

## EQB Inc.

Supplemental Information  
and Regulatory Disclosures

For the three and nine months ended  
September 30, 2022

TSX.EQB | EQB.PR.C

**16.6%**<sup>1</sup>

ROE 10-year average

**370K+**<sup>2</sup>

Customers

**CANADA'S  
CHALLENGER  
BANK™**

**DRIVE CHANGE  
IN CANADIAN  
BANKING  
TO ENRICH  
PEOPLE'S  
LIVES**

**Carbon Neutral**

Scope 1 & 2 GHG emissions

**540%**<sup>1</sup>

10-year total  
shareholder return

**15.7%**<sup>1</sup>

EPS growth 10-year CAGR

1. As at December 31, 2021  
2. As at September 30, 2022



## Notes to Readers

### Purpose of this document

This Supplemental Information and Regulatory Disclosures Report (Report) aims to provide the readers with the following regulatory disclosures and other additional voluntary disclosures that will assist the readers' assessment of business performance of EQB Inc. (EQB).

1. Disclosures related to EQB's loan portfolio, some of which relate to disclosure requirements outlined in OSFI's Guideline B-20, 'Residential Practices and Procedures'.
2. Equitable Bank's regulatory capital Basel Pillar III disclosures.

### 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 unaudited interim consolidated financial statements and accompanying notes, as well as Management's Discussion and Analysis ("MD&A") for the quarter ended September 30, 2022.

### Basis of presentation

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

GAAP measures have been prepared in accordance with International Accounting Standard (IAS) 34 unless otherwise stated. Non-GAAP measures used in this Report are defined under the Section "Non-GAAP financial measures and ratios".



## THIRD QUARTER 2022

### SUPPLEMENTAL INFORMATION AND REGULATORY DISCLOSURES

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**Table 1: Financial highlights**

	2022			2021			2020		YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021
<b>Operating results (\$ thousands)</b>										
Net interest income	186,251	166,657	162,172	155,952	150,852	141,839	133,966	131,117	515,080	426,657
Non-interest revenue	9,481	(2,528)	25,446	15,911	11,248	16,935	16,204	20,833	32,399	44,387
<b>Revenue</b>	<b>195,732</b>	<b>164,129</b>	<b>187,618</b>	<b>171,863</b>	<b>162,100</b>	<b>158,774</b>	<b>150,170</b>	<b>151,950</b>	<b>547,479</b>	<b>471,044</b>
Non-Interest expenses	84,082	78,276	74,933	70,427	67,442	64,990	57,317	55,348	237,291	189,749
Pre-provision pre-tax income <sup>(2)</sup>	111,650	85,853	112,685	101,436	94,658	93,784	92,853	96,602	310,188	281,295
Provision for credit losses	5,354	5,233	(125)	(1,420)	(3,500)	(1,982)	(772)	103	10,462	(6,254)
Income before income taxes	106,296	80,620	112,810	102,856	98,158	95,766	93,625	96,499	299,726	287,549
Income tax expense	28,717	21,784	24,863	22,795	25,685	24,965	24,431	25,075	75,364	75,081
<b>Net income</b>	<b>77,579</b>	<b>58,836</b>	<b>87,947</b>	<b>80,061</b>	<b>72,473</b>	<b>70,801</b>	<b>69,194</b>	<b>71,424</b>	<b>224,362</b>	<b>212,468</b>
Net income available to common shareholders	76,493	57,750	86,858	78,973	71,374	69,690	68,080	70,304	221,101	209,144
<b>Operating performance</b>										
Earnings per share (\$)										
Basic <sup>(3)</sup>	2.24	1.69	2.55	2.32	2.10	2.05	2.01	2.09	6.48	6.17
Diluted <sup>(3)</sup>	2.22	1.67	2.51	2.29	2.07	2.02	1.98	2.07	6.41	6.08
Return on equity (%) <sup>(4)</sup>	14.8	11.6	18.3	17.0	16.0	16.5	17.1	18.2	14.9	16.6
Efficiency ratio (%) <sup>(1)(4)</sup>	43.0	47.7	39.9	41.0	41.6	40.9	38.2	36.4	43.3	40.3
YTD Operating leverage (%)	(8.9)	(11.4)	(5.8)	(6.0)	(3.3)	4.8	14.5	4.7	(8.9)	(3.3)
Net interest margin (%) <sup>(2)</sup>	1.93	1.80	1.86	1.81	1.83	1.81	1.77	1.74	1.86	1.81
Return on average assets (%) <sup>(4)</sup>	0.8	0.6	1.0	0.9	0.9	0.9	0.9	0.9	0.8	0.9
Return on RWA (%) <sup>(4)</sup>	2.1	1.6	2.6	2.5	2.4	2.5	2.6	2.8	2.1	2.5
<b>Select balance sheet and other information (\$ millions, unless stated otherwise)</b>										
Total assets	40,150	39,418	37,150	36,159	34,425	32,342	31,355	30,746		
Assets under management <sup>(2)</sup>	47,331	45,767	43,422	42,020	40,172	37,928	36,742	35,936		
Loans receivable	36,792	36,246	34,217	32,901	31,475	29,893	28,892	28,272		
Loans under management <sup>(2)</sup>	43,853	42,492	40,393	38,663	37,121	35,373	34,174	33,347		
Total deposits principal	23,824	23,533	22,080	20,695	19,758	18,413	17,427	16,376		
Total EQ Bank deposits principal	7,562	7,588	7,261	6,968	6,914	6,531	5,798	4,556		
Total other deposits principal	16,262	15,945	14,819	13,727	12,844	11,882	11,629	11,820		
Total risk-weighted assets <sup>(4)</sup>	15,459	14,748	14,018	13,310	12,427	11,461	10,911	10,426		
Common shareholders' equity <sup>(4)</sup>	2,091	2,024	1,967	1,882	1,800	1,730	1,660	1,575		
Preferred shares	70	70	71	71	71	72	72	72		
Liquid assets <sup>(2)</sup>	3,203	3,068	3,045	3,056	3,188	2,943	3,197	2,910		
Total assets held for regulatory purposes as a % of total Equitable Bank assets (%)	7.8	7.6	7.9	8.0	8.8	8.7	9.8	9.1		
Total liquid assets as a % of total assets (%)	8.0	7.8	8.2	8.5	9.3	9.1	10.2	9.5		
<b>Adjusted results (\$ thousands, unless stated otherwise)<sup>(2)</sup></b>										
Net interest income	187,264	167,604	163,086	155,952	150,852	141,839	133,966	131,117	517,954	426,657
<b>Revenue</b>	<b>196,745</b>	<b>165,076</b>	<b>188,532</b>	<b>171,863</b>	<b>162,100</b>	<b>158,774</b>	<b>150,170</b>	<b>151,950</b>	<b>550,353</b>	<b>471,044</b>
Non-Interest expenses	78,903	75,567	69,800	69,702	67,442	64,990	57,317	55,348	224,270	189,749
Pre-provision pre-tax income <sup>(2)</sup>	117,842	89,509	118,732	102,161	94,658	93,784	92,853	96,602	326,083	281,295
Income before income taxes	112,488	84,276	118,857	103,581	98,158	95,766	93,625	96,499	315,621	287,549
Income tax expense	30,339	22,742	26,447	22,985	25,685	24,965	24,431	25,075	79,528	75,081
<b>Net income</b>	<b>82,149</b>	<b>61,534</b>	<b>92,410</b>	<b>80,596</b>	<b>72,473</b>	<b>70,801</b>	<b>69,194</b>	<b>71,424</b>	<b>236,093</b>	<b>212,468</b>
Net income available to common shareholders	81,063	60,448	91,321	79,508	71,374	69,690	68,080	70,304	232,831	209,144
Earnings per share - diluted (\$)	2.35	1.75	2.64	2.30	2.07	2.02	1.98	2.07	6.75	6.08
Return on equity (%)	15.6	12.1	19.2	17.1	16.0	16.5	17.1	18.2	15.6	16.6
Efficiency ratio (%)	40.1	45.8	37.0	40.6	41.6	40.9	38.2	36.4	40.8	40.3
YTD Operating leverage (%)	(1.4)	(4.4)	3.7	(5.7)	(3.3)	4.8	14.5	4.7	(1.4)	(3.3)
Net interest margin (%) <sup>(2)</sup>	1.94	1.81	1.87	1.81	1.83	1.81	1.77	1.74	1.87	1.81
Common shareholders' equity (\$ millions)	2,103	2,032	1,972	1,883	1,800	1,730	1,660	1,575		
Market capitalization (\$ millions) <sup>(5)</sup>	1,739	1,986	2,679	2,348	2,431	2,257	2,140	1,704		

<sup>(1)</sup> Increases in this ratio reflect reduced efficiencies, whereas decreases reflect improved efficiencies.

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

<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.

<sup>(5)</sup> Adjusted market capitalization is the sum of common share market capitalization plus the number of subscription receipts outstanding multiplied by the corresponding market price as listed on the Toronto Stock Exchange (TSX) at period end.

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

	2022			2021				2020		YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021	
<b>Credit quality (% , unless stated otherwise)</b>											
Provision for credit losses (\$ thousands)	<b>5,354</b>	5,233	(125)	(1,420)	(3,500)	(1,982)	(772)	103	<b>10,462</b>	(6,254)	
Provision for credit losses - rate <sup>(1)</sup>	<b>0.06</b>	0.06	(0.00)	(0.02)	(0.05)	(0.03)	(0.01)	0.001	<b>0.04</b>	(0.03)	
Net impaired loan as a % of total loan assets	<b>0.23</b>	0.18	0.22	0.27	0.23	0.41	0.36	0.42			
Allowance for credit losses as a % of total loan assets	<b>0.15</b>	0.14	0.14	0.15	0.17	0.19	0.22	0.23			
<b>Common share information</b>											
Common share price - close (\$)	<b>46.44</b>	53.15	71.74	68.91	71.45	66.52	63.10	50.50			
Book value per common share <sup>(1)</sup> (\$)	<b>61.14</b>	59.25	57.64	55.24	52.90	50.97	48.93	46.68			
Common shares outstanding	<b>34,204,632</b>	34,160,770	34,130,326	34,070,810	34,029,266	33,932,814	33,917,172	33,748,148			
Common share market capitalization (\$ millions)	<b>1,588</b>	1,816	2,449	2,348	2,431	2,257	2,140	1,704			
Dividends declared per: <sup>(2)</sup>											
Common share (\$)	<b>0.31</b>	0.29	0.28	0.19	0.19	0.19	0.19	0.19	<b>0.88</b>	0.56	
Preferred share (\$)	<b>0.37</b>	0.37	0.37	0.37	0.37	0.37	0.37	0.37	<b>1.11</b>	1.12	
Dividend Yield - common shares (%) <sup>(1)</sup>	<b>2.3</b>	1.9	1.5	1.0	1.0	1.1	1.2	1.6	<b>2.8</b>	1.1	
Dividend Payout (%) <sup>(1)</sup>	<b>14.0</b>	17.4	11.2	8.1	8.9	9.1	9.3	9.0	<b>13.7</b>	9.1	
<b>Equitable Bank capital information (%)<sup>(3)</sup></b>											
CET1 ratio	<b>13.3</b>	13.5	13.5	13.3	13.7	14.4	14.5	14.6			
Tier 1 capital ratio	<b>13.7</b>	14.0	14.0	13.9	14.3	15.0	15.2	15.3			
Total capital ratio	<b>14.0</b>	14.3	14.3	14.2	14.6	15.4	15.6	15.8			
Leverage ratio	<b>5.1</b>	5.1	5.1	4.9	5.0	5.2	5.1	5.1			

<sup>(1)</sup> See Glossary section.

<sup>(2)</sup> YTD dividends declared per share may not equal the sum of the quarterly dividends per share as a result of rounding.

<sup>(3)</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

**Table 2: Consolidated balance sheets**

(\$000s)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Assets</b>								
Cash and cash equivalents	298,999	539,509	725,281	773,251	646,501	591,752	596,267	557,743
Restricted cash	547,836	557,283	448,631	462,164	466,641	507,295	532,693	504,039
Securities purchased under reverse repurchase agreements	750,072	420,009	-	550,030	600,007	100,015	350,037	450,203
Investments	1,092,628	1,097,004	1,220,397	1,033,438	829,561	859,925	611,718	589,876
Loans – Personal	24,343,276	24,122,303	23,324,211	22,421,603	21,413,300	20,225,222	19,507,100	19,445,386
Loans – Commercial	12,448,825	12,123,469	10,893,131	10,479,159	10,061,492	9,667,652	9,384,917	8,826,182
Securitization retained interests	276,464	227,013	220,685	207,889	204,820	203,491	187,866	184,844
Other assets	392,009	331,168	317,632	231,536	202,745	186,901	183,939	188,045
	<b>40,150,109</b>	<b>39,417,758</b>	<b>37,149,968</b>	<b>36,159,070</b>	<b>34,425,067</b>	<b>32,342,253</b>	<b>31,354,537</b>	<b>30,746,318</b>
<b>Liabilities and Shareholders' Equity</b>								
<b>Liabilities:</b>								
Deposits	24,048,937	23,708,958	22,238,382	20,856,383	19,932,120	18,588,223	17,609,846	16,585,043
Securitization liabilities	11,611,083	11,366,847	10,966,178	11,375,020	11,195,418	11,483,635	11,731,668	11,991,964
Obligations under repurchase agreements	748,881	814,494	880,203	1,376,763	804,300	201,271	-	251,877
Deferred tax liabilities	75,755	64,180	64,488	63,141	70,118	67,520	63,269	60,880
Funding facilities	800,283	711,380	324,575	200,128	330,479	-	-	-
Subscription receipts	232,018	230,821	230,386	-	-	-	-	-
Other liabilities	471,499	426,527	407,920	335,001	221,354	200,067	217,975	208,852
	<b>37,988,456</b>	<b>37,323,207</b>	<b>35,112,132</b>	<b>34,206,436</b>	<b>32,553,789</b>	<b>30,540,716</b>	<b>29,622,758</b>	<b>29,098,616</b>
<b>Shareholders' equity:</b>								
Preferred shares	70,424	70,424	70,607	70,607	71,195	72,001	72,194	72,477
Common shares	236,368	234,372	232,854	230,160	228,645	224,997	224,397	218,166
Contributed surplus	10,908	10,106	9,357	8,693	8,272	8,237	7,722	8,092
Retained earnings	1,839,561	1,773,658	1,727,169	1,650,757	1,578,128	1,513,118	1,449,715	1,387,919
Accumulated other comprehensive income (loss)	4,392	5,991	(2,151)	(7,583)	(14,962)	(16,816)	(22,249)	(38,952)
	<b>2,161,653</b>	<b>2,094,551</b>	<b>2,037,836</b>	<b>1,952,634</b>	<b>1,871,278</b>	<b>1,801,537</b>	<b>1,731,779</b>	<b>1,647,702</b>
	<b>40,150,109</b>	<b>39,417,758</b>	<b>37,149,968</b>	<b>36,159,070</b>	<b>34,425,067</b>	<b>32,342,253</b>	<b>31,354,537</b>	<b>30,746,318</b>

**Table 3: Consolidated statements of income**

(\$'000s, except share and per share amounts)	2022			2021			2020		YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021
Interest income:										
Loans – Personal	225,502	190,830	173,780	170,354	165,171	164,363	161,057	167,842	590,112	490,591
Loans – Commercial	172,579	133,540	115,746	110,762	107,203	103,169	101,258	100,878	421,865	311,630
Investments	3,377	3,351	3,855	3,491	4,223	3,824	2,899	3,016	10,583	10,946
Other	9,178	5,558	2,859	2,111	2,209	2,606	2,620	3,456	17,595	7,435
	410,636	333,279	296,240	286,718	278,806	273,962	267,834	275,192	1,040,155	820,602
Interest expense:										
Deposits	146,202	106,221	82,162	78,695	74,787	76,603	77,599	82,434	334,585	228,989
Securitization liabilities	64,567	53,741	49,290	51,096	52,269	55,278	55,892	60,435	167,598	163,439
Funding facilities	6,180	2,468	306	231	327	152	191	926	8,954	670
Others	7,436	4,192	2,310	744	571	90	186	280	13,938	847
	224,385	166,622	134,068	130,766	127,954	132,123	133,868	144,075	525,075	393,945
Net interest income	186,251	166,657	162,172	155,952	150,852	141,839	133,966	131,117	515,080	426,657
Non-interest income:										
Fees and other income	6,679	7,866	6,033	5,355	5,629	5,598	5,575	5,711	20,578	16,802
Net (loss) gain on loans and investments	(7,697)	(16,839)	4,798	8,343	4,569	4,907	(1,461)	2,732	(19,738)	8,015
Gains on securitization activities and income from securitization retained interests	10,499	6,445	14,615	2,213	1,050	6,430	12,090	12,390	31,559	19,570
	9,481	(2,528)	25,446	15,911	11,248	16,935	16,204	20,833	32,399	44,387
Revenue	195,732	164,129	187,618	171,863	162,100	158,774	150,170	151,950	547,479	471,044
Provision for credit losses	5,354	5,233	(125)	(1,420)	(3,500)	(1,982)	(772)	103	10,462	(6,254)
Revenue after provision for credit losses	190,378	158,896	187,743	173,283	165,600	160,756	150,942	151,847	537,017	477,298
Non-interest expenses:										
Compensation and benefits	41,767	40,067	36,772	34,166	33,430	32,396	28,973	28,448	118,606	94,799
Other	42,315	38,209	38,161	36,261	34,012	32,594	28,344	26,900	118,685	94,950
	84,082	78,276	74,933	70,427	67,442	64,990	57,317	55,348	237,291	189,749
Income before income taxes	106,296	80,620	112,810	102,856	98,158	95,766	93,625	96,499	299,726	287,549
Income taxes:										
Current	17,142	22,091	23,516	29,720	23,102	20,698	22,042	19,885	62,749	65,842
Deferred	11,575	(307)	1,347	(6,926)	2,583	4,267	2,389	5,190	12,615	9,239
	28,717	21,784	24,863	22,794	25,685	24,965	24,431	25,075	75,364	75,081
Net income	77,579	58,836	87,947	80,062	72,473	70,801	69,194	71,424	224,362	212,468
Dividends on preferred shares	1,086	1,086	1,089	1,089	1,099	1,111	1,114	1,120	3,261	3,324
Net income available to common shareholders	76,493	57,750	86,858	78,973	71,374	69,690	68,080	70,304	221,101	209,144
Common shares outstanding:										
Weighted average basic	34,162,438	34,132,726	34,085,536	34,048,160	33,974,960	33,925,158	33,836,080	33,684,892	34,127,182	33,912,574
Weighted average diluted	34,450,617	34,479,387	34,545,393	34,538,314	34,492,008	34,434,216	34,314,264	34,018,676	34,491,452	34,414,146
Earnings per share:										
Basic	2.24	1.69	2.55	2.32	2.10	2.05	2.01	2.09	6.48	6.17
Diluted	2.22	1.67	2.51	2.29	2.07	2.02	1.98	2.07	6.41	6.08

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

(\$000s, except percentages)	2022									2021		
	Q3			Q2			Q1			Q4		
	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
<i>Revenues derived from:</i>												
Cash and equivalents	1,506,881	3.07%	11,676	1,860,012	1.74%	8,074	1,782,923	1.27%	5,579	1,887,149	0.93%	4,418
Equity securities	74,882	4.66%	879	82,217	4.07%	835	107,185	4.29%	1,135	124,947	3.76%	1,184
Alternative single family mortgages	16,347,348	4.34%	178,753	15,731,362	3.86%	151,449	14,862,723	3.76%	137,692	13,866,755	3.80%	132,877
Prime single family mortgages	7,239,809	2.15%	39,271	7,412,303	1.86%	34,410	7,602,607	1.74%	32,660	7,791,455	1.77%	34,838
Decumulation loans	549,657	5.40%	7,478	427,368	4.67%	4,971	329,939	4.21%	3,428	257,179	4.07%	2,639
<b>Total Personal loans</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>	<b>21,915,389</b>	<b>3.08%</b>	<b>170,354</b>
Conventional commercial loans	6,734,195	6.60%	112,022	6,240,134	5.35%	83,291	5,753,730	4.88%	69,175	5,402,356	5.03%	68,531
Equipment leases	920,795	9.27%	21,516	814,594	9.49%	19,278	730,638	10.16%	18,310	693,809	9.86%	17,250
Insured Multi-unit residential mortgages	4,944,913	3.13%	39,041	4,606,319	2.70%	30,971	4,228,059	2.71%	28,261	4,182,663	2.37%	24,981
<b>Total Commercial loans</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>10,278,828</b>	<b>4.28%</b>	<b>110,762</b>
<b>Average interest earning assets</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>34,206,313</b>	<b>3.33%</b>	<b>286,718</b>
<i>Expenses related to:</i>												
Deposits	23,772,964	2.44%	146,202	22,739,126	1.87%	106,221	21,255,610	1.57%	82,162	20,317,254	1.54%	78,695
Securitization liabilities	12,721,965	2.01%	64,567	12,344,432	1.75%	53,741	11,915,319	1.68%	49,290	12,100,428	1.68%	51,096
Other	1,787,654	3.02%	13,616	1,713,431	1.56%	6,660	1,493,928	0.71%	2,616	953,285	0.41%	975
<b>Average interest bearing liabilities</b>	<b>38,282,583</b>	<b>2.33%</b>	<b>224,385</b>	<b>36,796,989</b>	<b>1.82%</b>	<b>166,622</b>	<b>34,664,857</b>	<b>1.57%</b>	<b>134,068</b>	<b>33,370,967</b>	<b>1.55%</b>	<b>130,766</b>
<b>Net interest income and margin</b>		<b>1.93%</b>	<b>186,251</b>		<b>1.80%</b>	<b>166,657</b>		<b>1.86%</b>	<b>162,172</b>		<b>1.81%</b>	<b>155,952</b>
Interest paid to subscription receipt-holders		<b>0.01%</b>	<b>1,013</b>		0.01%	947		0.01%	914		-	-
<b>Adjusted<sup>(2)</sup> net interest income and margin</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>		<b>1.81%</b>	<b>155,952</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.



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

(\$000s, except percentages)	2021						2020					
	Q3			Q2			Q1			Q4		
	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
<i>Revenues derived from:</i>												
Cash and equivalents	1,794,586	0.97%	4,392	1,928,959	0.95%	4,563	1,854,469	0.92%	4,188	2,020,561	0.99%	5,019
Equity securities	165,146	4.90%	2,040	145,447	5.15%	1,867	130,107	4.15%	1,331	119,309	4.85%	1,453
Alternative single family mortgages	12,634,361	3.97%	126,293	11,577,888	4.32%	124,831	11,111,047	4.39%	120,350	11,022,625	4.56%	126,420
Prime single family mortgages	7,916,557	1.85%	36,932	8,015,913	1.91%	38,187	8,162,613	1.97%	39,745	8,071,315	2.00%	40,643
Decumulation loans	194,454	3.97%	1,946	138,505	3.90%	1,345	99,432	3.92%	962	75,558	4.10%	779
<b>Total Personal loans</b>	<b>20,745,372</b>	<b>3.16%</b>	<b>165,171</b>	<b>19,732,306</b>	<b>3.34%</b>	<b>164,363</b>	<b>19,373,092</b>	<b>3.37%</b>	<b>161,057</b>	<b>19,169,498</b>	<b>3.48%</b>	<b>167,842</b>
Conventional commercial loans	5,111,839	5.09%	65,559	4,722,167	5.32%	62,632	4,716,811	5.38%	62,602	4,287,307	5.53%	59,563
Equipment leases	644,750	9.80%	15,926	598,241	10.18%	15,183	550,130	10.18%	13,808	527,415	10.76%	14,261
Insured Multi-unit residential mortgages	4,207,371	2.43%	25,718	4,227,610	2.41%	25,354	4,000,317	2.52%	24,848	3,907,537	2.75%	27,054
<b>Total Commercial loans</b>	<b>9,963,960</b>	<b>4.27%</b>	<b>107,203</b>	<b>9,548,018</b>	<b>4.33%</b>	<b>103,169</b>	<b>9,267,258</b>	<b>4.43%</b>	<b>101,258</b>	<b>8,722,259</b>	<b>4.60%</b>	<b>100,878</b>
<b>Average interest earning assets</b>	<b>32,669,064</b>	<b>3.39%</b>	<b>278,806</b>	<b>31,354,730</b>	<b>3.50%</b>	<b>273,962</b>	<b>30,624,926</b>	<b>3.55%</b>	<b>267,834</b>	<b>30,031,627</b>	<b>3.65%</b>	<b>275,192</b>
<i>Expenses related to:</i>												
Deposits	18,969,500	1.56%	74,787	17,905,950	1.72%	76,603	16,733,535	1.88%	77,599	16,156,697	2.03%	82,434
Secured backstop funding facility <sup>(2)</sup>	-	N/A	-	-	N/A	-	-	N/A	-	-	N/A	626
Securitization liabilities	11,745,589	1.77%	52,269	11,527,869	1.92%	55,278	11,842,761	1.91%	55,892	11,751,806	2.05%	60,435
Other	709,098	0.50%	898	104,800	0.93%	242	188,645	0.81%	377	314,152	0.74%	580
<b>Average interest bearing liabilities</b>	<b>31,424,187</b>	<b>1.62%</b>	<b>127,954</b>	<b>29,538,619</b>	<b>1.79%</b>	<b>132,123</b>	<b>28,764,941</b>	<b>1.89%</b>	<b>133,868</b>	<b>28,222,655</b>	<b>2.03%</b>	<b>144,075</b>
<b>Net interest income and margin</b>		<b>1.83%</b>	<b>150,852</b>		<b>1.81%</b>	<b>141,839</b>		<b>1.77%</b>	<b>133,966</b>		<b>1.74%</b>	<b>131,117</b>
Interest paid to subscription receipt-holders		-	-		-	-		-	-		-	-
<b>Adjusted<sup>(3)</sup> net interest income and margin</b>		<b>1.83%</b>	<b>150,852</b>		<b>1.81%</b>	<b>141,839</b>		<b>1.77%</b>	<b>133,966</b>		<b>1.74%</b>	<b>131,117</b>

<sup>(1)</sup> Average balances are calculated based on the daily average balances outstanding during the period.<sup>(2)</sup> Since its establishment in June 2017, there have been no draws on the secured backstop funding facility. The facility was effectively terminated on December 11, 2020.<sup>(3)</sup> See Non-GAAP financial measures and ratios section.

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

(\$000s, except percentages)	YTD					
	2022			2021		
	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense	Average Balance <sup>(1)</sup>	Average rate	Revenue/Expense
<i>Revenues derived from:</i>						
Cash and equivalents	1,716,605	1.97%	25,329	1,859,338	0.95%	13,143
Equity securities	88,095	4.32%	2,849	146,900	4.77%	5,238
Alternative single family mortgages	15,647,144	4.00%	467,895	11,774,432	4.22%	371,474
Prime single family mortgages	7,418,240	1.92%	106,340	8,031,694	1.91%	114,864
Decumulation loans	435,655	4.87%	15,877	144,131	3.95%	4,253
<b>Total Personal loans</b>	<b>23,501,039</b>	<b>3.36%</b>	<b>590,112</b>	<b>19,950,257</b>	<b>3.29%</b>	<b>490,591</b>
Conventional commercial loans	6,242,686	5.66%	264,488	4,850,272	5.26%	190,793
Equipment leases	822,009	9.61%	59,104	597,707	10.05%	44,917
Insured Multi-unit residential mortgages	4,593,097	2.86%	98,273	4,145,099	2.45%	75,920
<b>Total Commercial loans</b>	<b>11,657,792</b>	<b>4.84%</b>	<b>421,865</b>	<b>9,593,078</b>	<b>4.34%</b>	<b>311,630</b>
<b>Average interest earning assets</b>	<b>36,963,531</b>	<b>3.76%</b>	<b>1,040,155</b>	<b>31,549,573</b>	<b>3.48%</b>	<b>820,602</b>
<i>Expenses related to:</i>						
Deposits	22,589,234	1.98%	334,585	17,869,662	1.71%	228,989
Securitization liabilities	12,327,238	1.82%	167,598	11,705,406	1.87%	163,439
Other	1,665,004	1.84%	22,892	334,181	0.61%	1,517
<b>Average interest bearing liabilities</b>	<b>36,581,476</b>	<b>1.92%</b>	<b>525,075</b>	<b>29,909,249</b>	<b>1.76%</b>	<b>393,945</b>
<b>Net interest income and margin</b>		<b>1.86%</b>	<b>515,080</b>		<b>1.81%</b>	<b>426,657</b>
Interest paid to subscription receipt-holders		<b>0.01%</b>	<b>2,874</b>		-	-
<b>Adjusted<sup>(2)</sup> net interest income and margin</b>		<b>1.87%</b>	<b>517,954</b>		<b>1.81%</b>	<b>426,657</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.

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

(\$000s, except percentages and FTE)	2022				2021				2020		YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021		
Compensation and benefits	<b>41,767</b>	40,067	36,772	34,166	33,430	32,396	28,973	28,448	<b>118,606</b>	94,799		
Technology and system costs	<b>11,572</b>	11,250	11,950	11,557	11,544	10,292	9,917	9,353	<b>34,772</b>	31,753		
Regulatory, legal and professional fees	<b>11,570</b>	8,492	10,085	6,383	5,646	5,599	4,531	4,872	<b>30,147</b>	15,776		
Product costs	<b>8,618</b>	8,090	7,211	7,212	7,032	6,785	6,178	5,845	<b>23,919</b>	19,995		
Marketing and corporate expenses	<b>6,902</b>	6,564	5,065	7,178	5,792	5,954	3,933	4,094	<b>18,531</b>	15,679		
Premises	<b>3,653</b>	3,813	3,850	3,931	3,998	3,964	3,785	2,736	<b>11,316</b>	11,747		
Total - reported	<b>84,082</b>	78,276	74,933	70,427	67,442	64,990	57,317	55,348	<b>237,291</b>	189,749		
Less: integration related costs	<b>(5,179)</b>	(2,709)	(5,133)	(725)	-	-	-	-	<b>(13,021)</b>	-		
Total - adjusted	<b>78,903</b>	75,567	69,800	69,702	67,442	64,990	57,317	55,348	<b>224,270</b>	189,749		
Efficiency ratio - reported	<b>43.0%</b>	47.7%	39.9%	41.0%	41.6%	40.9%	38.2%	36.4%	<b>43.3%</b>	40.3%		
Efficiency ratio - adjusted <sup>(1)</sup>	<b>40.1%</b>	45.8%	37.0%	40.6%	41.6%	40.9%	38.2%	36.4%	<b>40.8%</b>	40.3%		
Full-time employee (FTE) - period average	<b>1,373</b>	1,295	1,191	1,121	1,068	1,005	948	912	<b>1,287</b>	1,007		

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

(\$000s)	2022				2021			2020
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Assets</b>								
Cash and cash equivalents	398,120	765,963	821,431	910,976	644,388	687,362	653,972	896,893
Restricted cash	569,508	552,648	443,528	488,461	507,107	550,536	500,603	548,160
Securities purchased under reverse repurchase agreements	385,020	167,503	205,863	287,509	200,006	112,513	200,060	162,553
Investments	1,109,114	1,171,394	1,120,923	960,840	869,592	750,802	593,933	579,936
Loans – Personal	24,249,633	23,689,488	22,878,985	21,952,479	20,823,336	19,824,494	19,458,858	19,281,866
Loans – Commercial	12,437,054	11,541,125	10,657,146	10,242,454	9,934,588	9,495,412	9,190,629	8,703,392
Securitization retained interests	245,940	220,052	213,216	204,563	203,194	193,887	184,996	176,195
Other assets	345,427	338,301	264,049	230,991	191,988	181,258	189,013	195,593
	<b>39,739,816</b>	<b>38,446,474</b>	<b>36,605,141</b>	<b>35,278,273</b>	<b>33,374,199</b>	<b>31,796,264</b>	<b>30,972,064</b>	<b>30,544,588</b>
<b>Liabilities and Shareholders' Equity</b>								
<b>Liabilities:</b>								
Deposits	23,961,807	22,946,697	21,519,411	20,477,756	19,184,441	18,070,910	16,967,484	16,484,004
Securitization liabilities	11,435,783	11,318,630	11,209,242	11,397,001	11,342,854	11,619,090	11,868,578	11,849,939
Obligations under repurchase agreements	786,466	872,770	1,199,223	887,745	592,360	50,318	172,563	282,684
Deferred tax liabilities	67,436	64,533	63,782	67,901	68,627	64,646	61,635	57,667
Funding facilities	688,431	493,330	201,965	233,158	129,069	-	-	37,565
Subscription receipts	231,361	230,574	57,597	-	-	-	-	-
Other liabilities	439,244	451,607	357,848	300,404	221,637	223,106	211,048	221,620
	<b>37,610,528</b>	<b>36,378,141</b>	<b>34,609,068</b>	<b>33,363,965</b>	<b>31,538,988</b>	<b>30,028,070</b>	<b>29,281,308</b>	<b>28,933,479</b>
<b>Shareholders' equity:</b>								
Preferred shares	70,424	70,508	70,607	70,821	71,499	72,056	72,312	72,537
Common shares	234,910	233,243	230,973	229,395	226,488	224,669	221,027	215,974
Contributed surplus	10,510	9,743	9,001	8,536	8,405	8,010	8,092	8,310
Retained earnings	1,810,052	1,753,392	1,691,548	1,614,035	1,546,012	1,483,101	1,419,952	1,356,595
Accumulated other comprehensive income (loss)	3,392	1,447	(6,056)	(8,479)	(17,193)	(19,642)	(30,627)	(42,307)
	<b>2,129,288</b>	<b>2,068,333</b>	<b>1,996,073</b>	<b>1,914,308</b>	<b>1,835,211</b>	<b>1,768,194</b>	<b>1,690,756</b>	<b>1,611,109</b>
	<b>39,739,816</b>	<b>38,446,474</b>	<b>36,605,141</b>	<b>35,278,273</b>	<b>33,374,199</b>	<b>31,796,264</b>	<b>30,972,064</b>	<b>30,544,588</b>

<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**

(\$000s)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Insured</b>								
Personal	<b>7,942,977</b>	8,113,893	8,369,594	8,591,090	8,813,753	8,965,413	9,205,442	9,469,845
Commercial	<b>5,077,883</b>	5,254,149	4,561,886	4,416,171	4,383,393	4,384,186	4,225,243	3,960,000
Total loan principal outstanding	<b>13,020,860</b>	13,368,042	12,931,480	13,007,261	13,197,146	13,349,599	13,430,685	13,429,845
Total loan principal outstanding percentage	<b>36%</b>	37%	38%	40%	42%	45%	47%	48%
<b>Uninsured</b>								
Personal	<b>16,274,744</b>	15,891,513	14,835,047	13,711,450	12,476,189	11,134,520	10,170,497	9,836,341
Commercial	<b>7,376,146</b>	6,883,048	6,354,456	6,083,529	5,700,411	5,303,549	5,185,544	4,891,167
Total loan principal outstanding	<b>23,650,890</b>	22,774,561	21,189,503	19,794,979	18,176,600	16,438,069	15,356,041	14,727,508
Total loan principal outstanding percentage	<b>64%</b>	63%	62%	60%	58%	55%	53%	52%
Total loan principal outstanding - on Balance Sheet	<b>36,671,750</b>	36,142,603	34,120,983	32,802,240	31,373,746	29,787,668	28,786,726	28,157,353
<b>Derecognized</b>								
Commercial	<b>7,181,301</b>	6,349,413	6,272,342	5,860,830	5,746,788	5,585,644	5,386,980	5,189,264
Total loan principal outstanding - off Balance Sheet	<b>7,181,301</b>	6,349,413	6,272,342	5,860,830	5,746,788	5,585,644	5,386,980	5,189,264
Loans under management	<b>43,853,051</b>	42,492,016	40,393,325	38,663,070	37,120,534	35,373,312	34,173,706	33,346,617
<b>Personal</b>								
Alternative single family mortgages	<b>16,492,710</b>	16,264,259	15,399,287	14,392,904	13,262,144	12,058,136	11,257,582	11,050,456
Prime single family mortgages	<b>7,131,381</b>	7,246,522	7,441,873	7,613,131	7,811,329	7,877,093	8,003,269	8,170,752
Decumulation loans	<b>593,630</b>	494,625	363,481	296,505	216,469	164,704	115,088	84,978
Total	<b>24,217,721</b>	24,005,406	23,204,641	22,302,540	21,289,942	20,099,933	19,375,939	19,306,186
<b>Commercial</b>								
Mortgages - to Corporates	<b>2,814,127</b>	2,611,121	2,446,158	2,326,676	2,285,164	2,066,778	2,293,220	2,054,777
Mortgages - to Small Business	<b>1,318,727</b>	1,228,665	1,154,573	1,086,826	1,043,089	1,011,089	966,317	936,363
Equipment leases	<b>965,155</b>	902,054	772,868	732,682	680,642	643,095	589,456	558,987
Insured Multi-unit residential mortgages	<b>11,627,968</b>	11,101,204	10,434,993	9,952,598	9,863,606	9,723,069	9,453,122	9,014,931
Specialized financing loans	<b>750,322</b>	738,675	714,856	645,588	506,268	357,257	256,760	290,190
Construction loans	<b>2,159,031</b>	1,904,891	1,665,236	1,616,160	1,451,823	1,472,091	1,238,892	1,185,183
Total	<b>19,635,330</b>	18,486,610	17,188,684	16,360,530	15,830,592	15,273,379	14,797,767	14,040,431
Loans under management	<b>43,853,051</b>	42,492,016	40,393,325	38,663,070	37,120,534	35,373,312	34,173,706	33,346,617

**Table 8: Deposits principal**

(\$000s)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Brokered deposits								
Term	<b>12,511,263</b>	11,869,556	11,066,252	10,370,958	9,941,469	9,620,916	9,395,250	9,647,939
Demand	<b>850,770</b>	918,097	954,830	1,004,691	902,515	675,354	647,418	675,358
	<b>13,362,033</b>	12,787,653	12,021,082	11,375,649	10,843,984	10,296,270	10,042,668	10,323,297
EQ Bank deposits								
Term	<b>3,055,028</b>	2,306,170	2,486,567	1,525,299	880,053	1,721,093	590,795	962,170
Demand	<b>4,506,817</b>	5,281,371	4,774,100	5,442,811	6,033,917	4,809,769	5,206,856	3,593,436
	<b>7,561,845</b>	7,587,541	7,260,667	6,968,110	6,913,970	6,530,862	5,797,651	4,555,606
Strategic partnerships	<b>357,315</b>	379,096	389,713	396,866	429,024	532,451	533,631	692,785
Deposit notes	<b>1,715,494</b>	1,922,576	1,935,380	1,451,940	1,052,951	1,053,688	1,052,866	804,323
Covered bonds	<b>827,784</b>	856,340	473,486	502,058	518,196	-	-	-
<b>Total</b>	<b>23,824,471</b>	23,533,206	22,080,328	20,694,623	19,758,125	18,413,271	17,426,816	16,376,011

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

(\$000s, except percentages)	2022			2021				2020
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Gross impaired loan assets</b>								
Personal	22,965	17,016	17,960	21,352	25,803	34,557	46,752	62,703
Commercial excluding equipment leases	45,627	29,785	38,602	49,121	25,900	66,530	34,355	30,476
Equipment leases	19,283	20,927	20,650	20,495	22,908	23,593	27,532	28,369
<b>Total</b>	<b>87,875</b>	<b>67,728</b>	<b>77,212</b>	<b>90,968</b>	<b>74,611</b>	<b>124,680</b>	<b>108,639</b>	<b>121,548</b>
<b>Net impaired loan assets</b>								
Personal	22,323	16,482	17,560	20,720	25,129	33,574	45,230	61,018
Commercial excluding equipment leases	43,514	28,434	37,030	47,835	24,934	65,963	34,104	30,208
Equipment leases	18,505	19,857	19,904	19,825	21,899	22,594	25,937	26,778
<b>Total</b>	<b>84,342</b>	<b>64,773</b>	<b>74,494</b>	<b>88,380</b>	<b>71,962</b>	<b>122,131</b>	<b>105,271</b>	<b>118,004</b>
<b>Net impaired loan assets as a % of portfolio loan assets</b>								
Personal	0.09%	0.07%	0.08%	0.09%	0.12%	0.17%	0.23%	0.31%
Commercial excluding equipment leases	0.38%	0.25%	0.36%	0.49%	0.26%	0.73%	0.39%	0.36%
Equipment leases	1.92%	2.20%	2.58%	2.71%	3.22%	3.51%	4.40%	4.79%
<b>Total</b>	<b>0.23%</b>	<b>0.18%</b>	<b>0.22%</b>	<b>0.27%</b>	<b>0.23%</b>	<b>0.41%</b>	<b>0.36%</b>	<b>0.42%</b>

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

(\$000s, except percentages)	2022			2021			2020		YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021
<b>Stage 1</b>										
Personal	534	336	(1,666)	(2,461)	(1,782)	(2,064)	(420)	1,853	(796)	(4,266)
Commercial excluding equipment leases	(2,342)	(144)	1,165	(2,085)	(2,188)	984	1,046	741	(1,321)	(158)
Equipment leases	594	1,157	662	1,282	492	(666)	(85)	(1,288)	2,413	(259)
Total	(1,214)	1,349	161	(3,264)	(3,478)	(1,746)	541	1,306	296	(4,683)
<b>Stage 2</b>										
Personal	1,256	966	370	1,658	(348)	(1,268)	10	(2,815)	2,592	(1,606)
Commercial excluding equipment leases	1,714	763	(1,173)	(159)	683	(1,526)	(2,473)	(333)	1,304	(3,316)
Equipment leases	1,217	469	(581)	(1,367)	(1,609)	(754)	(1,172)	(943)	1,105	(3,535)
Total	4,187	2,198	(1,384)	132	(1,274)	(3,548)	(3,635)	(4,091)	5,001	(8,457)
<b>Stage 3</b>										
Personal	112	116	(198)	99	(291)	(172)	59	173	30	(404)
Commercial excluding equipment leases	760	343	281	261	400	316	(26)	49	1,384	690
Equipment leases	1,509	1,227	1,015	1,352	1,143	3,168	2,289	2,666	3,751	6,600
Total	2,381	1,686	1,098	1,712	1,252	3,312	2,322	2,888	5,165	6,886
<b>Total PCL</b>										
Personal	1,902	1,418	(1,494)	(704)	(2,421)	(3,504)	(351)	(789)	1,826	(6,276)
Commercial excluding equipment leases	132	962	273	(1,983)	(1,105)	(226)	(1,453)	457	1,367	(2,784)
Equipment leases	3,320	2,853	1,096	1,267	26	1,748	1,032	435	7,269	2,806
Total	5,354	5,233	(125)	(1,420)	(3,500)	(1,982)	(772)	103	10,462	(6,254)
<b>PCL – rate</b>										
Personal	0.03%	0.02%	(0.03%)	(0.01%)	(0.05%)	(0.07%)	(0.01%)	(0.02%)	0.01%	(0.04%)
Commercial excluding equipment leases	0.005%	0.04%	0.01%	(0.08%)	(0.03%)	(0.01%)	(0.07%)	0.02%	0.02%	(0.03%)
Equipment leases	1.42%	1.36%	0.58%	0.72%	0.02%	1.13%	0.72%	0.32%	1.14%	0.60%
Total	0.06%	0.06%	(0.001%)	(0.02%)	(0.05%)	(0.03%)	(0.01%)	0.001%	0.04%	(0.03%)



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

(\$000s, except percentages)	2022				2021			2020	YTD	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	2022	2021
<b>Stage 1 &amp; 2 allowances</b>										
Balance, beginning of period	48,685	45,138	46,361	49,493	54,245	59,539	62,633	65,418	46,361	62,633
Provision for credit losses:										
Transfer from Stage 3	457	189	696	544	583	779	851	606	1,342	2,213
Transfer to Stage 3	(289)	(213)	(288)	(159)	(170)	(235)	(420)	(528)	(790)	(825)
Re-measurement <sup>(2)</sup>	416	727	(3,300)	(5,203)	(6,793)	(6,907)	(4,328)	(3,031)	(2,157)	(18,028)
Originations	4,273	5,146	3,760	2,084	2,032	1,765	1,624	1,650	13,179	5,421
Discharges	(1,884)	(2,302)	(2,091)	(398)	(404)	(696)	(821)	(1,482)	(6,277)	(1,921)
Balance, end of period	51,658	48,685	45,138	46,361	49,493	54,245	59,539	62,633	51,658	49,493
<b>Stage 3 allowance</b>										
Balance, beginning of period	2,955	2,718	2,588	2,649	2,549	3,368	3,544	3,909	2,588	3,544
Provision for credit losses:										
Transfer to Stage 1	(222)	(101)	(617)	(452)	(493)	(510)	(528)	(487)	(940)	(1,531)
Transfer to Stage 2	(235)	(88)	(79)	(92)	(90)	(269)	(323)	(119)	(402)	(682)
Transfer from Stage 1	74	19	13	13	8	20	19	28	106	47
Transfer from Stage 2	215	194	275	146	162	215	401	500	684	778
Re-measurement <sup>(2)</sup>	2,549	1,662	1,506	2,097	1,665	3,856	2,753	2,966	5,717	8,274
Write-offs	(1,803)	(902)	(939)	(1,691)	(1,132)	(3,764)	(2,286)	(3,070)	(3,644)	(7,182)
Realized losses	(19)	(573)	(69)	(191)	(30)	(374)	(223)	(215)	(661)	(627)
Recoveries	19	26	40	109	10	7	11	32	85	28
Balance, end of period	3,533	2,955	2,718	2,588	2,649	2,549	3,368	3,544	3,533	2,649
<b>Total allowance</b>										
Balance, beginning of period	51,640	47,856	48,949	52,142	56,794	62,907	66,177	69,327	48,949	66,177
Provision for credit losses:										
Re-measurement <sup>(2)</sup>	2,965	2,389	(1,794)	(3,106)	(5,128)	(3,051)	(1,575)	(65)	3,560	(9,754)
Originations	4,273	5,146	3,760	2,084	2,032	1,765	1,624	1,650	13,179	5,421
Discharges	(1,884)	(2,302)	(2,091)	(398)	(404)	(696)	(821)	(1,482)	(6,277)	(1,921)
Write-offs	(1,803)	(902)	(939)	(1,691)	(1,132)	(3,764)	(2,286)	(3,070)	(3,644)	(7,182)
Realized losses	(19)	(573)	(69)	(191)	(30)	(374)	(223)	(215)	(661)	(627)
Recoveries	19	26	40	109	10	7	11	32	85	28
Balance, end of period	55,191	51,640	47,856	48,949	52,142	56,794	62,907	66,177	55,191	52,142

<sup>(1)</sup> The allowance for credit losses as at September 30, 2022 includes allowance on loan commitments amounting to \$333 thousand.<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)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Stage 1</b>								
Personal	5,705	5,171	4,835	6,501	8,962	10,744	12,808	13,228
Commercial excluding equipment leases	15,716	18,058	18,202	17,037	19,122	21,310	20,326	19,280
Equipment leases	6,788	6,194	5,037	4,375	3,093	2,601	3,267	3,352
<b>Total</b>	<b>28,209</b>	<b>29,423</b>	<b>28,074</b>	<b>27,913</b>	<b>31,177</b>	<b>34,655</b>	<b>36,401</b>	<b>35,860</b>
<b>Stage 2</b>								
Personal	7,537	6,281	5,315	4,945	3,287	3,635	4,903	4,893
Commercial excluding equipment leases	3,821	2,107	1,344	2,517	2,676	1,993	3,519	5,992
Equipment leases	12,091	10,874	10,405	10,986	12,353	13,962	14,716	15,888
<b>Total</b>	<b>23,449</b>	<b>19,262</b>	<b>17,064</b>	<b>18,448</b>	<b>18,316</b>	<b>19,590</b>	<b>23,138</b>	<b>26,773</b>
<b>Stage 3</b>								
Personal	642	534	400	632	674	983	1,522	1,685
Commercial excluding equipment leases	2,113	1,351	1,572	1,286	966	567	251	268
Equipment leases	778	1,070	746	670	1,009	999	1,595	1,591
<b>Total</b>	<b>3,533</b>	<b>2,955</b>	<b>2,718</b>	<b>2,588</b>	<b>2,649</b>	<b>2,549</b>	<b>3,368</b>	<b>3,544</b>
<b>Total allowance for credit losses</b>								
Personal	13,884	11,986	10,550	12,078	12,923	15,362	19,233	19,806
Commercial excluding equipment leases	21,650	21,516	21,118	20,840	22,764	23,870	24,096	25,540
Equipment leases	19,657	18,138	16,188	16,031	16,455	17,562	19,578	20,831
<b>Total</b>	<b>55,191</b>	<b>51,640</b>	<b>47,856</b>	<b>48,949</b>	<b>52,142</b>	<b>56,794</b>	<b>62,907</b>	<b>66,177</b>
<b>Allowance for credit losses as a % of portfolio loan assets</b>								
Personal	0.06%	0.05%	0.05%	0.05%	0.06%	0.08%	0.10%	0.10%
Commercial excluding equipment leases	0.19%	0.19%	0.21%	0.21%	0.24%	0.26%	0.27%	0.31%
Equipment leases	2.04%	2.01%	2.09%	2.19%	2.42%	2.73%	3.32%	3.73%
<b>Total</b>	<b>0.15%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>0.15%</b>	<b>0.17%</b>	<b>0.19%</b>	<b>0.22%</b>	<b>0.23%</b>

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

	2022								2021				2020			
	Q3		Q2		Q1		Q4		Q3		Q2		Q1		Q4	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
<b>Personal</b>																
Ontario	14,873,588	41%	14,748,869	41%	14,227,522	42%	13,676,683	42%	12,972,888	41%	12,186,781	41%	11,691,426	41%	11,638,980	41%
Alberta	3,448,027	9%	3,427,735	9%	3,375,888	10%	3,299,064	10%	3,220,772	10%	3,063,835	10%	2,931,749	10%	2,890,379	10%
Quebec	1,752,315	5%	1,717,446	5%	1,609,800	5%	1,533,727	5%	1,459,289	5%	1,383,089	5%	1,348,600	5%	1,354,103	5%
British Columbia	3,027,547	8%	2,980,893	8%	2,854,658	8%	2,645,671	8%	2,480,972	8%	2,318,217	8%	2,246,671	8%	2,244,780	8%
Saskatchewan	309,867	1%	312,250	1%	319,708	1%	323,677	1%	329,373	1%	327,397	1%	331,771	1%	337,939	1%
Other Provinces	806,377	2%	818,213	2%	817,065	2%	823,718	3%	826,648	3%	820,614	3%	825,722	3%	840,005	3%
	24,217,721	66%	24,005,406	66%	23,204,641	68%	22,302,540	68%	21,289,942	68%	20,099,933	67%	19,375,939	67%	19,306,186	69%
<b>Commercial</b>																
Ontario	6,584,470	18%	6,349,838	18%	5,871,062	17%	5,494,279	17%	5,187,314	17%	4,963,294	17%	4,760,585	17%	4,485,783	16%
Alberta	1,349,136	4%	1,362,212	4%	1,178,072	3%	1,112,541	3%	1,168,696	4%	1,168,129	4%	1,219,276	4%	1,263,456	4%
Quebec	2,356,352	6%	2,242,041	6%	1,910,623	6%	1,909,268	6%	1,885,565	6%	1,826,401	6%	1,778,181	6%	1,514,509	5%
British Columbia	1,366,464	4%	1,328,549	4%	1,139,090	3%	1,187,823	4%	1,155,423	4%	1,046,372	4%	1,046,581	4%	960,623	3%
Saskatchewan	152,946	0%	163,219	0%	140,960	0%	126,085	0%	115,909	0%	115,860	0%	92,013	0%	120,113	0%
Other Provinces	644,661	2%	691,338	2%	676,535	2%	669,704	2%	570,897	2%	567,679	2%	514,151	2%	506,683	2%
	12,454,029	34%	12,137,197	34%	10,916,342	32%	10,499,700	32%	10,083,804	32%	9,687,735	33%	9,410,787	33%	8,851,167	31%
<b>Total loan principal</b>	<b>36,671,750</b>	<b>100%</b>	<b>36,142,603</b>	<b>100%</b>	<b>34,120,983</b>	<b>100%</b>	<b>32,802,240</b>	<b>100%</b>	<b>31,373,746</b>	<b>100%</b>	<b>29,787,668</b>	<b>100%</b>	<b>28,786,726</b>	<b>100%</b>	<b>28,157,353</b>	<b>100%</b>
<b>Total loan principal</b>																
Ontario	21,458,058	59%	21,098,707	58%	20,098,584	59%	19,170,962	58%	18,160,202	58%	17,150,075	58%	16,452,011	57%	16,124,763	57%
Alberta	4,797,163	13%	4,789,947	13%	4,553,960	13%	4,411,605	13%	4,389,468	14%	4,231,964	14%	4,151,025	14%	4,153,835	15%
Quebec	4,108,667	11%	3,959,487	11%	3,520,423	10%	3,442,995	10%	3,344,854	11%	3,209,490	11%	3,126,781	11%	2,868,612	10%
British Columbia	4,394,011	12%	4,309,442	12%	3,993,748	12%	3,833,494	12%	3,636,395	12%	3,364,589	11%	3,293,252	11%	3,205,403	11%
Saskatchewan	462,813	1%	475,469	1%	460,668	1%	449,762	1%	445,282	1%	443,257	1%	423,784	1%	458,052	2%
Other Provinces	1,451,038	4%	1,509,551	4%	1,493,600	4%	1,493,422	5%	1,397,545	4%	1,388,293	5%	1,339,873	5%	1,346,688	5%
<b>Total loan principal</b>	<b>36,671,750</b>	<b>100%</b>	<b>36,142,603</b>	<b>100%</b>	<b>34,120,983</b>	<b>100%</b>	<b>32,802,240</b>	<b>100%</b>	<b>31,373,746</b>	<b>100%</b>	<b>29,787,668</b>	<b>100%</b>	<b>28,786,726</b>	<b>100%</b>	<b>28,157,353</b>	<b>100%</b>

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

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

(\$000s except percentages)

	Insured <sup>(3)</sup>		Residential mortgages		HELOC <sup>(4)</sup>		Total	
	Total	%	Total	%	Total	%	Total	%
	Q3 2022							
Ontario	3,321,887	14%	11,083,957	47%	416,601	71%	11,500,557	48%
Alberta	2,337,649	10%	1,095,947	5%	12,220	2%	1,108,167	5%
British Columbia	912,526	4%	1,968,649	8%	136,932	23%	2,105,581	9%
Manitoba	230,716	1%	67,056	0%	461	0%	67,518	0%
Saskatchewan	252,622	1%	50,955	0%	724	0%	51,679	0%
Other Provinces	887,576	4%	1,341,915	6%	19,717	3%	1,361,632	6%
<b>Total</b>	<b>7,942,977</b>	<b>34%</b>	<b>15,608,479</b>	<b>66%</b>	<b>586,655</b>	<b>100%</b>	<b>16,195,134</b>	<b>67%</b>
	Q3 2021							
Ontario	3,866,368	18%	8,910,919	42%	166,403	73%	9,077,322	43%
Alberta	2,318,064	11%	895,723	4%	5,968	3%	901,691	4%
British Columbia	1,056,094	5%	1,373,015	7%	48,331	21%	1,421,346	7%
Manitoba	250,965	1%	53,905	0%	445	0%	54,350	0%
Saskatchewan	277,073	1%	47,088	0%	831	0%	47,918	0%
Other Provinces	1,045,189	5%	925,995	4%	5,941	3%	931,936	4%
<b>Total</b>	<b>8,813,753</b>	<b>42%</b>	<b>12,206,645</b>	<b>58%</b>	<b>227,919</b>	<b>100%</b>	<b>12,434,564</b>	<b>59%</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 Equitable Bank Reverse Mortgage are collectively referred to as "HELOC" in this Report wherever applicable.



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

(\$000s except percentages)	<=20 years	>20 to <=25 years	>25 to <=30 years	>30 to <=35 years <sup>(2)</sup>	>35 years <sup>(2)</sup>	Total
<b>Q3 2022</b>						
Total residential mortgages	3,619,129 15.37%	5,908,676 25.09%	14,021,231 59.53%	1,939 0.01%	481 0.00%	23,551,456 100.00%
<b>Q2 2022</b>						
Total residential mortgages	3,544,245 15.12%	6,039,968 25.76%	13,854,449 59.10%	3,651 0.02%	340 0.00%	23,442,653 100.00%
<b>Q3 2021</b>						
Total residential mortgages	3,423,120 16.28%	6,423,946 30.56%	11,166,094 53.13%	6,208 0.03%	1,030 0.00%	21,020,398 100.00%

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

<sup>(2)</sup> The Bank does not originate uninsured mortgages with amortization periods greater than 30 years. Mortgages reported in these categories are either insured loans or the result of payment deferrals or arrearages.



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

	2022								2021				2020			
	Q3		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>
Ontario	<b>72%</b>	<b>40%</b>	72%	41%	71%	39%	71%	42%	72%	40%	71%	40%	71%	37%	71%	28%
Alberta	<b>72%</b>	<b>38%</b>	73%	29%	73%	38%	73%	38%	72%	27%	72%	23%	71%	26%	73%	22%
British Columbia	<b>71%</b>	<b>44%</b>	69%	42%	70%	39%	70%	41%	70%	38%	72%	35%	71%	38%	70%	25%
Manitoba	<b>73%</b>	<b>12%</b>	71%	1%	77%	7%	72%	6%	76%	0%	77%	2%	76%	0%	73%	17%
Saskatchewan	<b>68%</b>	<b>4%</b>	68%	3%	69%	0%	70%	5%	67%	2%	73%	1%	66%	0%	64%	5%
Other Provinces	<b>69%</b>	<b>47%</b>	71%	43%	71%	40%	70%	39%	72%	48%	72%	45%	72%	26%	71%	2%
Total Canada	<b>71%</b>	<b>42%</b>	71%	41%	71%	39%	71%	41%	72%	40%	72%	39%	71%	37%	71%	27%

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

<sup>(2)</sup> HELOC includes HELOC, SHELOC, and Equitable Bank 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 residential mortgages<sup>(1)(2)(3)(4)</sup>**

	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Ontario	<b>63%</b>	56%	58%	60%	58%	57%	60%	60%
Alberta	<b>61%</b>	62%	63%	63%	63%	63%	65%	66%
British Columbia	<b>64%</b>	58%	61%	62%	61%	60%	62%	62%
Manitoba	<b>61%</b>	57%	58%	59%	58%	59%	62%	62%
Saskatchewan	<b>52%</b>	48%	50%	52%	51%	51%	53%	54%
Other Provinces	<b>63%</b>	58%	60%	62%	60%	59%	61%	62%
Total Canada	<b>63%</b>	57%	58%	60%	59%	58%	61%	61%

<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 (as of September 30, 2022), 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 Equitable Bank Reverse Mortgage) products is not included in this chart.

<sup>(4)</sup> Equitable has arrangements with other lenders to participate in its single family residential loans in certain circumstances, namely if Equitable 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's exposure. Equitable 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's single family residential loans was \$29.5 million at September 30, 2022 (June 30, 2022 - \$33.8 million, September 30, 2021 - \$38.5 million).



**Table 18: Alternative single family - weighted average beacon score by LTV<sup>(1)(2)</sup>**

	2022			2021				2020
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<50% LTV	724	723	719	720	722	722	720	718
50% - 64.99% LTV	713	712	712	709	708	708	708	704
65% - 69.99% LTV	708	707	704	704	702	702	701	699
70% - 75% LTV	711	710	707	703	704	704	702	698
>75% LTV	720	717	711	708	707	706	705	701
<b>Total</b>	<b>715</b>	<b>713</b>	<b>710</b>	<b>707</b>	<b>707</b>	<b>707</b>	<b>705</b>	<b>702</b>

<sup>(1)</sup> The beacon scores reported here represent the current weighted average beacon score of Equitable's insured and uninsured mortgage portfolio within its Alternative Single Family Lending Business.

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



**Table 19: Modified Capital Disclosure Template – Equitable Bank**

(\$000s, except percentages)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Common Equity Tier 1 capital: instruments and reserves</b>								
1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	368,738	365,017	288,212	227,259	226,604	216,652	216,541	215,536
2 Retained earnings	1,838,792	1,772,898	1,727,721	1,649,890	1,577,018	1,521,110	1,456,957	1,395,381
3 Accumulated other comprehensive income (and other reserves)	(34,928)	(30,311)	(22,508)	(8,263)	(8,998)	(16,816)	(12,219)	(19,009)
4 Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	-	-	-	-	-	-	-
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	-	-	-	-	-	-	-
<b>6 Common Equity Tier 1 capital before regulatory adjustments</b>	<b>2,172,602</b>	<b>2,107,604</b>	<b>1,993,425</b>	<b>1,868,886</b>	<b>1,794,624</b>	<b>1,720,946</b>	<b>1,661,279</b>	<b>1,591,908</b>
<b>Common Equity Tier 1 capital: regulatory adjustments</b>								
26 Other deductions and regulatory adjustments to CET1 as determined by OSFI	3,733	3,213	2,599	5,442	6,525	8,277	10,233	15,873
28 Total regulatory adjustments to Common Equity Tier 1	(126,549)	(114,583)	(106,850)	(99,524)	(96,927)	(82,257)	(87,285)	(82,321)
<b>29 Common Equity Tier 1 capital (CET1)</b>	<b>2,049,786</b>	<b>1,996,234</b>	<b>1,889,174</b>	<b>1,774,804</b>	<b>1,704,222</b>	<b>1,646,966</b>	<b>1,584,227</b>	<b>1,525,460</b>
<b>29a Common Equity Tier 1 capital (CET1) with transitional arrangements for ECL provisioning not applied</b>	<b>2,046,053</b>	<b>1,993,021</b>	<b>1,886,575</b>	<b>1,769,362</b>	<b>1,697,697</b>	<b>1,638,689</b>	<b>1,573,994</b>	<b>1,509,587</b>
<b>Additional Tier 1 capital: instruments</b>								
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	72,554	72,554	72,554	72,554	72,554	72,554	72,554	72,554
31 of which: classified as equity under applicable accounting standards	72,554	72,554	72,554	72,554	72,554	72,554	72,554	72,554
32 of which: classified as liabilities under applicable accounting standards	-	-	-	-	-	-	-	-
33 Directly issued capital instruments subject to phase out from Additional Tier 1	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-
<b>36 Additional Tier 1 capital before regulatory adjustments</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>	<b>72,554</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>								
43 Total regulatory adjustments to Additional Tier 1 capital	-	-	-	-	-	-	-	-
44 Additional Tier 1 capital (AT1)	72,554	72,554	72,554	72,554	72,554	72,554	72,554	72,554
<b>45 Tier 1 capital (T1 = CET1 + AT1)</b>	<b>2,122,340</b>	<b>2,068,788</b>	<b>1,961,728</b>	<b>1,847,358</b>	<b>1,776,776</b>	<b>1,719,520</b>	<b>1,656,781</b>	<b>1,598,014</b>
<b>45a Tier 1 capital with transitional arrangements for ECL provisioning not applied</b>	<b>2,118,607</b>	<b>2,065,575</b>	<b>1,959,129</b>	<b>1,841,916</b>	<b>1,770,251</b>	<b>1,711,243</b>	<b>1,646,548</b>	<b>1,582,141</b>
<b>Tier 2 capital: instruments and allowances</b>								
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	-	-	-	-	-	-
47 Directly issued capital instruments subject to phase out from Tier 2	-	-	-	-	-	-	-	-
48 Tier 2 instruments (and CET1 and AT1 instruments not included in row 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	47,925	45,473	42,539	40,919	42,968	45,967	49,305	46,760
<b>51 Tier 2 capital before regulatory adjustments</b>	<b>47,925</b>	<b>45,473</b>	<b>42,539</b>	<b>40,919</b>	<b>42,968</b>	<b>45,967</b>	<b>49,305</b>	<b>46,760</b>
<b>Tier 2 capital: regulatory adjustments</b>								
57 Total regulatory adjustments to Tier 2 capital	-	-	-	-	-	-	-	-
58 Tier 2 capital (T2)	47,925	45,473	42,539	40,919	42,968	45,967	49,305	46,760
<b>59 Total capital (TC = T1 + T2)</b>	<b>2,170,265</b>	<b>2,114,261</b>	<b>2,004,267</b>	<b>1,888,277</b>	<b>1,819,744</b>	<b>1,765,487</b>	<b>1,706,086</b>	<b>1,644,774</b>
<b>59a Total capital with transitional arrangements for ECL provisioning not applied</b>	<b>2,170,265</b>	<b>2,114,261</b>	<b>2,004,267</b>	<b>1,888,277</b>	<b>1,819,744</b>	<b>1,765,487</b>	<b>1,706,086</b>	<b>1,644,774</b>
<b>60 Total risk-weighted assets</b>	<b>15,458,591</b>	<b>14,748,207</b>	<b>14,018,221</b>	<b>13,309,550</b>	<b>12,427,049</b>	<b>11,461,154</b>	<b>10,911,018</b>	<b>10,426,077</b>
<b>Capital ratios</b>								
61 Common Equity Tier 1 (as a percentage of risk-weighted assets)	13.3%	13.5%	13.5%	13.3%	13.7%	14.4%	14.5%	14.6%
61a CET1 Ratio with transitional arrangements for ECL provisioning not applied	13.2%	13.5%	13.5%	13.3%	13.7%	14.3%	14.4%	14.5%
62 Tier 1 (as a percentage of risk-weighted assets)	13.7%	14.0%	14.0%	13.9%	14.3%	15.0%	15.2%	15.3%
62a Tier 1 Capital Ratio with transitional arrangements for ECL provisioning not applied	13.7%	14.0%	14.0%	13.8%	14.2%	14.9%	15.1%	15.2%
63 Total capital (as a percentage of risk-weighted assets)	14.0%	14.3%	14.3%	14.2%	14.6%	15.4%	15.6%	15.8%
63a Total Capital Ratio with transitional arrangements for ECL provisioning not applied	14.0%	14.3%	14.3%	14.2%	14.6%	15.4%	15.6%	15.8%
<b>OSFI all-in target</b>								
69 Common Equity Tier 1 capital all-in target ratio	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
70 Tier 1 capital all-in target ratio	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
71 Total capital all-in target ratio	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2013 and 1 Jan 2022)</b>								
80 Current cap on CET1 instruments subject to phase out arrangements	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
81 Amounts excluded from CET1 due to cap (excess over cap after redemptions and maturities)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
82 Current cap on AT1 instruments subject to phase out arrangements	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
83 Amounts excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-	-	-	-
84 Current cap on T2 instruments subject to phase out arrangements	-	-	-	-	-	-	-	-
85 Amounts excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-	-	-	-

**Table 20: Leverage Ratio – Equitable Bank**

(\$000s, except percentages)	2022			2021			2020	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>On-balance sheet exposure</b>								
1 On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	<b>38,971,106</b>	38,726,715	36,854,619	35,563,379	33,778,496	32,216,231	30,975,867	30,270,296
2 Grossed-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework (IFRS)	-	-	-	-	-	-	-	-
3 (Deductions of receivables assets for cash variation margin provided in derivative transactions)	-	-	-	-	-	-	-	-
4 (Asset amounts deducted in determining Basel III Tier 1 capital)	<b>(165,869)</b>	(150,885)	(127,207)	(100,204)	(90,962)	(82,258)	(77,255)	(62,377)
<b>5 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 4)</b>	<b>38,805,237</b>	38,575,830	36,727,412	35,463,175	33,687,534	32,133,973	30,898,612	30,207,919
<b>Derivative exposures</b>								
6 Replacement cost associated with all derivative transactions	<b>35,148</b>	43,180	42,210	35,067	36,386	10,175	13,423	14,294
7 Add-on amounts for potential future exposure associated with all derivative transactions	<b>17,314</b>	41,380	38,336	55,681	59,155	31,123	26,547	18,298
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)	-	-	-	-	-	-	-	-
<b>11 Total derivative exposures (sum of lines 6 to 10)</b>	<b>52,462</b>	84,560	80,546	90,748	95,541	41,298	39,970	32,592
<b>Securities financing transaction exposures</b>								
12 Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	<b>750,072</b>	420,009	-	550,030	600,007	100,015	350,037	450,203
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-	-	-	-	-
14 Counterparty credit risk (CCR) exposure for SFTs	<b>36,195</b>	43,890	14,512	57,577	24,163	9,707	10,733	20,875
15 Agent transaction exposures	-	-	-	-	-	-	-	-
<b>16 Total securities financing transaction exposures (sum of lines 12 to 15)</b>	<b>786,267</b>	463,899	14,512	607,607	624,170	109,722	360,770	471,078
<b>Other off-balance sheet exposures</b>								
17 Off-balance sheet exposure at gross notional amount	<b>4,011,054</b>	3,861,878	4,149,756	3,600,886	3,581,698	3,462,123	2,906,821	2,558,836
18 (Adjustments for conversion to credit equivalent amounts)	<b>(2,418,115)</b>	(2,379,197)	(2,656,272)	(2,225,554)	(2,340,595)	(2,364,191)	(1,978,634)	(1,645,742)
<b>19 Off-balance sheet items (sum of lines 17 and 18)</b>	<b>1,592,939</b>	1,482,681	1,493,484	1,375,332	1,241,103	1,097,932	928,187	913,094
<b>Capital and Total Exposure</b>								
20 Tier 1 capital	<b>2,122,340</b>	2,068,788	1,961,728	1,847,358	1,776,776	1,719,520	1,656,781	1,598,014
20a Tier 1 capital with transitional arrangements for ECL provisioning not applied	<b>2,118,607</b>	2,065,575	1,959,129	1,841,916	1,770,251	1,711,243	1,646,548	1,582,141
<b>21 Total Exposures (sum of lines 5, 11, 16 and 19)</b>	<b>41,236,905</b>	40,606,970	38,315,955	37,536,862	35,648,348	33,382,925	32,227,539	31,624,683
<b>Leverage Ratios</b>								
22 Basel III Leverage Ratio	<b>5.1%</b>	5.1%	5.1%	4.9%	5.0%	5.2%	5.1%	5.1%
22a Basel III Leverage Ratio with transitional arrangements for ECL provisioning not applied	<b>5.1%</b>	5.1%	5.1%	4.9%	5.0%	5.1%	5.1%	5.0%



#### **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:**

On February 7, 2022, Equitable Bank announced a definitive agreement to acquire a majority interest in Concentra Bank (Concentra), subject to customary closing conditions and regulatory approvals. On September 28, 2022, the Bank received approval from the Ministry of Finance to acquire Concentra and subsequently closed the transaction on November 1, 2022. The EQB.R subscription receipts were converted to common shares and proceeds were used to fund the transaction. Beginning in Q4 2021, Equitable Bank incurred certain acquisition costs. To enhance comparability between reporting periods, increase consistency with other financial institutions, and provide the reader with a better understanding of EQB's performance, adjusted results were introduced starting in Q1 2022. Adjusted results are non-GAAP financial measures.

The adjusted results are calculated by removing the following costs from the reported results.

#### **Adjustments impacting current and prior periods:**

Concentra acquisition/integration costs, pre-tax:

- Q3 2022 – \$5.2 million of acquisition and integration related costs and \$1.0 million of interest expense paid to subscription receipt holders<sup>(1)</sup>;
- 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; and
- Q4 2021 – \$0.7 million of acquisition costs.

(1)The interest expense refers to the dividend equivalent amount paid to subscription receipt holders. The subscription receipt holders are entitled to receive a payment equal to the common share dividend declared multiplied by the number of subscription receipts held on the common share dividend payment date. These subscription receipts will be converted into common shares at a 1:1 ratio upon the closing of the Concentra acquisition. The net proceeds from the issuance are held in an escrow account and the interest income earned is not recognized until the closing date.

#### **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 Prime single family 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.



## 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 in accordance with OSFI's CAR Guideline.

### **Operating leverage**

is the growth rate in revenue less the growth rate in non-interest expenses.

### **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.

### **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 to CET1 Capital.

**Tier 2 Capital**

is equal to the sum of Equitable Bank's eligible stage 1 and 2 allowance.

**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