



362.6 %
10-year

Total shareholder return

\$132
Billion

Total assets under management
& administration

718,000 +
Customers

Served nationally

Drive change in Canadian banking to enrich people's lives.

EQB Inc.
Responsibility Report

April 7, 2025



EQB

Note: all cover measures for EQB Inc. as at January 31, 2025

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Caution regarding forward-looking statements

Statements made in this Report, and in other filings with Canadian securities regulators and in other communications, include forward-looking statements within the meaning of applicable securities laws (forward-looking statements). These statements include, but are not limited to, statements about EQB's objectives, strategies and initiatives, financial performance expectations and other statements made herein, whether with respect to EQB's businesses or the Canadian economy, which includes its subsidiaries and affiliates (collectively, "EQB"). The forward-looking information contained in this Report is presented for the purpose of assisting our stakeholders in understanding our future business, our ESG outlook and future disclosures, anticipated events or results, and may include information regarding our business strategies as we address talent management, the communities in which we operate and serve and climate-related risks and opportunities. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "scheduled", "guidance", "planned", "estimates", "forecasts", "outlook", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur", "be achieved", "will likely" or other similar expressions of future or conditional verbs.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of EQB to materially differ from those expressed or implied by such forward-looking statements, including but not limited to risks related to capital markets and additional funding requirements, fluctuating interest rates and general economic conditions including, without limitation, impacts as a result of global geopolitical risk including but not limited to uncertainty arising from ongoing United States/Canada tariff concerns and related impacts, business acquisition, legislative and regulatory developments, changes in accounting standards, the nature of EQB's customers and rates of default and competition as well as those factors discussed under the heading "Risk Management" herein and in EQB's documents filed on SEDAR+ at www.sedarplus.ca.

All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting EQB and the Canadian economy. Although EQB believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by EQB in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its loan business, a continuation of the current level of economic uncertainty that affects real estate market conditions including, without limitation, continued acceptance of its products in the marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. EQB does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

This report and the information contained within it is unaudited. KPMG has performed a limited assurance engagement for a select number of performance indicators, and the remainder of the information within this report was not subject to the limited assurance engagement. More details about the nature and scope of the engagement with KPMG can be found on page 79 of this Report. While certain matters discussed in this Report may be of interest and importance to EQB's stakeholders, the use of the terms "material", "significant", "important", or similar words or phrases should not be read as necessarily rising to the level of materiality used for the purposes of securities or other laws and regulations. EQB has no obligation to update the information or data in this Report.

About this report

Scope

This report covers EQB's ESG commitments, policies, activities and performance for fiscal year 2024. All facts and figures are as of October 31, 2024, unless stated otherwise. All financial figures are stated in Canadian dollars.

This is a voluntary report issued by EQB Inc. (TSX: EQB). It incorporates the results of EQB Inc. (EQB) and its entities (collectively, the "Affiliates"), Equitable Bank, Equitable Trust, Concentra Bank, Concentra Trust, Bennington Financial Corp and ACM Advisors, unless otherwise stated.

On December 14, 2023, EQB Inc. acquired a 75% interest in ACM Asset Management Ltd., which owns 100% of ACM Advisors Ltd. (ACM), a Canadian alternative asset manager that specializes in the creation, structuring and management of pooled Canadian commercial mortgage funds. Results of ACM within this report are limited to GHG Emissions data only within the Environmental section starting on page 68 of this Report.

In this Report, unless otherwise specified, references to "Equitable" and the "Bank" are to Equitable Bank, references to "Concentra" are to Concentra Bank, references to "Bennington" are to Bennington Financial Corp, references to "ACM" are to ACM Advisors, references to "us", "our", and "we" are to EQB and Affiliates, references to "Challengers" is to our employees, unless otherwise specified.

This Report complements EQB's Management Information Circular, Management Discussion and

Analysis, Annual Information Form and the Bank's Public Accountability Statement, all of which offer more information about our financial position, priorities, responsibilities and commitments. All these documents and previous reports relating to environmental, social and governance matters are available on our website (eqb.investorroom.com).

Reporting Frameworks

EQB is committed to providing transparent disclosures and ensuring compliance with evolving regulations relevant to our business and our approach to integrating environmental, social and governance practices within. This report is produced in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD recommendations) and Sustainability Accounting Standards Board (SASB) Standards for Mortgage Finance, Commercial Banks and Consumer Finance. These SASB standards were selected based on their relevance to our business. The SASB Index can be found as supplemental material in the Appendix. Greenhouse gas emissions data is reported in accordance with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard.

Our Responsibility strategy reflects our commitment to act in accordance with laws and regulations. As a result, EQB is monitoring the evolving ESG regulatory and reporting landscape, including the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards and the Canadian Sustainability Disclosure Standards Board (CSSB)'s published Canadian Disclosure Standards (CSDS). We

intend to prioritize the requirements of the CSDS and expect to report under those requirements, when required.

Pursuant to OSFI's issuance of Guideline B-15 Climate Risk Management, EQB is focused on its implementation. It is our intention to make climate-related financial disclosures in compliance with Guideline B-15 Climate Risk Management for our period ending October 31, 2025, and on an annual basis thereafter. We expect much of our progress under the TCFD to lay the groundwork for these disclosures.

By integrating these frameworks, we seek to offer stakeholders a comprehensive view of how sustainability factors – particularly those related to climate change and broader environmental, social and governance (ESG) considerations – are incorporated into our business model.

Limited Assurance

KPMG has performed an independent, limited assurance engagement for selected performance indicators denoted by the symbol ♦ in the report. KPMG's Independent Limited Assurance report is on page 79 of this Report.

Contact Information

Any questions, comments and feedback about the Report can be directed to:
investor_enquiry@eqb.com

To our stakeholders

As a purely Canadian business and owner of Canada's Challenger Bank, we have always had a clear and compelling sense of responsibility to invest in and for the benefit of Canadians. Recent geopolitical events, namely the concerns related to U.S. and Canada tariffs and potential responses, have brought the importance and value of our all-Canadian approach into even sharper focus. It is a responsibility we take seriously.

“...EQB supports an ecosystem of innovation and growth ...

In this report, we provide a fiscal 2024 update on progress toward our sustainability priorities and share how EQB supports an ecosystem of innovation and growth that serves our purpose of driving change in Canadian banking to enrich people's lives. We encourage you to read it cover to cover because our actions take various forms, are purposeful and informed not just by compliance with requirements or best practices but by something deeper: our abiding sense of doing what's right for our people, our customers, our communities, our business partners and those who have put their trust in us as shareholders.

Writing the forward for any work of this scale is always a challenge, but we are pleased to draw your attention to a few key developments within our business.

Record support for homeownership and the development of affordable housing for Canadians

CMHC is on the record stating that Canada needs approximately 3.5 million additional housing units by 2030 to restore affordability¹. We are doing our part to address this need by financing the construction and preservation of affordable rental housing units in urban centres across Canada, including in Ontario and British Columbia where the gaps are said to be most pronounced. Fiscal 2024 was a record year as we funded \$4.3 billion in multi-unit residential loans, supporting the development of 170 properties across the country. We also committed to investing in a new Social and Climate Fund created by our alternative asset manager, ACM Advisors. It will pool mortgages secured against Canadian real estate properties evaluated for contributions to affordable housing as well as climate, Indigenous groups and local communities. Beyond all of this, Equitable Bank provided its record amount of credit to Canadians purchasing homes through our single-family residential business.

A much better deal for Canadians through banking innovation

EQ Bank, our all-digital platform, has a proud legacy of bringing innovation to Canadian banking in ways that serve our customers and our purpose while increasing competitive intensity in the industry that is good for our country. In 2024, we sustained that legacy by introducing the EQ Bank Notice Savings Account. It provides a higher deposit rate than demand products and has more flexible holding periods than GICs. With no fees or minimum balance requirements, it is the first of its kind in Canada. Recognizing that the micro and small business sector in Canada is underserved by banks, we introduced the EQ Bank Small Business Account in beta. It offers high daily interest on all balances and access to competitive business GICs along with free (and unlimited) transactions and no hidden or monthly fees. It is scheduled to launch in full in 2025. In line with our Challenger Bank ethos, we enriched the EQ Bank US Dollar Account such that the CAD/USD exchange rates are superior to other banks while maintaining a high deposit rate on every dollar our customers save. Today, more than half a million Canadians enjoy convenient, no-fee banking as a result of EQ Bank.

Financial inclusion for all Canadians

Financial services can contribute to broader economic development, especially when they are available to all Canadians. With that in mind, we continue to find success in serving the needs of Canada's growing population of retirees through our wealth decumulation business, including reverse mortgages and insurance lending. This portfolio surpassed \$2 billion in fiscal 2024, up 47% y/y demonstrating the value of these unique Challenger Bank products to Canadians. We also collaborated with Canadian credit unions to provide Registered Disability Savings Plans. These efforts ensure greater awareness of this important government matching program. Our support for Indigenous Canadians is a point of pride and a reflection of our commitment to the ongoing work of Truth and Reconciliation. Our engagement includes our deposit-taking operations where EQ Bank was the first in Canada to employ photo recognition of Status Cards to open accounts and the Bank's lending operations where we finance the cost of land entitlement claims.

¹As quoted in "[*Housing shortages in Canada: Updating how much housing we need by 2030*](#)" | CMHC"

Stable, meaningful and rewarding employment for Canadians

Our business success is due to the hard work of our employees. It therefore stands to reason that they should share in the success they create. To ensure they do, we took several actions in 2024 to enrich the employee experience and the benefits of working at EQB. Notably, we codified and launched a comprehensive Competency Framework as part of our commitment to structured talent development; through our tuition reimbursement program, we funded over \$800,000 of external training and development; and, under the auspices of our EQ Strong benefits program, we introduced programming designed to enhance employee wellbeing. We also continued to run our Leadership Development Program which gives participants exposure to key areas of our business including ESG matters. In fiscal 2024, we recruited over 100 new Challengers (our term for employees) on a net basis, promoted from within and noted that 70% of employees participated in our employee share purchase plan – a sign of their belief in the future of our company.

“...we are intentional about our hiring and engagement practices.

Diversity that reflects the beauty of Canada

Workforce diversity makes EQB a better company in many ways. It ensures we can reflect the needs and preferences of all Canadians in developing product innovations, serve Canadians in many different languages and it makes our culture more vibrant and our workplace more enjoyable. For these reasons, we are intentional about our hiring and engagement practices and in 2024, our promotion policies were enhanced to ensure a level playing field for all while mitigating the potential for unconscious bias. We also gain a great deal from the inspiring work of our six Employee Resource Groups and encourage you to read profiles of each Group beginning on page 38 of this Report. To call out just one, in 2024, our Women in Tech ERG developed a new partnership with Scientists in Schools which supports STEM skills training in ~1,700 educational institutions including several in Indigenous communities. We recognize more can be done to further equity, diversity, inclusion and anti-racism, and we are committed to further action.

“...we prove that there is more to our purpose of enriching people’s lives than meets the eye.

Active engagement to enrich Canadian society

As our business has grown (we are Canada’s 7th largest bank by assets), our responsibility for and impact on society have increased as well. Fortunately, corporate philanthropic giving has long been a defining pillar of our culture. Giving back in our case includes financial assistance for charities that address houselessness and mental health, support for over 180 Canadian artists and 18 Canadian arts organizations and scholarships and bursaries such as those we offer to Indigenous students. But we go beyond all of this by encouraging our Challengers to volunteer as community leaders – which they did in 2024, registering well over 2,700 hours in support of important causes. In these ways, we prove that there is more to our purpose of enriching people’s lives than meets the eye. More details can be found in our 2024 Public Accountability Statement available at eqb.investorroom.com.

Addressing climate risks and opportunities through a made-in-Canada approach

As readers of our past sustainability reports (since 2021) know, EQB has taken a serious-minded approach to tracking GHG emissions across all Scopes – the first bank in Canada to include financed emissions in our calculations – establishing appropriate and relevant Board and management-level governance structures, addressing sustainability and climate-related risks and opportunities in EQB’s strategic plan and transparently reporting on our actions. This preparatory work positions us well for the introduction of Canadian Sustainability Disclosure Standards (CSDS 1 – General Requirements for Disclosure of Sustainability-related Financial Information and CSDS 2 – Climate-related Disclosures) when they come into effect for Canadian corporate issuers later this decade.



What's far more important is what we are doing to reduce our own emissions and mitigate risks in our loan portfolio, beginning on page 49 of this Report. To that, we would highlight the successful completion of Equitable Bank's first social covered bond issued under our recently created Sustainable Bond Framework. Proceeds of €500 million (CAD \$735 million) raised in fiscal 2024 are earmarked to finance new or existing Canadian residential buildings in support of affordable housing and homeowners of equity deserving groups. This bond issuance and others that will follow demonstrate that doing the right thing for the environment can also be right for our customers and our business.

Building a better banking system for Canadians

Canada enjoys the benefits of a stable, well-regulated financial system. But like everything, that system needs to keep up with the times and it needs to serve the interests of customers, not just banks. That is why we have chosen to use our position as Canada's Challenger Bank to advocate for modest reforms and the introduction of Open Banking. While it will take the will of others in the policy arena to make reforms, we will not stand idly by; we will work every day to drive change in Canadian banking to enrich people's lives. This is our purpose, and we accept all the profound responsibilities that come along with it.

Whether you are a customer, employee, partner or shareholder, we encourage you to take pride in Canada and join EQB in investing right here at home.

With thanks,

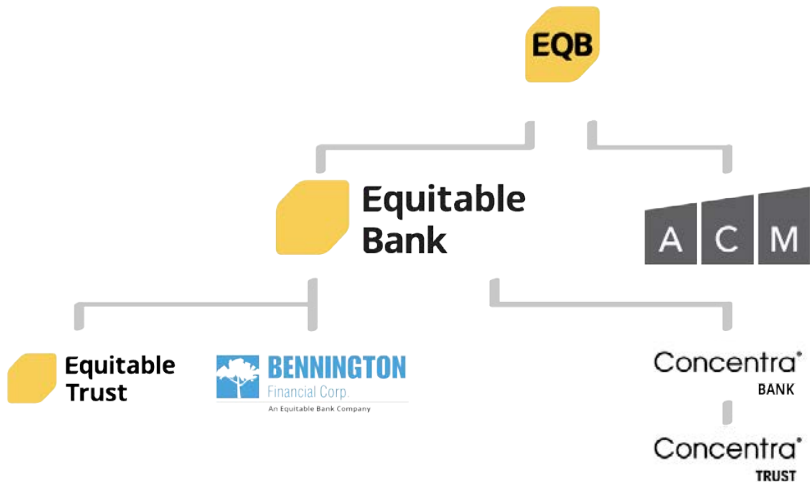
Vincenza Sera
Chair of the Board

Andrew Moor
President and Chief Executive Officer

About EQB

Who we are

EQB Inc. (TSX: EQB, “EQB”) is a leading financial services company with \$132 billion in total assets under management and administration¹ as at January 31, 2025. For more than 50 years, EQB’s wholly owned subsidiary Equitable Bank and its operating companies² have proudly served and addressed the unique financial needs of Canadians. ACM Advisors, a majority-owned subsidiary of EQB Inc. acquired on December 14, 2023, specializes in the management of alternative assets primarily for institutional investors.



Equitable Bank, Canada’s 7th largest bank by assets, holds a unique position as Canada’s Challenger BankTM, a distinction rooted in its purpose to drive change in Canadian banking to enrich people’s lives. The Bank serves over 718,000 Canadians and nearly 200 Canadian credit unions with approximately six million members (as at January 31, 2025), through two businesses: Personal Banking – including EQ Bank, the leading digital bank in Canada – and Commercial Banking.

The Bank enjoys leadership positions in several areas, including uninsured single-family residential and multi-unit residential lending. In the single-family market, we use a Challenger Bank approach to serve independent mortgage brokers and mortgage customers. In commercial lending, the Bank serves customers who build and renovate much-needed rental apartment stock.

EQ Bank is Canada’s first born all-digital bank, providing an exceptional experience and value to Canadians, and serving as a convenient and compelling alternative to traditional banks. It was the first to move to a cloud-based platform and its digital capabilities are proven and differentiated to support innovation and cost-effective product development, strengthened through fintech collaborations through our strategic partnership model.

As a subsidiary of EQB Inc., ACM Advisors specializes in the creation, structuring and management of pooled Canadian commercial real estate funds. ACM is one of the largest private investment fund managers in Canada with over 2,000 clients including institutional investors and accredited retail investors. ACM contributes to EQB Inc.’s fee-based revenue and supports long-term ROE performance without adding credit or balance sheet exposure.

Full year 2024 performance highlights³

\$1.26B Record revenue	15.0% ROE	28% growth EQ Bank customer base	\$9.05B EQ Bank Deposits reached
286% 10-year TSR	\$1.06B NII	\$205MM NIR	+9% YoY Loan portfolio growth
14.3% CET1 ratio			
20 years TSX listed company	5 years TSX Composite Index	1,946 Employees ⁴	+5% y/y Workforce growth

¹ This is a non-GAAP measure. Refer to Q1 2025 Management Discussion and Analysis for adjustment and details.

² Inclusive of operating companies Equitable Trust, Bennington Financial Services, Concentra Bank and Concentra Trust

³ 2024 Performance Highlights are non-GAAP adjusted measures. Refer to Q4 2024 Management Discussion and Analysis for adjustments and details.

⁴ Number of employees inclusive of full-time employees, part-time employees and long-term contractors. Excludes ACM.

EQB strategy

Our mission is brought to life through the dedication and expertise of our talented workforce of over 1,900 Challengers, who embody the core values of service, integrity, empowerment, respect and agility. These values are the cornerstone of our strategic objectives, guiding us in every aspect of our business decision-making, including how we create and deliver differentiated and long-term value to our customers and shareholders.

EQB strategic principles

We choose to operate in areas where our service, technology and business model can best serve stakeholders, and we constantly explore ways to deliver new and better banking ideas, products and applications for customers using our Challenger mindset. Our time-tested strategy and approach to drive change in Canadian banking has led to long-term growth in our customer base and strong customer retention.

With Return on Equity (ROE) as our financial anchor point, EQB has outperformed the ROE average of Canada’s big six banks for the past decade. This success has always been underpinned by our strategic principles, including exceptional customer service, ongoing innovation and a prudent approach to risk management.



Customer and service mission

Being the best at service, from building great digital experiences to empowered customer-facing teams to address customer needs



Differentiated value creation model

Deliver long-term shareholder value through disciplined capital allocation and business management that generates 15-17% ROE annually¹



Innovating and advocating for Canadians

Innovate across product and technology as Canada’s leading digital bank and advocate for regulatory change to benefit Canadians, including Open Banking



Robust risk management

Consistently achieve the lowest credit losses of all Canadian bank peers by leveraging risk as a competitive advantage and benefitting from decades of underwriting expertise



Building long-term franchise value

Allocate capital and investment dollars consistently to build lasting franchise value that translates into superior performance through cycles

¹This is a non-GAAP measure. Refer to Q4 2024 Management Discussion and Analysis for adjustments and details.

2024 Performance Highlights

Awards



2024
Best Bank Lender
Mortgage Awards
Excellence



Named to
Newsweek
list of
"Canada's Most
Responsible
Companies"

ESG Performance Highlights

Issued **C\$735 million Social Covered bond**,
the first of its kind issued by a Canadian Bank

Seeded ACM's **Social and Climate Fund**

Funded **\$4.3 billion in loans**
contributing **to affordable housing** in Canada

Donated **\$342,580** to impactful causes and
2,775 volunteer hours to meaningful **community initiatives**

Continued commitment to **carbon neutrality** of
Scope 1 and Scope 2 through **retirement of 995 tCO₂e**
Verified Emissions Reductions

Decreased overall emissions profile by 6% y/y,
excluding ACM's managed client invested emissions

Grew females in Junior Executive level by **17% y/y** and
racialized persons in Middle Management level by **24% y/y**

Celebrated **10th anniversary** of Emerging Digital Artists Award

Exceeded **Board Diversity target** of independent directors
self-identifying as **women, at 44%**

Approach to responsibility

Our mission is to drive change in Canadian banking to enrich people’s lives. With a deep passion for serving Canadians with complex needs, we focus on market segments where the banking experience can be reimaged.

“ We focus on opportunities to better serve the people and communities in which we operate...

We specialize in creating unique value through innovative, customer-centric solutions that challenge traditional approaches and promote smarter, more efficient ways of doing business. As a Challenger Bank, we are dedicated to advocating for competition in an industry historically dominated by six large banks. We focus on opportunities to better serve the people and communities in which we operate, positioning ourselves at the intersection of our customers, shareholders and employees to drive meaningful impact. Our agility, innovation and deep understanding of customer needs empower us to make a

difference in the communities we serve while upholding high standards of integrity and maximizing value to our shareholders.

While environmental, social and governance principles underpin our strategy, business and operations, **it is our focus on social responsibility that sets us apart.** We are dedicated to addressing societal challenges in Canada such as affordable housing and ensuring competitive choices for consumers through digital banking and strong credit union partners. By leveraging our digital-first model, we create efficient, scalable solutions that reach all communities, provide better access to financial services and contribute to a more prosperous and inclusive Canadian economy. We are committed to enhancing lives in ways that are both socially impactful and environmentally conscious.

Our Responsibility Framework that overarches our ESG strategy encompasses key areas of impact for EQB across the pillars of governance, social and environmental.



Governance

Adhering to the highest standards of corporate governance, ensuring transparency, accountability and ethical conduct in our decision-making, as a responsibility to our shareholders

- Board diversity and composition
- Business ethics and conduct
- Customer privacy and satisfaction
- Data security and cybersecurity



Social

Making differentiated impact on the customers we serve, Challengers we work with and the communities we operate within, to meet the diverse needs of Canadians

- Talent management
- Inclusion, diversity, equity, accessibility, anti-racism (IDEAA)
- Rights of Indigenous peoples and EQB’s commitment to Truth and Reconciliation
- Philanthropic activities
- Investing in Canadian arts
- Contributing to affordable housing
- Financial inclusion
- Product innovation and technology



Environmental

Transparency on the impact our business has on the environment and our efforts in mitigating climate risk

- Climate strategy
- Climate risks and opportunities
- Greenhouse gas (GHG) emissions

Stakeholder engagement

Environmental, social and governance risks and opportunities that have an impact on our business are often influenced by our stakeholders, including customers, community partners, employees, shareholders and the industry. We recognize that continuous engagement with stakeholders is foundational to the evolution of our Responsibility approach and ESG strategy.

How we engage with stakeholders



Customers

We engage with borrowers, mortgage brokers and our digital banking customers through surveys, interviews and prototype testing. These insights shape our market strategies, improve processes and refine designs to deliver the best products and services



Community

We believe we owe a duty of care to the communities that house our employees, customers and business partners. We actively engage with long-term community partners through volunteering, sponsorship and donations



Employees

Our employees engage through dynamic and collaborative channels including surveys, internal social networks, townhalls, Employee Resource Groups and events



Partners

We partner with like-minded organizations, whose values and behaviours are aligned with ours. We receive GHG Emissions data from select suppliers to continuously improve our emissions data quality



Shareholders

We engage with investors on our Responsibility achievements and progress through meetings, surveys and annual disclosures



Industry engagement

We are an active participant in the Canadian Bankers Association (CBA) and the Banks and Trust Companies Association (BATCA)



ESG rating agencies

As part of our commitment to transparency and continuous improvement in our approach to Responsibility, we actively engage with leading sustainability and climate-rating agencies, including MSCI¹, Sustainalytics² and S&P.³ By participating in these assessments, we gain valuable insights into ESG matters and identify opportunities to enhance our efforts. These independent evaluations also allow us to benchmark EQB against industry standards and enable us to track our progress in key areas such as governance practices, social responsibility and environmental impact. Our engagement with these organizations supports our ongoing dedication to achieving higher ESG standards and continuing to deliver long-term value to our stakeholders.

MSCI
ESG RATINGS



CCC B BB BBB A **AA** AAA

Rated



MORNINGSTAR | SUSTAINALYTICS



¹ In 2024, EQB Inc. received a rating of AA in the MSCI ESG Ratings assessment. The use by EQB Inc. of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of EQB Inc. by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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³ S&P, S&P Global, and the S&P Global logo are trademarks of S&P Global Inc. or its subsidiaries, registered in many jurisdictions worldwide.

Governance

Board oversight

We believe that strong governance and dedicated oversight are critical to the successful implementation of our ESG strategy.

The Board, through its four committees, oversees specific components of our approach to Responsibility, including the integration of environmental, social and governance matters into strategy, business and operations and related risks and reporting.

The Governance and Nominating Committee oversees the ESG strategy as a whole and receives updates from management on a quarterly basis. The Audit Committee, Human Resources and Compensation Committee and the Risk and Capital Committee receive updates as required.

Oversight responsibilities for the Board and its committees are summarized in the table to the right.



EQB Board

Oversees EQB's environmental (including climate), social and governance initiatives, risks and reporting through the Board Committees



Governance and Nominating Committee

- Oversees ESG and climate strategy, initiatives and governance frameworks and related reporting and public disclosures
- Monitors ESG and climate emerging trends, standards and best practices
- Oversees governance across the Board's Committees and updating the Board on ESG matters as necessary
- Oversees engagement efforts with stakeholders, including ESG rating agencies and suppliers



Human Resources and Compensation Committee

- Oversees strategies related to diversity, equity and inclusion, employee health, safety and wellbeing, and other environmental, social and governance matters related to the Committee's mandate
- Reviews and recommends for Board approval the general criteria and design of material incentive plans, including selection of appropriate financial and non-financial performance goals, incorporating ESG measures



Audit Committee

- Reviews results from Internal Audit on the operating effectiveness of internal controls over ESG and climate reporting and metrics
- Oversees any external assurances or attestations regarding reported ESG and climate metrics



Risk and Capital Committee

- Receives reports on the integration of significant environmental and social risk exposures within EQB's Enterprise Risk Management Framework

Management responsibility

The Governance and Nominating Committee is supported by Executive Management, specifically the Chief Financial Officer (CFO), in its responsibility for oversight of EQB's ESG strategy. Our Management Committee, which consists of Senior Executives, integrates various elements within their mandates and reports to the relevant Board Committees, as required. For instance, our Chief Risk Officer oversees climate risks and the impact on credit risk, our Chief Human Resources Officer manages human capital and diversity, equity, inclusion, accessibility and anti-racism, and our Chief Technology Officer aims to weave sustainability into our technology roadmap. With Senior Executive support, sustainability is inextricable from our core values, long-term goals and strategic priorities.

Reporting to the CFO, the VP of Strategy, Corporate Development and ESG leads EQB's environmental, social and governance work to ensure it is tightly woven into our corporate strategy and long-term performance goals. The Strategy, Corporate Development and ESG team serves as a strategic partner to the business, driving decisions that contribute responsibly and add value to our employees, the community we serve and the environment we operate in, while balancing regulatory and compliance considerations. Recognizing aspects of the ESG mandate cascade and impact different areas of the business, cross-collaboration proves to be an effective model in supporting integration of environmental, social and governance considerations across the business. The following functions and groups enable the execution of work aligned with our ESG strategy:

- **Enterprise Risk Management Committee (ERMC):** Comprised of executive management members, the ERMC assists the Risk and Capital Committee of the Board in fulfilling its oversight and governance responsibilities in relation to our risk management practices and Internal Capital Adequacy Assessment Process (ICAAP). On a quarterly basis, the ERMC reviews and monitors key and emerging risks, including ESG and climate risks, trends, results of enterprise-wide stress and scenario tests, relevant policies and related risk management considerations.
- **Operational Risk Steering Committee (ORSC):** Chaired by the Vice President, Operational Risk Management, the ORSC meets on a regular basis to review, discuss and provide input to the Bank's Operational Risk profile, provide input to the Operational Risk Management Team on trends, emerging risks and potential changes or improvements to program, processes and practices. The Sub-Committee utilizes information and materials as prepared and provided by key participants and subject matter expertise across operational Resilience, business continuity, IT/cyber risk, change risk management, fraud risk management and ESG and climate risk.
- **Cross-functional Working Group:** In 2024, a cross-functional working group was established to undertake climate risk efforts in readiness of meeting the Bank's regulatory climate requirements. This group, comprised of subject matter expertise from Risk Model Development, Risk Data Management, Operational Risk and Strategy, Corporate Development and ESG, proved to be a successful operating model in collaboration. By bringing the required expertise to the discussions, foundational principles and processes were established to enhance the assessment and monitoring of climate risk exposure to the Bank.
- **Inclusion, Diversity, Equity, Accessibility, Anti-Racism (IDEAA):** Overseen by the Vice President, Talent Programs, the IDEAA Team is responsible for leading the development, coordination and implementation of strategies, initiatives and programs that focus on supporting the Bank's inclusion- and equity-focused goals and objectives.
- **Employee Resource Groups (ERGs):** The celebration of human differences is championed by EQB's Employee Resource Groups - The Black Collective, Indigenous ERG, Women in Tech, Newcomers to Canada, Proud and The Green Team ERGs. Comprised of individuals with diverse experiences and relevant and informed perspectives, the ERGs are a driving force behind many IDEAA initiatives and events. ERGs provide valuable insights and education sessions to all levels of the organization.

Risk management

ESG and Climate risks

Through our wholly owned subsidiaries, we are exposed to risks like those of other financial institutions, including the symptoms and effects of both domestic and global economic conditions and other factors that could adversely affect the business, its financial condition and operating results. The Risk and Capital Committee (RCC) of the Board assists the Board in fulfilling its oversight and governance responsibilities for the management of Equitable Bank's core and emerging risks, supported by the Enterprise Risk Management Committee (ERMC) that reports to the RCC quarterly.

Our objective is to establish and maintain integrated risk identification and assessment processes that enhance the understanding of risk interdependencies, consider how risk types intersect and support the identification of emerging risks, including environmental and climate risks and emerging ESG regulatory risks.

Serving as the foundation to our approach to risk management across the enterprise, Equitable Bank's Risk Management Framework (RMF) is designed to ensure all risks are managed within the Bank's pre-defined risk appetite threshold and to align our overall corporate strategy, financial and capital plans, business unit strategies and day-to-day operations across the organization. The RMF is supported by a set of specific-risk frameworks, policies, standards and procedures, enabling us to meet the expectations of our shareholders, the Board, regulators and other key stakeholders, including the communities we serve.

“ Environmental and climate risk is identified as a component of the Bank's Business and Strategic risk...

As discussed in the ***Risk Management section of Q4 2024 Management Discussion and Analysis***, we have established governance and processes to support a strong risk culture and ensure risks impacting our businesses are identified, appropriately categorized, assessed, managed and communicated to the Board in a timely manner. We use a three lines of defence model so that risks are adequately managed through the enterprise to achieve strategic objectives.

Environmental and climate risk is identified as a component of the Bank's business and strategic risk, defined as a risk of loss of strategic, financial, operational or reputational value resulting from the impact of environmental issues or concerns, including climate change, and related social risk. These risks can be defined as physical and transition risks. Further details are provided in the Environmental section on pages 54 and 55 of this report.

Business unit leaders are our first line of defence for identifying and reporting such risks and are supported by Risk Oversight functions (including Finance, Risk and Compliance). A wide range of activities support the identification of these risks, including but not limited to our Risk and Control Self-Assessment program, Enterprise Change Management and New Initiative Risk Assessment practices and regular stress testing activities.

We conduct analyses of environmental and climate risk at periodic intervals to determine potential impact on the Bank's assets, for example in certain geographical regions that have greater propensity for natural disasters. Reporting and analysis of such risks is reviewed by the ERMC. Climate scenario analysis is a key process for climate risk identification that we continue to evolve. Furthermore, we have a consistent approach to where we lend and have limited our potential exposure to areas prone to fire and flood risk. Proposed changes in business strategy or increases in risk identified through environmental-related analysis would be reviewed alongside the Bank's risk appetite.

We continue to elaborate on the definition and management of climate risk and emerging ESG risks. The development of industry views and alignment of standard taxonomy in areas such as Physical risk, Transition risk and Liability risk will inform the ongoing development of the Bank's own risk classification. Recognizing that internal and external factors may change the risk profile of these risks and its impact to our exposure, the bank may evolve its RMF over time based on climate assessments. The RMF is reviewed at least annually and is expected to change commensurately with the company's evolving size, complexity and business and risk profiles.

Social covered bond impact

“ **A sustainability mindset is foundational to our core values...**

As Canada's Challenger Bank, our purpose of driving change in banking to enrich people's lives comes with an implicit pledge to always do what is right for our customers, employees, business partners, shareholders and the communities we serve. A sustainability mindset is foundational to our core values, long-term objectives, strategic priorities and our commitment to advance environmental, social and governance practices to meet the needs of Canadian society. Inherent in this is our belief that making a positive impact goes beyond the provision of financial services.

Equitable Bank's first of its kind Social Covered Bond issuance is a natural extension of our business practices that enables us to further support projects and lending activities with a direct social benefit. Housing in Canada remains a challenge with rising costs and a lack of affordable options for many individuals and families.

Since the introduction of Equitable Bank's Sustainable Bond Framework in March 2024, we completed our first issuance of a social bond under the framework, which was also our largest-ever covered bond offering at approx. C\$735 million and the first-ever issuance of a social covered bond by a Canadian bank. Ultimately, our goal with this issuance is to make meaningful contributions to the provision and promotion of affordable housing, to reduce the risk of poverty and increase the opportunities for social participation of people and families in lower income groups.



Equitable Bank social covered bond

Issue date
April 23, 2024

Maturity date
May 28, 2027

Net Proceeds
C\$735.6 million

**Net proceeds allocated to
eligible loans**
100% ♦

Allocation of net proceeds
~65% refinance and ~35%
purchase

Use of proceeds
Eligible projects that fall
within the scope of the Social
Categories outlined in the
Sustainable Bond
Framework

ISIN
XS2808183649

Social & affordable housing¹

Percentage of asset allocation: 52% ♦

Eligibility criteria:

Financings related to the construction, development, acquisition, operation and maintenance of new or existing buildings or single-family residences that provide housing that meet one of the following criteria:

- Housing for households or individuals whose income is below 80% of the area median income (AMI), or 120% AMI for high-cost areas², and where housing costs³ are ≤30% of pre-tax income⁴
- Canada Mortgage and Housing Corporation (CMHC) MLI Select – Affordability⁵

Social indicators and 2024 performance

Number of borrowers with access to safe,
affordable and/or sustainable housing 1,403

Value of eligible loans to those seeking access
to social and affordable housing.....\$381.6 million ♦

Access to essential services¹

Percentage of asset allocation: 48% ♦

Eligibility criteria:

Financings for the acquisition of housing for households or individuals whose income is below 100% of the area median income (AMI), or 120% AMI for high-cost areas and that meet one of the following criteria:

- Individuals with low⁶ or no FICO, or equivalent, credit scores
- Self-employed individuals
- Other equity deserving groups and/or marginalised populations⁷

Financings that support micro-, small- and medium-sized enterprises⁸ that are at least 51% or more owned, managed or controlled by other equity deserving groups.

Social indicators and 2024 performance

Number of homeowners in underserved
groups supported 1,184

Value of eligible loans granted to
underserved individuals.....\$354.0 million ♦

♦ KPMG has provided limited assurance on this figure

¹ Figures are as at October 31, 2024

² Aligned with the definition of low- or moderate-income household provided by the US Federal Reserve. High-cost areas include City of Toronto, Ottawa, Mississauga, Vancouver, Victoria and North Vancouver.

³ Housing costs include principal or rent + interest + taxes + heat divided by gross annual income.

⁴ Aligned with the definition of affordable housing provided by the Canada Mortgage and Housing Corporation.

⁵ The Bank commits to taking a pro rata approach based on units that meet CMHC MLI Select affordability criteria and report the estimated (if during construction) or actual percentage of affordable units among the portfolio of financed properties.

⁶ A low FICO score is defined as ≤660.⁷ Other equity deserving groups and/or marginalised populations: Women, Black, Indigenous and People of Colour (BIPOC), newcomers, LGBTQ+, and/or persons with disabilities. Newcomers are defined as those individuals who have been admitted to Canada permanently in the 5 years or less prior to the date the person obtained the financial product from Equitable, e.g., mortgage.

⁸ The Framework defines micro/small and medium enterprises (SME) as those that have fewer than 100 and 100 to 499 employees respectively. Small and medium-sized enterprises in particular support the local labour market, promote social participation and are especially dependent on credit financing from bank.



Leading with **Integrity:** Governance in Action

Board diversity and composition

Why this matters

Our Board is integral to the sustainability of our business. By operating with a robust corporate governance framework, the Board provides strategic guidance, effectively challenges and assists Management and sets the tone for integrity, engagement and personal accountability as part of its duty to all stakeholders. A diverse Board enhances decision-making by bringing a range of perspectives, experiences and insights, which are essential to navigating complex challenges and driving long-term success.

Strong governance and formal oversight and governance processes for Responsibility-related matters are critical to the successful implementation of any company's strategy. A robust ESG approach starts with a company's Board and Executive Management, but responsibility for sustainable business practices is shared across a company's workforce.

EQB approach

EQB and its Board of Directors' **Corporate Governance Guidelines**, published on eqbinvestorroom.com, reflect the Board's commitment to the highest standards of corporate governance practices, assist the Board in the exercise of its governance responsibilities and serve as a framework within which the Board may conduct its business.



EQB is committed to equity, diversity and inclusion at all levels of the organization.

EQB is committed to equity, diversity and inclusion at all levels of the organization. Diversity promotes the inclusion of different perspectives and ensures EQB benefits from all available talent to help drive growth, innovation and success. EQB's Board Diversity Policy, articulated within the Corporate Governance Guidelines, and approach to Board membership supports our commitment to diversity considerations including gender/gender neutrality, sexual orientation, age, ethnicity, Indigenous peoples and persons with disabilities. The Board recognizes the value of diversity among its members and believes it should be composed of highly qualified individuals with a broad spectrum of competencies, experience and perspectives which produces better corporate governance and effective decision-making.

The Board has established a target for women to represent at least 30% of its independent directors. The Board recognizes the importance of enhancing the representation of other diverse and historically under-represented groups. A commitment to further improving diversity on the Board is considered when reviewing any anticipated vacancies. Any firm engaged in assisting the Board in a director search is required to identify a diverse slate of candidates with particular competencies. The table below provides key diversity metrics as at October 31, 2024 and for the ten independent directors on the Board at that time.

Performance

EQB's Board diversity and composition metrics remain largely consistent with the prior fiscal year with changes in measures driven by a reduction in the number of directors to ten as of October 31, 2024 from eleven at October 31, 2023. The table below provides a summary of the Board's performance against key diversity metrics, as at October 31, 2024, and for the ten directors on the Board at that time.

	2024	2023
% of independent directors	90%	91%
% of executive board members	10%	9%
% of independent directors who self-identify as women (target is at least 30%)	44%	40%
% of independent directors who self-identify as visible minority / racialized person	22%	20%
Average board tenure	8.2 years	6.6 years
Average board tenure of independent members	7.1 years	5.7 years
Age diversity of directors: Youngest director	48 years	47 years
Age diversity of directors: Oldest director	69 years	68 years
Board age limit	72 years	72 years
Average mandates of board members (ex. Chair of the Board and President & CEO)	2.0	2.3

¹ This metric discloses the percentage of independent board members that were on fewer than four EQB Board Committees within the reporting period.





Business ethics and conduct

Why this matters

Our values are the foundation of who we are as a business and reflect our underlying commitment to our people, business partners, customers, shareholders and the public. One of our value pillars is integrity, reflecting our belief that, through mindful personal behaviour, we will consistently produce good ethical outcomes. Respect for and adherence to our values begins with the tone at the top, as both the Board and senior management play a significant role in communicating expectations for conducting business. Challengers, as our employees are known, are required to maintain high ethical standards in their daily operations, considering conduct, corporate values and culture in their actions and decisions.

EQB approach

Code of Conduct & Third-Party Code of Conduct

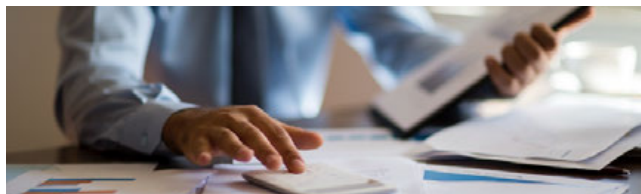
Our **Code of Conduct** (the “Code”) provides guidance and sets expectations on how we should behave and how to make sound decisions as we strive for the highest standards in everything we do. The Code outlines the mandatory minimum standards of behaviour expected from all employees, including the Board of Directors and contractors.

Within the Code, we have several policies and procedures that underpin our commitment to operating with high ethical standards, including the Insider Trading Policy, Related Party Policy and Conflict of Interest Policy. The Code describes roles and accountabilities relating to training, investigating, monitoring and reporting. While the Board oversees our business conduct and reviews and approves the Code, the CEO is responsible for ensuring the Code is duly implemented and monitored, working closely with the Chief Compliance Officer (CCO) and Chief Human Resources Officer (CHRO).

All employees undertake mandatory training on the Code within 90 days of joining EQB and thereafter attest to understanding of the Code on an annual basis.

Our **Third-Party Code of Conduct** extends our high standards of business dealings to suppliers with whom we conduct business by outlining our corporate values and communicating the principles that we desire or require from suppliers, vendors, partners, services providers and subcontractors across Canada. When sourcing products and services we aim to partner with third-party organizations that show a strong commitment to human rights, ethics and the environment. Minimum expectations for partners include compliance with all applicable laws and regulations, avoiding or successfully managing all conflicts of interest including promoting moral and ethical behaviour, and protecting information which includes restricting insider trading and closely managing non-public information.

Additional policies encapsulated in the Code of Conduct include the following:



Fair competition

One of the Bank's core beliefs is that competition in the financial services industry is in the best interest of Canadians. Further it is our belief that all competition must be conducted legally and ethically. Our Code expressly prohibits anti-competitive practices such as price fixing, collusion or prohibitive conduct (including coercive selling) and we have processes in place to live by our commitments, including regular reviews of best practices with our General Counsel and CCO.

Our Conflict of Interest Policy encapsulates our approach to fair competition and holds our people, including Executive Management and our directors, to high ethical standards while promoting transparency and fairness.



Whistleblower policy and program

This policy establishes how we report concerns, perceived or otherwise, about unethical behaviour, violations of the Code, breaches of our policies and matters relating to financial issues (such as fraud, misstatements, deliberate omissions or errors). All employees receive training to understand the policy as well as their rights and protections. Anyone reporting concerns in good faith is protected from reprisals, harassment or victimization. Employees may report concerns to the CCO or Chair of the Audit Committee directly, through the Ethics or Complaints Hotline, or to the Commissioner of the Financial Consumer Agency of Canada (FCAC), OSFI or any other government agency that regulates or supervises the financial institutions, or law enforcement agency.

On average, less than five complaints are received under this policy per calendar year and all concerns are reviewed, investigated and escalated by the CCO. The CCO reports the concerns to the Chair of the Audit Committee, the CEO and the CRO. The Audit Committee assists and oversees the investigation to conclusion and action taken depends on the type of concern.



Anti-money laundering (AML) and Anti-terrorist financing (ATF) program

The Bank's extensive and effective AML and ATF program is strictly enforced, and the Bank does not tolerate corruption or bribery in any form. The AML and ATF Policy and corporate procedures outline EQB's expectations that all employees are required to meet. The Chief AML Officer has accountability for the implementation and effectiveness of the program, while the Board has oversight accountability for monitoring the effectiveness of the AML policy and corporate procedures and has delegated this responsibility to the Governance and Nominating Committee.

All customer-facing employees and those supporting customer-facing efforts receive and complete AML/ATF training when onboarded and annually thereafter. As part of our standard practice, our Risk team conducts regular risk assessments as well as internal and external audits and reviews to detect and prevent money laundering and terrorist financing activities including corruption. We comply with all appropriate rules, regulations and guidelines applicable to EQB, including the *United Nations Act (Canada)*, *Canada's Criminal Code*, the *Corruption of Foreign Public Office Officials Act (Canada)*, *Freezing Assets of Corrupt Foreign Officials Act (Canada)* and *Special Economic Measures Act (Canada)*.



Marketing and sales approach

At the Bank, we believe in honest, plain and transparent communication with customers and ethical remuneration practices for loan originators. In our Disclosure of Information Policy, we clearly state our obligations for responsible customer-facing and shareholder communications.

We base our responsible marketing and sales practices on a set of principles that include:

- Ensuring fair treatment of all customers regardless of financial status;
- Encouraging customers to ask questions and providing them with the information they need to make informed decisions;
- Being transparent about all fees, rates and conditions across all lending products and platforms;
- Avoiding conflicts of interest in sales practices;
- Providing accurate information about products and services, never making false or misleading statements or overstating benefits; and,
- Protecting customer information through strict controls, policies and procedures.



Lobbying and political expenses

Any engagement between the Bank and regulatory, government and political associations or bodies is driven by our Code of Conduct with strict adherence to values of Integrity, Respect and Service.

Our approach in these interactions is collaborative, data-driven and stakeholder focused, with an intended outcome of advocating for consumers and helping shape banking policy in support of the integrity of the financial system.

To this end, we engage with OSFI, the government and appropriate public and private bodies to gather insights, research and opinion on public policy matters. We have only one internal registered lobbyist: Andrew Moor, President and Chief Executive Officer, for whom lobbying represents less than 20% of his duties.



Human rights

The Bank operates solely in Canada where human rights are enshrined in the *Human Rights Act* (Canada), the Canadian Charter of Rights and Freedoms and the Canada Labour Code. We respect and are compliant with all relevant federal, provincial, regional and other human rights regulations. We operate with internal policies including our Code, Employee Handbook and our Violence and Harassment in the Workplace Policy, while expressly prohibiting discriminatory lending practices that are biased against people based on their race, gender, age, religion and other protected characteristics. Practices include training for all members of our team, as well as regular community outreach and education to help all customers access our products and services.

We are committed to upholding human rights and ethical business practices across our business and supply chain. Looking ahead, as part of this commitment, we will be publishing our inaugural Modern Slavery Report in the coming year. This report will outline our approach to identifying, preventing and addressing risks related to modern slavery and reinforcing our dedication to responsible conduct.

Performance¹

Consistent with previous years, EQB employees and managers continued to attest to the Code of Conduct and completed comprehensive training – encompassing the Code of Conduct, Workplace Violence and Harassment, Conflict of Interest, Insider Trading, AML and ATF and Consumer Protection and Whistleblowing – with no material changes or deficiencies from 2023 to 2024. The metrics below are not inclusive of ACM Advisors.

	2024	2023
Percentage of employees who have attested to the Code of Conduct	100%	100%
Percentage of employees who completed Code of Conduct training	98%	99%
Percentage of Managers who completed Workplace Violence and Harassment training	99%	99%
Percentage of employees who completed Workplace Violence and Harassment training	98%	97%
Percentage of employees who completed Conflict of Interest training	98%	100%
Percentage of employees who completed Insider Trading training	98%	97%
Percentage of employees who completed Anti-Money Laundering and Anti-Terrorist Financing training	96%	99%
Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice or other related financial industry laws or regulations	\$0	\$0
Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	\$0	\$0
Total amount of monetary losses as a result of proceedings associated with communications to customers or remuneration of loan originators	\$0	\$0
Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	\$0	\$0

¹ All training and attestation metrics for 2023 cover EQB's 10-month fiscal year January 1, 2023 through October 31, 2023 and do not include employees of Bennington Financial Corp. 2024 covers EQB's fiscal year November 1, 2023 through October 31, 2024 and includes employees of Bennington Financial Corp.

Customer privacy & satisfaction

Why this matters

Within financial services, customers have the benefit of choosing to bank with institutions that provide a level of customer service aligned to their expectations. At EQB, customer service is the core pillar of our strategy. We strive to differentiate by being exceptionally responsive and respectful in our approach to customer service, strictly adhering to a customer's right to protect their information and ensuring an easy path to both file and resolve customer complaints.

EQB approach

Our commitment to customer service entails not only ensuring excellence, but also assuming responsibility for safeguarding/handling customers' personally identifiable information and operating with policies in place covering the provision of customer information for secondary purposes, such as targeted marketing or third-party use. Customer service is monitored closely and integrated into our executive compensation program, and all employees participate in comprehensive workforce training to encourage and perpetuate our customer service ethos.

“...we use encryption to prevent unauthorized access to sensitive information.

Privacy policies and principles

EQB's Privacy Program follows the Privacy Principles in Schedule 1 of the *Personal Information Protection and Documents Act* (Canada) (PIPEDA), which requires us to receive customer consent before we collect, use or share their personal information. We have strict controls to ensure only authorized employees can access customer data and we use encryption to prevent unauthorized access to sensitive information. We only collect the information that we require and do not retain it longer than necessary. We have a transparent Privacy Agreement that we sign with every customer, which explains their rights and how we handle their personal information, as well as Code of Privacy Principles that guide our decisions and actions regarding customer data protection and security. Our data privacy team, led by our Chief Privacy Officer and Chief Information Security Officer, is responsible for ensuring that our systems and processes comply with the highest standards of privacy and security.

Financial protection

On June 30, 2022, Parliament put in place the Financial Consumer Protection Framework overseen by the FCAC. Since then, EQB has made a number of enhancements not only to comply with our increased obligations, but also to ensure customers are served in a clear and transparent manner. Enhancements have included electronically notifying customers of low account balances and low available credit, and updating policies and procedures, websites and brochures to inform customers and staff about the revised regulations. All employees receive updated consumer protection and whistleblower training through a mandatory e-learning training module, while the few who do not complete training are typically on leave or are new to the organization and yet to undergo training.

Handling customer complaints

Our front-line Challengers follow a three-step customer complaint handling process – found in our Customer Complaint Handling Procedures posted on our websites and in brochures at our office locations. All employees are expected to adhere to our internal Complaint Handling Policy & Corporate Procedure. EQB's Dispute Resolution Office (DRO), the final step in our Customer Complaint Handling Procedure and most senior designated office authorized to address customer complaints, conducts investigations of complaints that were unable to be resolved within the first two steps. The DRO is committed to providing an impartial review based on the evidence available to help customers and EQB reach a fair, reasonable, and transparent resolution. Where appropriate, the DRO recommends improvements to our operations, products and services.

Performance¹

Consistent with previous years, employees continue to complete training regarding both Complaints Handling and Consumer Protection and Whistleblowing at high rates. The increase in full investigation complaints conducted by the Dispute Resolution Officer in 2024 largely reflects growth in the customer base in 2024, in particular within EQ Bank, and fiscal 2024 having two additional months versus fiscal 2023 due to EQB changing its fiscal year end from December 31, 2023 to October 31, 2023. The metrics below are not inclusive of ACM Advisors.

	2024	2023
Percentage of employees who have completed Complaints Handling training ²	98%	98%
Full investigation complaints conducted by the DRO	21	11
Number of full investigation complaints that were resolved by the DRO to the satisfaction of the person who made the complaint	11	7
Percentage of employees who completed Consumer Protection and Whistleblower training	98%	96%
Total amount of monetary losses as a result of legal proceedings with customer privacy	\$0	\$0

¹ All training and attestation metrics for 2023 cover EQB's 10-month fiscal year January 1, 2023 through October 31, 2023 and do not include employees of Bennington Financial Corp. 2024 covers EQB's fiscal year November 1, 2023 through October 31, 2024 and includes employees of Bennington Financial Corp.

² Employees in personal and commercial lending, digital banking, deposit services, legal, compliance, internal audit and marketing, as well as all executives, are required to complete Complaints Handling training. Completion rate percentage is based on this population.

Data security & cybersecurity

Why this matters

Cybersecurity continues to present a significant risk to financial institutions, with potential impacts that could include service disruptions, theft of customer information, reputational damage and litigation. The tactics and techniques used in cyber-attacks have increased in sophistication, while the hackers behind these attacks have become more organized and well-financed. With the increase in sophistication comes a need for continuous improvement in cybersecurity safeguards related to both technology and employee training, ensuring that all financial institutions deliver digital banking services that are safe, secure, private, efficient and worthy of the trust and confidence of customers.

EQB approach

EQ Bank, our digital platform, is the first in the Canadian banking industry to be hosted entirely in the cloud. While this allows us to build and innovate on a modern technical platform and infrastructure, providing value-added services and products, it comes with additional responsibility to earn the trust of our customers every day and in every interaction.

As a digital company at heart, how we develop, apply, protect and govern our technological advances are all part of our competitive strengths and are of utmost relevance to our Board and Executive Management. As the technology and cybersecurity landscape is constantly changing, we update our cybersecurity strategy annually and execute several projects each year that improve our security controls, including the formation of a team called Security Assurance Services (SAS) which works alongside our technology partners to identify and remediate technical vulnerabilities. To ensure the security of our organization’s information and systems, we adhere to industry-recognized frameworks, including the OSFI Cyber Security Self-Assessment (CSSA) and the National Institute of Standards and Technology (NIST) Cybersecurity Framework. Our partnership with industry leaders like Microsoft also allows us to benefit from leading-edge security frameworks and robust compliance standards – reinforcing trust with our customers.

Our commitment to security extends throughout the organization, safeguarding our operations and ensuring a resilient security framework. In addition to executive oversight, the RCC Board committee provides oversight through a quarterly update on the Bank’s cybersecurity risk posture, and the Board approves our Cybersecurity Policy bi-annually. Accountability for implementation, adherence, monitoring and reporting of EQB’s Cybersecurity Policy extends from the Board to the Chief Information Security Officer,

Business Unit heads, Risk Management, Internal Audit and all employees, who receive data security training within 60 days of joining and on an annual basis thereafter.

Performance¹

EQB’s robust and comprehensive data security & cybersecurity programs, practices and policies once again protected customers and the Bank from breaches and associated monetary losses. The metrics below are not inclusive of ACM Advisors.

	2024	2023
Data privacy policy in place	Yes	Yes
Number of data breaches	0	0
Percentage of data breaches that are personal data breaches	0%	0%
Number of account holders affected	0	0
Total amount of monetary losses as a result of legal proceedings associated with customer privacy	\$0	\$0

¹All metrics for 2023 cover EQB’s 10-month fiscal year January 1, 2023 through October 31, 2023.

**Creating Value for
EQB Challengers,
Customers and
Communities**

Talent management

Why this matters

Our people strategy has consistently served as a cornerstone of EQB's overarching corporate strategy. We monitor competition for diverse and skilled talent and understand that attracting and retaining strong performers is essential for maintaining operational continuity. Ensuring that talent management policies, processes and commitments align with the evolving needs and aspirations of a diverse workforce is necessary to maintaining workforce productivity and engagement. Our approach to promote employee engagement, work-life balance, competitive compensation and flexible benefits has been a powerful enabler in building a talented workforce of over 1,900 Challengers.

EQB approach

Our mission—to drive change in Canadian banking to enrich people's lives—is deeply embedded in our approach to talent management. By thoughtfully engaging in areas where the interests of customers, employees and shareholders converge, we foster an environment that is both dynamic and respectful. Recognizing that the right talent is critical to a successful long-term strategy, we are committed to having a workforce of highly skilled and motivated individuals who embrace an ownership mindset. The deep sense of personal investment in the company's success fuels innovation, fosters collaboration and drives collective action across the business, with everyone working towards a shared vision of sustainable growth and customer impact.

“...EQB ensures successful candidates are equipped to succeed in their roles...

Talent attraction and retention

We are dedicated to attracting top talent, identifying and nurturing early-career professionals and supporting the ongoing development and growth of talent from within. Our talent acquisition strategy begins with a meticulous understanding of business needs and the specific competencies required for each role. Hiring efforts are also aligned with identifying and recruiting talent that resonates with the company's mission, culture and commitments to drive meaningful impact, while growing its industry profile. By leveraging a balanced approach to evaluating candidates, assessing cognitive, analytical and technical abilities, we ensure successful candidates are equipped to succeed in their roles and contribute to the success of the company. To maintain a consistent talent pipeline and tap into new pools of talent, we leverage strong

partnerships with organizations, directly source through LinkedIn or internal recruiting software, engage in industry and education events and encourage referrals through fair and transparent practices.

“ This alignment ensures we continue to provide meaningful support to candidates well beyond the hiring phase...

Leveraging Canada's diverse population, we are committed to building a talent pipeline that reflects diversity. Through a thoughtful approach to inclusion, we have made meaningful progress in increasing representation, particularly with women in Junior Executive roles, and are continuing to focus efforts on representation of Indigenous peoples and persons with disabilities. In 2024, we actively participated in 30 events, primarily across the Greater Toronto Area, aimed at connecting with and supporting marginalized communities, creating opportunities for exposure and enhancing access to employment and talent acquisition. Among these events were QueerTech's Leaders Summit, Jumpstart Refugee and World Education Services Toronto Hiring Event, Autism Workplace Development Hub, BFTUR Tech Summit and others, all of which directly aligned with at least one of our Employee Resource Groups. This alignment ensures we continue to provide meaningful support to candidates well beyond the hiring phase, fostering an inclusive and supportive environment throughout their journey within the company. Our continued partnership with agencies, such as Jumpstart and Achev, ACCES and JVS allows our job requisitions to reach an extensive network of talented candidates. A combination of these efforts contributes to the creation of a talent pipeline that considers balanced representation, enabling parity across the organization.

“ This program is designed to cultivate future leaders by offering exposure to diverse functions and providing mentorship...

To foster the development of early professionals, we proactively recruit from universities and colleges through our Leadership Development Program (LDP) and Internship program. Each year, 4-6 graduates who apply to EQB are selected to participate in our Leadership Development Program, an immersive 24-month rotational program where they gain hands-on experience across areas of the business, including Strategy, Corporate Development and ESG, Risk, Digital Banking, Internal Audit and Investor Relations. This program is designed to cultivate future leaders by offering exposure to diverse functions and providing mentorship and training necessary to thrive within the organization. The tenure and retention of program graduates has steadily increased over the years, reflecting the core objective of this program, to drive long-term growth and opportunity for both the graduates and organization. Our internship program, in partnership with many colleges and polytechnics, creates opportunities for nascent professionals, newcomers to Canada and individuals transitioning careers. In 2024, the Talent Acquisition team attended six university events and partnered with three colleges, to strengthen brand presence and build awareness of the opportunities available at EQB.

The journey of a Challenger does not end with the success of hiring; we are deeply committed to ongoing growth and development. Recognizing the challenges of job retention in a competitive environment, we provide pathways for employees to explore different areas of the business. One of these pathways is job shadowing, where individuals can engage with teams from other departments to learn about their approaches, explore future opportunities and identify how their skills could be transferable across the business. This opportunity allows individuals to dedicate time to observe, participate in meetings and gain valuable insights. Alternatively, there are opportunities for a formal full-time secondment, where employees are fully integrated into a new team to gain in-depth experience. The secondment ensures the individual's investment in the team's success, while maintaining permanent employment. By encouraging these opportunities to move laterally, individuals build broader skill sets, are more well-rounded, possess

a deeper understanding of our customers and businesses and are equipped for leadership roles.

Workforce engagement

We conduct an anonymous semi-annual employee engagement survey that reports results at an aggregate level. Managers with fewer than five direct reports receive scores reflecting feedback from the broader business unit, ensuring confidentiality. The survey provides valuable insights into the experiences and perspectives of employees. Feedback from the survey is highly valued by managers and the Management Committee, who review major themes and insights from the survey before engaging in action planning at an enterprise and business unit level. In addition, where useful and appropriate, focus groups are conducted to dive deeper and explore underlying factors driving employee sentiments.

“ ...we learned there was an opportunity to further refine communications...

We take proactive measures to address the key findings of these surveys. For instance, from the fall employee engagement survey, we learned there was an opportunity to further refine communications to assist Challengers in understanding the direct impacts of their individual contributions to the broader strategic objectives of the company in alignment with business-unit priorities. In response, a renewed emphasis was placed by the Management Committee on communicating the corporate strategy and business unit-specific plans, especially important as we grow and continue to innovate. An additional company-wide town hall included a dedicated session on strategy to ensure comprehensive understanding across the organization. During the annual goal-setting period for employees, managers are expected to collaborate with their teams to explicitly link individual objectives to the overall corporate strategy, reinforcing alignment and purpose throughout the organization.

Engagement remained strong in 2024, with particular improvements in areas that relate to connecting individual purpose to strategy, employee development and managerial capability - areas of priority identified from previous surveys.

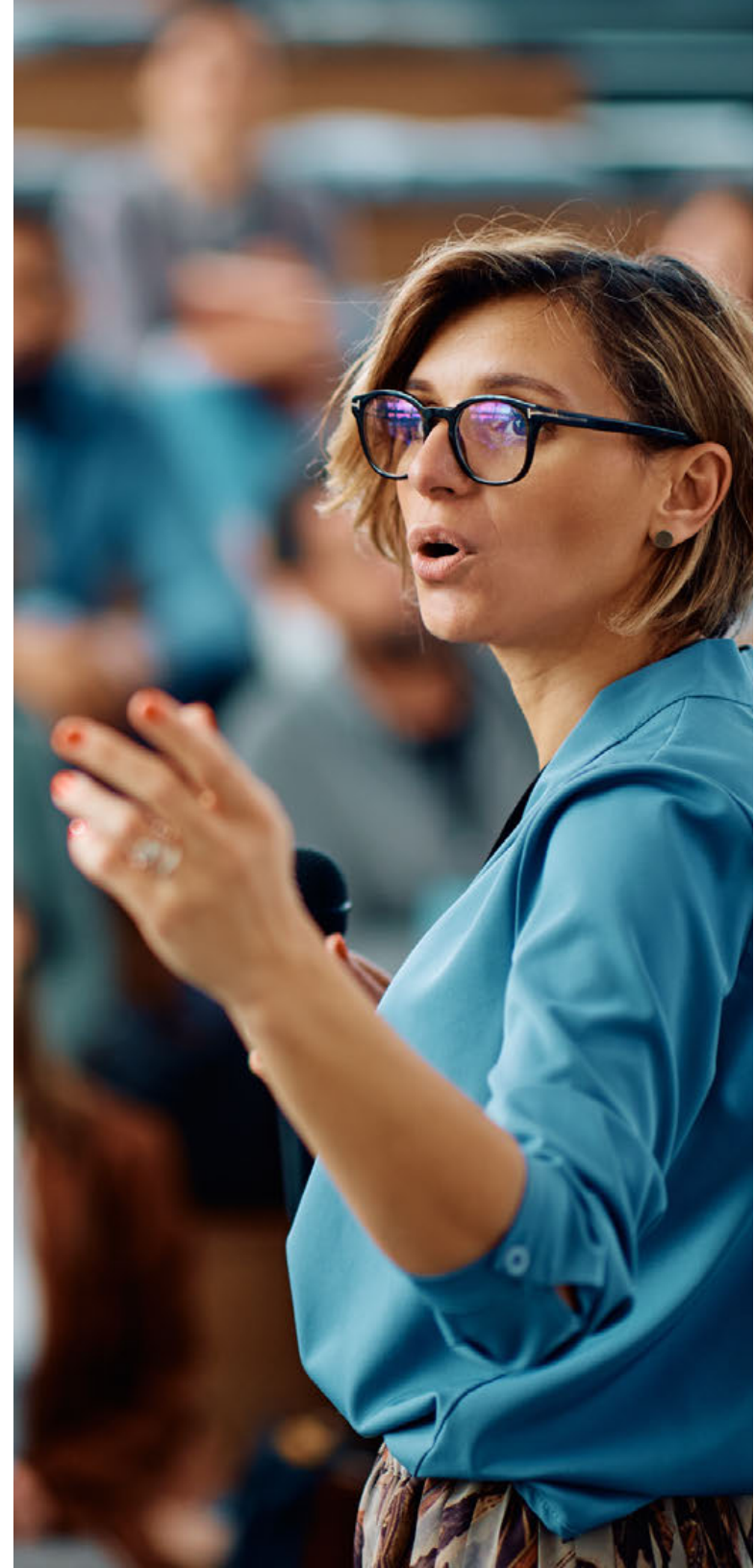
Learning and Development

Ongoing upskilling and development of our workforce are essential to keeping pace with rapid changes in the market, including technological advancements. Equipping our Challengers with requisite knowledge, we foster innovation and enable the delivery of exceptional value to our customers. We continue to prioritize investments in employee growth and managerial capabilities, which not only drive engagement but also build a competitive talent advantage. Central to our talent philosophy of empowering employee-driven learning, we support this growth through initiatives like our annual tuition reimbursement program of \$2,500, available to all full-time, active and salaried employees. Through our Education Assistance Policy, employees are reimbursed for external education or learning programs - such as courses, conferences, certifications or seminars. The policy strikes a balance between personal development and ongoing business needs, ensuring that the program chosen aligns with current job responsibilities, skill development, future aspirations and long-term career development. In 2024, the tuition reimbursement program funded external training and development of approximately \$841,122 - equating to 44,500 learning hours.

The organization has implemented several other key initiatives, including:

- Mandatory training through EQ University to equip the company in identifying and managing financial and non-financial risks;
- Optional training through EQ University on courses related to skill development;
- Delivering the Foundations of Managerial Excellence (FOME) program to all people managers within the workforce, following its launch and staged delivery;
- Launching advanced leadership programs targeted at senior managers and above; and,
- Expanding our coaching offerings tailored to different segments of the employee workforce.

In response to key findings related to development opportunities in previous years' engagement surveys, we codified and launched a comprehensive Competency Framework aligned with job levels, leading to the refinement of our promotion policy to ensure congruency with these defined competencies. In 2024, the organization formalized semi-annual talent and performance calibration cycles based on this competency model, reinforcing its commitment to fairness and structured talent development and evaluation. These efforts reflect our strategic focus on cultivating leadership capabilities and fostering a culture of continuous learning and development.





Employee well-being

Our Health and Safety Policy, overseen by the Chief Human Resources Officer, commits to protecting the health and safety of all Challengers in accordance with industry standards and requirements stated in the Canada Labour Code. Supported by the Human Resources and Office Teams, initiatives are implemented to promote health, safety and wellbeing across the company through communications, information sessions and resources available on the Hub, the company's internal site which is accessible to all employees. The company's EQ Strong program reflects a focus on mental and physical wellbeing and establishing meaningful connections within the workforce. The program is structured around five pillars – physical, emotional, psychological, financial and social – and offers various initiatives to employees, catering to the diverse health needs of the workforce. In 2024, a campaign was launched through a series of webinars to educate employees on total wellness, including Will & Estate Planning, Fundamentals of Canadian Taxes, Essentials of Workplace Mental Health, Art of Mobility and many more.



Physical

- Annual home and wellness benefit of \$300
- Parental leave policy
- Corporate partnerships with GoodLife Corporate Gym
- On-site nutrition-oriented lunches
- Flexible and ergonomic in-office workspaces



Emotional

- Hybrid work model
- Work-from-away policy
- Flex hours
- Vacation and Personal Days
- Parental leave policy



Psychological

- Employee Assistance Program via TelusHealth
- Mental health coverage through SunLife expanded to include Clinical Counsellors



Financial

- Employee Share Purchase Plan
- Group Retirement Savings Plan and Deferred Profit Sharing Plan
- Education Assistance Policy



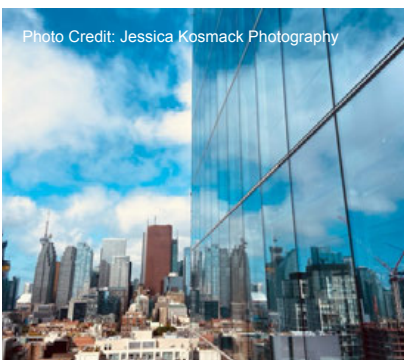
Social

- Participation in sports clubs, charitable events, Viva engage communities
- EQ Ambassador Program for 25 Ontario Street
- Charitable and volunteerism



Nutritious and diverse lunches

We have undertaken measures to align the company's on-site lunch program with its Responsibility approach and wellness principles. To support our mission of achieving WELL certification, we introduced a variety of protein options in the catered lunches, consciously excluding beef. This decision was aimed at meaningfully reducing the company's greenhouse gas emissions and has saved approximately 2,450kg of beef. Additionally, high-sugar beverages like pop and juice have been replaced with healthier alternatives, such as sparkling water, in efforts to enhance employee health and energy levels. Our commitment to supporting small businesses within the communities in which we operate is evident through sourcing of meals from ~35 local restaurants within the Greater Toronto Area. These restaurants were chosen to reflect the diversity of our customers, communities and employees, including Indigenous-, Black- and female-owned businesses. To address food security, we partnered with The Good Shepherd to donate surplus food, successfully contributing twenty-two meals per day on average to those in need. We are committed to sustainable food choices, supporting local businesses and reducing food waste through these initiatives within our catering program.



Operation: Make Bank

The relocation of our new head office to 25 Ontario Street has been eagerly awaited and is set to bring exciting opportunities for us in 2025. Reflecting our Challenger culture, a company-wide contest was initiated to name the 25 Ontario Street Project. The contest received sixty-four entries from across the organization, which were then shortlisted by the project team and the CEO. Employees voted on the top three names, ultimately selecting Operation: Make Bank.

In preparation of the move, a program was established featuring a team of departmental ambassadors. This program aims to ignite enthusiasm and facilitate effective two-way communication between employees and the project team overseeing the move. Ambassadors are empowered to contribute ideas for the functionality of departmental collaboration areas to ensure that the new office layout effectively supports employees' productivity and collaboration requirements and boosts in-office engagement.



Social engagement on Viva Engage

Viva Engage has become a cornerstone of our community-first corporate culture, seamlessly connecting like-minded employees through various communities of interest. Through the celebration of colleagues' achievements and the dissemination of relevant updates, Viva Engage bridges our regional and hybrid teams, ensuring everyone feels included and informed. Moreover, it is instrumental in promoting cultural diversity and inclusivity, particularly through the posts shared by our Employee Resource Groups, which highlight different cultures and important days of significance. With more than 1.9 million views in the first 12 months of using the platform, Viva Engage has grown to become a platform for sharing everything from team updates to volunteer activities to photos from team-building events, all knitted together to foster a sense of belonging and unity across teams.

Performance

As our company continues to grow, change will be constant and necessitates continually acquiring new skills, attracting top talent and focusing on addressing barriers to growth. As a testament to the strong career progression opportunities within the company, the continuous improvement of our internal hiring practices and the resulting ability to promote from within, we have seen a 29% increase in internal candidates filling positions. Nurturing homegrown leaders will continue.

Although deeply invested in the development of our Challengers, we have seen overall turnover increase by 4%. While this underscores the challenges of today's competitive talent market, it also reflects our investment in setting up employees for professional success wherever their career journeys take them. This ethos is part of our broader approach to supporting career growth and further backed by the substantial investments we have made in Learning & Development in 2024, whereby our total amount invested on training and development materially outpaced workforce growth, at 10% y/y versus 5% y/y, respectively.

Unless otherwise stated, we have restated 2023 numbers to include Bennington Financial Corp. and as a result these numbers will differ from ones previously disclosed in the 2023 Responsibility Report. The metrics are not inclusive of ACM Advisors.

	2024	2023 ¹
Talent Attraction and Retention		
Total number of new hires	344	413
Open positions filled by internal candidates	85	70
Total turnover rate ²	16%	13%
Voluntary turnover rate ²	12%	9%
Workforce Engagement		
Engagement score ²	75%	76%
Learning and Development		
Total amount invested in training and development	\$1,844,528	\$1,672,093
Average hours of training per FTE	34	20
Average amount spent per FTE on training and development	\$999	\$906
Percentage of eligible employees who received a regular performance and career development review ²	100%	100%

¹ Metrics for 2023 cover EQB's 10-month fiscal year January 1, 2023 through October 31, 2023

² Excludes Bennington Financial Corp.

Total rewards and pay equity

We approach compensation and benefits with a total rewards mindset. While compensation is an important part of our rewards offering, it is one component of a meaningful suite of rewards for employees, including our comprehensive and differentiated benefits offerings, Employee Share Purchase Plan (ESPP) and a group retirement savings plan that includes a baseline employer contribution of 3% of base salary, with an additional dollar-for-dollar match up to 5% based on years of service.

The goal of our compensation program is to attract and retain the right talent, motivate employees to perform well, ensure equity and fairness, promote transparency and clarity to foster trust and engagement and comply with regulations and risk best practices.

Ensuring fair and equitable pay practices in every part of the talent journey is important to us. Bonus for all employees is determined by a mix of individual performance and corporate performance, with more weighting placed on corporate performance as job level or seniority increases. For more details on our compensation philosophy, refer to our **2024 Management Information Circular** published on eqb.investorroom.com.

We make decisions based on consistent standards to minimize bias in decision making. Our Compensation function provides recommendations and acts as control and advisory function to ensure internal equity and market competitiveness. Our efforts to date positioned us well to achieve compliance under the *Federal Pay Equity Act* in 2024.

The table to the right provides a summary of compensation by level for women compared to men and for racialized employees compared to non-racialized employees. Overall, our compensation ratios on gender and race have improved across levels.

Performance¹

	2024	2023
Total Rewards²		
Participation Rate in ESPP	70%	68%
Bank's ESPP Contribution ³	\$2,589,292	\$1,801,882

¹ Metrics for 2023 cover EQB's 10-month fiscal year January 1, 2023 through October 31, 2023

² Excludes Bennington Financial Group

³ Integration of Concentra Bank with Equitable Bank was ongoing in 2023; Concentra Bank employees started contributing to ESPP in April 2023

Position Group	Total Compensation of Women relative to Men ⁴		Total compensation of Racialized Persons relative to Non-racialized Persons ⁴	
	2024	2023	2024	2023
Executive Management ⁵	109%	106%	128%	123%
Junior Executive Management ⁶	96%	93%	96%	93%
Middle Management ⁷	96%	96%	99%	100%
All other employees	100%	100%	99%	99%

⁴ Excludes CEO compensation

⁵ Executive Management refers to the CEO and CEO's direct reports

⁶ Junior Executive Management includes employees in job levels 11 to 12

⁷ Middle Management includes employees in job levels 8 to 10

⁸ All Other Levels includes employees in job levels 1 to 7

Inclusion, diversity, equity, accessibility, anti-racism

Why this matters

Workplace inclusion is essential to contributing to a stronger, more dynamic organization. While gender diversity has steadily improved, we recognize there are opportunities to improve racial and ethnic representation, particularly at senior leadership levels. Addressing these gaps ensures a reflection of a broad range of perspectives and experiences found in the diverse communities we serve in addition to improving decision-making, risk assessments and business outcomes. A diverse workforce also fosters trust and strengthens customer relations. Beyond representation, empowering and amplifying a diverse talent pipeline is key to meeting the evolving demands of the industry. It encourages new ideas, better market insights and creative problem-solving, giving organizations a competitive edge to enhancing long-term resilience and success.

EQB approach

Celebrating the differences in our lived experiences is central to our challenger bank mindset and goes beyond diversity, equity and inclusion. We use “IDEA²” to refer to Inclusion, Diversity, Equity, Accessibility and Anti-Racism work. This celebration of human differences is championed by EQB’s ERGs and employee-led cultural days of celebration and commemoration. Diverse perspectives and life experiences create the rich fabric of our workplace culture. We foster open discussions on our respective experiences – sharing unique learnings and viewpoints to deepen mutual understanding of one another and cultivate an environment where employees feel understood and valued.

“EQB takes a thoughtful and pragmatic approach in applying an IDEA² lens across the business...”

EQB’s approach to IDEA² is multifaceted, shaping various aspects of the business from hiring to employee engagement, workforce demographics and promotions. It is a foundational element that underpins and drives progress across multiple business areas and practices. We take a thoughtful and pragmatic approach in applying an IDEA² lens across the business, to advance employment equity and foster an equitable and representative workplace. In 2024, promotion policies were enhanced to ensure a level playing field, including consistent application across the organization and mitigating the potential for unconscious bias.

To better understand factors driving retention and attrition among underrepresented groups, focus group sessions were conducted for specific job levels and performance categories to understand sentiments and ensure fair representation was actioned across equity-seeking groups. We have also ensured timely compliance with the *Federal Pay Equity Act*, ensuring the absence of pay disparities. A significant achievement for us was the development and launch of the Competency Framework supporting employee career pathing and professional development. This framework standardizes the evaluation of skills and competencies across roles, ensuring that all employees are assessed using consistent criteria to support equitable advancement opportunities. Mid-year and year-end performance calibrations are also facilitated through an IDEA² lens to support fair and objective talent assessments.

Employee Resource Groups (ERGs)

Beyond our focus on advancing employment equity, the ERGs are also a driving force behind many IDEA² initiatives. The ERGs are comprised of individuals with diverse experiences, each serving a meaningful purpose within the company. Each ERG has dedicated human resources support and an Executive Sponsor from our Management Committee to ensure the requisite exposure and resources are available to support their objectives.

The table below lists our six ERGs and their key objectives over the course of 2024. These efforts are all in service of the three-year strategy each ERG presented to the Management Committee or Board in 2023, which included recommendations for ensuring the attraction and retention of individuals from underrepresented groups and engagement with the community.

The Black Collective

Objective

To ensure equitable opportunities for people of African descent through promoting the hiring and development of Black employees, leveraging the Black Collective for leadership development.

2024 Accomplishments

- Hosted the second Annual Black History Book Club event
- Worked with Talent Acquisition team to partner with organizations that could help increase diversity in our talent pipeline
- Introduced the Black Business Accelerator Grant (BBAG), awarding \$25,000 between three black-owned small businesses. Winners will be announced in 2025

Indigenous

Objective

To support the improved understanding of our history and wrongs of the past, while strengthening our organizational commitment to the ongoing work of truth and reconciliation.

2024 Accomplishments

- As part of National Day for Truth and Reconciliation, hosted Cadmus Delorme, CEO of OneHoop, and former Chief of Saskatchewan First Nations, to deliver an inspiring talk on actionable steps to advance reconciliation
- To kick off Pride Month and lead up to National Indigenous Peoples Day, hosted Sheri Osden Nault to speak on how they integrate cultural, social and experimental creative processes into their art

Women in Tech

Objective

To promote equality, bridge the gender gap and break down barriers faced by women working in technology through advocacy, education and collaboration.

2024 Accomplishments

- Hosted the first Women in Leadership event, centred on the importance of building a personal brand, mastering communication and overcoming self-doubt
- Developed a new partnership with Scientists in Schools, supporting over 1,700 schools and several First Nations communities across Canada develop STEM skills training
- Attended the University of Toronto Women in Science and Engineering (WISE) Day Gala

2SLGBTQ+ employees

Objective

To cultivate a positive, inclusive and safe working environment for 2SLGBTQ+ employees through awareness, education and community partnerships.

2024 Accomplishments

- Hosted the second annual Drag Brunch and raised funds for the 519 agency Trans Youth Mentorship Program
- Solidified partnership with queer-focused recruitment organization, QueerTech

Newcomers to Canada

Objective

To support the social and cultural integration of first- and second-generation Canadian immigrants by providing resources to empower them to thrive as they adjust to Canadian society.

2024 Accomplishments

- Increased the number of personal days to four, to allow our diverse employee base to celebrate cultural holidays or traditions
- Supported the Talent Acquisition team in a job fair for immigrants

The Green Team

Objective

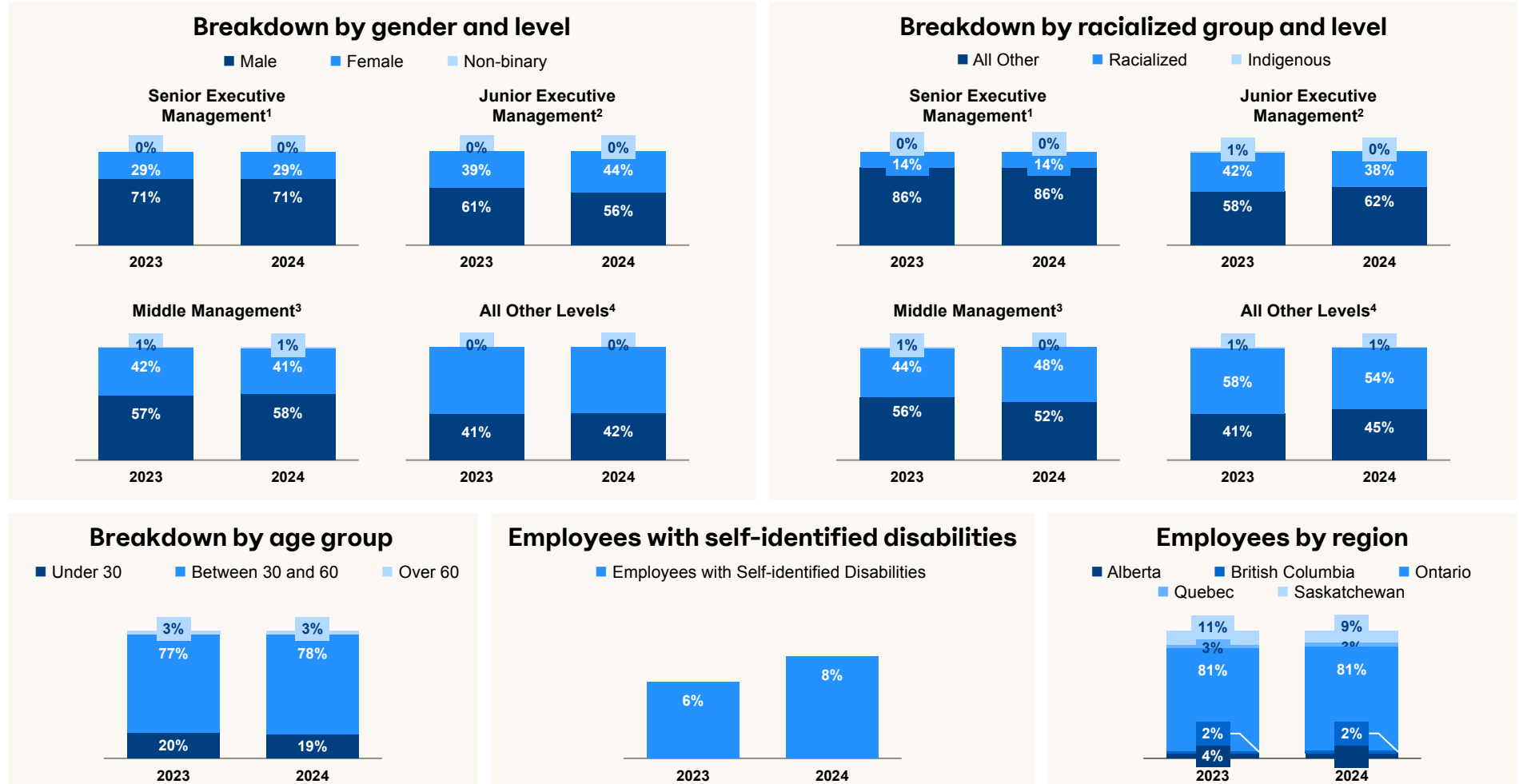
To inspire greater appreciation for the natural environment while contributing to climate advocacy initiatives and promoting sustainable practices within the company.

2024 Accomplishments

- Coordinated our third annual tree planting day, working with the Credit Valley Conservation
- Removed thousands of beef options from the lunch menu in service of reducing our methane gas emissions and carbon footprint
- Swapped out plastic utensils for lunches with wooden ones in efforts to divert plastic from landfills

Performance

We are proud that our workforce reflects the diversity of our customers across Canada. The table below provides a breakdown of employee representation across priority categories. Our demographic is broadly similar to 2023, except for a notable increase in racialized persons, which reflects advances in hiring as well as the meaningful impact of self-identification.



¹ Executive Management refers to the CEO and CEO's direct reports

² Junior Executive Management includes employees in job levels 11 to 12

³ Middle Management includes employees in job levels 8 to 10

⁴ All Other Levels includes employees in job levels 1 to 7

Rights of Indigenous peoples and EQB's commitment to Truth and Reconciliation

Why this matters

EQB acknowledges that Indigenous peoples in Canada have a constitutional relationship with the Crown, affirmed in section 35 of the *Constitution Act*, recognizing the inherent rights of Indigenous peoples and government obligations. As a corporation operating in Canada, we understand the role we have in learning about historical and ongoing impacts of Indigenous inequalities, as it is essential to fostering trust and meaningful relationships with Indigenous communities. By embracing this responsibility, organizations not only comply with legal and regulatory expectations but, more importantly, also contribute to broader and necessary efforts to foster a more equitable and socially responsible corporate landscape for Indigenous peoples.

EQB approach

We are committed to the ongoing work of Truth and Reconciliation. For us, Reconciliation is a process that requires progressive learning, unlearning, listening, and action. It is a journey that we must take together, with respect and humility, to acknowledge the harms of the past, and to work towards a more just future. We take it as our responsibility to answer the Truth and Reconciliation Commission's 92nd Call to Action regarding Business and Reconciliation. Our specific commitments are:

- (1) To ensure that Indigenous peoples have equitable access to jobs, training and education opportunities in the corporate sector, which we are doing through relationship building, Indigenous-focused recruitment, outreach and partnerships with Indigenous organizations and educational institutions.
- (2) To provide education for management and staff on the history of Indigenous peoples, including the history and legacy of residential schools. We are accountable for ensuring that our Reconciliation commitments are met through respectful, meaningful and dedicated engagement with Indigenous colleagues, communities and partners and honouring and amplifying Indigenous voices in the workplace.

We are making a conscious effort to drive meaningful impact through our business operations, building on the foundational work we've progressed over the years. In 2022, we introduced a selfie ID verification system to simplify the process of opening an online (non-branch) bank account with EQ Bank. This technology, powered by informed artificial intelligence, enables customers to digitally verify their government-issued ID — a requirement under FINTRAC regulations. Historically, customers without commonly used identification had to visit a Canada Post branch to verify their identity, which created barriers to access. **We engineered our system to accept photo recognition of Status Cards for Indigenous peoples, making Equitable Bank the first financial institution in Canada to enable this functionality.**

Across EQB, we provide services that directly support Indigenous bands across Canada through land entitlement claims, empowering Indigenous Nations to pursue legal resolution for historical land rights violations. These services help ensure that Indigenous communities have the necessary resources to advocate for their rights and secure long-term economic benefits. For example, through Concentra Trust, we act as a Trustee for First Nations pre- and post-settlement Land Claims. Leveraging our strong partnership within the credit union network, we have been intentional about finding opportunities to foster engagement and knowledge-sharing with Indigenous communities that our credit union partners support.



Performance

Efforts led by EQB Indigenous ERG

In 2024, we launched several initiatives to deepen understanding and foster connections with Indigenous communities and businesses as part of our commitment to the 92nd Call to Action on Business and Reconciliation. Our Indigenous ERG members guide us on this work with organization-wide support. The Indigenous ERG has created meaningful educational initiatives across the company, including an all-company presentation by Cadmus Delorme, CEO of OneHoop, former Chief of Saskatchewan First Nations, who delivered an inspiring talk on actionable steps to advance reconciliation. To kick off Pride Month and the lead-up to National Indigenous Peoples Day, we hosted Sheri Osden Nault, a Two-Spirit artist, community worker and Assistant Professor in Studio Art at the University of Western Ontario. They delivered an insightful presentation on their work, exploring embodied connections between humans and non-human beings, land-based relationships and kinship sensibilities through an Indigenous futurist lens.

We seek opportunities in supporting Indigenous communities year-round, including our on-site lunch program, which features local Indigenous and non-Indigenous restaurants across our regional offices which are reflective of the diversity of our customers, employees and communities.

Support for Indigenous students and recruitment

We continue to support Indigenous students by sponsoring an annual \$2,500 scholarship and \$3,500 bursary at the Edwards School of Business, University of Saskatchewan, and in 2025 we plan to establish a scholarship for students in the Business Program at First Nations University of Canada.

Dedicated services

As of October 2024, Concentra Trust serves three clients through trust services for Land Claims, aimed at supporting Indigenous Nations in pursuing settlements for historical land rights violations. We remain committed to enhancing these relationships through open, meaningful partnerships that reflect our dedication to reconciliation and collaboration.

Donations and volunteering

We continued to partner with Renewed Computer Technology Organization (RCTO), a federally funded not-for-profit, charitable organization that refurbishes computers and delivers them to schools, First Nation bands, charities, non-profits, individuals and families living with limited income in Ontario. In 2024, we donated 589 devices (535 laptops and 54 desktops). Concentra Bank and Equitable Bank also share a passion with Canadian credit unions for making communities better places to live. Through the Empowering Your Community Program, we granted \$200,000 to thirteen credit unions across the country in 2024 for the purpose of supporting projects that will drive meaningful progress in three areas: housing and mental health, Indigenous resurgence and food insecurity in their local communities. While many of our grants assist Indigenous communities, we also set aside \$25,000 annually specifically for “Indigenous Resurgence” initiatives, with funds directed towards language programs, food insecurity and cultural initiatives. Moreover, we are focused on supporting organizations that directly serve the Indigenous community in Saskatoon including the Friendship Inn, which provides nearly 2,000 hot meals a day in the inner city and The Saskatoon Food Bank and Learning Centre.

Philanthropic activities

Why this matters

Financial institutions play a vital role in supporting the communities they serve, extending beyond their core banking function to contribute to social and economic well-being. Building trust and fostering resilience within communities, particularly those that are marginalized or have historically faced barriers, is an essential aspect of long-term sustainable and responsible business practices. Philanthropic initiatives, whether through direct financial support or partnerships with local organizations, help strengthen these relationships and demonstrate a commitment to addressing the needs of the community.

“...financial institutions that prioritize community support are better positioned to make a positive impact on both the organization and the communities they serve.

Corporate philanthropy and volunteerism also have the potential to cultivate a stronger internal culture by enhancing the sense of purpose and connection among employees. Providing opportunities for employees to engage with local initiatives enhances job satisfaction, builds teamwork and aligns with the values of socially conscious talent. As societal expectations around corporate social responsibility continue to evolve, financial institutions that prioritize community support are better positioned to make a positive impact on both the organization and the communities they serve.

EQB approach

Our purpose of enriching the lives of people is the driving force behind our contributions to communities across Canada. Corporate Giving is a defining pillar of our culture, demonstrated by our active and robust Corporate Giving Policy to support registered charities, certified non-profit organizations and local volunteering activities that lay the foundation of the vibrant communities that we serve. Our policy operates at the intersection of houselessness and mental health, and cascades across humanitarian relief, sustainability and giving opportunities supporting our ERGs. Beyond financial resources, we are intentional about going the extra mile to maximize the value of our social investments, often leveraging the power of our workforce through volunteerism. Volunteerism offers many rewards including the opportunity for our Challengers to act together as community leaders. Each employee is given two paid volunteer days each year and many team members choose to use that time to work together in support of the organizations or activities outlined below.

We prioritize causes and organizations that are vital to the long-term health of communities, including causes that are close to the hearts of our employees. We recognize that we have an important role to play in contributing to the flourishing of our society, and a responsibility to be a driver of the positive change we wish to see.

Performance

More details can be found in our 2024 Public Accountability Statement available at eqb.investorroom.com.

In 2024, our Challenger workforce dedicated
2,775 volunteer hours
to meaningful community initiatives, with a strong focus on the intersection of houselessness and mental health, and cascading across humanitarian relief and sustainability initiatives

Donated \$342,580
and provided sponsorships worth
\$761,456 to impactful causes

We are proud to have
granted \$2.1 million
since 2011 to credit unions and their non-profit partners nationwide as part of our Empowering Your Community Program

Investing in Canadian arts

Why this matters

Arts and culture play a vital role in shaping society, fostering creativity and building a sense of shared identity. Supporting the arts ensures that cultural expression remains accessible while providing early-career artists with opportunities to develop and share their work. Many emerging artists face financial and institutional barriers, making corporate and institutional investment critical to sustaining a diverse and innovative creative ecosystem. Moreover, as digital tools continue to reshape artistic practice, investing in digital art plays a key role in fostering new forms of storytelling, engagement and creative exploration. By supporting artists and expanding opportunities for artistic expression, organizations contribute to a more vibrant and inclusive cultural landscape, strengthening connections between communities and reinforcing the value of artistic expression in shaping society.

EQB approach

We have a longstanding commitment to supporting Canadian artists through direct investment in contemporary art and initiatives that provide opportunities for emerging talent. Since 1993, the EQB art collection has grown to include over 280 works spanning painting, drawing, printmaking, photography, textiles, sculpture and digital media, reflecting a socially responsible approach to arts patronage. Our focus is on supporting early-career artists and innovative artistic practices that push creative and technological boundaries. As a leading digital bank, we embrace innovation and new technologies,

“...EQB embraces innovation and new technologies, which has influenced our support for digital artists.

which has influenced our support for digital artists. This commitment led to the creation of the Emerging Digital Artists Award (EDAA) in 2015, an annual prize recognizing early-career artists who critically and creatively engage with digital technology in their work. By championing digital art, we aim to foster experimentation in fields such as video, animation, web art, game art and extended reality while increasing visibility for emerging digital creators.

Performance

In 2024, we supported 186 Canadian artists and 18 Canadian arts organizations, providing \$315,550 in financial support. 2024 also marked the 10th anniversary of the EDAA, and in celebration of this we expanded the award's reach through new national and international opportunities. For the first time, the 2024 EDAA Exhibition will tour across Canada in collaboration with Gallery TPW (Toronto), EMMEDIA Gallery & Production Society (Calgary) and the Centre for Art Tapes (Halifax). Additionally, a virtual exhibition partnership with the MacKenzie Art Gallery (Regina) and SpekWork Studio will make the works more widely accessible. In 2025, one of the five award recipients will further develop their practice through an international residency with CYENS Thinker Maker Space in Nicosia, Cyprus. The five recipients of the 2024 EDAA—Carmilla Sumantry, the CYENS recipient, and Francisco Gonzalez-Rosas, Moni Omubor, Quinn Hopkins and Studio Ekosi—each received a \$5,000 grand prize in recognition of their innovative work. Over the past decade, the EDAA has provided \$180,000 in funding to 60 emerging digital artists, helping them advance their careers.

“EQB sponsored several initiatives in 2024 aimed at expanding opportunities...

In addition to the EDAA, we sponsored several initiatives in 2024 aimed at expanding opportunities for emerging artists and increasing public engagement with digital art. This included partnerships with leading Canadian non-profit arts organizations such as InterAccess, the Toronto Biennial of Art and the Toronto Reel Asian Film Festival, reinforcing our commitment to supporting contemporary artistic practices and fostering a more accessible and inclusive arts landscape.

Contributing to affordable housing

Why this matters

Housing is essential to social and economic well-being, yet many Canadians face increasing challenges in securing safe, stable and affordable housing due to rising costs, limited supply and economic uncertainties. Addressing the current housing crisis is crucial to supporting the economic mobility and quality of life for Canadians while building thriving communities. Enabling individuals to focus on employment, education and personal well-being without the burden of housing insecurity will also deliver outsized economic benefits. This issue requires collaboration across sectors, with financial institutions playing a pivotal role in financing the development and preservation of affordable housing.

EQB approach

Addressing the need for affordable housing is deeply integrated into our decision-making process. When evaluating opportunities to offer services or deploy capital, we prioritize assessing the potential impact on advancing affordable housing solutions. Our efforts are focused in four key areas: lending solutions, wholesale funding, strategic investments and community engagement.

Lending solutions

Affordable housing is a central focus of our lending strategy, as we recognize the critical role we have as a capital provider. We uphold this commitment through continued support and financing of CMHC-insured mortgages for multi-unit residential properties. By partnering with CMHC, we help facilitate access to financing that supports the construction and maintenance of affordable rental housing across the country. The launch of CMHC's MLI Select Insurance program in March 2022 further expanded opportunities by introducing qualifiers beyond affordability, such as energy efficiency and accessibility, allowing borrowers to qualify for insurance based on one or a combination of these factors, and receive insurance premium discounts as well as other benefits including 50-year amortizations. Our participation in this program underscores our commitment to enabling sustainable, affordable and accessible housing solutions that address the challenges being faced by Canadians, helping to provide them with the foundation for social and economic well-being. In 2024, Equitable Bank funded \$4.3 billion in loans, comprising 129 term loans and 41 construction loans, supporting a total of 170 multi-unit residential properties nationwide. This funding represented a 126% increase over the \$3.4 billion funded in 2023 which has gone directly towards ensuring more Canadians can access affordable and safe housing in thriving communities.

Further expanding our efforts, Equitable Bank introduced the Laneway House Mortgage in 2024, initially available in the Greater Toronto Area, Greater Vancouver Area and Calgary. This innovative construction loan is intended to help homeowners finance laneway homes or garden suites on their property, allowing them to expand their living space or generate additional rental income while addressing critical housing shortages by bringing much-needed housing density to urban centres and creating a solution for the emerging needs of multigenerational households. This initiative reflects our belief that all Canadians deserve access to homes in the communities they love, and we are proud to continue playing a leading role in financing projects that support housing accessibility in Canadian cities.

Wholesale funding

We consistently explore opportunities to support communities beyond the provision of financial services. The issuance of Equitable Bank's inaugural social covered bond, under its Sustainable Bond Framework, was a natural extension of the company's sustainable business and focus on social responsibility. This was Equitable Bank's largest-ever issuance totaling €500 million (CAD \$735 million) in legislative covered bonds due to mature in May. A driving force behind this issuance was a focus on social and affordable housing, in recognition of the pervasive challenges of the housing landscape in Canada. Approximately two-thirds of the 100+ investors were new to Equitable Bank's Covered Bond Program, the total order book exceeded 4 billion and was oversubscribed by more than eight times, marking a significant milestone that underscores strong market confidence and enthusiasm, as well as the program's alignment with investor priorities.

Seeding ACM Advisors' new Social and Climate Fund

We saw an opportunity to support ACM Advisors in expanding its go-to-market approach while meeting investor demand for sustainable investment options. That's why in 2024, we committed to ACM's new Social and Climate Fund, set to launch in 2025, which will provide institutional investors access to commercial lending assets aligned with social and climate initiatives. The Fund will pool mortgages secured against Canadian commercial real estate properties, each evaluated for its contributions across four pillars: climate, affordable housing, Indigenous groups and local communities. We look forward to the Fund's launch and to supporting ACM in making a meaningful impact across these four pillars.

Community engagement

We have a longstanding affiliation with Fred Victor, an organization that provides shelter and support for people experiencing houselessness in Toronto. This partnership reflects our shared commitment to the importance of housing as a fundamental right. Our collaboration is deeply rooted in our mutual dedication to supporting individuals in need, particularly those who require mental health supports to improve their quality of life. At EQB, we focus on providing lending solutions that help people reach their home ownership goals who typically would not qualify for mortgage financing, aligning seamlessly with Fred Victor's mission to offer transitional housing, mental health supports, food programs and more. In parallel, we strive to create a positive impact on the lives of those we serve and do this in part through supporting Fred Victor's efforts in ensuring people have access to safe and affordable housing, as well as the essential services they need to thrive.



Financial inclusion

Why this matters

Canadian banks offer a diverse range of financial products designed to meet the varying needs of their customers. However, high fees and stringent credit history requirements can often create barriers to access critical products and services. By expanding product offerings tailored to the unique needs of Canadians and ensuring all communities have access to essential financial products – such as credit and savings – financial services can contribute to broader economic development and drive entrepreneurship, job creation and financial wellbeing. For advancing financial inclusion in Canada, Canadian Credit Unions also serve as vital partners to banks, representing a valuable part of the Canadian financial landscape by providing members with competitive financial services while also contributing positively to their communities. The system represents combined assets of \$313.4 billion as of the third quarter 2024, representing 6.1 million members, and often serve small and rural communities, ensuring access to high-quality banking services to individuals across Canada.

EQB approach

As a digital-first institution, we are uniquely positioned to address these barriers and cater to all Canadians, including those whose needs are frequently overlooked by traditional financial institutions. We recognize the responsibility we have as one of Canada's few publicly-traded mid-sized banks to advocate for our customers and communities by introducing inclusive, innovative and straightforward financial products. We are intent on doing this by both enhancing competition within the Canadian banking sector, ultimately delivering greater benefits to consumers across the country, and by providing Canadians with access to high-quality banking services at low or no fees.

This approach permeates the entire Bank including our lending businesses by leveraging our differentiated expertise in originating and underwriting loans to offer a broader range of solutions across the credit spectrum. In doing so, we aim to better support self-employed individuals, new Canadians and those in the wealth decumulation life stage who tend to have more complex needs and face greater challenges accessing financial products and services through traditional financial institutions.

In addition, Concentra Bank and Concentra Trust have a rich history of partnering with Canadian credit unions through financial services and trust solutions. Concentra Trust has over \$43 billion in Assets Under Administration as of December 2024 and proudly serves more than 150 credit unions across Canada with Registered Plan and Trust and Estates solutions designed to strengthen the credit union system and enable them to even better serve their members.

We introduced a range of inclusive banking products designed to foster economic growth, promote entrepreneurship and empower communities often overlooked by other financial institutions. Initiatives include:

- **EQ Bank Small Business Banking:** In 2024, EQ Bank launched its small business account with a beta group to provide traditionally underserved business owners with a solution uniquely designed to accommodate their needs. This product provides attractive benefits such as high interest rates, low fees and a seamless, mobile-first user experience.
- **Decumulation products:** Equitable Bank has expanded its portfolio to meet the financial needs of Canada's growing retiree population. Offerings include reverse mortgages that allow customers to stay in their homes and access the equity they have built and insurance lending products that similarly allow customers to access equity in their insurance policies. Equitable Bank has actively promoted these products through broker outreach and direct-to-consumer advertising campaigns.
- **Registered Disability Savings Plans (RDSPs):** Concentra Trust, part of the Equitable Bank family, collaborates with credit unions across Canada to provide RDSPs, enabling individuals with disabilities and their families to save for the future. Awareness of this critical product has been meaningfully elevated through media interviews, community events and partnerships with credit unions to ensure greater availability of this important government matching program for as many eligible Canadians as possible.



Through these initiatives, we demonstrate our commitment to fostering financial inclusion, supporting communities and driving meaningful economic contributions across Canada.

Performance

	2024	2023
Number of EQ Bank Personal Account Customers	512,894	400,983
Portfolio size of Loans Towards Self-Employed Entrepreneurs ¹ (billions)	\$14.0	\$13.7
Portfolio size of Loans Towards Small-Medium Size Businesses ² (billions)	\$2.5	\$2.3
Portfolio size of Decumulation Loans (e.g., reverse mortgages, insurance lending) (billions)	\$2.1	\$1.4

¹ Inclusive of single-family residential insured and uninsured mortgages, decumulation loans, and commercial mortgages to self-employed. This figure also includes loans to self-employed entrepreneurs that are allocated under the Social Covered Bond

² Inclusive of commercial mortgages to small and medium sizes businesses and equipment financing loans through Bennington Financial Group

Product innovation & technology

Why This Matters

Fueled by a deep passion for solving real problems for Canadians with solutions that are transparent, intuitive and in the best interest of customers, we continue to demonstrate our skills in building innovative and differentiated products. Product and technology innovation has always been a key pillar of our strategy. We also believe in advocacy for regulatory change that will increase competition and ultimately benefit Canadians.

EQB Approach

We continue to launch innovative products to address the evolving needs of our customers. Recent developments include:



Notice Savings Account

EQ Bank's flagship innovation in 2024, the first-of-its-kind in Canada with no fees and no minimum balance, providing customers with a flexible savings option that combines competitive interest rates with liquidity, empowering them to manage their funds effectively while earning meaningful returns.



Small Business Banking

In September, we launched the beta version of banking for small businesses and entrepreneurs, which is centred around providing customers with a seamless, fully digital onboarding experience and an account that earns high interest while charging no fees. On social media, EQ Bank has already seen customer praise for the savings on bank fees and ease and speed of onboarding. We are excited to continue to launch additional meaningful features and products nationally.



Fair Foreign Exchange

In line with our Challenger ethos, we sought to redefine value and convenience for our customers regardless of currency. As part of our commitment to challenge stubbornly high FX fees in market, we materially improved our CAD and USD exchange rates. Now, through EQ Bank, larger dollar-value transfers are easier, faster and more cost effective for customers.



Advocacy for Open Banking

We are a vocal advocate for Open Banking in Canada, championing a more competitive, transparent and consumer-centric financial ecosystem. By supporting the implementation of Open Banking, we seek to empower customers with greater control over their financial data while fostering innovation and competition within Canadian banking to improve customer choice and value.



Laneway House Mortgage

This innovative construction loan helps homeowners finance laneway homes or garden suites on their property, allowing them to expand their living space or generate additional rental income while addressing critical housing shortages by bringing much-needed housing density to urban centres and also creating a solution for the emerging needs of multigenerational households.



Enabling Loop's Global Visa Card

In partnership with Loop, a Toronto-based Fintech player, EQ Bank enabled their launch of a business credit card which allows small and medium-sized Canadian businesses to spend and settle balances in multiple currencies. Through this partnership and as the first credit card use-case for us, we powered an innovation solution that is allowing Loop to address the practical needs of Canadian businesses engaged in international trade.

A woman with dark skin and long dreadlocks, wearing an orange t-shirt, a patterned bucket hat, and a black backpack, is sitting on a large log in a mountainous landscape. She is looking towards the camera. In the background, there is a river flowing over rocks, surrounded by dense evergreen forests and steep, rocky mountains. A large yellow semi-transparent shape is overlaid on the right side of the image, containing the text.

Building a Greener Future with Digital Banking

Climate change

With rising temperatures and increasing natural disasters, climate change poses a threat to the stability and resiliency of the financial system. It is becoming evidently necessary and critical for companies to assess both the impact of climate change on their operations and their own actions towards addressing climate change. This dual focus ensures long-term resiliency of the business, while demonstrating a commitment to environmental responsibility. Accountability for climate action is becoming a critical focus area for financial institutions, a result of increasing exposure to environmental disruptions, impending regulations and shifts in consumer behaviour. Understanding the implications of climate change and embedding these into decision-making minimizes financial implications from climate risk, meets regulatory obligations and appeals to a broader base of customers and investors.

EQB Approach

We recognize the importance of addressing climate change risks in a way that aligns with our business strategy, growth trajectory and goal to generate long-term value for our shareholders. As Canada's first-born digital bank, we have the unique position of a branchless, cloud-based bank, inherently keeping operational carbon footprint minimal. In addition, our lending activities have limited exposure to carbon-intensive and high-emitting industries, as our primary focus is lending where people live, including single-family residential loans and multi-unit residential mortgages.

While our direct exposure to financial loss from climate-related events is mitigated based on the industries, assets and geographical areas of our lending exposure, we understand that evolving regulations around climate risks are shaping the way in which the financial industry is responding. In Canada, OSFI released B-15 Climate Risk Management guidelines, for Federally Regulated Financial Institutions (FRFI) to identify and manage climate physical and transition risks, and shared expectations on climate scenario analysis to understand these risks over varying time horizons.

We are dedicated to meeting regulatory requirements and are committed to the principles of transparency, strong governance and active contributions towards a climate-resilient financial system. In 2021, we developed our climate strategy with guidance from the Task Force on Climate-Related Financial Disclosures (TCFD) under the Financial Stability Board (FSB),

“...are committed to the principles of transparency, strong governance and active contributions towards a climate-resilient financial system.

which was the only existing voluntary climate-related framework at the time. Since then, we have continued to voluntarily disclose our progress in line with the TCFD recommendations. Although the TCFD was disbanded in late 2023, leveraging this framework from the outset and over time has positioned us well to effectively navigate today's regulatory climate.

Our strategy was initially set to guide our actions over the short, medium and long term, with a focus on risk management and governance over climate risk. We have been intentional in our approach, ensuring that our commitments are not only meaningful and transparent, but also align with our business objectives and long-term sustainability as we understand this deeply resonates with our customers and employees.

As climate awareness increases, regulatory frameworks evolve and stakeholder expectations continue to rise, we view this as a pivotal moment to adapt and refresh our strategy centered on the core principles of risk management, metrics and target measurement and unlocking climate-related opportunities. We monitor these areas, ensuring that climate risks and opportunities are assessed through a proportional lens, tailored to the unique nature of our business operations, as a digital bank.

Our journey on climate

2020

Became carbon neutral in Scope 1 and Scope 2 emissions and committed to carbon neutrality going forward.

2021

Developed a climate strategy to guide our initiatives aligned with the TCFD.

Became Canada's first Schedule I bank to disclose the entire Scope 3 GHG emissions portfolio including financed emissions.

Established Equitable Bank's Green Team ERG.

2022

Established Board and management level governance structures including responsibilities for climate related actions.

Conducted a qualitative climate scenario analysis to identify and assess exposure to top physical risks and develop narratives for transition risks and opportunities.

2023

Integrated Concentra Bank's emissions profile into EQB's overall GHG inventory.

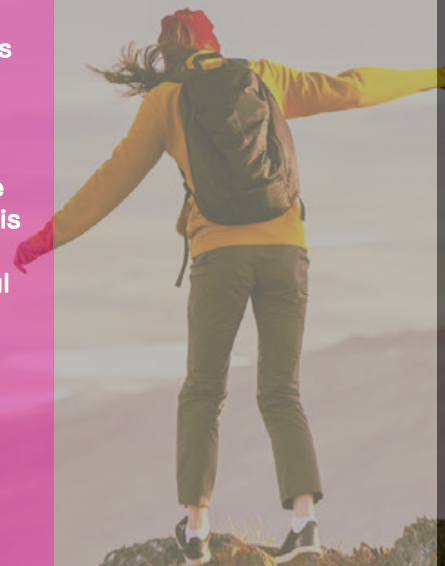
Established a baseline year on GHG Emissions.

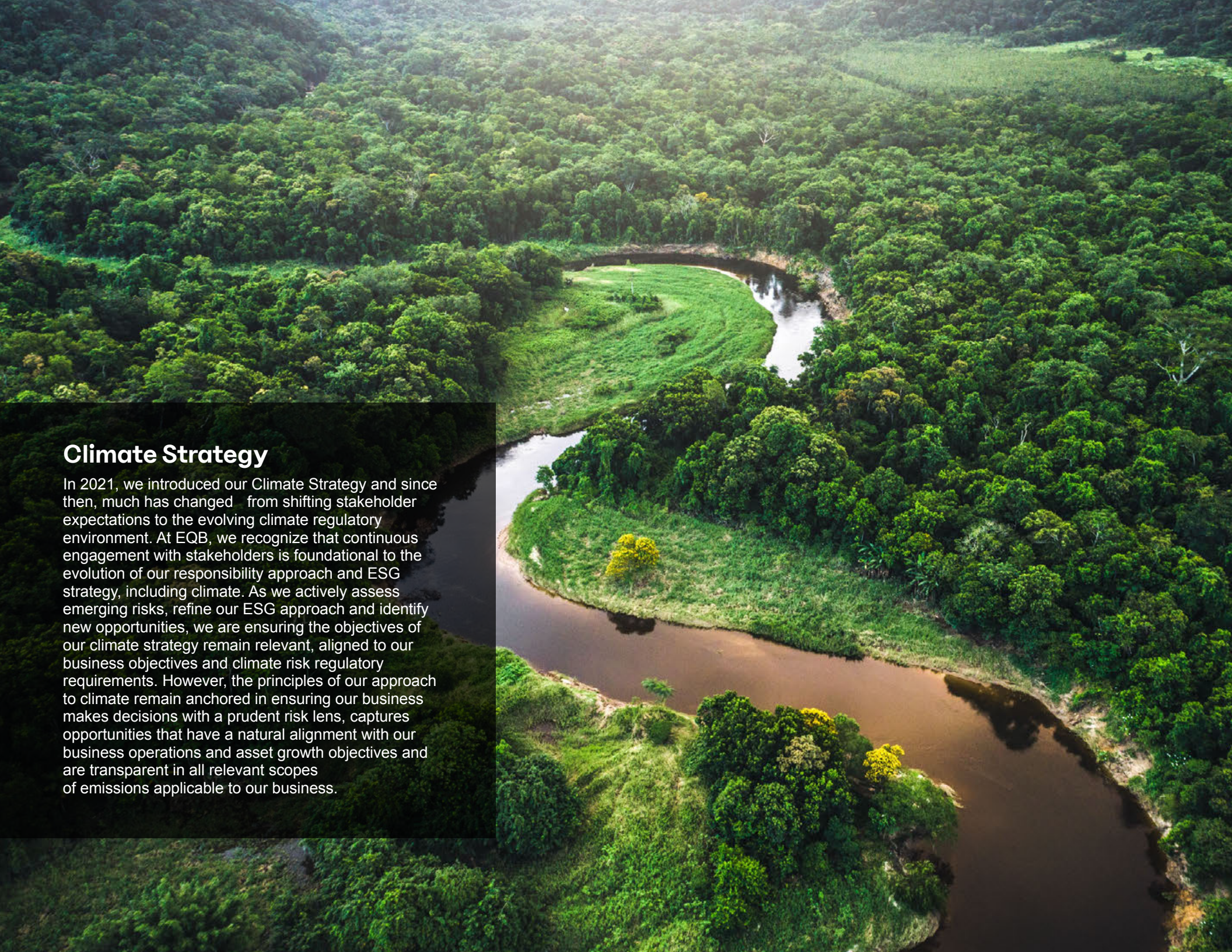
2024

Publicly launched Equitable Bank's inaugural Sustainable Bond Framework, including eligibility towards green projects which will be explored through a potential Green Bond Issuance in the coming years.

Achieved quantifiable results of 63% carbon efficiency and 93% water efficiency in EQ Bank's operations, identified through the completion of a case study with Temenos and GoCodeGreen.

Integrated ACM emissions profile into EQB's GHG Inventory, upon completion of ACM Advisors' acquisition in December 2023.



An aerial photograph showing a river meandering through a vast, dense tropical forest. A large, circular grassy clearing is situated on the left bank of the river. The forest is lush green, and the river water is a dark, reflective brown. The overall scene conveys a sense of natural beauty and environmental stewardship.

Climate Strategy

In 2021, we introduced our Climate Strategy and since then, much has changed from shifting stakeholder expectations to the evolving climate regulatory environment. At EQB, we recognize that continuous engagement with stakeholders is foundational to the evolution of our responsibility approach and ESG strategy, including climate. As we actively assess emerging risks, refine our ESG approach and identify new opportunities, we are ensuring the objectives of our climate strategy remain relevant, aligned to our business objectives and climate risk regulatory requirements. However, the principles of our approach to climate remain anchored in ensuring our business makes decisions with a prudent risk lens, captures opportunities that have a natural alignment with our business operations and asset growth objectives and are transparent in all relevant scopes of emissions applicable to our business.



Mitigation of climate risk through robust risk management mitigation efforts

Effective risk management plays a pivotal role in safeguarding the integrity and resilience of our lending portfolio against the evolving challenges of climate change. The industry defines climate risk predominantly as **physical risks**, including risks arising from a changing climate leading to the potentially increased frequency of climate-related natural disasters, and as **transition risks**, including risks that result from the transition to a low-carbon economy. Transition risks are broader and could surface in the form of emerging regulatory and legal requirements, technological developments and change in customer expectations, among other factors.

At EQB, we assess climate risk based on our bank's exposure primarily to physical risks from mortgages secured by real estate and immobile equipment. Transition risk is mitigated through our diverse lending portfolio focused on residential lending and with limited exposure to high-emitting industrial and commercial sectors. As such, we expect lower potential impact of transition risks given the nature of our borrowers, which may however change in the long term as we witness changes in government policies, legislation and regulations.

The following two pages outline EQB's approach to mitigation against potential physical and climate transition risks we see as emerging.



Physical Risks

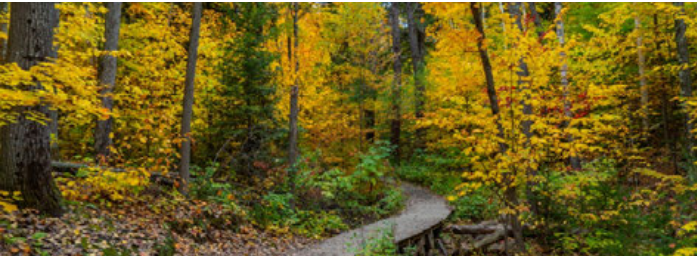
	EQB’s Assessment of Risk	Approach to Mitigation
Acute and Chronic Risks	In the context of EQB’s operations, acute risks include risk of extreme weather events or sudden changes such as floods, wildfires or heatwaves, while chronic risks involve the gradual and persistent changes in the climate – such as rising sea levels or shifting ecosystems – that accumulate over time and have long-lasting effects.	• Maintain a diversified lending portfolio to improve resilience to geographic or sector-specific environmental developments or events. Where appropriate, employ third-party consultants to carry out detailed environmental assessments on a loan-by-loan basis, consistent with regulations and peers. • Regularly conduct the Climate Scenario Analysis (CSA) to evaluate our loan portfolio’s exposure to climate risks using a localized sampling approach, considering geographic distribution and loan value. • Completed the Standardized Climate Scenario Exercise (SCSE) prescribed by OSFI under a limited scope to gain meaningful insights into the Bank’s exposure to flood and wildfire physical risks and an overview of the potential impact of transition risks such as resulting shifts in buyer preferences. • Enhance CSA process with the aim to integrate robust CSA capabilities into our credit risk decision-making as part of our ongoing efforts to mitigate climate risk and ensure the resiliency of our loan portfolio.

Transition Risks

	EQB's Assessment of Risk	Approach to Mitigation
Legal & Regulatory	Several factors in the regulatory environment could impact operations, including new regulations or policies at the Federal level, under the Bank of Canada Act, or regulatory reporting requirements such as OSFI's B-15 Climate Risk Management guidance. Additionally, we are aware of and recognize the importance of current regulations pertaining to greenwashing claims, such as the amendments made to the Competition Act.	- Monitor changes to the political environment and regulatory landscape to assess the potential impact to disclosures or reporting requirements and business operations. - Undertake external verification of our Scope 1 and Scope 2 emissions disclosures as part of our commitment to transparency and anti-greenwashing.
Reputational	Banks and financial institutions face increased scrutiny and expectations regarding their environmental impact and must continually monitor public and stakeholder reception and feedback on climate action plans and disclosures, while using these inputs to make decisions about if, when and how to enhance disclosures or take other actions to manage reputations and maintain trust.	- Actively monitor the market landscape to evaluate key risks and identify opportunities we can compete in, and proactively engage with our executive committee, Board and investor base to better align with their expectations. - Seek opportunities to be a positive example in industry, e.g., in 2021, becoming Canada's first Schedule I bank to voluntarily disclose all relevant categories of Scope 3 emissions, alongside Scope 1 and 2 emissions.
Technology	Technology infrastructure systems and providers are innovating to create platforms and software that are less carbon-intensive. The companies and businesses that they partner with can see the benefit of these more efficient carbon emission technologies should they be able to adapt their operations and infrastructure to evolve with these changes.	Exploring avenues to reduce carbon emissions across our technology platform, building on success to date, e.g., our Temenos and GoCodeGreen assessment highlighted the significant carbon and water efficiency gains from our cloud migration. Refer to page 60 of this Report for more details on assessment.
Market	Growing demand for carbon credits and greater pressure on corporates and institutions to commit to emission reduction plans has an impact on carbon credit pricing. This is an important consideration as we seek to maintain carbon neutrality on our Scope 1 and Scope 2 emissions.	Continue to build a diversified portfolio of carbon credits to maintain our commitment to carbon neutrality, regularly tracking and monitoring to adjust for changes in credit use that warrant the addition of new credits.

Capturing climate-related opportunities aligned with EQB business strategic objectives

Through our efforts to understand and address climate-related challenges, we are not only managing risks but also unlocking opportunities for our stakeholders, reflected in the launch of climate products, new investments, alternative sources of funding and more.



Maintaining carbon neutrality

We have achieved carbon neutrality in Scope 1 and Scope 2 emissions since 2020 through the purchase of Verified Emissions Reduction (VER) credits. Projects included in our carbon offset portfolio are aligned with our objective and values of creating tangible benefits for Canadians. In 2023, we highlighted the expansion of our carbon offsets portfolio through purchasing offsets in three new projects. We continue to support these initiatives and projects which include Darkwoods Forest Conservation Project, Great Bear Forest Carbon Project, Quinte Conservation Forest Project and CarbonCure Technologies. Please refer to our 2023 Responsibility Report published on eqb.investorroom.com for more details on the specific projects.



Photo Credit: Jessica Kosmack Photography

Greening our head office

We are committed to integrating sustainable practices in energy efficiency into every aspect of its operations. As the only branchless bank on the S&P/TSX Composite Index, we have maintained low Scope 1 and Scope 2 emissions. Our Toronto corporate office was awarded LEED Gold certification in 2008, and a growing share of our leased office spaces are now LEED certified, highlighting our ongoing commitment to sustainability.

Our move to the new EQ Bank Tower in 2025 marks a key milestone in our journey, as we pursue multiple LEED certifications, including Core and Shell, Interior Design, Operations and Maintenance and WELL Building Standards. The new EQ Bank Tower will also support our sustainability goals by being accessible to public transit users and designed for a hybrid working model, helping to reduce employee commuting and travel-related emissions. As we continue to grow, we are integrating sustainability into everyday operations, ensuring that our growth aligns with Canada's transition to a lower carbon economy.

Inaugural Sustainable Bond Framework

In March 2024, Equitable Bank publicly launched its Sustainable Bond Framework which enables us to access capital markets to raise funds through issuance of Green, Social or Sustainable Bonds. The framework is based on International Capital Market Association (ICMA) Green Bond Principles (2021), Social Bond Principles (2023) and Sustainability Bond Guidelines (2021). Please refer to pages 17 and 18 of this Report for more details.

Under this program, we continue to explore opportunities for ongoing momentum on issuance, after having issued Equitable Bank's first-ever social covered bond and its largest covered bond offering to date of €500M (CAD \$735M) in 3-year bonds. We plan to explore opportunities in the coming years for the issuance of Green Bonds under the established Sustainable Bond Framework.

The Green Bond will focus on the use of its net proceeds to finance or refinance new or existing 'Green' projects, including green residential or commercial buildings and energy efficiency mandates. Some of the criterion for classifying a building as 'green' is to assess whether a building is expected to reduce energy use by at least 20% or has received or is expected to receive verified third-party building standards, such as LEED Gold or Platinum.

Seeding ACM Advisors' Social and Climate Fund

In 2023, Equitable Bank acquired 75% ownership of leading Canadian alternative asset manager, ACM Advisors, with assets under management in pooled commercial mortgage funds of over \$5 billion. This aligned with our long-term strategic objective of diversifying earnings and increasing fee-based revenue, as well as providing EQB the opportunity to expand into specialized asset management products.

Since then, we have committed to investing in ACM's new Social and Climate Fund, set to launch in 2025. The Fund will consist of pooled mortgages secured against Canadian commercial real estate that directly contribute across at least one of four pillars: climate, affordable housing, Indigenous peoples and local Communities. This investment goes beyond ensuring risk-adjusted returns; it reflects our commitment to creating climate-related opportunities within the communities we operate and aligning our investments to outcomes that are important to the investors, shareholders and communities we serve.





Continued commitment to transparency and accountability of EQB's GHG Emissions profile

Since 2021, we have measured and reported all three scope emissions, including all relevant categories of Scope 3. Measurement and reporting of emissions is based on the interpretation and application of the GHG Protocol and the Partnership for Carbon Accounting Financials (PCAF), for financed emissions. We define our organizational boundary for GHG emissions using the operational control approach, as outlined in the GHG Protocol Standards. This method accounts for all emissions from activities under EQB's operational control. In 2023, we reported on all scope emissions associated with Concentra Bank's operations. This year, we are pleased to disclose a representative emissions profile at a consolidated level, with the inclusion of emissions associated with ACM Advisors' operations and client invested emissions following the acquisition in December 2023. Our reported GHG emissions is at a consolidated level and covers the fiscal period November 1, 2023, to October 31, 2024.

Our base year for GHG Emissions is established for the period November 1, 2022, to October 31, 2023. Base year Scope 2 emissions are calculated using the location based method. This base year was chosen as it was the first full year where Concentra Bank's emissions were integrated into our GHG inventory. Our base year recalculation guidelines states that a recalculation of our base year will only be carried out if the cumulative effect of a structural change or methodology change exceeds a significance threshold of more than 10% for Scope 1 and 2, or Scope 3. After considering integration of ACM Advisors' GHG emissions into our GHG inventory and observing no material changes in methodology, we are maintaining 2023 as our base year and disclosed y/y changes in each scope of emissions throughout this section.

EQB emissions profile - all scopes

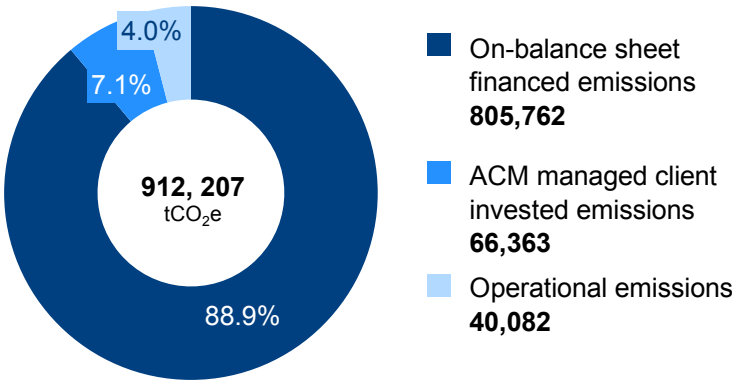
Our Scope 1 emissions encompass direct GHG emissions resulting from the use of natural gas at our headquarters and regional offices, as well as fugitive emissions of refrigerant gases from pressurized equipment such as building air conditioning units. Scope 2 emissions pertain to indirect GHG emissions derived from purchased energy, specifically electricity used at our headquarters and regional offices. Since 2020, our Scope 1 and Scope 2 emissions have been carbon neutral through the purchase and retirement of Verified Emissions Reductions (VERs). For 2024, we retired 995 tCO₂e of VERs to continue our commitment to carbon neutrality of our operational emissions (Scope 1 and 2 only) ♦.

In 2021, we became the first Schedule I Canadian bank to disclose our Scope 3 GHG emissions portfolio, including financed emissions, which we continue to measure and report. These Scope 3 emissions come from activities or assets not owned or controlled by us, but which have an indirect impact on our upstream and downstream value chain. Our value chain emissions include purchased goods and services, capital goods, fuel and energy-related activities, waste in operations, business travel and financed emissions, as defined by the GHG Protocol Corporate Value Chain (Scope 3) Guidance.

ACM contributes to our fee-based revenue without adding credit or balance sheet exposure, with \$5.28 billion in assets under management as at October 31, 2024, primarily comprised of Canadian commercial mortgage funds. Although not included on the balance sheet, it was important to understand the emissions profile of these funds as part of EQB’s overall emissions profile due to their significance. In line with our commitment to transparency, we have disclosed the measurement of ACM’s managed client invested emissions.

Our banking business has a branchless, cloud-based digital footprint that gives us the advantage of a low carbon operational footprint while balancing efficient growth. Our lending business has limited exposure to carbon-intensive industries, as we continue to focus on lending opportunities for housing for single-family residential and multi-unit residential buildings. Overall, our emissions profile, excluding ACM’s managed client invested emissions, decreased 6% y/y.

EQB emissions profile (tCO₂e)



Emissions by scope (tCO₂e)

	2024
Total scope 1 (stationary combustion and refrigerants) ♦	503
Total scope 2 (from purchased electricity) ♦	492
Scope 3 categories 1,2,3,5,6,7	39,087
Scope 3: category 15 investments and loans (financed emissions)	805,762
Total estimated emissions of all scopes (Scope 1, 2, 3)	845,844
ACM managed client invested emissions (Off-balance sheet)	66,363

Emissions includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), and chlorofluorocarbon (CFC), principally from natural gas combustion, fugitive refrigerant leakage and purchased electricity.
♦ KPMG has provided limited assurance on this figure

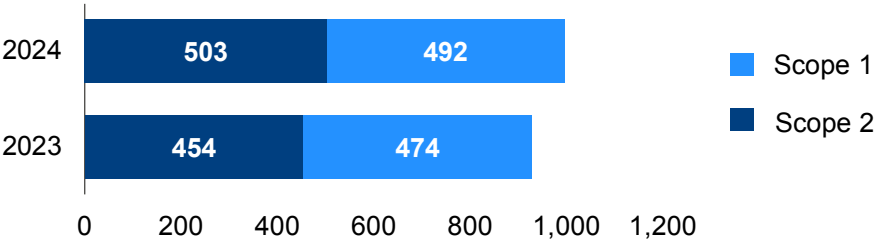
**Operational emissions profile - Scope 1, 2 and 3
(excluding financed emissions)**

In 2024, our Scope 1 and 2 emissions increased by 7% y/y, driven by uptake in consumption due to greater in-office presence resulting in higher consumption of energy at majority EQB offices and the inclusion of emissions from ACM's offices. Overall, our regional offices are located across Canada and, as a result, some of our regional offices are located within provinces with higher intensity of grid electricity and emissions factors.

As we continue to grow our operations, we seek to embed sustainability in our office buildings and continuously assess ways to reduce direct and indirect GHG emissions. As highlighted earlier, our new EQ Bank Tower head office is pursuing multiple LEED certifications, including Operations and Maintenance and WELL, which demonstrates our efforts to optimize emissions efficiency across the value chain of operations and the market leadership of our LEED program.

We observed a 121% y/y increase in our Scope 3 emissions (excluding Financed Emissions), from 17,654 tCO₂e in 2023 to 39,087 tCO₂e in 2024. This year, our spending on capital goods became the highest emissions category, contributing 58% of our overall value chain emissions. This increase notably captures spending on assets as it pertains to the head office move to our new headquarters at 25 Ontario St., alongside significant investments made in the continued growth of EQ Bank, particularly product development and the launch of exciting products as we continue to meet the everyday banking needs of Canadians. We will continue to make strategic investments to support growth initiatives, including further accelerating the growth of EQ Bank through brand, marketing and product/experience development and the national launch of EQ Bank's Small Business Account, bringing high interest, no fee services for small and medium-sized business customers. EQ Bank operates at the intersection of providing Canadians with solutions that are transparent, intuitive and in the best interest of customers, while also servicing customers with a lower carbon footprint, relative to peers.

Absolute Scope 1 and 2 emissions (tCO₂e)



Capitalizing on the benefits of transitioning from on-premises to cloud infrastructure since 2019

Since 2016, EQ Bank – a first-born and leading digital bank in Canada – has grown to serve over 500,000 Canadians¹. Relative to our peers, the digital-first model positions us to have a relatively low operational footprint due to our branchless structure. In 2019, a portion of EQ Bank's infrastructure hosted in a physical data centre by Temenos AG – an enterprise software for banks and financial services and longstanding partner of EQ Bank – was later migrated to Temenos T24 (Transact SaaS) on Microsoft Azure, with subsequent improvements made by Temenos in 2024. EQ Bank participated in a study led by Temenos, in collaboration with GoCodeGreen (or GCG, a UK-based ClimateTech company), to assess the carbon efficiency of transitioning EQ Bank's Temenos solution from on-premises to cloud on Microsoft Azure. The insights from this study showed that we achieved quantifiable results of 63% carbon efficiency and 93% water efficiency in EQ Bank's operations despite significant transaction and customer growth. Further, EQ Bank has improved average carbon emissions per transaction by 99.3% and per customer by 89.5%, driven by improvements due to our cloud and modernization journey as well as growth in business volumes.² Our results are highlighted as "sector leading digital carbon efficiency" post migration to Transact SaaS³. While we are proud of EQ Bank's progress towards a cloud-native and efficient digital banking Azure stack, we acknowledge that our current results represent only about 10% of the Bank's total technology infrastructure. We continue to explore opportunities to gain a comprehensive understanding of EQ Bank's carbon footprint to account for the remainder of our infrastructure.

¹ Figure as at January 31, 2025

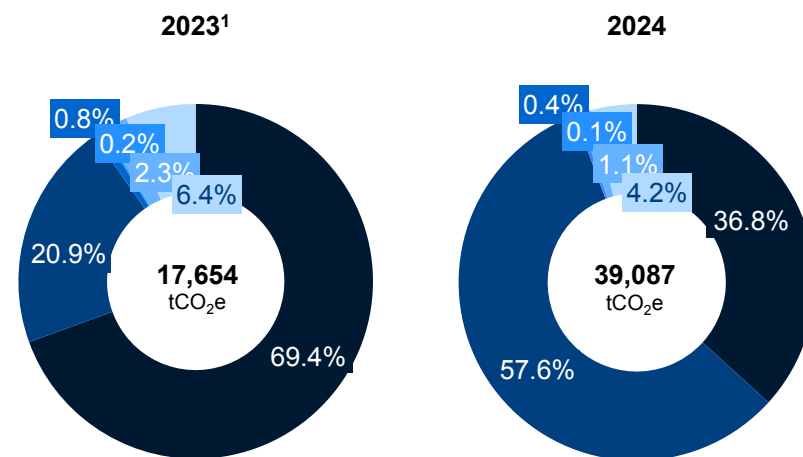
² Results are backed by GCG's propriety methodology and robust documentation aligned with global standards – i.e., the GHG Protocol, ISO21031, ICT Sector Guidance, and Sustainable IT Taxonomy

³ The benchmark comparison is across all the banking and financial services assessments undertaken by GCG, at a global level.



Purchased goods and services also contributed to the significant increase of our overall Scope 3 value chain emissions. There was an increase of 17% y/y, primarily a result of expenditures related to professional service fees to support our risk management capabilities, significant investments made in media and advertisement and software and licensing fees. The purchase of goods and services across our supply chain are crucial to our ability to serve customers, as we rely on our suppliers for the sourcing of software, services and products. We engage with two of our largest suppliers to directly obtain emissions, while the remainder of our supply chain is estimated based on spend data. We continue to evaluate the feasibility of obtaining emissions directly from our suppliers to improve the data quality of our measured emissions. With the growth of our workforce and inclusion of ACM's associated emissions, we observed a 44% y/y increase related to employee commuting and modest increase of 3% y/y on business travel. Despite our hybrid work model, we have seen a notable increase in employees returning to office and travel in between our regional offices, reflective of our strong culture of collaboration.

Scope 3 value chain emissions by category (tCO₂e)



- Purchase of Goods and Services
- Capital Goods
- Fuel and energy related activities
- Waste Generated in Operations
- Business Travel
- Employee Commuting

¹ Excludes downstream leased assets

Operational GHG emissions by scope and category (tCO₂e)^{1,2}

	2024	2023	% change
Scope 1: Stationary Combustion ♦	417	402	4%
Scope 1: Refrigerant ♦	86	52	66%
Total Scope 1:	503	454	11%
Scope 2: Purchased Electricity ³ ♦	492	474	4%
Total Scope 1 and 2:	995	928	7%
Procurement and retirement of Verified Emissions Reductions ♦	995	928	7%
Scope 3, category 1: Purchased Goods and Services	14,366	12,258	17%
Scope 3, category 2: Capital Goods	22,493	3,681	511%
Scope 3, category 3: Fuel and Energy Related Activities	146	144	1%
Scope 3, category 5: Waste generated in Operations	34	36	(5%)
Scope 3, category 6: Business Travel	413	401	3%
Scope 3, category 7: Employee Commuting	1,635	1,132	44%
Scope 3, category 13: Downstream Leased Assets	-	2	(100%)
Total Scope 3	39,087	17,654	121%
Total operational GHG Emissions	40,082	18,582	116%
GHG Emissions Intensity Scope 1 and 2 (tCO₂e per FTE)	0.50	0.50	0.34%

♦ KPMG has provided limited assurance on this figure

¹ Refer to **Methodology for GHG Emissions Calculations** for details on approach to measurement, estimates included and exclusions

² Greenhouse gases include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), and chlorofluorocarbon (CFC), principally from natural gas combustion, fugitive refrigerant leakage and purchased electricity

³ We calculated Scope 2 emissions using location-based method. EQB does not use any contractual instruments which bundle attributes of energy generation with the energy purchased. Therefore, Scope 2 market-based emissions are equivalent to location-based emissions. EQB does not operate in markets that provide product or supplier-specific data or residual grid emission factors.

⁴ Excludes ACM. Additionally, there was a methodology change to the calculation of FTE and definition of Full-time equivalent (FTE). Therefore, the GHG Emissions Intensity Scope 1 and 2 (tCO₂e per FTE) for 2023 has been recalculated to reflect the revised methodology within this report and will be different than the number disclosed in the 2023 Responsibility Report.



Scope 3 financed emissions

The Partnership of Carbon Accounting Financial (PCAF) defines financed emissions as emissions attributable to a bank's lending and investment operations. Such financed emissions are interpreted to include emissions associated with our lending activities across portfolios – including vehicle lending, personal and commercial mortgages as well as business loans.

Our emissions profile consists primarily of Scope 3, Category 15 investment (financed) emissions, which accounts for 95% of our entire Scope 1, 2 and 3 emissions, excluding ACM's managed client investments. We observed a 9% y/y decline in our financed emissions from 883,586 tCO₂e in 2023 to 805,762 tCO₂e in 2024.

In 2024, in accordance with PCAF methodology we were able to measure emissions for 95% of our total outstanding loan principal balances that are on-balance sheet. Loans related to our decumulation lending portfolio, construction loans within our commercial portfolio and loans that represent a general-purpose line of credit, were excluded in alignment with PCAF guidance as a standardized methodology for quantifying these emissions does not currently exist.¹

Our primary business operation focuses on lending secured by real estate. We strive to meet the needs of Canadians through the financing of housing, including single-family homes and multi-unit residential buildings. Our emissions profile varies based on a several factors - including the communities we serve, differentiated building types, evolving regulatory frameworks, changing customer expectations and market demand fluctuations. As the first Schedule I bank to disclose our entire Scope 3 emissions portfolio, we remain committed to transparency in our emissions reporting and accountability in managing financed emissions and continue to track emissions overtime.

Scope 3 financed emissions by asset class (tCO₂e) with 2024 PCAF Scores

	2024	2023	% change	2024 PCAF Score ²
Category 15: Financed Emissions	805,762	883,586	(9%)	-
Vehicle Lending	286,811	475,468	(40%)	4.0
Mortgages	514,374	397,217	29%	5.0
Business Loans	4,578	10,902	(58%)	4.0

¹ Remaining exclusions pertain to asset classes that are not covered by the PCAF methodology, or to any data limitations where obtaining information to quantify would require undue cost and effort

² Partnership for Carbon Accounting Financials (PCAF) score is a data quality measure, ranging from 1 to 5, used to assess the reliability and accuracy of reported emissions data. 1 indicates highest quality and reliability of data and 5 indicates the lowest.

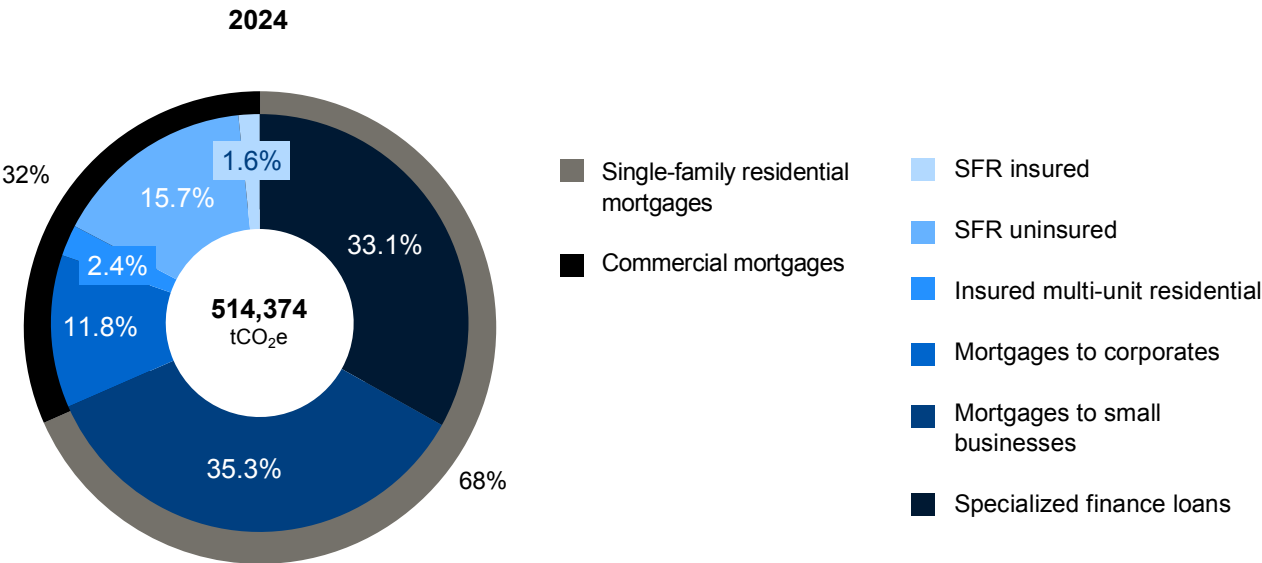
Mortgage financed emissions

Our approach to lending is centered on providing lending solutions for the urban housing market in Canada, which spans a diverse customer base of single-family residential homeowners to the development and renovation of apartments, condominiums and other types of residential properties through Commercial Banking.

In 2024, we observed a 29% y/y increase in our financed emissions of the mortgage asset class. This asset class is comprised of both single-family residential mortgages and commercial real estate mortgages. The split of emissions between single-family residential and commercial, 68% and 32% respectively, aligns with the split of our on-balance sheet single-family residential and commercial mortgages in-scope under the PCAF methodology.

This year to enhance reporting transparency within our financed emissions mortgage asset class and in alignment with our financial reports, we have disclosed finance emissions by sub portfolio of our loans under management.

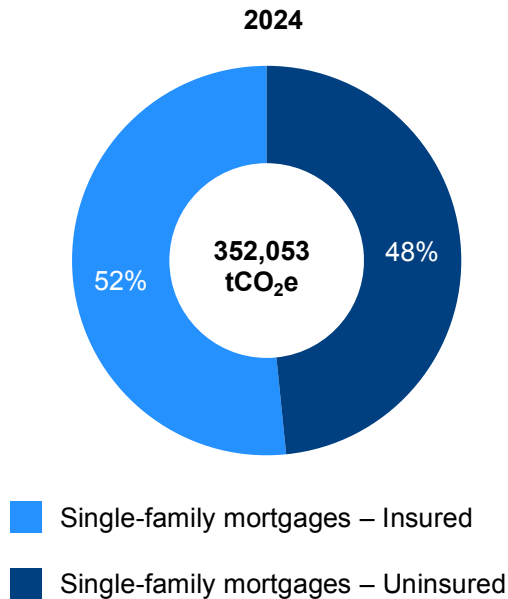
Scope 3 mortgage financed emissions by loans under management, tCO₂e





Single-family residential mortgages

Single-family residential financed emissions by sub portfolio, tCO₂e



Our single-family residential mortgage portfolio has a balanced mix of insured and uninsured loans and spans a variety of building types – including condominiums, apartments, semi-attached, detached, mobile homes and others. Our approach to lending is designed to accommodate a diverse range of borrowers, including those who may not fit traditional lending criteria, such as self-employed individuals, newcomers to Canada and those with limited credit history.

Emissions from our single-family residential portfolio captures emission estimates from the consumption of electricity, natural gas and heating oil by the buildings that we lend to. In 2024, our single-family residential mortgages portfolio resulted in financed emissions of 352,053 tCO₂e which was split nearly equally between our insured and uninsured portfolios. We observed that our insured portfolio disproportionately accounted for higher emissions relative to the share of insured outstanding loan principal balances at Q4 2024, due to these loans located in provinces with higher emissions factors, such as Alberta.

Certain exclusions were made in line with the PCAF methodology, which include the exclusion of our decumulation lending portfolio, including reversed mortgages and insurance lending.

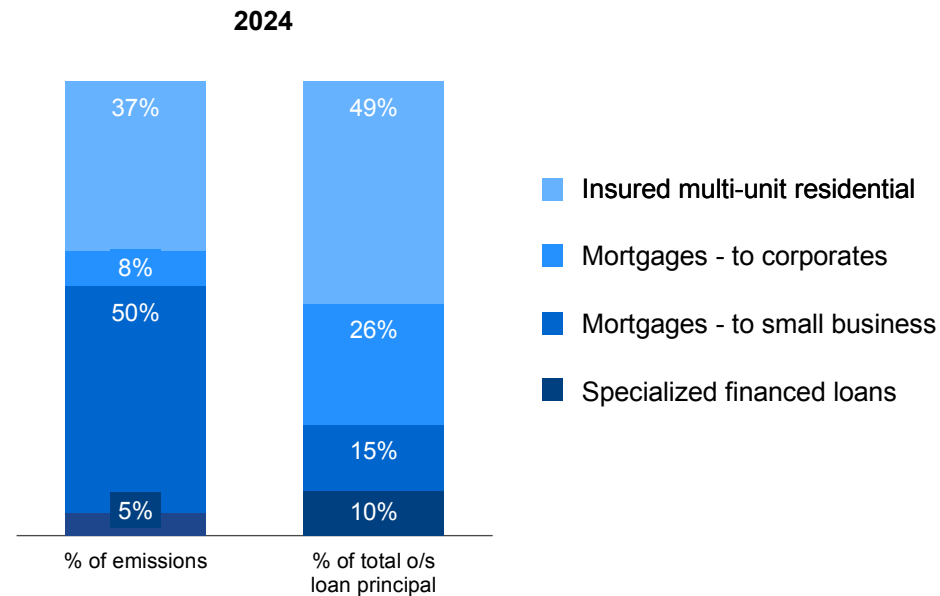


Commercial mortgages

Our Commercial Banking mortgage portfolio includes mortgage lending to corporates and small businesses, insured multi-unit residential mortgages, specialized financing loans and equipment financing loans. 91% of our total outstanding loan principal balances under commercial mortgages have been estimated as our financed emissions.¹

Emissions from our commercial lending portfolio capture emission estimates from consumption of electricity, natural gas and heating oil by the buildings that we have lent to and the provinces that they are located in. In 2024, our commercial lending portfolio accounted for emissions of 162,321 tCO₂e, which make up for 32% of the emissions of mortgages portfolio. We observe that 87% of these emissions are comprised of two portfolios, mortgages to small businesses and insured multi-unit residential, with the remaining 13% of emissions attributed to specialized financing loans and mortgages to corporate. We observe some variances in emission profiles between underlying portfolios relative to their respective outstanding loan principal balances due to differences in emission intensity factors of the building types and regions to which we lend.

Composition of commercial mortgage portfolio by Scope 3 financed emissions, tCO₂e, and total outstanding loan principal, \$



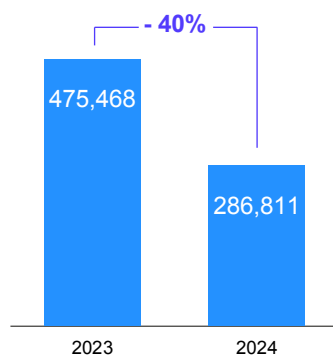
¹ Any loans associated with activities considered out of scope per PCAF guidance, such as construction loans, or where obtaining information would require undue cost or effort, were excluded.



Vehicle lending

In 2019, we acquired 100% ownership of Bennington Financial Corp. (Bennington), a company serving the brokered equipment leasing market in Canada. Our vehicle lending financed emissions is entirely comprised of lending solutions provided by Bennington. In 2024, our vehicle lending financed emissions decreased by 40% y/y from 475,468 tCO₂e to 286,811 tCO₂e.¹ This decline in emissions results from a strategic business decision to gradually diversify the portfolio across asset classes over time, which inherently included higher-emitting asset classes in 2023.

Scope 3 financed emissions for vehicle lending, tCO₂e



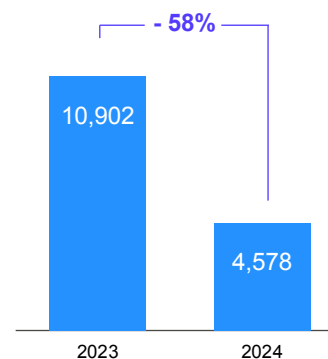
¹ Exclusions on certain asset types were made aligned with PCAF methodology.

² Certain exclusions were made aligned with PCAF methodology, such as business loans for the purposes of construction, or where obtaining information would require undue cost or effort.

Business loans

Financed emissions classified under Business Loans include loans from our specialized financing portfolio which are not captured under the Mortgage asset class, in accordance with PCAF. This lending portfolio spans a variety of industries including real estate, construction, agriculture, healthcare, hospitality and entertainment, among others. In 2024, emissions from our business loans portfolio declined by 58% y/y from 10,902 tCO₂e to 4,578 tCO₂e.² This reduction in emissions is driven by a large portion of loans reaching term.

Scope 3 financed emissions for business loans, tCO₂e



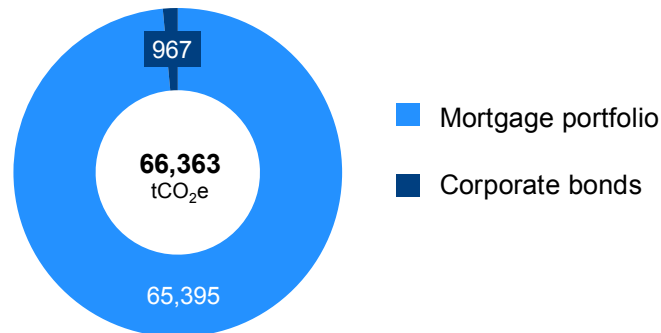


Off Balance Sheet ACM managed client investments portfolio

In efforts to provide a comprehensive view of our emissions profile, we are pleased to disclose the financed emissions profile of ACM Advisors, a majority-owned subsidiary of EQB Inc. These emissions comprise of ACM's mortgage portfolio of \$5.28 billion as at October 31, 2024 under three funds of Canadian mortgages spanning apartment buildings, offices, retail spaces, transportation and housing mortgages, as well as ACM's corporate bond portfolio of ~\$100 million under the debenture fund, both managed by ACM on behalf of its clients.

Overall, ACM's client managed investments portfolios added 66,363 tCO₂e of emissions to our emissions profile, however as off-balance sheet emissions. These emissions account for 7.3% of our total emissions of 912,207 tCO₂e (including off-balance sheet emissions). Looking ahead, we will continue to track and report off-balance sheet emissions from ACM Advisors as part of our commitment to transparency in our reporting.

Emissions associated with ACM managed client investment emissions (off balance sheet), tCO₂e





Appendices

Appendix 1: Methodology for emissions calculations

General process and overview

Our emissions have been calculated following the Greenhouse Gas Protocol ('GHG Protocol') for the period of November 1, 2023 to October 31, 2024, and the loan book as at October 31, 2024, in alignment with our fiscal year.

We define our organizational boundary using the operational control approach according to the GHG Protocol. Under this approach, we account for all GHG emissions from activities across Scope 1, 2 and 3, over which we have operational control. In 2024 the operational boundaries were extended to include ACM.

As required by best practice in corporate GHG accounting per the GHG Protocol and United Nations Framework Convention on Climate Change (decision 24/CP.19), all six Kyoto Protocol greenhouse gases should be included, where applicable. This includes, carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbon (PFCs), sulphur hexafluoride (SF₆) and chlorofluorocarbon (CFC). Greenhouse gases applicable to EQB include CO₂, CH₄, N₂O and HFCs, principally from natural gas combustion, fugitive refrigerant leakage and purchased electricity. Any non-CO₂ gas is multiplied by its Global Warming Potential (GWP) to convert to a standardized unit, carbon dioxide equivalent (CO₂e). Global warming potential values were sourced from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6), as currently recommended under the GHG Protocol. In accordance with IPCC guidelines, we have utilized the Methane – non fossil fuel GWP value, as our activities do not pertain to fossil fuel fugitive emissions or industrial processing involving fossil-origin methane.

Scope 1 and 2

Within our inventory, we include direct and indirect GHG emissions from the following sources for the buildings we lease and own:

- Natural gas used for heating
- Refrigerants used for cooling, AC and HVAC systems
- Electricity used for lighting, appliances, electronics and other electrical equipment

Where available, to capture activity data we leveraged consumption data from monthly utility bills for each facility during the reporting period. In cases

where there was partial occupancy in the year or data unavailability, emissions were estimated based on proxy consumption data allocated proportionately to our occupancy by square footage of the entire building.

A. Scope 1 stationary combustion

Stationary combustion emissions result from the consumption of natural gas in EQB offices. Activity data was derived from actual natural gas consumption from utility bills during the reporting period, where available.

To quantify the GHG emissions from stationary combustion, activity data is multiplied by the relevant emission factor for each GHG, including carbon dioxide, methane and nitrous oxide.

EQB does not burn any biomass fuels and related emissions from combustion of biomass are nil.

B. Scope 1 fugitive emissions from refrigerants

Fugitive emissions from refrigerant gases arise from pressurized equipment such as building air conditioning units. Activity data was derived from information on refrigerant type and equipment capacity at each facility, where available.

Refrigerant leakage was estimated for all offices, including those that did not record refrigerant top-ups during the reporting year to account for refrigerant leakage emissions that occur gradually over time as units are in use. Additionally, where two refrigerant types were provided for the same office space, the refrigerant with the higher GWP was used to conservatively estimate emissions for the entire space. The quantity of refrigerant leakage attributable to us was estimated using the Environmental Protection Agency (EPA)'s HFC Emissions Accounting Tool Simplified Screening 2 Approach, Method B based on building type (office) and EQB surface area.

C. Scope 2 purchased electricity

Indirect GHG emissions from purchased energy are associated with the consumption of purchased electricity at our facilities. Although we do not own or control these sources of electricity, its activities require the generation of energy which in turn emits GHG emissions. Purchased electricity can either be sourced directly from the regional grids (location-based) or through contractual agreements (market-based). However, since we do not use any

contractual instruments, our market-based emissions are equivalent to location-based emissions. Further, EQB does not operate in markets that provide product or supplier-specific data or residual grid emission factors. In line with this, we have measured Scope 2 emissions using the location-based approach from the GHG Protocol Scope 2 Standard.

Activity data was derived from actual energy usage data from monthly invoices and meter readings for each facility during the reporting period, where available. Under the location-based method, emissions associated with grid electricity consumption were calculated as a multiple of the appropriate emissions factor for electricity and total quantity of electricity purchased in the grid region. The emission factors used in the calculation of our GHG emissions from purchased energy were the Canadian provincial emission rates from the National Inventory Report (NIR).

Procurement and Retirement of Verified Emissions Reductions (VERs)

We purchased and retired VERs to achieve carbon neutrality for our Scope 1 and Scope 2 emissions. These credits were retired on October 31, 2024, as recorded in the BC Carbon registry and Verra Registry.

Scope 3, excluding financed emissions

Scope 3 emissions result from activities by assets that are in our value chain but are not owned or controlled by us. We report all relevant categories of our Scope 3 emissions, including purchased goods and services, capital goods, fuel and energy-related activities, waste in operations, business travel and employee commuting.

A. Category 1: Purchased goods and services and

Category 2: Capital goods

GHG emissions associated with Purchased Goods and Services (PG&S) and Capital Goods were calculated using a combination of two approaches:

- Direct emissions data obtained from two of our largest tier 1 suppliers
- Spend-based data for each product, service and capital good we purchased. Spend-based emissions factor for each commodity code were obtained from the U.S. Environmentally-Extended Input-Output (EEIO) database and adjusted for inflation and currency to reflect 2024 Canadian dollars

Any emissions from spend data associated with business travel, were not identified to be a source of PG&S emissions to avoid double counting and were instead identified in category 6, business travel emissions.

B. Category 3: Fuel and energy-related activities

Emissions related to fuel and energy-related activities include upstream production of natural gas and electricity that are consumed at our facilities. Four sources of emissions related to upstream production of natural gas and electricity consumed were identified:

- Upstream emissions associated with the extraction, production and processing of purchased natural gas
- Upstream emissions associated with the fuel mix used to generate purchased electricity
- Emissions associated with electricity transmission and distribution (T&D) losses
- Upstream emissions associated with electricity lost through T&D

C. Category 5: Waste in operations

Waste in operations factors in the total weight of waste generated – including waste, office paper and cardboard, among others. Waste generated was estimated (in metric tonnes) on a per-capita basis across all active and non-remote employees, using proxy survey data collected historically. Emissions were quantified using total weight per waste type (e.g., waste, office paper, cardboard) and the appropriate emission factor for the assumed disposal method obtained from the United Kingdom's Department for Energy Security and Net Zero, Greenhouse Gas Reporting: Conversion Factor 2024. For the purposes of estimation, we assumed that all general waste was landfilled, paper and card waste types were either recycled or landfilled, mixed plastic was either recycled or landfilled, electronics were either recycled or landfilled and mixed organics were composted.

D. Category 6: Business travel

Business travel includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses and taxis. Emissions from EQB's business travel include air travel, taxis, hotel stays, personal vehicle mileage and rental vehicles. Based on availability of data, we used a combination of distance travelled and spend-based methodologies to estimate emissions from business travel.

Wherever available, distance travelled was used for the estimation of fuel consumption and adjusted for appropriate transportation mode related fuel emissions factors to calculate emissions. Alternatively, spend data was used

to estimate distance travelled by applying a cost to distance conversion factor. For emissions associated with hotel stays, total hotel-related spend and the appropriate EEIO commodity code spend-based emissions factor was used.

ACM's GHG emissions from business travel were calculated by ACM directly using data collected through an internal employee survey. The methodology employed by ACM was validated and is aligned with the methodology used in the rest of the GHG inventory.

E. Category 7: Employee commuting

Our Return to Office (RTO) approach stipulates the number of in-office days required by employees. Employees commute to work in a variety of transportation modes – including personal vehicles, subways and buses, among others.

EQB leveraged data available on number of employees and their respective locations and made reasonable assumptions on the number of commuting days to offices in line with RTO approach and distances travelled to nearest office locations. To estimate GHG emissions from employee commuting, mode of travel was proxied based on Statistics Canada's 2016 Census with Canada's largest cities. Distance travelled was then multiplied by each travel mode's respective emissions factor.

ACM's GHG emissions from employee commuting were calculated directly by ACM using data collected through an internal employee survey. The methodology employed by ACM was validated and is aligned with the methodology used in the rest of the GHG inventory.

Scope 3, Category 15: Financed emissions

Financed emissions accounted for within Scope 3 Category 15 are associated with motor vehicle loans, mortgages, business loans. Financed emissions are calculated in line with Partnership for Carbon Accounting Financials (PCAF) methodology.

For each asset class, a PCAF score is recommended for disclosure based on reliability and accuracy of reported emissions, with 1 indicating the highest quality and 5 being the lowest.

A. Vehicle lending

In 2024, our vehicle lending portfolio included on-road vehicles and boats. To quantify emissions associated with motor vehicle loans, all underlying assets categorized as 'Vehicles' were mapped to a Natural Resources Canada (NRCAN) vehicle category and any underlying assets categorized as 'Equipment' or 'Trailers' have been excluded per PCAF guidance. Based on

data availability, total fuel consumption and distance travelled was estimated for the underlying vehicle portfolio using NRCAN 2021 data. The fuel consumption estimates were adjusted for an attribution factor, i.e., ratio between loan outstanding amount and value of loan at origination, to estimate overall portfolio emissions.

Exclusions for certain asset types were made aligned with PCAF methodology.

Our vehicle lending emissions data quality is a PCAF score of 4.

B. Mortgages

In 2024, mortgages included single-family residential as well as commercial mortgages. To quantify emissions associated with the mortgages, all underlying assets were mapped to an NRCAN building classification and categorized based on building type and asset identifier. Based on data availability, total electricity and natural gas/heating oil consumption is estimated using NRCAN data which captures variances in consumption based on building type and regional energy consumption. The consumption estimates were adjusted for an attribution factor, i.e., ratio between loan outstanding amount and value of loan at origination, to estimate overall portfolio emissions. Wherever applicable, the appraisal value for these loans was used as a representative proxy for the property value at origination.

Any loans associated with activities considered out of scope per PCAF guidance, such as decumulation lending and construction loans, or where obtaining information would require undue cost or effort, were excluded for the purposes of estimation of emissions.

Our mortgage emissions data quality is a PCAF score of 5.

C. Business loans

Financed emissions classified under Business Loans include loans from our specialized financing portfolio which are not captured under the Mortgage asset class, in accordance with PCAF. To quantify emissions associated with business loans, the industry that each borrower operates in was matched to an Environmentally Extended Input-Output (EEIO) commodity code. Based on data availability, each borrowing company's total annual emissions were estimated by leveraging annual revenue and the EEIO commodity code spend-based emission factor for their industry of operation. Subsequently, the emissions estimated were adjusted for an attribution factor, i.e., ratio between loan outstanding amount and value of loan at origination, to estimate overall portfolio emissions and calculate our share of emissions. Any loans

associated with activities considered out of scope per PCAF guidance, such as construction loans, or where obtaining information would require undue cost or effort, were excluded for the purposes of estimation of emissions. Our business loan emissions data quality is a PCAF score is 4.

D. Managed client investments

In 2024, we included emissions associated with ACM's managed client investments which are off balance sheet and comprised of ACM's mortgage portfolio under three funds of Canadian mortgages spanning apartment buildings, offices, retail spaces, transportation and housing mortgages, as well as ACM's corporate bond portfolio under the debenture fund, both managed by ACM Advisors on behalf of its clients.

For estimation of emissions for ACM's managed client investments, a similar methodology to the one discussed under 'Mortgages' was adopted. ACM's mortgage emissions data quality, where floor area was available, is 4, and a PCAF score of 5 where it was not available.

For estimation of emissions from ACM's corporate bond portfolio, Scope 1, 2 and 3 GHG emissions from ACM's senior single debenture were retrieved from publicly available reporting and allocated to EQB based on outstanding balance and company value. ACM's corporate bond portfolio data quality is a PCAF score of 1 as data available included verified GHG emissions data calculated in accordance with the GHG Protocol.

Appendix 2: Sustainability Accounting Standards Board (SASB) Index

SASB publishes industry-specific sustainability accounting standards, intended to help companies disclose decision-useful sustainability information to investors cost-effectively and comparably. We have reported metrics from the SASB Standard applicable to our business which includes the Mortgage Finance Sustainability Accounting Standard, Consumer Finance Sustainability Accounting Standard and Commercial Banks Sustainability Accounting Standard. Any omissions or deviations from these Standards are explained in the table below.

SASB Code	Metric	2024 Disclosure
Activity Metric – Commercial Banking		
FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	As of October 31, 2024 EQ Bank's everyday banking personal account with no monthly fees, competitive interest rate, no minimum balance requirements and unlimited transaction volumes had 512,894 customers. We do not disclose number or value of joint everyday banking or saving accounts. EQ Bank Business Account is a high-interest, no-fee everyday bank account uniquely designed to suit Canadian small business owners' banking needs. We do not disclose number or value of these accounts.
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Refer to Table 7 in EQB Q4 Management Discussion and Analysis
Activity Metric – Consumer Finance		
FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	EQ Bank does not offer a credit card product and the Bank does not disclose its pre-paid card number of accounts.
FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	EQ Bank does not offer a credit card product and the Bank does not disclose its pre-paid card number of accounts.
Activity Metric – Mortgage Finance		
FN-MF-000.A	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Refer to Table 8 in EQB's Q4 Management Discussion and Analysis for value of loans originated.

SASB Code	Metric	2024 Disclosure
Business Ethics		
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations	\$0 (Nil) Refer to Business ethics and conduct section of this Report for additional details.
FN-CB-510a.2	Description of whistleblower policies and procedures	Our whistleblower policy provides a confidential platform for employees to report unethical or illegal activities without fear of retaliation. The policy ensures that all concerns are thoroughly investigated, and appropriate actions are taken to uphold the bank's commitment to integrity and transparency. Refer to Business ethics and conduct section of this Report and page 15 of our Code of Conduct for contact details and process.
Customer Privacy		
FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	0 (Nil) We closely adhere to PIPEDA, obtaining customer consent for collecting, using, or disclosing personal information. The Privacy Program follows PIPEDA's Privacy Principles, implementing strict controls, limiting data access to authorized personnel, encrypting sensitive information and retaining data only as necessary. Please also refer Customer privacy & satisfaction section of this Report for additional details.
FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	\$0 Monetary losses from legal proceedings associated with customer privacy breaches are discussed in the Customer privacy & satisfaction section of this Report for additional details.
Data Security		

SASB Code	Metric	2024 Disclosure
FN-CB-230a.1 FN-CF-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches (3) number of account holders affected	0 (Nil) Refer to the Data security & cybersecurity section of this Report for additional details.
FN-CF-230a.2	Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	We do not disclose card-related fraud losses.
FN-CB-230a.2 FN-CF-230a.3	Description of approach to identifying and addressing data security risks	Refer to the Data security & cybersecurity section of this Report for additional details.
Discriminatory Lending		
FN-MF-270b.1	(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers	We report the value of personal and commercial mortgages and average LTV of existing uninsured residential mortgages. Refer to our Q4 2024 Management Discussion & Analysis, pages 68-69. We do not report the value of mortgages issued to minority borrowers, only the entire portfolio.
FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	\$0 Refer to Business ethics and conduct section of this Report.
FN-MF-270b.3	Description of policies and procedures for ensuring non-discriminatory mortgage origination	Refer to Business ethics and conduct section of this Report.
Environmental Risk to Mortgaged Properties		
FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Refer to the Risk Management section and Climate Change section of this Report for additional details.
Financial Inclusion & Capacity Building		
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	We disclose portfolio size of loans towards self-employed entrepreneurs and small-medium size businesses. Refer to Financial Inclusion section of this Report for additional details.

SASB Code	Metric	2024 Disclosure
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	We offer an everyday banking account with no monthly fees with a competitive interest rate, no minimum balance requirements and an unlimited number of transactions. As a digital bank, EQ Bank is uniquely positioned to reach all Canadians, including underserved, underbanked communities whose needs are overlooked by other institutions or who have difficulty accessing services. In the Financial Inclusion section of this Report, we disclose the number of customers with a personal bank account, however, we do not disclose the number of customers who are unbanked, underbanked or underserved.
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Our digital platform and online information tools enable our customers to access information about our products and make informed decisions when and where needed. Through our EQ Bank Education Centre, we share high-level summaries and in-depth reviews on topics ranging from saving and investing to home ownership and getting the most out of your money, in the spirit of having open conversations about taboo financial topics. Refer to the 2024 Public Accountability Statement for additional details. We do not disclose the number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers.
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis		
FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Refer to Risk Management section of this Report and for additional details.
Lending Practices		
FN-MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	\$0 We maintain transparent communication with customers and ethical remuneration practices for loan originators. This commitment to integrity and compliance has enabled the Bank to avoid any monetary losses resulting from legal proceedings associated with these aspects of its operations. Refer to Business ethics and conduct section.

SASB Code	Metric	2024 Disclosure
FN-MF-270a.4	Description of remuneration structure of mortgage loan originators	Our mortgages are sourced through brokers who receive finder's fees, volume bonuses and fee splits. Fee structures vary by rate type and term. Uninsured residential mortgages have tiered fixed-rate fees and adjustable-rate fees for specific terms, with fee splits for select brokers. Insured residential mortgages offer finder's fees based on funded volume tiers, with the same compensation for fixed and adjustable rates. We also have contracts with large brokerage networks for additional volume bonuses, with differing arrangements and calculation methods for various mortgage types.
Selling Practices		
FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	\$0 Refer to Business ethics and conduct section
Systemic Risk Management		
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	We integrate results of mandatory and voluntary stress tests into capital adequacy planning by adjusting capital buffers and risk-weighted assets. Long-term corporate strategy is refined based on identified vulnerabilities, enabling proactive risk management and business resilience. Stress test outcomes also inform other business activities, driving product and service innovations, and optimizing resource allocation to ensure sustainable growth and financial stability. Refer to our Quarterly MD&A for more information.

Appendix 3: Independent Practitioner Limited Assurance Report



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INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT

To the Board of Directors and Management of Equitable Bank (‘the Entity’)

We have undertaken a limited assurance engagement on certain performance metrics of Equitable Bank included in Equitable Bank’s 2024 Responsibility Report (the “Report”), for the year ended October 31, 2024.

The scope of our limited assurance engagement, as agreed with management, comprises the following performance metrics (collectively, the “subject matter information”) and criteria:

Subject Matter Information	Units	Criteria
Direct (Scope 1) greenhouse gas (‘GHG’) emissions	503 tCO ₂ e	Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard (Revised Edition) (‘GHG Protocol’) GHG Protocol Scope 2 Guidance, An Amendment to the GHG Protocol Corporate Standard.
Indirect (Scope 2) GHG emissions.	492 tCO ₂ e (location-based) 492 tCO ₂ e (market-based)	
Procurement and Retirement of Verified Emissions Reductions (‘VER’)	995 tCO ₂ e	The Entity’s own internal guidelines for ESG Reporting



Issuances	Subject Matter Information	Reported Value	Criteria
Global Legislative Covered Bond Notes (due May 28, 2027)	Total allocation (%)	100%	Equitable Bank Sustainable Bond Framework (March 2024)
	Social Bond Proceeds allocated to eligible projects (\$)	Social & affordable housing: \$381.6 million Access to essential services: \$354.0 million	
	Social Bond Proceeds allocated to eligible projects (%)	Social & affordable housing: 52% Access to essential services: 48%	

The subject matter information is denoted by the symbol ♦ in the Report.

Other than as described in the preceding paragraph, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

There are no mandatory requirements for the preparation or presentation of the subject matter information. As such, the Entity applies the following criteria (“applicable criteria”):

- For the GHG emissions subject matter information, the Greenhouse Gas Protocol - Corporate Accounting and Reporting Standard (Revised Edition) and the GHG Protocol Scope 2 Guidance, an Amendment to the GHG Protocol Corporate Standard;
- For the VER subject matter information, internally developed criteria for the Procurement and Retirement of VERs, as described in pages 70 and 71 of the Report; and
- For the Sustainable Bond subject matter information, the Entity has applied the Equitable Bond Sustainable Bond Framework (March 2024) as the criteria for the preparation and presentation of the subject matter information, publicly available on Equitable Bank’s website.

Management’s Responsibility

Management is responsible for the preparation and presentation of the subject matter information in accordance with the applicable criteria.

Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the subject matter information that is free from material misstatement, whether due to fraud or error. This responsibility includes determining the Entity’s objectives in respect of sustainability performance and reporting, identifying stakeholders and material issues, and selecting or developing appropriate criteria.



Our Responsibility

Our responsibility is to express a limited assurance conclusion on the subject matter information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information* and CSAE 3410, *Assurance Engagements on Greenhouse Gas Statements*. These standards require that we plan and perform our engagement to obtain limited assurance about whether the subject matter information is free from material misstatement.

A limited assurance engagement involves assessing the suitability of the criteria used by the Entity in preparing the subject matter information in the circumstances of the engagement, assessing the risks of material misstatement, whether due to fraud or error, and responding to the assessed risks as necessary in the circumstances.

We exercised professional judgment and maintained professional skepticism throughout the engagement. Our procedures were designed and performed to obtain evidence that is sufficient and appropriate to provide a basis for our conclusion. In carrying out our engagement, we:

- evaluated the suitability of Equitable Bank's use of the criteria, as the basis for preparing the subject matter information in the circumstances;
- through inquiries, obtained an understanding of Equitable Bank's control environment, processes and systems relevant to the preparation of the subject matter information, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;

- evaluated whether Equitable Bank's methods for developing estimates are appropriate and had been consistently applied, but our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Equitable Bank's estimates;
- inspected a limited number of items to or from supporting records, as appropriate;
- performed analytical procedures and made inquiries of management to obtain explanations for any significant differences we identified;
- performed recalculation, for certain performance metrics, and compared the recalculated amounts to recorded amounts; and
- considered the presentation and disclosure of the subject matter information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.



The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Significant Inherent Limitations

Historical non-financial information, such as that contained in the Report, is subject to more inherent limitations than historical financial information, given the qualitative characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability. The nature and methods used to determine such information, as described in the applicable criteria, may change over time. It is important to read the Entity's GHG reporting methodology and internally developed criteria for the Procurement and Retirement of VERs in pages 70 and 71 of the Report, and the Sustainable Bond Framework, publicly available on Equitable Bank's website.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, no matters have come to our attention to cause us to believe that the Entity's subject matter information for the year ended October 31, 2024, is not prepared, in all material respects, in accordance with the applicable criteria.

Our conclusion on the subject matter information does not extend to any other information, reports or documents that accompany, are presented with, or contain the subject matter information and our assurance report.

Restriction on Use

Our report is intended solely for use by Equitable Bank for the purposes set out in our engagement agreement. Our report may not be suitable for any other purpose and is not intended for use or reliance by any third parties. While KPMG LLP acknowledges that disclosure of our report may be made, in full, by Equitable Bank in the 2024 Responsibility Report, KPMG LLP does not assume or accept any responsibility or liability to any third party in connection with the disclosure of our report.

Chartered Professional Accountants

Toronto, Canada
April 7, 2025