

Concentra[®]

2021 Investor Presentation

May 2021

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Concentra Bank Overview



Overview of Concentra Bank

- ✓ Core strategy built around specialization, partnership, and innovation
 - Striving to be Canada’s leading mid-market digital-first bank
 - Expanding our existing model to add new direct to customer businesses
- ✓ A Schedule I Chartered Bank regulated by OSFI
 - Canada’s 13th largest Bank¹
- ✓ Co-operatively owned
 - Deep, long-standing partnerships with over 90% of credit unions in Canada²
- ✓ Recent by-law change provides opportunity and flexibility to expand ownership outside of the co-operative system
- ✓ 343 employees across Canada
 - Experienced leadership team
 - Offices in Regina, Saskatoon, Surrey and Toronto
- ✓ Investment grade long-term issuer rating at A (low) and short-term rating at R-1 (low) with a Negative trend from DBRS Morningstar
 - Conservative asset mix
 - Total assets of \$11.1 billion at the end of 2020

1. In terms of total assets
2. Excluding Quebec

2020 by the Numbers

\$11.1B

**Total
Assets**

\$8.8B

**Total
Loans**

\$121M

**Net
Revenue¹**

\$25.4M

**Net
Income**

5.2%

**Return on
Equity²**

12.8%

**CET1
Ratio³**

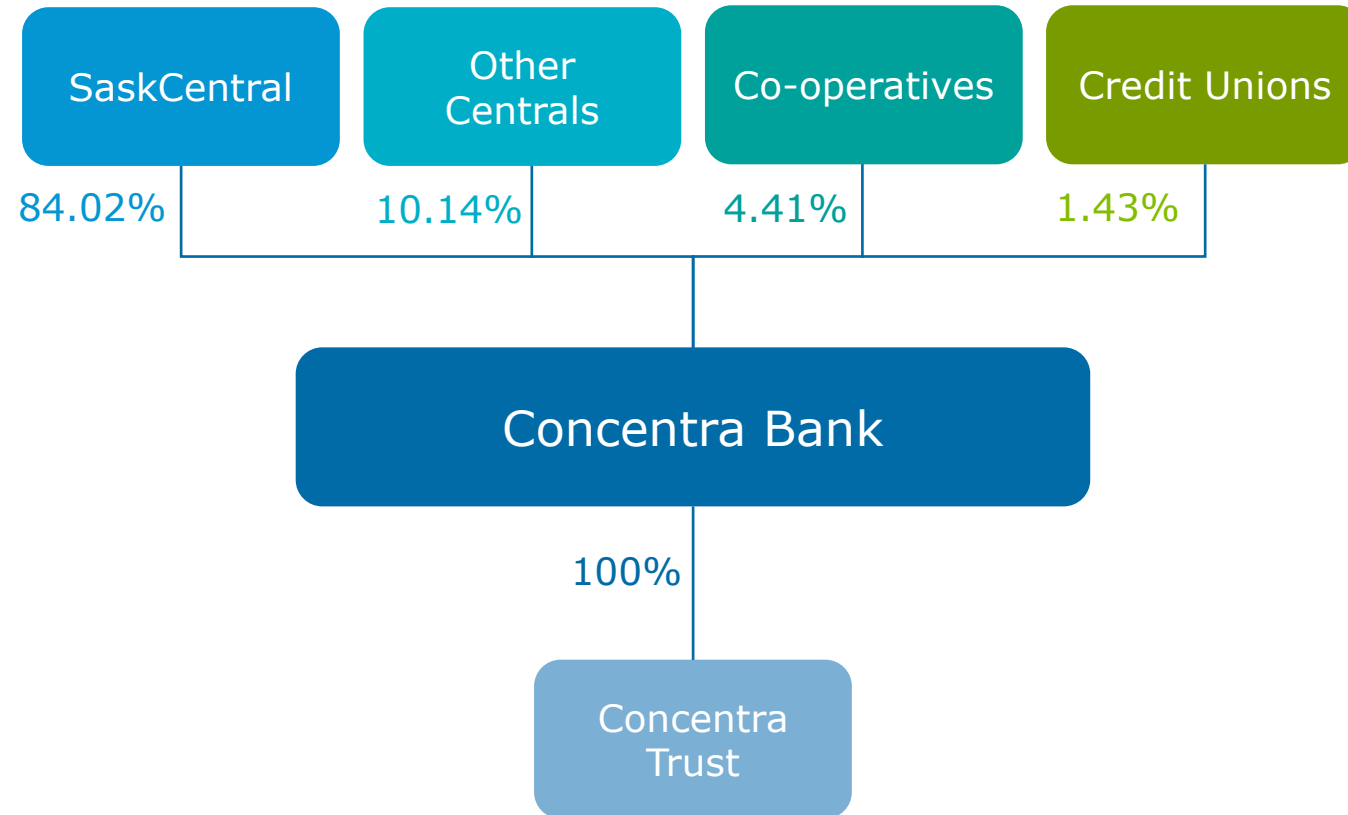
Values as of December 31, 2020

1. Net Revenue = Net Interest Income + Non-Interest Income

2. Return on common equity

3. The standardized approach is used to calculate credit risk weighted assets

Concentra's Corporate Structure



Concentra had its origins in the co-operative movement, which is reflected in the current ownership structure of the bank

In 2005, SaskCentral and Co-operative Trust joined forces to establish Concentra under the Cooperative Credit Association Act ("CCAA")

Through continuance under the Bank Act on January 1, 2017, Concentra became a Schedule I chartered bank

Concentra maintains its ties to the credit union system

Experienced Executive Leadership Team



Don Coulter
President &
CEO



Neal Oswald
Chief Operating
Officer



Philippe Sarfati
Chief Risk Officer



Paul Masterson
Chief Financial
Officer



Ryan Graham
Chief Banking
Officer



Diane Tom
Head of Trust



Brian Guillemain
Chief Digital
Officer



Jayleen Groff
Chief People Officer



Tanya Postlewaite
Corporate Secretary




Ben Douangprachanh
Chief Internal Auditor


Our leaders have a depth & breadth of industry experience

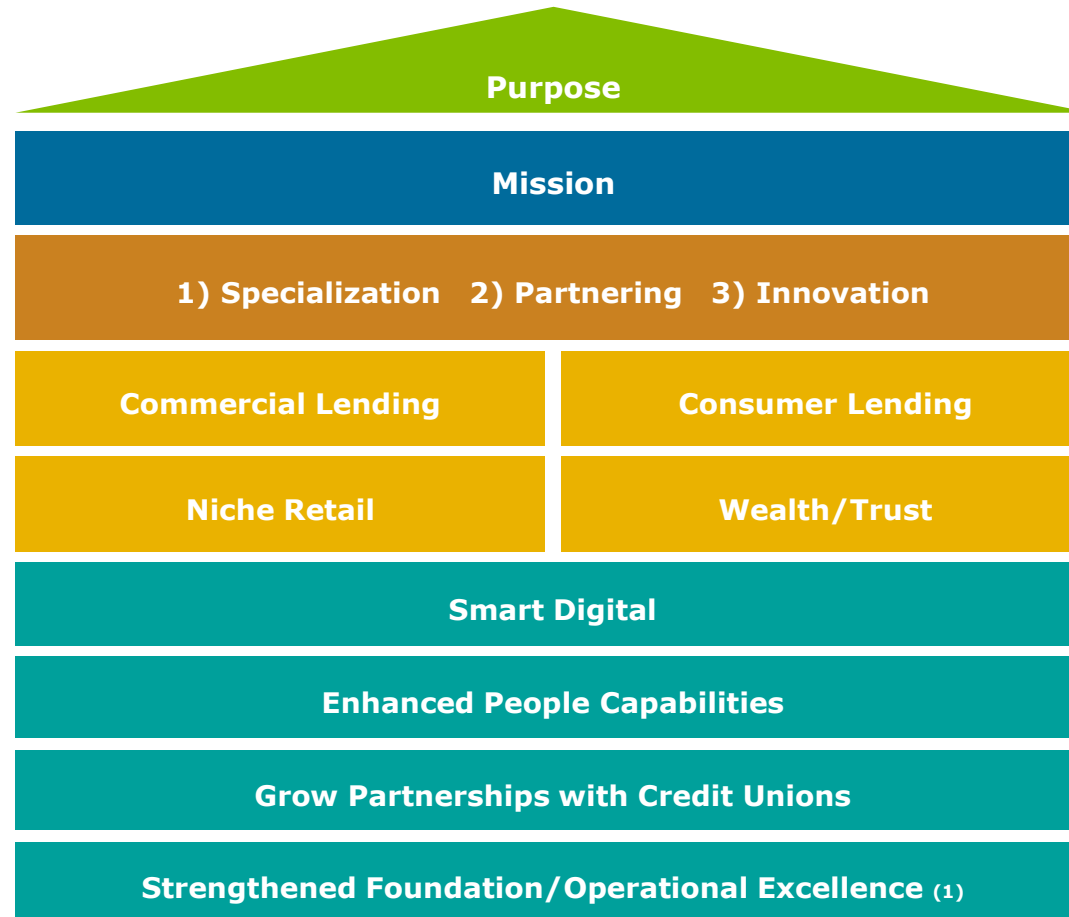


Concentra's Strategy House - Purpose, Mission & Strategy

Execution of the new strategy commenced in 2018


Purpose
Creating the future of banking, to enable your success.


Mission
To connect, elevate and partner with business owners, consumers and credit unions.



1. Strengthened Foundation includes strengthening of internal controls, operations, technology and enhanced risk management.

Concentra's Unique Business Model

Strategic Partnerships Model

Leveraging strategic partnerships is a core element of Concentra's business model

Credit Unions

Over 90% of Canada's Credit Unions¹ are clients of Concentra

Key Fintech Partnerships

- Finaceit
- Neo Financial
- SAVVYY
- BVICI
- Cinchy

Asset Origination & Revenue Generation

Direct to Customer

Indirect via Broker

Partnerships

Banking as a Service

Suite of Products & Services

Residential Mortgages

Retail Banking

Commercial Lending & Equipment Financing

Trust Services

Securitized & Non-Securitized
Direct & Indirect Sourcing
Insured & Uninsured

Retail Deposits
Nominee GIC Deposits
Consumer Loans
Foreign Exchange

Commercial Lending
Commercial Deposits
Equipment Financing

Registered Products
Corporate Trust
Personal Trusts and Estates

Securitized

Retail & Commercial Deposits

Credit Union Deposits

Capital Markets

Funding Sources

Strong Integrated Risk Governance Framework

Our risk management culture has been maturing over the past four years, as Concentra became a Schedule I bank

Risk Appetite Framework

- We only take on risk that can be identified and understood, is transparent and can be managed
- We only take on productive risk to grow our business while maintaining a stable risk profile
- We have a consistent approach to taking on risk that supports our customer strategy, delivers on our commitments and sustains our business practices in the long term

Risk Appetite		
Credit & Counterparty Risk	Model Risk	Market Risk
Liquidity & Funding Risk	Operational Risk	Strategic Risk
Legal, Regulatory & Reputation Risk		

Risk Management Framework



Dual Stream Adjudication Process

1st Line of Defense recommends a transaction, 2nd Line of Defense (RMG) conducts an independent assessment before concurring with 1st Line's recommendation

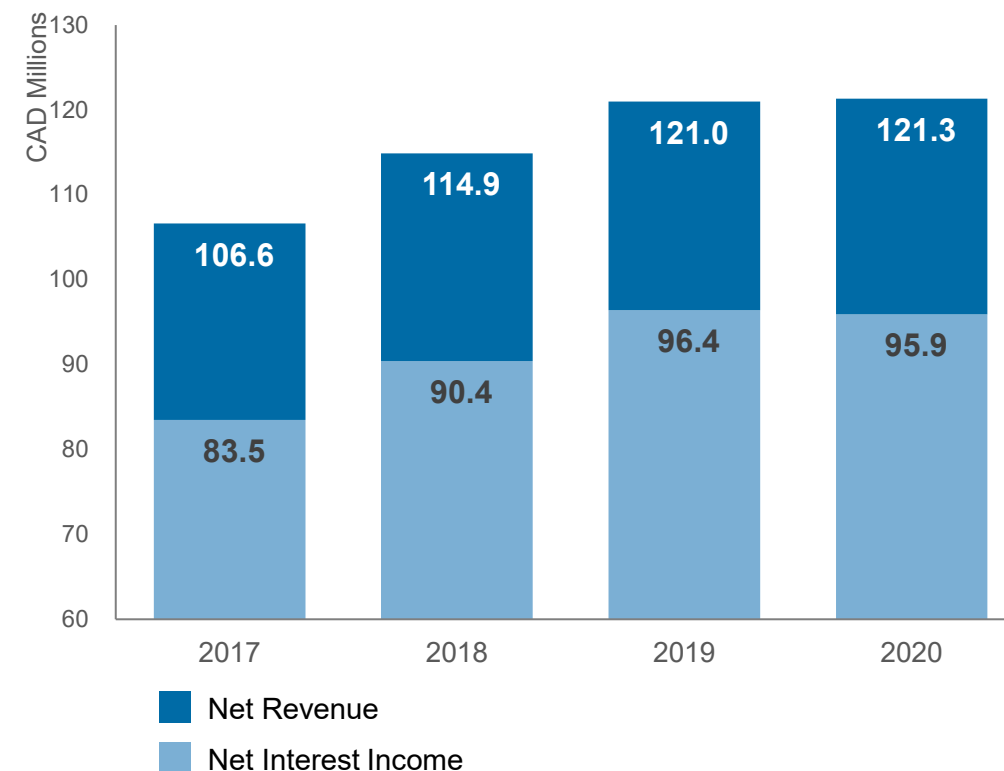
Financial Performance

Revenue and Earnings Remained Strong through 2020

Bank remained strong and resilient through COVID impacts of F2020:

- Net revenue consistent year over year
- F2020 Net Income was \$25.4M, resulting in a ROE¹ of 5.2%

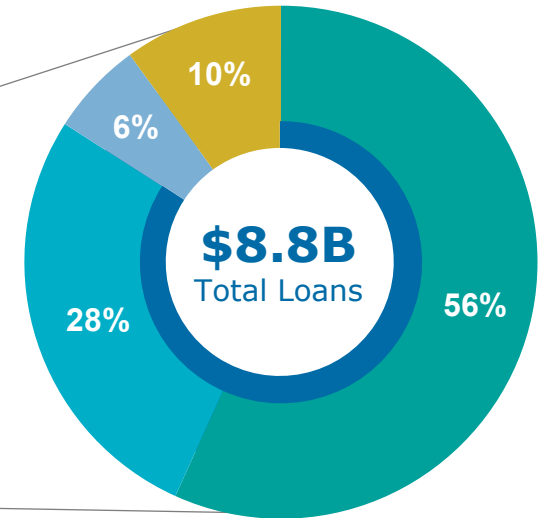
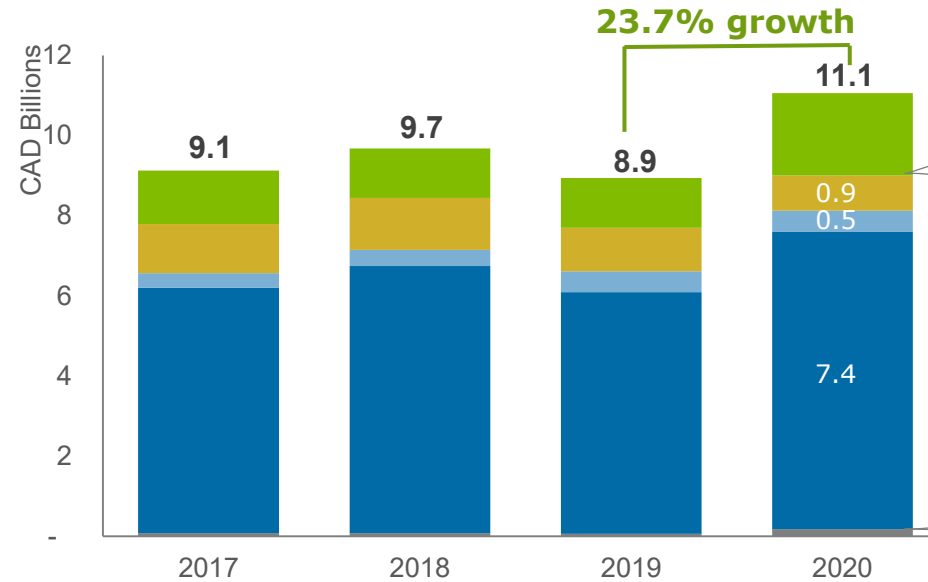
(CAD millions)	2017	2018	2019	2020
Summary Income Statement				
Net Interest Income	83.5	90.4	96.4	95.9
Non-Interest Income	23.1	24.5	24.6	25.4
Total Net Revenue	106.6	114.9	121.0	121.3
Operating Expenses	(60.0)	(66.5)	(71.4)	(77.6)
Pre-Provision Profit	46.6	48.4	49.6	43.7
Provision for credit losses	(0.6)	7.6	(6.9)	(8.9)
Income before tax	46.0	56.0	42.7	34.8
Net Income (after tax)	33.6	40.6	30.1	25.4



1. Return on common equity

Well-Diversified & Growing Asset Base

Total Assets

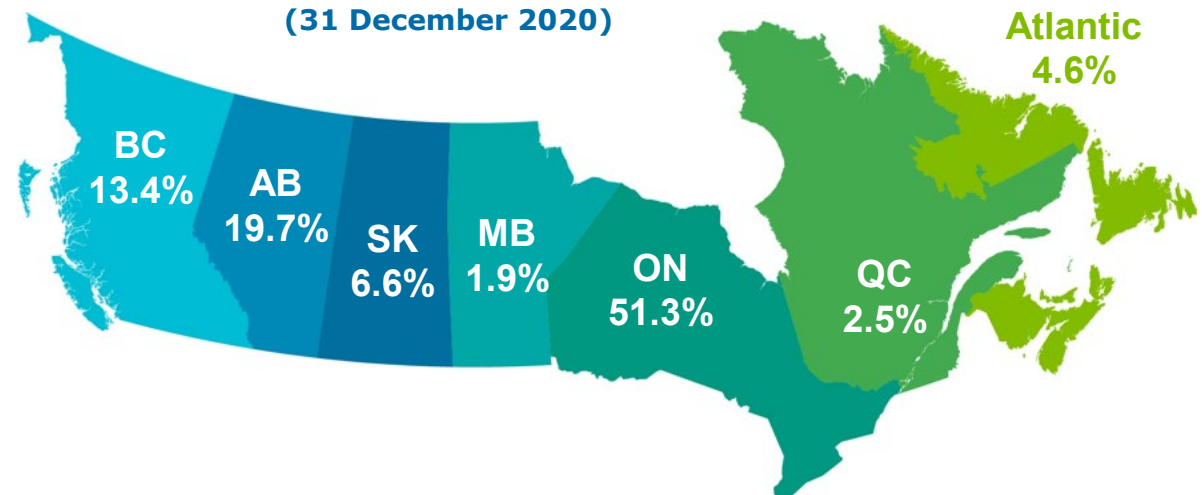


Low risk loan portfolio

- 67% of residential mortgages are insured
- Assets national in scope across Canada

Credit Portfolio Composition

(31 December 2020)



COVID-19 Market Impact

*Well-executed COVID action plan supported by strong risk management framework
All customer deferrals have been resolved*

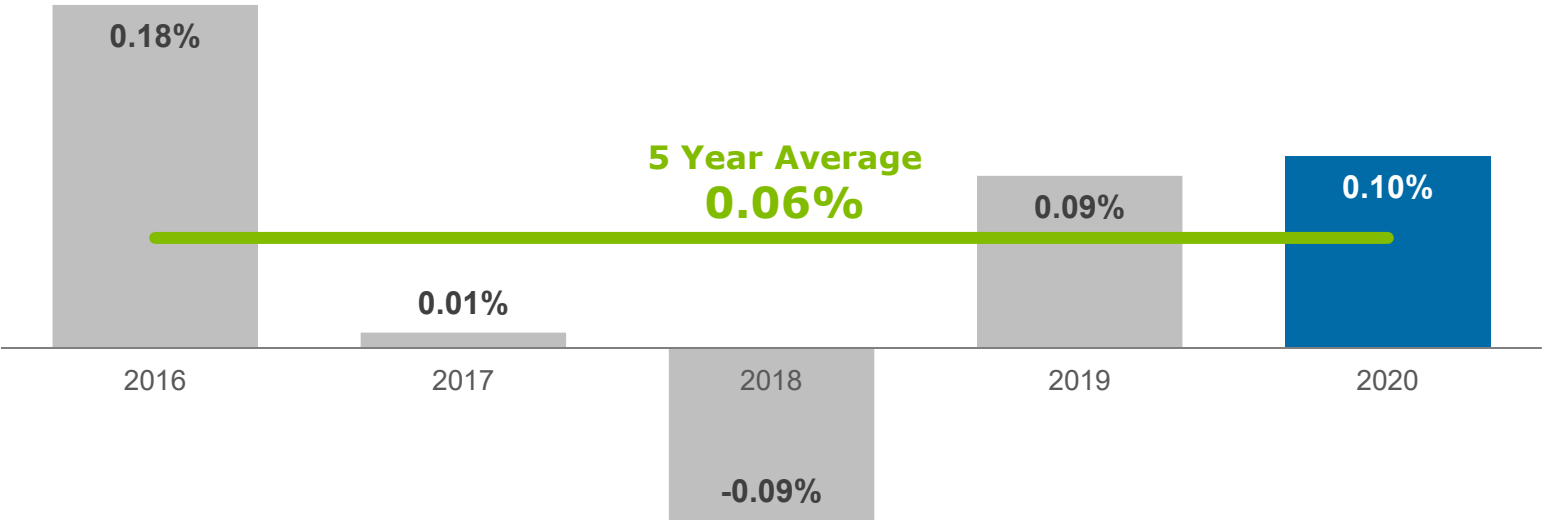
- Strategically reduced the commercial portfolio by lowering our risk exposure to vulnerable industry sectors, such as hospitality, construction, and commercial real estate. This was achieved through:
 - Strategic loan sales
 - Managing the renewal process to limit credit exposure on higher risk accounts in industries impacted by the economic slowdown
- The loan portfolio has minimal direct exposure to the oil & gas sector¹
- Established the Special Account Management Unit (“SAMU”) to provide oversight and day-to-day management of our high-risk commercial loan portfolio, with the objective of reducing exposure and minimizing loan losses

1. Oil & gas exposure of 0.07% of total loans

Provision for Credit Losses Remain Consistent

While the appropriate allowances were taken in 2020 given the economic conditions due to COVID, these were offset by reduced risk overall in the balance sheet, with growth through insured prime mortgages and a reduction in commercial loans

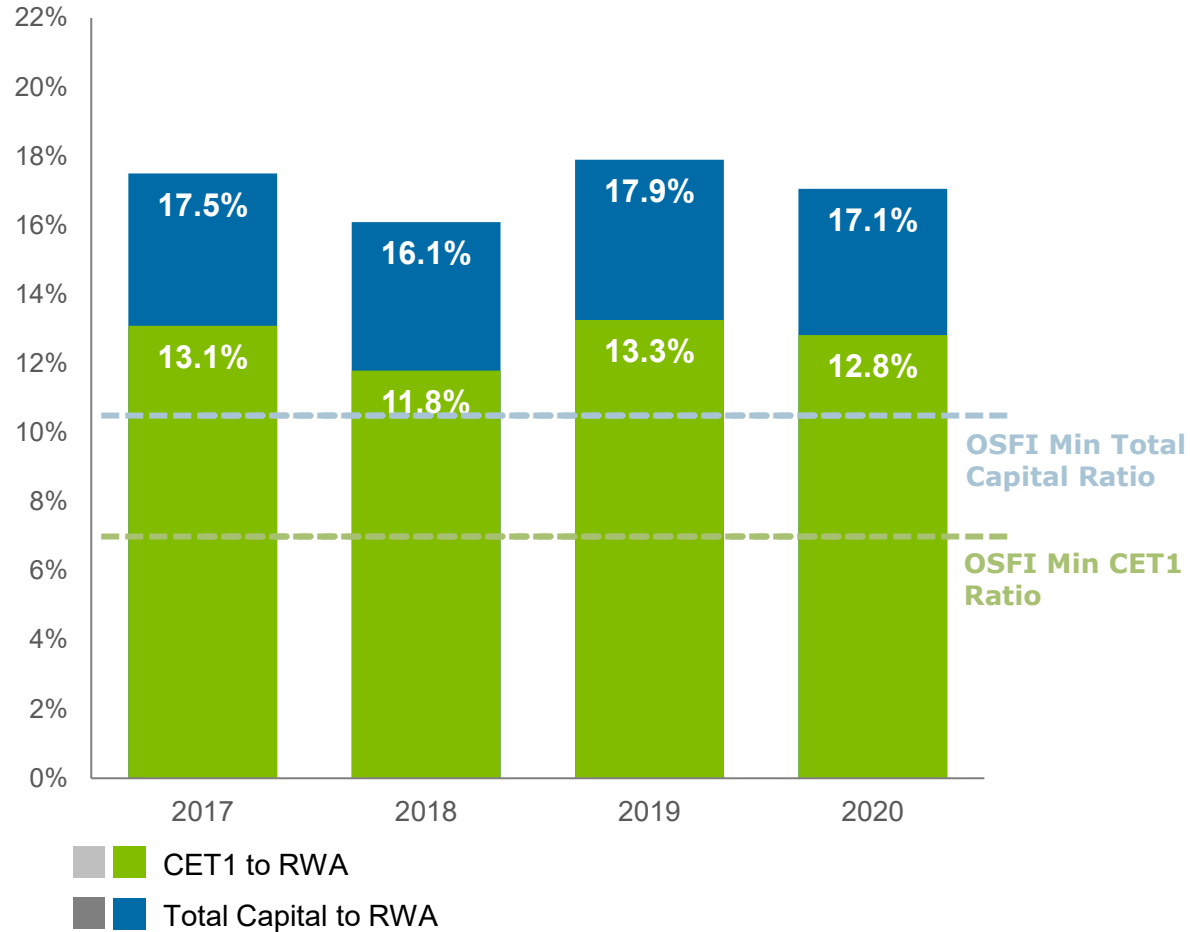
Provision for Credit Losses as a % of Gross Loans



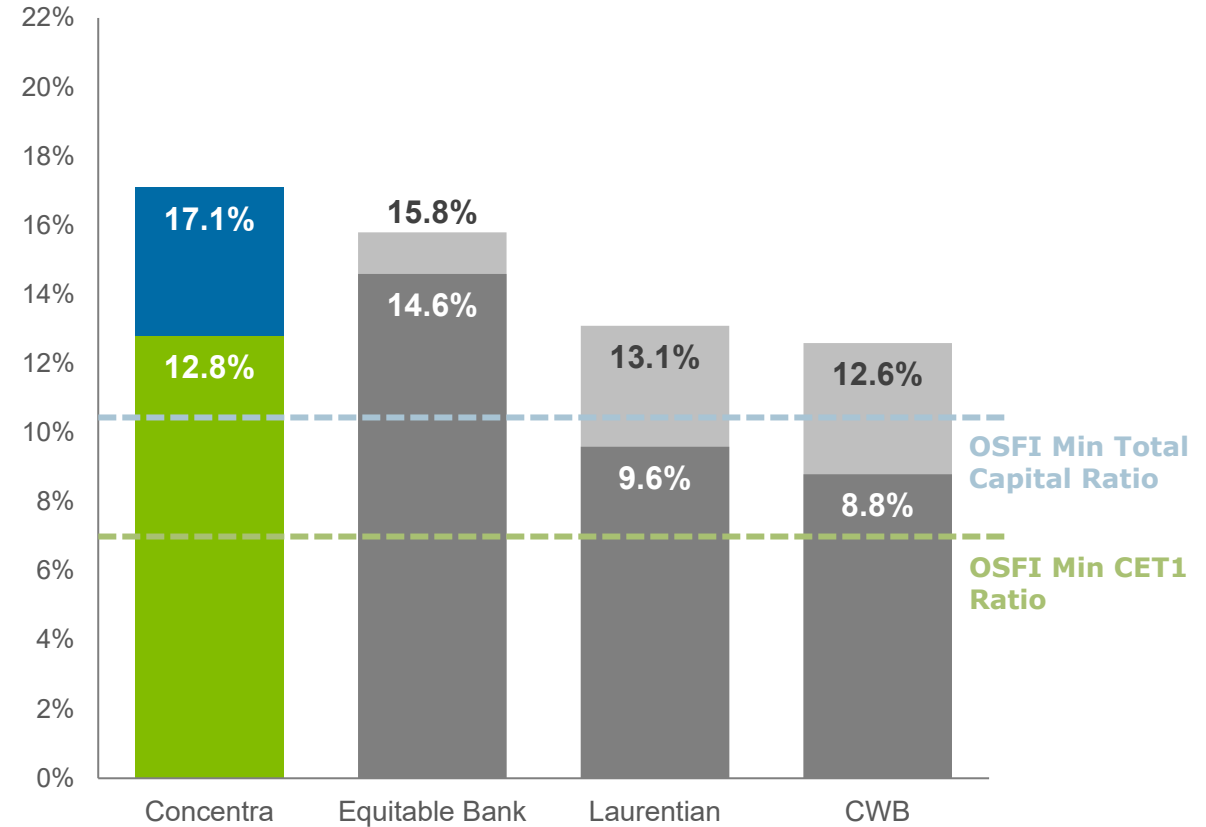
Capital & Liquidity

Consistently Strong Risk Based Capital Ratios

Concentra Capital Ratios¹



Industry Comparable Capital Ratios²



1. Concentra uses the standardized approach in calculating RWAs.
 2. Ratios as at Q4 2020, Source: Companies' annual reports

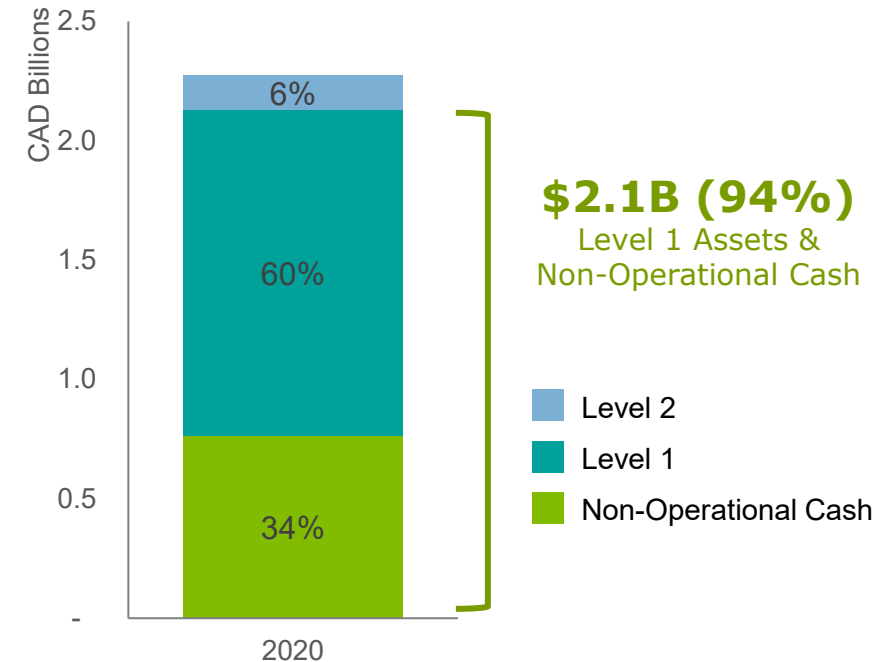
Strong Liquidity Positions

*Strong growth in Credit Union deposits through F2020
Bank maintained a stable funding base with high levels of liquid assets*

Regulatory Liquidity Measures

- 198% Liquidity Coverage Ratio (“LCR”)
- Diversification of liquidity sources
- \$2.3 billion in high quality liquid assets & non-operational cash
- Committed lines of \$400 million with external parties, in addition to \$100 million operating line with SaskCentral
- Active management of seasonal liquidity flows
- Access to large players in the nominee deposit market

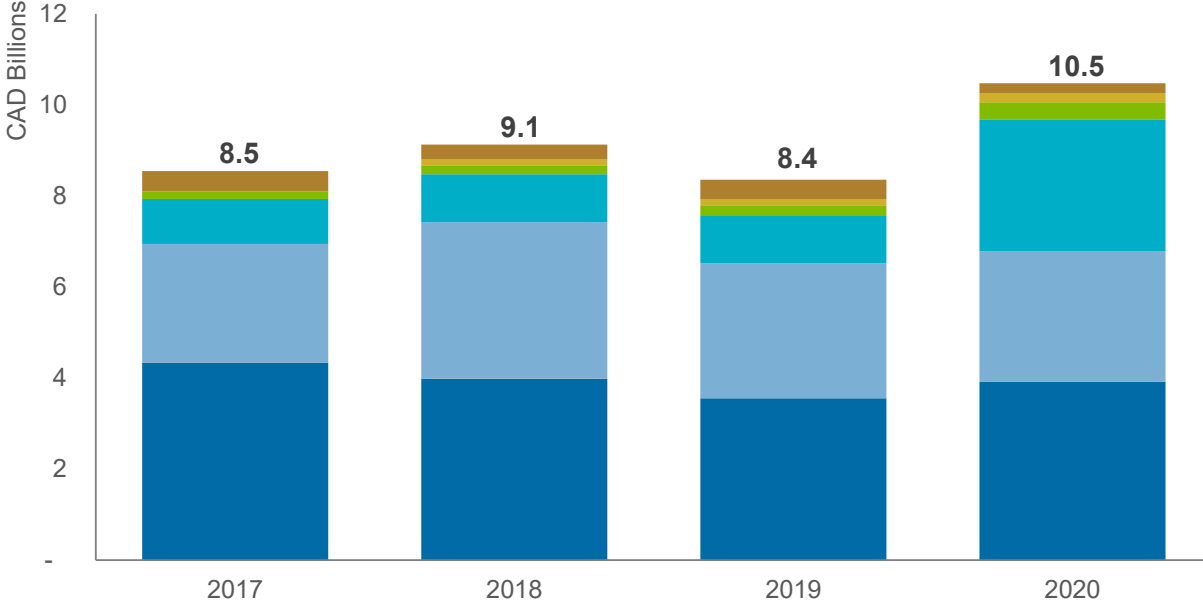
HQLA breakdown



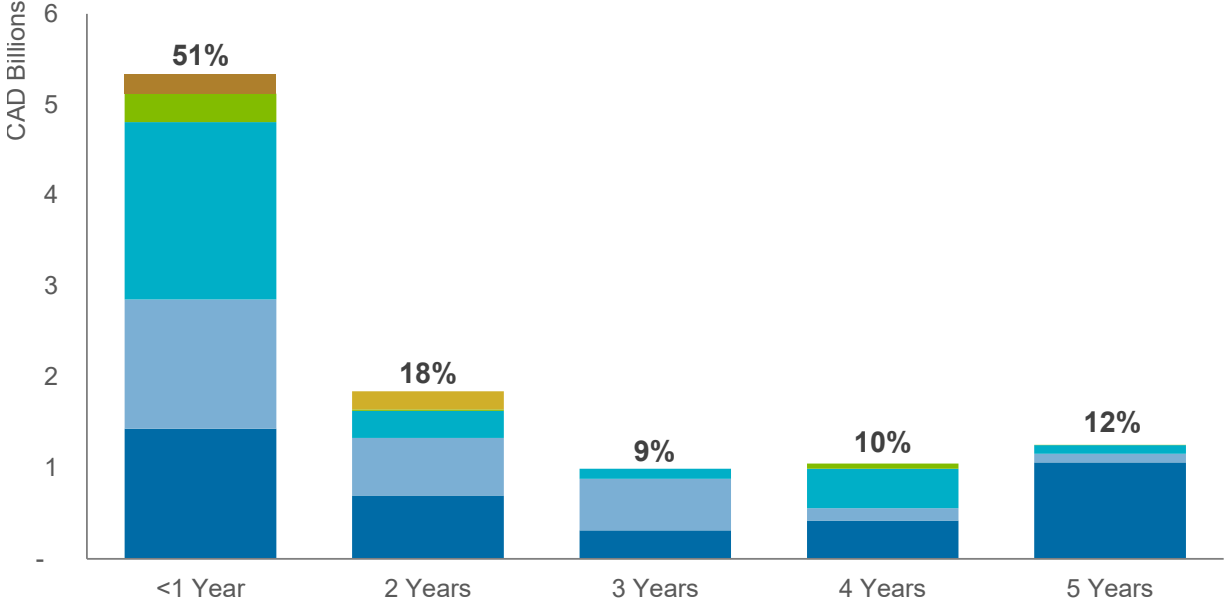
Funding Profile

Funding profile is diversified by source with scheduled maturities out to 5 years

Funding By Source



Maturity Schedule



- Securitized Liabilities
- Retail Deposits
- Credit Union Deposits
- Commercial Deposits
- Capital Markets Deposits
- Loans & Notes Payable



Question & Answer Period

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