized interests for Reverse mortgage since Q4 2023. Prior period comparatives have been updated to conform to current period presentation.



**Table 15: Residential mortgage principal outstanding - by remaining amortization<sup>(1)(2)</sup>**

(\$000s except percentages)	<=20 years	>20 to <=25 years	>25 to <=30 years	>30 to <=35 years <sup>(3)</sup>	>35 years	Total
<b>Q4 2023</b>	<b>6,199,683</b>	<b>7,183,703</b>	<b>16,540,371</b>	<b>8,909</b>	<b>444</b>	<b>29,933,110</b>
<b>Total residential mortgages</b>	<b>20.71%</b>	<b>24.00%</b>	<b>55.26%</b>	<b>0.03%</b>	<b>0.00%</b>	<b>100%</b>
Q2 2023	6,046,030	7,454,161	16,679,755	16,142	617	30,196,705
Total residential mortgages	20.02%	24.69%	55.24%	0.05%	0.00%	100.00%
Q4 2022	5,728,525	7,740,771	16,630,828	21,113	622	30,121,859
Total residential mortgages	19.02%	25.70%	55.21%	0.07%	0.00%	100.00%

<sup>(1)</sup> The residential mortgage balances do not include HELOC (HELOC, SHELOC and Reverse Mortgage) amount.

<sup>(2)</sup> The numbers in this table are reported on consolidated basis, including Concentra, prior to acquisition-related fair value adjustments that are captured in balance sheet measures.

<sup>(3)</sup> Equitable Bank and Concentra Bank do not offer uninsured or insured residential mortgages with amortization periods over 30 years; outstanding principal includes \$5.8 million residential mortgages that were originated by Concentra Bank prior to 2019 with amortization term up to 35 years and \$3.1 million as a result of mortgage in arrears. Almost 50% of the loans in this bucket has maturity less than 363 months.



**Table 16: Uninsured average loan-to-value of newly originated and newly acquired<sup>(1)</sup>**

	2023								2022				2021			
	Q4		Q2		Q1		Q4		Q3		Q2		Q1		Q4	
	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>	Residential mortgages	HELOC <sup>(2)</sup>
Alberta, Manitoba & Saskatchewan	<b>73%</b>	<b>38%</b>	73%	33%	73%	38%	73%	32%	72%	37%	73%	28%	73%	37%	73%	36%
Atlantic provinces & Quebec	<b>70%</b>	<b>43%</b>	70%	38%	70%	42%	70%	42%	69%	47%	71%	43%	71%	40%	70%	39%
British Columbia and Territories	<b>69%</b>	<b>40%</b>	70%	39%	70%	34%	70%	38%	71%	44%	69%	42%	70%	39%	70%	41%
Ontario	<b>71%</b>	<b>40%</b>	71%	39%	72%	35%	71%	38%	72%	40%	72%	41%	71%	39%	71%	42%
Total Canada	<b>71%</b>	<b>40%</b>	71%	39%	71%	35%	71%	38%	71%	42%	71%	41%	71%	39%	71%	41%

<sup>(1)</sup> Geographic location based on the address of the property mortgaged.

<sup>(2)</sup> HELOC includes HELOC, SHELOC, and Reverse Mortgage.

The loan-to-value (LTV) of HELOC represents the authorized amount as a percentage of the original property value at the time of origination.

In the case of non-standalone HELOCs, there are mortgages associated with most of these properties, but the aggregate LTVs are not presented on this chart. Aggregate LTVs do not exceed 80%.

For SHELOCs, there are no mortgages associated to these properties.

**Table 17: Average loan-to-value of existing uninsured single - family residential mortgages<sup>(1)(2)(3)(4)</sup>**

	2023			2022				2021	
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
Alberta, Manitoba & Saskatchewan	<b>61%</b>	63%	63%	63%	60%	62%	57%	59%	
Atlantic provinces & Quebec	<b>62%</b>	64%	66%	66%	63%	58%	60%	62%	
British Columbia and Territories	<b>62%</b>	65%	67%	66%	64%	58%	60%	61%	
Ontario	<b>62%</b>	63%	66%	66%	63%	56%	58%	60%	
Total Canada	<b>62%</b>	63%	65%	65%	63%	57%	58%	60%	

<sup>(1)</sup> Geographic location based on the address of the property mortgaged.

<sup>(2)</sup> Based on property values estimated using the Teranet National Bank House Price Indices, adjusting for EQB's unique portfolio by using sub-indices corresponding to the 11 cities in Teranet-National Bank National Composite 11 to estimate property values loan by loan. The index is based on actual transaction dates and prices, which EQB believes to be most accurate and representative; however, may lag other indices leveraging data tied to date of sale.

<sup>(3)</sup> The LTV of our HELOC (HELOC, SHELOC and Reverse Mortgage) products is not included in this chart.

<sup>(4)</sup> Equitable Bank has arrangements with other lenders to participate in its single family residential loans in certain circumstances, namely if Equitable Bank wants to cap the value of its own exposure to stay within the boundaries of its risk appetite while still meeting a borrower's needs. The arrangements, which have been entered into in the normal course of business at arm's length and on market terms, are structured such that the other lenders' participation would always bear the first loss on the mortgage. The loan-to-value ratios above therefore do not take into account the other lenders' participation in order to reflect both the substance and legal form of Equitable Bank's exposure. Equitable Bank underwrites the loans based on the total value of its own advance and the other lender's participation to ensure that the borrower is able to service the aggregate amount of the loan. Other lenders' participation in Equitable Bank's (including Concentra) single family residential loans was \$85.5 million at October 31, 2023.



**Table 18: Uninsured single - family residential mortgages - weighted average credit score by LTV<sup>(1)(2)</sup>**

	2023			2022				2021
	Q4	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<50% LTV	<b>728</b>	728	727	726	724	723	719	720
50% - 64.99% LTV	<b>713</b>	714	714	714	712	711	711	708
65% - 69.99% LTV	<b>707</b>	708	708	708	707	705	702	702
70% - 75% LTV	<b>707</b>	707	708	707	711	710	706	702
>75% LTV	<b>716</b>	717	717	718	720	717	711	707
Total	<b>713</b>	714	714	714	715	713	709	707

<sup>(1)</sup> The credit scores reported here represent the combination of current weighted average beacon score of Equitable Bank's uninsured single-family lending business and the original weighted average beacon score of Concentra Bank's uninsured single-family portfolio.

<sup>(2)</sup> LTVs are based on property values at origination.

**Table 19: Ten-year statistical review**

(\$000s, except share, per share amounts and percentages)	2023	2022	2021	2020	2019	2018 <sup>(4)</sup>	2017	2016	2015	2014
<b>Reported results (\$ thousands, unless stated otherwise)</b>										
Net interest income	<b>838,279</b>	733,405	582,609	497,406	462,648	348,381	308,362	279,357	242,227	204,522
Non-interest revenue	<b>137,385</b>	48,781	60,298	59,427	34,416	27,659	41,026	26,458	16,836	13,423
<b>Revenue</b>	<b>975,664</b>	782,186	642,907	556,833	497,064	376,040	349,388	305,815	259,063	217,945
Non-Interest expenses	<b>434,743</b>	376,471	260,176	214,060	199,573	149,363	129,030	116,539	87,962	71,644
Pre-provision pre-tax income <sup>(1)</sup>	<b>540,921</b>	405,715	382,731	342,773	297,491	226,677	220,358	189,276	171,101	146,301
Provision for credit losses	<b>38,856</b>	37,258	(7,674)	42,280	18,394	2,083	1,543	2,445	3,638	2,627
Income before income taxes	<b>502,065</b>	368,457	390,405	300,493	279,097	224,594	218,815	186,831	167,463	143,674
Income tax expense	<b>130,475</b>	98,276	97,875	76,689	72,618	58,968	58,198	48,501	41,598	36,956
<b>Net income</b>	<b>371,590</b>	270,181	292,530	223,804	206,479	165,626	160,617	138,330	125,865	106,718
Net income available to common shareholders	<b>364,592</b>	264,615	288,117	219,327	201,788	160,863	155,854	133,567	121,102	102,107
Earnings per share – basic (\$) <sup>(2)</sup>	<b>9.67</b>	7.63	8.49	6.52	6.05	4.87	4.73	4.29	3.92	3.32
Earnings per share – Diluted <sup>(2)</sup>	<b>9.59</b>	7.55	8.36	6.47	5.99	4.84	4.70	4.25	3.87	3.27
Return on equity	<b>17.5</b>	12.9	16.7	14.8	15.5	14.1	15.8	16.9	17.9	17.4
Efficiency ratio (%)	<b>44.6</b>	48.1	40.5	38.4	40.2	39.7	36.9	38.1	34.0	32.9
YTD Operating leverage (%)	<b>9.3</b>	(23.0)	(6.0)	4.7	(1.4)	(8.1)	3.5	(14.4)	(3.9)	(9.2)
Net interest margin (%) <sup>(1)</sup>	<b>1.98</b>	1.86	1.81	1.70	1.74	1.59	1.58	1.63	1.72	1.68
Return on average assets <sup>(3)</sup>	<b>0.8</b>	0.7	0.9	0.8	0.8	0.7	0.8	0.8	0.9	0.9
Return on RWA <sup>(3)</sup>	<b>2.3</b>	1.7	2.5	2.2	2.2	2.1	2.4	2.4	2.5	2.4

<sup>(1)</sup> These are non-GAAP measures, see Non-GAAP financial measures and ratios section of this MD&A.

<sup>(2)</sup> YTD EPS may not equal the sum of the quarterly EPS' as a result of rounding and the computation of in the money options for the year versus the quarter.

Adjusted diluted earnings per share for 2022 was \$9.17. Reported diluted earnings per share in 2022 impacted by acquisition related expenses and provisions for purchased lending assets

<sup>(3)</sup> See Glossary section.

<sup>(4)</sup> Please refer to the 2018 MD&A for additional discussion regarding the adoption of IFRS 9. Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.

Prior year comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, disclosures of 2018 and onward are not directly comparable to prior years.

**Table 19: Ten-year statistical review (continued)**

(\$000s, except share, per share amounts and percentages)	2023	2022	2021	2020	2019	2018 <sup>(5)</sup>	2017	2016	2015	2014
<b>Select balance sheet and other information (\$ millions, unless stated otherwise)</b>										
Total assets	52,933	51,145	36,159	30,746	28,392	25,037	20,634	18,974	15,528	12,855
Assets under management <sup>(1)</sup>	67,932	61,569	42,020	35,936	33,005	29,411	24,653	22,278	17,600	14,374
Loans receivable	47,361	46,510	32,901	28,272	26,608	23,526	19,299	17,784	14,701	12,270
Loans under management <sup>(1)</sup>	62,397	57,078	38,670	33,349	31,124	27,801	23,233	21,004	16,707	13,760
Assets under administration <sup>(1)</sup>	43,173	41,234	-	-	-	-	-	-	-	-
Total deposits principal	31,577	30,831	20,695	16,376	15,232	13,522	11,025	9,680	8,115	7,385
EQ Bank deposits principal	8,233	7,923	6,968	4,556	2,667	2,188	1,628	1,062	-	-
Other deposits principal	23,344	22,908	13,727	11,820	12,565	11,334	9,397	8,618	8,115	7,385
Total risk-weighted assets <sup>(2)</sup>	19,809	18,926	13,310	10,426	9,761	8,803	7,035	6,386	5,259	4,721
Common shareholders' equity	2,664	2,354	1,882	1,575	1,395	1,207	1,066	905	724	631
Preferred shares	181	181	71	72	73	73	73	73	73	72
Liquid assets <sup>(1)</sup>	3,795	3,938	3,056	2,910	1,690	1,407	1,479	1,281	895	677
Total assets held for regulatory purposes as a % of total										
Equitable Bank assets (%)	7.0	7.6	8.0	9.1	5.5	5.1	6.7	6.2	4.9	4.1
Total liquid assets as a % of total assets (%)	7.2	7.7	8.5	9.5	6.0	5.6	7.2	6.7	5.8	5.3
<b>Credit quality (% , unless stated otherwise)</b>										
Provision for credit losses	38,856	37,258	(7,674)	42,280	18,394	2,083	1,543	2,445	3,638	2,627
Provision for credit losses – rate <sup>(2)</sup>	0.10	0.10	(0.03)	0.15	0.07	0.01	0.01	0.02	0.03	0.02
Net impaired loan as a % of total loan assets	0.76	0.28	0.27	0.42	0.44	0.16	0.12	0.21	0.22	0.30
Net allowance for credit losses as a % of total loan assets	0.22	0.18	0.15	0.23	0.14	0.11	0.17	0.19	0.23	0.27
<b>Share information</b>										
Common share price – close (\$)	68.82	56.73	68.91	50.50	54.68	29.56	35.75	30.23	25.75	32.84
Book value per common share <sup>(2)</sup> (\$)	70.33	62.65	55.24	46.68	41.53	36.47	32.28	27.48	23.29	20.45
Common shares outstanding	37,879,352	37,564,114	34,070,810	33,748,148	33,595,186	33,108,036	33,006,874	32,920,284	31,077,210	30,870,712
Common share market capitalization (\$ millions)	2,607	2,131	2,348	1,704	1,837	979	1,180	995	800	1,014
Dividends declared – common share (\$)	1.10	1.21	0.74	0.74	0.65	0.54	0.48	0.42	0.38	0.34
Dividends declared – preferred share - Series 1 (\$) <sup>(3)</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.36
Dividends declared – preferred share - Series 3 (\$) <sup>(4)</sup>	1.11	1.49	1.49	1.49	1.56	1.59	1.59	1.59	1.59	0.63
Dividend Yield - common shares (%) <sup>(2)</sup>	2.2	2.0	1.4	1.8	1.5	1.7	1.6	1.5	1.3	1.1
Dividend Payout (%) <sup>(2)</sup>	11.50	16.0	8.9	11.4	10.8	11.2	10.1	9.9	9.8	10.4
<b>Equitable Bank capital information (%)<sup>(2)(7)</sup></b>										
CET1 ratio	14.0	13.7	13.3	14.6	13.6	13.5	14.8	14.0	13.6	13.5
Tier 1 capital ratio	14.6	14.7	13.9	15.3	14.4	14.3	15.9	15.1	15.0	14.9
Total capital ratio	15.2	15.1	14.2	15.8	14.7	14.5	16.3	16.6	16.8	17.3
Leverage ratio <sup>(6)</sup>	5.3	5.3	4.9	5.1	4.9	5.0	5.4	5.1	5.2	N/A

<sup>(1)</sup> See Non-GAAP financial measures and ratios section.<sup>(2)</sup> See Glossary section.<sup>(3)</sup> EQB fully redeemed its Series 1 Preferred Shares on September 30, 2014.<sup>(4)</sup> EQB issued its Series 3 Preferred Shares in August 2014 and the 2014 Series 3 Preferred Shares dividend declaration represented dividends payable for the period from August 8, 2014 to December 31, 2014.<sup>(5)</sup> Please refer to the 2018 MD&A for additional discussion regarding the adoption of IFRS 9. Effective January 1, 2018, the amounts and ratios have been prepared in accordance with IFRS 9.

Prior year comparatives were prepared in accordance with IAS 39 and have not been restated. As a result, disclosures of 2018 and onward are not directly comparable to prior years.

<sup>(6)</sup> The Leverage Ratio is measured under Basel III framework, effective the first quarter of 2015. Thus it is not applicable for the prior years.<sup>(7)</sup> Effective April 1, 2023, Equitable Bank adopted OSFI Basel III banking reforms, including the implementation of Capital Adequacy Requirements with revised standard approach for credit risk and operational risk (CAR 23) and revised Leverage Requirements (LR). Prior periods have not been restated.





### Non-GAAP financial measures and ratios

This section provides further discussion regarding the variety of financial measures to evaluate EQB's performance. In addition to GAAP prescribed measures, we also use certain non-GAAP financial measures and ratios that we believe provide useful information to investors regarding EQB's financial condition and results of operations. Readers are cautioned that non-GAAP financial measures and ratios often do not have any standardized meaning, and therefore, are unlikely to be comparable to similar measures presented by other companies.

### Adjusted results:

#### Adjustments impacting current and prior periods:

Adjustments listed below are presented on a pre-tax basis:

- Q4 2023
  - \$7.0 million acquisition and integration-related costs, and
  - \$1.2 million intangible asset amortization.
  
- Q2 2023
  - \$28.0 million gain from a strategic investment,
  - \$3.4 million acquisition and integration-related costs,
  - \$0.9 million intangible asset amortization, and
  - \$0.9 million other expenses
  
- Q1 2023
  - \$3.2 million net fair value amortization adjustment,
  - \$4.7 million acquisition and integration-related costs, and
  - \$1.5 million intangible asset amortization.
  
- Q4 2022
  - \$36.9 million of acquisition and integration related costs;
  - \$19.0 million provision credit for credit losses recorded on purchased loan portfolios;
  - \$3.3 million net fair value related amortization recorded for November and December 2022;
  - \$2.2 million interest earned on the escrow account where the proceeds of the subscription receipts are held<sup>(1)</sup>;
  - \$0.7 million reversal of interest expenses paid to subscription receipt holders; and
  - \$5.6 million increase future tax expense associated with additional 1.5% tax rate introduced for banks in 2022.
  
- Q3 2022 – \$5.2 million of acquisition and integration related costs and \$1.0 million of interest expense paid to subscription receipt holders.
- Q2 2022 – \$2.7 million of acquisition and integration related costs and \$0.9 million of interest expenses paid to subscription receipt holders.
- Q1 2022 – \$5.1 million of acquisition and integration related costs and \$0.9 million of interest expenses paid to subscription receipt holders.
- Q4 2021 – \$0.7 million of acquisition costs.

(1) The net proceeds from the issuance of subscription receipts were held in an escrow account and the interest income earned was recognized upon closing of the Concentra acquisition.



**Adjusted efficiency ratio**

is derived by dividing adjusted non-interest expenses by adjusted revenue.

**Adjusted return on equity**

is calculated on an annualized basis and is defined as adjusted net income available to common shareholders as a percentage of weighted average common shareholders' equity (reported) outstanding during

**Assets under administration (AUA)**

is sum of (1) assets over which EQB's subsidiaries have been named as trustee, custodian, executor, administrator or other similar role; (2) loans held by credit unions for which EQB's subsidiaries act

**Assets under management (AUM)**

is the sum of total assets reported on the consolidated balance sheet and loan principal derecognized but still managed by EQB.

**Conventional loans**

is the total on-balance sheet loan principal excluding insured single-family mortgages and insured multi-unit residential mortgages.

**Liquid assets**

is a measure of EQB's cash or assets that can be readily converted into cash, which are held for the purposes of funding loans, deposit maturities, and the ability to collect other receivables and settle other obligations.

**Loans under management (LUM)**

is the sum of loan principal reported on the consolidated balance sheet and loan principal derecognized but still managed by EQB.

**Net interest margin (NIM)**

is calculated on an annualized basis by dividing net interest income by the average total interest earning assets for the period.

**Pre-provision pre-tax income (PPPT)**

is the difference between revenue and non-interest expenses.

**Total loan assets**

is calculated on a gross basis (prior to allowance for credit losses) as the sum of both Loans – Personal and Loans – Commercial on the balance sheet, and adding their associated allowance for credit losses.



## Glossary

### Book value per common share

is calculated by dividing common shareholders' equity by the number of common shares outstanding.

### Common Equity Tier 1 Capital (CET1 Capital)

is defined as shareholders' equity plus any qualifying other non-controlling interest in subsidiaries less preferred shares issued and outstanding, any goodwill, other intangible assets and cash flow hedge reserve components of accumulated other comprehensive income.

### CET1 ratio

is defined as CET1 Capital as a percentage of total RWA. This ratio is calculated for Equitable Bank in accordance with OSFI's Capital Adequacy Requirements (CAR) Guideline.

### Dividend payout ratio

is defined as dividend per common share as a percentage of diluted earnings per share.

### Dividend yield

is calculated on an annualized basis and is defined as dividend per common share divided by average of daily closing price per common share for the period.

### Efficiency ratio

is derived by dividing non-interest expenses by revenue. A lower efficiency ratio reflects a more efficient cost structure.

### Leverage ratio

is calculated by dividing Tier 1 Capital by an exposure measure. The exposure measure consists of total assets (excluding items deducted from Tier 1 Capital) and certain off-balance sheet items converted into credit exposure equivalents. Adjustments are also made to derivatives and secured financing transactions to reflect credit and other risks. This ratio is calculated for Equitable Bank using OSFI's Leverage Requirements (LR) Guideline.

### Provision for credit losses (PCL) – rate

is calculated on an annualized basis and is defined as the provision for credit losses as a percentage of average loan principal outstanding during the period. For Q4 2023, this is annualized from four months to twelve months, and for fiscal year 2023, it is annualized from ten months to twelve months

### Return on average assets

is calculated on an annualized basis and is defined as net income as a percentage of average month-end total assets balances outstanding during the period.

### Return on RWA

is calculated on an annualized basis and is defined as net income as a percentage of average RWA during the period.

### Return on equity (ROE)

is calculated on an annualized basis and is defined as net income available to common shareholders as a percentage of the weighted average common equity outstanding during the period.

### Risk-weighted assets (RWA)

represents Equitable Bank's assets and off-balance sheet exposures, weighted according to risk as prescribed by OSFI under the CAR Guideline.

### Tier 1 Capital

is calculated by adding non-cumulative preferred shares, as well as additional Tier 1 capital issued by a subsidiary to third parties that is allowed in Tier 1, to CET1 capital.

### Tier 2 Capital

is equal to the sum of Equitable Bank's eligible Stage 1 and 2 allowance plus additional Tier 1 capital issued by a subsidiary to third parties that is allowed in Tier 2 capital.

### Tier 1 capital ratio

is calculated by dividing Tier 1 Capital by Total RWA. This ratio is calculated for Equitable Bank in accordance with OSFI's CAR Guideline.

### Total Capital

equals to Tier 1 plus Tier 2 Capital.

### Total capital ratio

is calculated by dividing Total Capital by Total RWA. This ratio is calculated for Equitable Bank in accordance with OSFI's CAR Guideline.



## **Acronyms**

### **AOCI**

Accumulated Other Comprehensive Income (Loss)

### **CAR**

Capital Adequacy Requirements

### **CMHC**

Canada Mortgage and Housing Corporation

### **EPS**

Earnings per Share

### **GAAP**

Generally Accepted Accounting Principles

### **HELOC**

Home Equity Line of Credit

### **IAS**

International Accounting Standard

### **IASB**

International Accounting Standards Board

### **IFRS**

International Financial Reporting Standards

### **LTV**

Loan-to-Value ratio

### **NIM**

Net Interest Margin

### **OSFI**

Office of the Superintendent of Financial Institutions Canada