



EFFORT TRUST

Our Effort Is For You

REGULATORY CAPITAL DISCLOSURE

Summarized below are Effort Trust's key prudential regulatory metrics. Effort Trust is required to disclose them in accordance with OSFI Pillar 3 Disclosure Requirements for Small and Medium-Sized Banks.

The Effort Trust Company (the "Company") is a federally regulated trust company and maintains its capital based on guidelines provided by the Office of the Superintendent of Financial Institutions ("OSFI") which are based on global standards established by the Bank of International Settlements, Basel Committee on Banking Supervision ("Basel").

The Company's activities for the past 45 years, have focused on mortgage lending operations and have included emphasis on fees for services including property management, administration of mortgages, RSPs and RRIFs. These additional asset administration operations significantly enhance the future probability of the Company because of the low capital requirement and non-interest sensitive nature of these types of activities.

The Company has a disciplined risk management process for pro-actively identifying, assessing, managing and controlling the significant strategic, business and process level risks inherent in its business strategy and operations at any point in time. These risks include credit risk, interest rate risk, market risk, operational risk, liquidity risk, regulatory risk and strategic risk. Policies and strategies for managing each of the major financial risks are prepared and revised by Senior Management and are monitored regularly and reviewed at least annually by the Company's Board of Directors, Audit and Risk Management Committee, and Conduct Review and Corporate Governance Committee.

The Company has a capital management program that regularly monitors its present and future capital needs. As part of this program, Senior Management conducts an annual review of the capital plan which is approved annually by the Board of Directors.

The Company uses an Internal Capital Adequacy Assessment Process ("ICAAP") to determine the quality and quantity of capital that is required to conduct its business activities. The ICAAP analysis conducted by Senior Management and approved by the Board of Directors, together with the annual strategic planning process (which integrates the ICAAP outputs into the Company's Strategic Plan) provides confirmation that the Company has adequate capital resources over its planning horizon including periods of economic downturn.

Effort Trust - Key Metrics

		2025	2024	2024	2024	2024
		Q1	Q4	Q3	Q2	Q1
	Available capital					
1	Common Equity Tier 1 (CET1)	171,622	167,723	167,663	162,210	162,915
2	Tier 1	171,622	167,723	167,663	162,210	162,915
3	Total capital	171,622	167,723	167,663	162,210	162,915
	Risk-weighted assets					
4	Total risk-weighted assets (RWA)	417,254	418,386	419,716	417,198	419,224
	Risk-based capital ratios as a percentage of RWA					
5	CET1 ratio (%)	41.13%	40.09%	39.95%	38.88%	38.86%
6	Tier 1 ratio (%)	41.13%	40.09%	39.95%	38.88%	38.86%
7	Total capital ratio (%)	41.13%	40.09%	39.95%	38.88%	38.86%
	Basel III Leverage ratio					
8	Total Basel III leverage ratio exposure measure	1,040,061	1,073,172	1,076,468	1,059,367	1,075,043
9	Basel III leverage ratio (row 2 / row 8)	16.50%	15.63%	15.58%	15.31%	15.15%
10	Common Equity Tier 1 target ratio	7.0%	7.0%	7.0%	7.0%	7.0%
11	Tier 1 capital target ratio	8.5%	8.5%	8.5%	8.5%	8.5%
12	Total capital target ratio	10.5%	10.5%	10.5%	10.5%	10.5%



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Effort Trust - Composition of Capital		(Amounts in \$,000)
Q1 - 2025		
Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share capital plus related stock surplus	12,658
2	Retained earnings	158,964
3	Accumulated other comprehensive income (and other reserves)	-
6	Common Equity Tier 1 capital before regulatory adjustments	171,622
Common Equity Tier 1 capital: regulatory adjustments		
28	Total regulatory adjustments to Common Equity Tier 1	-
29	Common Equity Tier 1 capital (CET1)	171,622
Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-
31	of which: classified as equity under applicable accounting standards	-
32	of which: classified as liabilities under applicable accounting standards	-
33	<i>Directly issued capital instruments subject to phase out from Additional Tier 1 (applicable only to Federal Credit Unions)</i>	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount	-
35	<i>of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)</i>	-
36	Additional Tier 1 capital before regulatory adjustments	-
Additional Tier 1 capital: regulatory adjustments		
43	Total regulatory adjustments to additional Tier 1 capital	-
44	Additional Tier 1 capital (AT1)	-
45	Tier 1 capital (T1 = CET1 + AT1)	171,622
Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
47	<i>Directly issued capital instruments subject to phase out from Tier 2 (applicable only to Federal Credit Unions)</i>	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-
49	<i>of which: instruments issued by subsidiaries subject to phase out (applicable only to Federal Credit Unions)</i>	-
50	Collective allowances	-
51	Tier 2 capital before regulatory adjustments	-
Tier 2 capital: regulatory adjustments		
57	Total regulatory adjustments to Tier 2 capital	-
58	Tier 2 capital (T2)	-
59	Total capital (TC = T1 + T2)	171,622
60	Total risk-weighted assets	417,254
Capital Ratios		
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) (%)	41.13%
62	Tier 1 (as a percentage of risk-weighted assets) (%)	41.13%
63	Total capital (as a percentage of risk-weighted assets) (%)	41.13%
OSFI Target		
69	Common Equity Tier 1 target ratio (%)	7.00%
70	Tier 1 capital target ratio (%)	8.50%
71	Total capital target ratio (%)	10.50%