

Notice of meeting and management proxy circular

2022



March 14, 2022

Dear shareholder,

The Annual General and Special Meeting of Shareholders will take place at 10:00 AM (Central Standard Time in Saskatchewan) and 12:00 PM (Eastern Time in Ontario) on April 5, 2022, via videoconference.

Enclosed is the formal notice of the meeting and the Management Proxy Circular, which explains the items of business to be covered at the meeting. This document also provides information about the Bank's governance practices, director and executive compensation, and other matters to help you decide how to vote your shares.

The meeting is an opportunity to hear from the Board and the Bank's executives about our 2021 performance and to ask any questions you may have.

If you are unable to participate, a recorded version of the meeting will be available at wyth.ca following the meeting.

Your participation is important to us. If you are unable to attend by videoconference, **we encourage you to vote by proxy so your views can be represented.**

Thank you for your continued interest in and support of Concentra Bank, operating as Wyth Financial.

Sincerely,



Lise De Moissac

Chair of the Board

P: 306.385.4402

E: lise.demoissac@wyth.ca



Don Coulter

President and Chief Executive Officer

P: 306.956.1831

E: don.coulter@wyth.ca

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

You are invited to the **2022 Annual General and Special Meeting (AGM) of Concentra Bank , operating as Wyth Financial** (the “Bank”).

Date: Tuesday, April 5, 2022

Time: 10:00 a.m. (Central Standard Time – Saskatchewan) and
12:00 p.m. (Eastern Time – Ontario)

Videoconference link:

web.lumiagm.com/467882372

You will need the latest version of Chrome, Safari, Edge or Firefox to log in to the AGM videoconference.

Internal network security protocols including firewalls and VPN may block access to the AGM platform. If you experience difficulty logging in, ensure your VPN setting is disabled or use a computer on a network not restricted to security settings of your organization.

BUSINESS OF THE MEETING

The purpose of the meeting is to consider and take action on the following matters:

1. To receive the consolidated financial statements for the year ended December 31, 2021, and the auditors’ report on those statements;
2. To appoint the auditors who will serve until the next annual meeting, and to authorize the directors to fix the remuneration to be paid to the auditors;
3. To consider, and if deemed advisable, approve by special resolution an amendment to By-Law No.1 respecting the limit on maximum aggregate compensation to directors;
4. To elect the Board of Directors who will serve until the next annual meeting; and
5. To consider any other business that may properly come before the meeting.

RECOMMENDATION OF THE BOARD

The Board unanimously recommends you vote your shares “FOR” the election of the directors, and “FOR” each of the other resolutions.



Please address any questions in relation to this Notice and these materials to Janelle Anderson at corporatesecretary@wyth.ca or 306.381.4256.

The Circular and accompanying consolidated financial statements and management’s discussion and analysis (“MD&A”) are available to Shareholders at wyth.ca.

By order of the Board of Directors,

Janelle Anderson

Vice-President, Governance
Corporate Secretary
Saskatoon, Saskatchewan
March 14, 2022

Table of contents

4	PART 1	VOTING AND PROXY INFORMATION
7	PART 2	BUSINESS OF THE MEETING
		a) Consolidated Financial Statements, MD&A and Auditor's Report
		b) Appointment of Auditors
		c) By-law Amendment
		d) Election of Directors
19	PART 3	STATEMENT OF CORPORATE GOVERNANCE PRACTICES EXECUTIVE
30	PART 4	COMPENSATION

Part 1: Voting and proxy information

VOTING INFORMATION

This Management Proxy Circular (“Circular”) is being provided to holders of Common Shares of Concentra Bank (“the Bank”) in connection with the Annual General and Special Meeting (AGM) to be held on April 5, 2022 at 10:00 AM CST via videoconference and at 333 3rd Ave N, Saskatoon, Saskatchewan.

The information in the Circular is provided to the Common Shareholders so you may exercise your right to vote at the meeting. The information provided is current as of March 14, 2022 unless otherwise indicated.

Each matter you are being asked to vote on requires the approval of a majority (more than 50%) of the votes cast in person or by proxy at the meeting, except the special resolution to amend By-Law No. 1, which requires approval of a least two-thirds of the votes cast by Common Shareholders in person or by proxy.

QUORUM

Quorum for the transaction of business at the Meeting is the holders of a majority of the Common Shares entitled to vote at the Meeting, present in person, (which includes attendance via videoconference), or represented by proxy.

WHO CAN VOTE?

The Directors have fixed March 14, 2022 as the record date for determining Shareholders entitled to receive notice of the Meeting. A person shown as a Shareholder of record on March 14, 2022 shall be entitled to vote the shares registered in his or her name on that date. You are entitled to one vote for each share you own as of March 14, 2022.

As of March 14, 2022, there were 9,621,113.618 Common Shares issued and outstanding. Each Common Share carries the right to one vote in respect of each of the matters properly coming before the Meeting, except for the election of directors, for which cumulative voting is used (for additional details with respect to cumulative voting, please refer to the information set out under the heading “Election of Directors”).

As of the date of this Circular, to the best of the knowledge of the Bank, the following companies beneficially owned, or controlled or directed, directly or indirectly, voting securities of the Bank carrying 10% or more of the voting rights attached to any class of voting securities:

Company	Number of common shares beneficially owned, controlled or directed	Percentage of voting securities
Credit Union Central of Saskatchewan (“SaskCentral”)	8,083,519.177	Approximately 84%
Conexus Credit Union	This entity holds greater than 10% of the voting rights in SaskCentral.	
Affinity Credit Union	This entity holds greater than 10% of the voting rights in SaskCentral.	
Innovation Credit Union	This entity holds greater than 10% of the voting rights in SaskCentral.	

WHAT AM I VOTING ON?

Resolution	Who votes	You can vote	Board recommendation
Appointment of the External Auditor	Common Shareholders	FOR or WITHOLD	FOR the resolution
Election of the Directors	Common Shareholders	FOR or WITHOLD	FOR the resolution
Bylaw Amendment	Common Shareholders	FOR or WITHOLD	FOR the resolution

See the provisions on cumulative voting on page 10 of this Circular.

HOW DO I VOTE?

This year, we are pleased to offer online voting using your smartphone, table, or computer. Through the online portal, you may:

- appoint a proxyholder to attend the meeting and vote your shares for you;
- provide voting instructions in advance of the meeting; or
- attend the meeting and vote during the meeting.

Note: If you would prefer to vote using a paper form of proxy, please contact corporatesecretary@wyth.ca and one will be sent to you.

INFORMATION NEEDED TO VOTE

In order to vote by proxy or during the AGM, you will need the following:

- **AGM link:** web.lumiagm.com/467882372
- **Meeting ID:** 467-882-372
- **Password:** wyth2022
- **Shareholder control number:** This is a unique identifying number given to each shareholder. It can be found in the information that was sent to you along with this proxy circular.

HOW TO VOTE BY PROXY

Step 1 – Log in

If you prefer to vote by proxy, you will need to log in online at web.lumiagm.com/467882372 at any time before 10:00 AM (Central Standard Time) on April 1, 2022, which is two business days before the AGM. You will be asked to input the Meeting ID, Password and your unique Shareholder Control Number.

Step 2 – Appoint a proxyholder

You will be asked to appoint either the management designated proxyholders or another person as your proxyholder to attend the meeting and vote your shares for you. If you appoint someone as your proxyholder other than the management designated proxyholders, you will need to provide contact information so that we can send your appointed proxyholder the information needed to vote on your behalf.

Step 3 – Provide voting instructions

You can choose to provide voting instructions “For”, “Withhold”, or “Against” each of the items to be voted on. You can also choose not to provide voting instructions and let your proxyholder decide how to vote your shares for you during the meeting. Your proxyholder must vote according to your voting instructions if you have provided them.

If you appoint the management designated proxyholders and do not provide voting instructions, your votes will be cast IN FAVOR of all resolutions put before shareholders at the meeting.

HOW TO VOTE DURING THE AGM

Step 1 – Log in

If you want to vote during the AGM, log in online at web.lumiagm.com/467882372 at the start of the meeting. You will be asked to input the Meeting ID, Password and your unique Shareholder Control Number.

Step 2 – Vote

Once voting has opened during the meeting, the voting tab will appear on your screen and you will be provided with instructions on how to vote for each resolution. You will be able to hear the meeting proceedings while casting your votes and will be able to return to the video broadcast after voting.

WHAT SHOULD I DO IF I CAN'T LOG IN TO VOTE?

Please make sure the browser on your device is compatible with the online AGM portal. You will need the latest version of Chrome, Safari, Edge or Firefox.

Internal network security protocols including firewalls and VPN may block access to the AGM platform for voting. If you experience difficulty logging in, ensure your VPN setting is disabled or use a computer on a network not restricted to security settings of your organization.

CAN I APPOINT SOMEONE OTHER THAN THE NAMED DIRECTOR PROXYHOLDERS TO VOTE MY SHARES?

Yes, you may appoint someone other than the named management designated proxyholders to be your proxyholder. The person you appoint does not need to be a Shareholder. You will need to provide contact information for your proxyholder and your proxyholder will be sent all the information they need to vote on your behalf at the meeting.

Please make sure the person you appoint is attending the meeting and knows he or she has been appointed to vote your shares. For their vote to be counted, proxyholders must have the proper Shareholder Control Number when they join the meeting.

HOW WILL MY SHARES BE VOTED IF I GIVE MY PROXY?

The person named as proxyholder must vote your shares for or withhold from voting in accordance with your instructions, or you can let your proxyholder decide for you. Your proxyholder is authorized to vote and act for you at the meeting or continuation or adjournment of the meeting.

If you do not designate a specific proxyholder, Lise de Moissac (Board Chair) or David Losier (Vice-Chair), each a Director of the Bank, will be designated as your proxyholder.

Once you log in to the AGM portal, you can indicate in your voting instructions how you want your proxyholder to vote your shares, and your proxyholder must follow your instructions. In the absence of voting instructions, proxies received by management will be voted in favour of all resolutions put before shareholders of the meeting. See "Business of the Meeting" in Part 2 of this Circular for further information.

WHAT IF AMENDMENTS ARE MADE TO THESE MATTERS OR IF OTHER MATTERS ARE BROUGHT BEFORE THE MEETING?

The persons designated as proxyholder will have discretionary authority with respect to amendments or variations to matters identified in the Notice, and with respect to other matters that may properly come before the meeting.

As of the date of this Circular, the Bank's management is not aware of any amendment, variation or other matter expected to come before the meeting. If any other matters properly come before the meeting, the person named as proxyholder will vote on them in accordance with their best judgment.

CAN I REVOKE MY PROXY?

If you change your mind and want to revoke your proxy, you can do so by signing and sending a written statement of your request to the Corporate Secretary via email or fax any time up to 10:00 a.m. on April 1, 2022, which is two business days before the start of the meeting.

SOLICITATION OF PROXIES

We are soliciting proxies by mail or by email (if you have consented to electronic delivery of Shareholder notices) but management may contact you by phone or in writing. The Bank pays the cost of proxy solicitation.

Part 2: Business of the meeting

A) CONSOLIDATED FINANCIAL STATEMENTS, AUDITORS' REPORT, AND MD&A

The consolidated financial statements and management's discussion and analysis ("MD&A") for the year ended December 31, 2021, together with the Auditors' Report on the financial statements, will be presented to Shareholders at the meeting.

These documents are available at wyth.ca.

B) APPOINTMENT OF AUDITORS

As part of the Bank's corporate governance structure, the Audit and Conduct Review Committee conducts an annual assessment of the external auditor, focusing on independence, objectivity, professional skepticism, quality of the engagement team, communication and interaction, and overall quality of service. A more comprehensive assessment is conducted every five years, with the first such assessment completed in 2021.

Based on the Committee's satisfactory assessment of KPMG's service, conducted during 2021, the Board recommends KPMG be reappointed as external auditor until the close of the next AGM.

A representative of KPMG will attend the Meeting and available to answer your questions.

RECOMMENDATION OF THE BOARD

The Board recommends that Common Shareholders vote FOR the appointment of KPMG LLP as external auditor for the 2022 fiscal year.

In the absence of contrary instructions, the management designated proxyholders intend to vote FOR the appointment of KPMG LLP as external auditor for the 2022 fiscal year.



Pre-approval policies and procedures

As part of the Bank's corporate governance structure, the Audit and Conduct Review Committee annually reviews and approves the terms and scope of the external auditors' engagement. To further ensure the independence of the auditors is not compromised, the Audit and Conduct Review Committee maintains a policy requiring the Committee to pre-approve all non-audit service engagements performed by the external auditor. Engagements less than \$100,000 can be pre-approved

by the Chair of the Audit and Conduct Review Committee, while engagements in excess of the amount require pre-approval by the full Committee. All approvals and status updates of non-audit service engagements are reported to the Audit and Conduct Review Committee on a quarterly basis.

Consistent with the previous year, there were no non-audit services provided by KPMG for fiscal year 2021.

The table below presents the fees paid or payable to KPMG for fiscal years 2019, 2020 and 2021.

Fees paid to external auditors			
For the year ended December 31 (Canadian Dollars)			
	2021	2020	2019
Concentra Bank			
Audit ¹	\$255,000	\$ 268,525	\$ 231,750
Audit-Related Fees ²	99,135	72,000	72,000
Other Fees	-	12,840	-
	354,135	353,365	303,750
Concentra Trust			
Audit	37,100	36,000	35,000
Audit-Related Fees	-	-	-
Other Fees	-	-	-
	37,100	36,000	35,000
Total	\$391,235	\$ 389,365	\$ 338,750

⁽¹⁾ 2020 audit fees include fees for additional audit work completed on significant estimates in relation to changes in requirements of Canadian Auditing Standards.

⁽²⁾ 2021 audit-related fees include fees for additional audit work completed on commercial risk rating transition, off balance sheet loan sales, and hedging accounting position paper reviews.

Audit fees

Audit fees are fees for professional services in connection with the audit of the annual financial statements and other services that are normally provided by the auditor in connection with statutory and regulatory filings or engagements. Fees reported only include approved amounts as per the annual engagement letter as approved by the Audit and Conduct Review Committee.

Audit-related fees

Audit-related fees include services by an external auditor that are reasonably related to the performance of the audit of the financial statements and are not reported as Audit Services. This includes fees paid for the auditor's review of quarterly financial statements, new business transactions, and accounting standard changes.

Other fees

All other fees include fees paid for all services other than those posted in audit fees and audit-related fees.

RECOMMENDATION OF THE BOARD

In the absence of contrary instructions, the management designated proxyholders intend to vote **FOR** the Increase to the Limit on Maximum Aggregate Compensation to Directors Special Resolution.



C) BYLAW AMENDMENT

Special resolution to amend by-law no. 1 regarding limit on maximum aggregate compensation to directors

The *Bank Act* provides authority for directors of the bank to fix the compensation of directors, officers, and employees of the bank. However, the *Bank Act* also requires the maximum aggregate compensation of directors during a fiscal year to be set by way of a By-law. Section 3(m) of By-law No. 1 provides the total maximum amount that may be paid by the Bank in a financial year to all Directors of the Bank as compensation for their services is \$750,000.

On March 2, 2022, the Board approved an amendment and restatement of Section 3(m) of By-law No. 1 to increase the maximum amount that directors can be paid for a fiscal year to \$1,250,000. To be effective, the proposed By-law amendment requires confirmation by a special resolution of Shareholders, approved by at least two-thirds of the votes cast in person or by proxy at our AGM.

An anticipated increase in director workload in 2022 connected with the oversight of matters related to the sale of the Bank and associated transition planning may result in total director compensation under the current compensation structure to approach and potentially surpass the total compensation cap under the Bank's By-law, creating a risk that the Bank could become unable to pay its directors for their services rendered within current constraints.

In addition, the Board, through its Governance Committee, commenced a review of director compensation in 2021 through the engagement of a third-party consultant to assess current compensation philosophy, establish relevant comparator groups, benchmark director compensation against market, and provide a recommendation on the appropriateness of total compensation for directors. In consideration of the complexity of the business and the nature of matters overseen by the Board, and to ensure market alignment, a recommendation was made to increase the overall compensation for directors.

The Board's consultant advised that director compensation caps are typically set approximately 50% higher than actual aggregate director compensation. The increase recommended for approval by Shareholders is intended to provide a significant buffer and does not represent anticipated annual total director compensation.

The Board recommends that Common Shareholders vote FOR the following special resolution.

Be it resolved as a special resolution that:

- By-law No. 1 of Concentra is hereby amended by deleting the reference to "seven hundred and fifty thousand (\$750,000)" in Section 3(m) and replacing it with "one million two hundred and fifty thousand (\$1,250,000)" so that section 3(m) reads as follows:

Remuneration of Directors. Remuneration paid by the Bank to its Directors in respect of a financial year shall not exceed, in aggregate, one million two hundred and fifty thousand (\$1,250,000) dollars, which amount may be apportioned among the Directors on such basis as the Directors may determine, together with such further amounts as may be necessary to reimburse the Directors for their reasonable expenses properly incurred in respect of their services to the Bank in their capacity as Directors.
- Any officer or director of the Bank is hereby authorized and directed for and on behalf of the Bank to execute or cause to be executed, under the seal of the Bank or otherwise, and to deliver or cause to be delivered, all such documents, agreements and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments and the taking of any such actions.

D) ELECTION OF DIRECTORS

The Board comprises 12 members, all of whom are to be elected at the meeting. Common Shareholders will be asked to elect 12 nominees as Directors by cumulative voting, to hold office until the close of the next AGM, or until his or her successor is duly elected, unless his or her office is vacated in accordance with the By-Laws.

Cumulative voting for directors

As required under the *Bank Act* (Canada), where Directors are to be elected by cumulative voting, each Shareholder entitled to vote at an election of Directors has the right to cast a number of votes equal to the number of votes attached to the shares held by the Shareholder, multiplied by the number of Directors to be elected. The Shareholder may cast all such votes in favour of one candidate or distribute them among the candidates in any manner. If a Shareholder has voted for more than one candidate without specifying the distribution of the votes among the candidates, the Shareholder is deemed to have distributed the votes equally among the candidates for whom the Shareholder voted.

Voting by proxy

The management designated proxyholders intend to vote FOR and equally among the proposed nominees for election as set forth on pages 12-18 of this Circular, unless the Shareholder who has given such proxy has directed such shares be otherwise voted, or withheld from voting in the election of Directors.

Director nominees

The Board recommends the 12 Director nominees be elected at the Meeting to serve as Directors until the next AGM, or until their successors are elected or appointed. The Board believes the diversity and relevancy of the qualifications, skills and experiences of the Director nominees allow for the Bank to continue to maintain a well-functioning Board. The Board's view is that, individually and as a whole, the Director nominees have the necessary qualifications to be effective at overseeing the business and affairs of the Bank.

Of the Director nominees, all but one are currently Directors and are therefore standing for re-election. The Shareholders elected these 11 Director nominees at last year's AGM. Pursuant to the requirements of the *Bank Act*, the CEO of a bank must be a member of the Board of Directors, and he is therefore one of the 11 Directors standing for re-election.

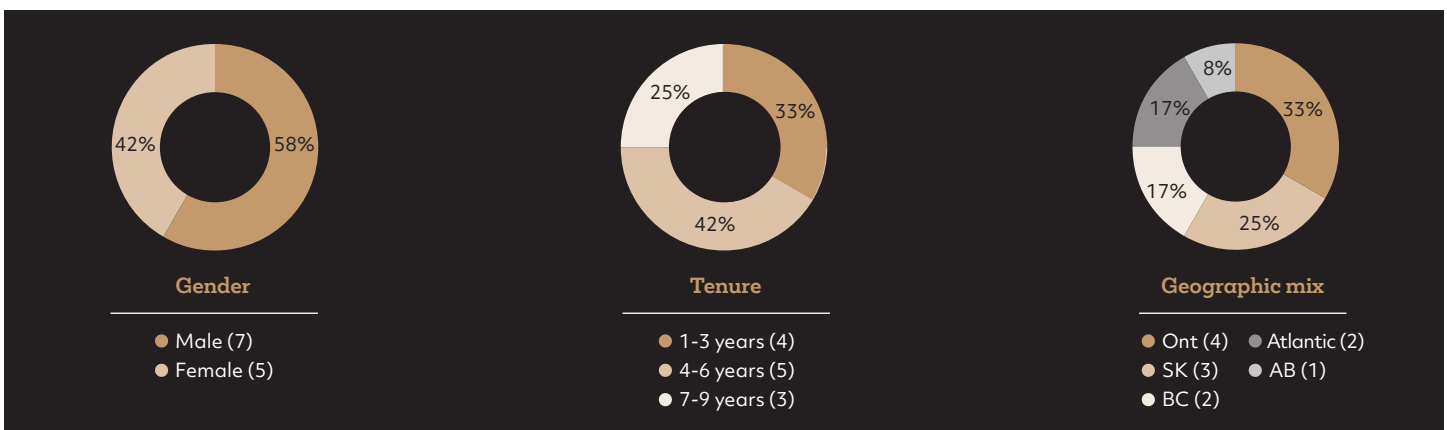
All nominees for election are recommended by the Governance Committee with a view to Board continuity and stability.

A detailed description of the nomination and election process has been incorporated in the Statement of Corporate Governance Practices in this Circular.

Director information

The Director biographies below provide detailed information about each nominee for election to the Board, including their education, expertise, other Board memberships, and Committee memberships. The charts below provide summary information about the competencies and skills, gender diversity, tenure and geographic mix of our director nominees. Meeting attendance for Directors who are currently serving on the Board has been outlined within the Directors Meeting Attendance and Remuneration table on page 29 of this Circular.

COMPETENCIES AND SKILLS	Coulter	de Moissac	Dyrda	Fraser	Gillespie	Good	Leonard	Losier	Poulsen	Ransome	Smart	Williams	
	Strategic planning	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Financial industry	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓
	Financial/accounting	✓	✓	✓		✓		✓		✓	✓	✓	
	Talent management & executive compensation				✓	✓		✓				✓	
	Risk oversight literacy	✓	✓	✓		✓	✓	✓	✓		✓	✓	
	Financial industry risk oversight expertise	✓	✓					✓			✓		
	Information technology								✓				
	Direct-to-consumer retailing	✓	✓				✓				✓	✓	
	Business & commerce	✓		✓							✓	✓	✓
	Governance & boards	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Stakeholder engagement & communication	✓			✓			✓					✓
	Mergers & acquisitions	✓								✓		✓	✓
Regulatory environment	✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	
Capital raising	✓										✓	✓	



RECOMMENDATION OF THE BOARD

The Board recommends that Common Shareholders vote **FOR** the following Director nominees.

In the absence of contrary instructions, the management designated proxyholders intend to vote **FOR** and equally among the following Director nominees.



Don Coulter, BSc, MSc, CPA, CA, ICD.D

LANGLEY, BC, CANADA | AFFILIATED AND NON-INDEPENDENT | PRESIDENT & CEO OF CONCENTRA BANK | AGE: 54 | DIRECTOR SINCE: 2018

Don Coulter has held senior executive and board of director roles in Canada and internationally with leading organizations including financial institutions in the banking, co-operative, insurance, pension fund and asset management sectors. Don has a record of leading high-performing teams in the development and implementation of successful strategies.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2018–current) | Director
- **Concentra Trust (Wyth Trust)** (2018–current) | Director
- **National Commercial Bank of Anguilla** (2019–current) | Vice-Chair of the Board | Chair of Human Resources and Governance Committee
- **Kwantlen Polytechnic University** (past) | Vice-Chair of the Board
- **Chartered Accountants of British Columbia** (past) | Board Member
- **Business Council of British Columbia** (past) | Member of the Board of Governors
- **Canada Credit Union Association** (past) | Board Member
- **FirstCaribbean International Bank** (past) | Board Member, FCIB Barbados | Chair, ALCO Committee | Group Pension Committee

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting
- Risk oversight literacy
- Financial industry risk oversight
- Direct-to-consumer retailing
- Business & commerce
- Governance & boards
- Stakeholder engagement & communication
- Mergers & acquisitions
- Regulatory environment
- Capital raising



Lise de Moissac, B. Mgmt., CPA, CA, ICD.D

SASKATOON, SK, CANADA | INDEPENDENT | MAJORITY SHAREHOLDER NOMINEE | AGE: 58 | DIRECTOR SINCE: 2014

Lise retired at the end of 2021 from her position as Executive Vice President and Chief Financial Officer at Affinity Credit Union, where she was responsible for Finance, Accounting, Insurance and Facilities. She was in the CFO role since 2006 and was part of the senior leadership team responsible for growing the balance sheet from \$800 million to almost \$7 billion through many credit union mergers and arrangements. Lise has been a Chartered Accountant since 1994 and has held positions in public practice accounting and within the credit union system. She sits as the Chair of Concentra Bank and as a Director for Saskatchewan Blue Cross. Lise was one of Saskatchewan's Top 10 Women of Influence in 2014.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2014–present) | Chair of the Board (current) | Risk Committee (past) | Governance Committee (past) | Audit and Conduct Review Committee (past) | Ad Hoc Capital Initiative Committee (past)
- **Concentra Trust (Wyth Trust)** (2014–2016, 2020–present) | Chair of the Board (current)
- **Saskatchewan Blue Cross** (present) | Governance Committee | Audit and Risk Committee (Chair)
- **Apex I and II** (past) | Director
- **St. Paul's Hospital** (past) | Chair and Vice-Chair | Joint ARCO Member | Executive Committee Member

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting
- Risk oversight literacy
- Financial industry risk oversight
- Direct-to-consumer retailing
- Governance & boards
- Regulatory environment



Glen Dyrda, FCPA, FCA, ICD.D

PETERSBURG, ON, CANADA | INDEPENDENT | AGE: 65 | DIRECTOR SINCE: 2017

Glen is a Chartered Professional Accountant and retired senior Audit Partner at PricewaterhouseCoopers (PwC) with 37 years' experience serving co-operative, public and private company clients and interacting with boards, committees, and C-suite executives. He is the past Chair of the Partnership Board for PwC Canada and was the Managing Partner for both the Southwest Ontario and Winnipeg offices. He has also served on the boards of the Kitchener-Waterloo Symphony Orchestra, Royal Manitoba Theatre Centre, and the Associates of the Asper School of Business, University of Manitoba.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2017–present) | Chair, Audit and Conduct Review Committee (current) | Governance Committee (current) | Ad Hoc Capital Initiative Committee (past)
- **Concentra Bank (Wyth Trust)** (2017–present) | Director (current)
- **Princess Auto Ltd.** (2017–present) | Member, Board of Advisors
- **Kitchener-Waterloo Symphony Orchestra** (past) | Vice-Chair | Chair, Finance Committee | Governance Committee Member
- **Royal Manitoba Theatre Centre** (past) | Chair, Board | Chair, Finance Committee
- **Associates of the Asper School of Business, University of Manitoba** (past) | Chair, Finance Committee

SKILLS AND EXPERIENCE

- Strategic planning
- Financial/accounting expertise
- Risk oversight literacy
- Business & commerce
- Governance & boards



Cheryl Fraser, BSc, MES, ICD.D

OTTAWA, ON, CANADA | INDEPENDENT | AGE: 64 | DIRECTOR SINCE: 2019

Cheryl Fraser is a Board Director and corporate executive with more than 35 years of experience in the public and private sectors. She is the Chief Talent Officer and Vice President Communications at Crombie REIT. Prior to Crombie, Cheryl held senior executive roles with the federal government for more than 25 years, including Assistant Commissioner and CHRO at the Canada Revenue Agency, Assistant Commissioner at the Correctional Service of Canada, Assistant Secretary at the Treasury Board of Canada, and Assistant Deputy Minister at Fisheries and Oceans Canada. Cheryl is also Chair of the Board for the Atlantic Provinces Economic Council, Director on the Board of Governors for Dalhousie University and Chair of the Governance & HR Committee, Director and Chair of the Human Resources Committee of the Board of the Mental Health Commission of Canada, and Director and Chair of the Governance and HR Committee at the Aberdeen Health Foundation. Cheryl was previously Chair of the Board for the Pictou County YMCA and the John Howard Society of NS. She holds a BSc (Mathematics) and an MES (Resource Economics) from Dalhousie University, and an ICD.D from the University of Toronto (Rotman). She received the Queen's Jubilee Medal for her commitment to public service.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2019–present) | Human Resource and Compensation Committee (current) | Governance Committee (current) | Ad Hoc Capital Initiative Committee (past)
- **Dalhousie University** (2020–present) | Chair of the Human Resource and Compensation Committee
- **Aberdeen Health Foundation** (2018–present) | Chair of the Governance Committee | Chair of the Human Resources Committee
- **Mental Health Commission of Canada** (2016–present) | Chair of the Human Resources Committee
- **Atlantic Provinces Economic Council** (2019–present) | Chair of the Board
- **YMCA of Pictou County** (past) | Chair of the Board | Member of the Human Resources Committee | Member of the Governance and Nominating Committee

SKILLS AND EXPERIENCE

- Strategic planning
- Talent management & executive compensation
- Governance & boards
- Stakeholder engagement & communication
- Regulatory environment



Anne Gillespie, CPA, CA, ICD.D

CALGARY, AB, CANADA | INDEPENDENT | AGE: 59 | DIRECTOR SINCE: 2014

Anne has more than 15 years' experience in the credit union system and is Chief Financial and Governance Officer and Corporate Secretary at Alberta Central. She oversees the governance portfolio, including board relationship and support and legal services, along with accounting, budgeting and financial reporting for Alberta Central and its payments joint venture. Anne serves as a member of Alberta Central's Asset Liability Management Committee, Management Credit Committee, Management Risk Committee, Compensation Committee and Group Clearing Joint Venture Liquidity Sub-Committee. Anne holds a Bachelor of Commerce degree from the University of Alberta, is a Chartered Professional Accountant and holds the Institute of Corporate Directors designation.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2014–present) | Audit and Conduct Review Committee (current) | Human Resource and Compensation Committee (current) | Governance and Nominating Committee (past) | Risk Committee (past) | Ad Hoc Consolidation Committee (past) | Chair, Ad Hoc Corporate Structure (Bank Continuation) Committee (past)
- **Concentra Trust (Wyth Trust)** (past) | Director
- **Institute of Chartered Accountants of Alberta** (past) | Member of the Complaints Inquiry Committee

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting
- Talent management & executive compensation
- Risk oversight literacy
- Governance & boards
- Regulatory environment



Shawn Good, MBA, ICD.D

REGINA, SK, CANADA | AFFILIATED AND NON-INDEPENDENT | MAJORITY SHAREHOLDER NOMINEE | AGE:48 | NEW NOMINEE

Shawn is the CEO of SaskCentral since 2021. Shawn has 25 years of financial services and credit union experience. This includes past roles as Executive Vice President, Governance and Strategy, at Conexus Credit Union, and as President and CEO of Prospera Credit Union in B.C., where he initiated one of the largest merger and acquisition transactions in Canadian credit union history. Shawn holds an Executive MBA from Queen's School of Business, his ICD.D from the Institute of Corporate Directors at the Rotman School of Business, and has completed the Strategic Leadership program at the Banff Leadership Centre. Shawn has actively led within the Credit Union system, and currently serves on the boards of Everlink, Celero, and CUCC.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Everlink** (2021-present) | Director
- **Celero** (2021-present) | Director
- **CUCC** (2021-present) | Director
- **Northview Community Church** (2018-present) | Governance Committee, Finance Committee
- **University of Fraser Valley** (past) | Chair, Audit Committee | Governance Committee | various ad hoc Committees
- **Concentra Financial Services Association** (past)

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Direct to consumer retailing
- Governance & boards
- Regulatory environment



Michael Leonard, BA, ICD.D

DARTMOUTH, NS, CANADA | INDEPENDENT | AGE: 55 | DIRECTOR SINCE: 2017

As President and CEO of Atlantic Central and League Savings and Mortgage Company, Michael is responsible for the development and implementation of long- and short-term strategies and plans for both organizations. In addition, he oversees regional strategies within the Atlantic credit union system, representing 43 credit unions with 300,000 members and more than \$7 billion in assets. Michael is also responsible for government and regulator relations in the four Atlantic provinces and brings 30 years' experience in various positions in the credit union system to his role at Wyth. He is also the Chair of the Board of the of CUCC, the payment company that holds the national credit union system shareholding in Interac.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2017-present) | Human Resources and Compensation Committee (current) | Risk Committee (current) | Ad-hoc Capital Initiative Committee (past)
- **CUCC** (2013-present) | Chair of the Board
- **CCUA** (past) | Audit and Risk Committee | Hall of Fame Awards Committee
- **League Data** (past) | Chair of the Governance Committee
- **Connecting People for Health Cooperative** (past) | Director

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Risk oversight literacy
- Governance & boards
- Stakeholder engagement & communication
- Regulatory environment



David Losier, CPA, CGA, ICD.D

CARAQUET, NB, CANADA | INDEPENDENT | AGE: 53 | DIRECTOR SINCE: 2017

David is the President of DOL Consulting Inc., and a corporate director. Prior to starting his consulting practice, he served as an executive in the credit union industry for 19 years and worked in the public sector before that. David's executive experience includes banking, insurance, pension and investment industries. In 2016, he led the transition of UNI Financial Cooperation to the first-ever federally regulated credit union under the *Bank Act*. David has served on numerous boards over the past 20 years and he is the Vice-Chair of Vestcor Inc., a company that provides investment management and employee benefit administration services to 90,000 individuals and more than 130 employer groups in New Brunswick.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2017–present) | Vice-Chair (current) | Chair Governance Committee (current) | Risk Committee (current) | Ad Hoc Capital Initiative Committee (past) | Human Resources and Compensation Committee (past) | Audit & Conduct Review Committee (past)
- **Concentra Trust (Wyth Trust)** (2022–present)
- **Vestcor Inc.** (2016–present) | Vice-Chair (current) | Human Resources and Compensation | Audit Committee | Governance Committee
- **Mutual Fund Dealers Association of Canada** (past) | Regulatory Affairs Committee
- **L'Acadie Nouvelle** (past) | Director
- **Canadian Life and Health Insurance Association of Canada** (past) | Director | Audit Committee
- **Prix littéraire Antonine-Maillet-Acadie Vie** (past) | Chair
- **UNI affiliates** (past) | Director
- **CGA Association of New Brunswick** (past) | Board of Governors

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting
- Talent management & executive compensation
- Risk oversight literacy
- Financial industry risk oversight
- Governance & boards
- Regulatory environment



Carol Poulsen, BA, ICD.D

BURLINGTON, ON, CANADA | INDEPENDENT | AGE: 62 | DIRECTOR SINCE: 2019

Carol has more than 25 years' experience in the information technology industry. She retired at the end of 2021 from her role as Executive Vice President and Chief Information Officer at the Co-operators Group Ltd, where she gained a wealth of Digital experience. In February 2022, Carol assumed the position of Chief Operating Officer for PAVE. She has extensive knowledge of financial systems, both legacy platforms and current technologies, across the breadth of financial services. Carol serves on the Board of Addenda Capital, and is Chair of the Pensions Committee and a member of the Audit and Risk Committee on the University of Guelph Board. In 2018, Carol was awarded the Gartner/Evanta Global CIO Top 5 Breakaway Leaders Award. She holds a Bachelor of Arts degree, with honours from York University, and holds the Institute of Corporate Directors designation.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2019 – present) | Audit and Conduct Review Committee (current) | Risk Committee (current)
- **Addenda of Canada Capital** (present) | Director
- **PAVE** (present) | Advisor
- **University of Guelph** (past) | Chair of Pension Committee | Audit and Risk Committee
- **Cancer Care Ontario** (past) | Chair Information Management/Information Technology Committee | Chair Board Gating Committee | Human Resources Committee | Corporate Governance and Nominating Committee
- **AZGA Canada – Allianz Global Assistance Canada** (past) | Director
- **Echelon Insurance** (past) | Investment Committee | Governance Committee
- **HB Group Insurance Management** (past) | Director
- **COSECO Insurance Company** (past) | Director

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Risk oversight literacy
- Information technology
- Governance & boards
- Mergers & acquisitions



Cary Ransome, MBA, PFP, ICD.D

SASKATOON, SK, CANADA | NON-INDEPENDENT | MAJORITY SHAREHOLDER NOMINEE | AGE: 55 | DIRECTOR SINCE: 2021

Cary is the Chief Retail and Operating Officer at Innovation Credit Union and has previously held executive and senior management positions at Conexus Credit Union, Servus Credit Union, and TD Bank Financial Group. Throughout his career in the financial services industry, Cary has obtained significant experience in strategy development, change management, innovation and project management, succession and talent management, financial literacy, and wealth planning. Cary recently completed his MIT Emeritus – Digital Transformation Diploma.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **(Concentra Bank) Wyth Financial** (2016 – 2018, 2021-Present) | Risk Committee (current) | Human Resources and Compensation Committee (current) | Governance Committee (past)
- **Innovation Wealth Management Corp.** (current) | Director
- **Apex Investments GP Inc.** (past) | Director
- **Thrive Wealth Management Corp.** (past) | Director, Chair
- **Conexus Insurance** (past) | Director
- **Regina Food Bank** (past) | Director, Vice-Chair
- **Edmonton Food Bank** (past) | Director
- **GRIT (Get Ready for Inclusion)** (past) | Director
- **Sherwood Park Minor Hockey Association** (past) | Director
- **Jasper Parks and Recreation** (past) | Director, Chair
- **Jasper Chamber of Commerce** (past) | Elected Director

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting expertise
- Direct-to-consumer retailing
- Business & commerce
- Governance & boards
- Regulatory environment



Tim Smart, CPA, CA, MBA, ICD.D

PICKERING, ON, CANADA | INDEPENDENT | AGE: 58 | DIRECTOR SINCE: 2016

Tim brings more than 25 years' cross-industry experience to the Wyth Board. He holds an MBA from McMaster University and is working as an independent consultant supporting a number of technology companies to transition through ownership change. Previously, as Chief Financial Officer of Meridian, he was responsible for overseeing the financial strength of the credit union, including risk mitigation, financial performance, strategy and building strong relationships with Meridian's key financial partners. Prior to joining Meridian, Tim worked as the Chief Financial Officer for a number of financial services and technology-related companies including OANDA Corporation, Audatex Canada, Q9 Networks Inc. and First Asset Management Inc.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2016–present) | Chair, Risk Committee (current) | Audit and Conduct Review Committee (current) | Chair, Ad Hoc Capital Initiative Committee (past) | Ad Hoc Corporate Structure Committee (Bank Continuance) (past)
- **Concentra Trust (Wyth Trust)** (2016–present) | Director
- **Meridian OneCap Credit Corporation** (past) | Director
- **Horizons for Youth** (past) | Director
- **Durham Children's Aid Society** (past) | Director

SKILLS AND EXPERIENCE

- Strategic planning
- Financial industry
- Financial/accounting
- Risk oversight literacy
- Financial industry risk oversight
- Direct-to-consumer retailing
- Business & commerce
- Governance & boards
- Mergers & acquisitions
- Regulatory environment
- Capital raising



Shelley Williams, CPA, CA, ICD.D

LANGLEY, BC, CANADA | INDEPENDENT | AGE: 52 | DIRECTOR SINCE: 2017

Shelley is a Chartered Accountant with an extensive corporate finance and capital markets background. She has held senior positions at some of BC's largest multinational public companies, including Vice President Treasurer at Finning International, and Corporate Treasurer at Fletcher Challenge Canada. Shelley has significant governance experience in both private and public sector organizations, as well as unique ownership and multi-stakeholder environments. She has served on boards in a variety of industries including banking, insurance, LNG infrastructure, post-secondary, and not-for profits. She has also served as an Independent Commissioner at the BC Securities Commission. Shelley currently volunteers as a regional ambassador for Women Get on Board, an examiner for the ICD Directors Education Program, and Vice Chair of Sources Foundation.

BOARD DIRECTORSHIPS & POSITIONS HELD DURING TENURE

- **Concentra Bank (Wyth Financial)** (2017–present) | Chair, Human Resources and Compensation Committee (current) | Governance Committee (current) | Ad Hoc Capital Committee (current)
- **Concentra Trust (Wyth Trust)** (2019–present) | Director
- **BC Life and Casualty Company** (2015-2021) | Chair, Audit Committee | Investment and Loan Committee | Chair, Risk Committee | Chair, Conduct Review Committee | Pacific Blue Cross Foundation Board Member
- **Sources Community Resources Foundation** (present) | Vice Chair
- **Douglas College** (past) | Chair, Board | Chair, Governance and Executive Committee | Chair, Audit and Finance Committee
- **HFN LNG Development Corporation** (past) | Vice-Chair, Board | Chair, Finance, Audit and Risk Management Committee
- **BC Securities Commission** (past) | Independent Commissioner and Board Member | Audit Committee | Human Resources Committee | Ad Hoc Governance Committee

SKILLS AND EXPERIENCE

- Strategic planning
- Financial/accounting
- Financial industry
- Talent management & executive compensation
- Risk oversight literacy
- Business & commerce
- Governance & boards
- Stakeholder engagement & communication
- Mergers & acquisitions
- Regulatory environment
- Capital raising

Part 3: Statement of corporate governance practices

The bank is committed to ethical, transparent, and accountable governance practices that are consistent with regulatory expectations and assure our stakeholders that the bank is being managed successfully. The board of directors demonstrates integrity and acts in alignment with corporate strategy and risk appetite to oversee the management of the bank's business and affairs.

The primary role of the Board is to supervise the management of the Bank's business and affairs, oversee strategy and risk management, and provide challenge, advice, and guidance to senior management. The Board is firmly committed to fulfilling its role through best practices in governance. Management of the Bank's business and affairs is supervised by the Board directly, and through various Board Committees, to which certain responsibilities are delegated. The Board's Mandate and the Terms of Reference for each of its Committees outline the Board's purpose, duties and allocation of responsibilities. A copy of these documents is available at wyth.ca.

Consistent with a federally regulated financial institution, the Bank's governance reflects alignment with applicable legal and regulatory requirements and evolving best practices for corporate governance, including alignment with the Office of the Superintendent of Financial Institution's (OSFI) Corporate Governance Guideline.

The Bank operates under the *Bank Act* with a 12-person Board, elected in accordance with its By-Laws and its legislative and regulatory framework as a Schedule 1 Bank.

Consequently, this Statement of Corporate Governance Practices reflects the Board and Committee membership under that governance framework, as at December 31, 2021.

BOARD INDEPENDENCE

The Board, as required under the Bank By-Laws, has established an Independence Standard that aligns with best practice and OSFI Guidelines in relation to Director independence, and incorporates provisions in relation to affiliated directors, as required by the *Bank Act*. A copy of the Independence Standard is available at wyth.ca. In 2021, the Board of Directors comprised a majority of independent Directors.

Under the Bank's By-Laws, a majority shareholder who owns 50% or more of the Common Shares of the Bank is entitled to nominate up to four Directors for appointment to the Board. The Board of Directors monitors interlocking directorships to ensure Directors are independent of each other. Director nominees Shawn Good and Michael Leonard serve together on the board of CUCC. None of the Bank's current Directors or nominees otherwise serve together on another board.

In addition, all members of the Board of Directors are independent from management, with the exception of the CEO, who is required to be a Director under the *Bank Act*. To ensure transparency, and to assist them in fulfilling their obligations, the non-executive Directors of the Board and its Committees regularly meet in camera, without management present. Director nominees Don Coulter and Shawn Good are affiliated with the Bank, as determined in accordance with the *Bank Act*.

STRATEGY

The Board and Executive Leadership Team establish the Bank's corporate direction. The Board regularly engages management in constructive dialogue, providing both challenge and guidance for significant strategic initiatives.

Annually, the Bank reviews its strategic and business plans, facilitated through a rigorous strategic planning process. The plan sets out short- and long-term strategic directions, and generates financial targets aligned with specific objectives on an annual basis.

RISK OVERSIGHT

The Board is accountable to the Shareholders for the Bank's strategy and performance. The Board provides risk oversight, approves the Risk Appetite, and establishes the tone at the top for the risk culture to preserve the viability of enterprise and shareholder value. The detailed oversight of risk is undertaken at the Committee level, as delegated through the Risk Committee Terms of Reference.

ETHICAL BUSINESS CONDUCT

The Board upholds the values of integrity and ethical behaviour. Through the Bank's Code of Conduct, the Board establishes standards of legal, ethical, and responsible behaviour and a commitment for the Bank to adhere to the highest ethical standards. A commitment to ethical conduct is embedded in other Corporate Policies, including a policy governing related party transactions.

Employees and stakeholders are encouraged to raise or report ethical concerns through one of several reporting channels communicated through the Bank's Whistleblower Policy, including an anonymous, third-party Ethics Hotline.

The Bank maintains a Complaints Policy and process and is committed to responding to and resolving customer concerns. The Bank has engaged an independent Ombudsman to receive escalated complaints from customers who feel they are unable to receive a timely and satisfactory resolution through the Bank's internal complaints process.

BOARD SUCCESSION PLANNING

Board succession and renewal is an important mandate of the Board. During 2021, the Board continued to refine its director competency assessment processes to confirm that the skills and experience prioritized at the Board align with the Bank's strategic direction, which ensures effective oversight and governance.

The Bank uses a measured approach to Board succession planning and renewal that places responsibility on the Governance Committee to assess annually the overall Board composition, to ensure the right balance between experience, continuity and fresh perspective, and to seek out new candidates as necessary.

The Governance Committee annually reviews both the size and composition of the Board and Board Committees. The Governance Committee uses a Competency Matrix to assist in assessing the expertise and skills of the current directors, identifying any gaps in Board skills that may exist, identifying desirable skill sets in director candidates, and considering whether the Board's skills and experience need to be strengthened in any areas. As part of the Board's renewal process, the Governance Committee annually analyzes these factors when considering whether the appropriate directors sit on the Board and when recommending potential nominees for consideration. The objective is for the Board to have a sufficient range of skills, expertise and experience to ensure it can carry out its responsibilities effectively.

If the Governance Committee determines Board renewal is desirable, it will seek out suitable candidates and assesses each candidate's skills, expertise and experience against the needs of the Board and each of the Board Committees. The Governance Committee will also take into account such matters as a candidate's integrity, independence, diversity and geographic background.

Recommendation for 2022 Board Composition

In 2021, the Governance Committee applied the Board Succession Planning approach described above, and the results of that process did not demonstrate any significant gaps in skills on the current Board against the skills outlined in the Competency Matrix. The results of the Competency Assessment are found on page 11.

However, in February 2022, Eric Dillon resigned from the Board. Majority shareholder SaskCentral, in consultation with the Board and in accordance with its right under the Bank's By-laws to nominate up to four director candidates, selected Shawn Good as a replacement director nominee candidate, whose candidacy was reviewed and accepted by the Governance Committee.

BOARD AND MANAGEMENT DIVERSITY

Board diversity

The Bank is committed to achieving a diversity of perspective and demographics as part of its Board Succession Planning process. Specifically, the Board is committed to achieving gender diversity through a composition in which women and/or non-binary persons comprise at least one-third of the Directors. The candidates recommended by the Board include five female directors, representing 42% of the candidates and exceeding the commitment to gender diversity made by the Board.

In addition, during Board renewal, the Board strives to increase the degree to which its Directors reflect the diversity of the Bank's employees, customers, and the communities it serves, including diversity of age, ethnicity, geography, and other underrepresented groups.

Management diversity

The Bank has both a Diversity and Inclusion policy and a Respectful Workplace policy. Diversity and inclusion are supported by identifying and removing barriers from the Bank's processes, policies, practices and services that might adversely affect employees. The Bank offers respectful workplace and bias awareness training and fosters opportunities for a wide range of employees to contribute their perspectives on projects and programs.

In 2021, the Bank continued to develop learning in this space with a Diversity and Inclusion employee panel as well as welcoming a speaker to share information about First Nations history in Canada and the impact of Residential Schools as part of the inaugural Truth and Reconciliation Day initiative. Into 2022, the Bank will continue to develop Diversity and Inclusion strategies as well as targeted plans for becoming a more inclusive workplace that breaks down barriers for all our employees, customers and partners.

While the Bank does not have a specific diversity target for its senior leadership team members, it considers all dimensions of diversity when identifying potential candidates.

BOARD CONTINUING EDUCATION

The Bank supports a robust professional development program for its Directors, both as individuals and as a composite Board. The program supports Directors to fulfill their roles and responsibilities on the Board within the Bank's evolving regulatory and operating environment.

Through 2021, the Board collectively received education on Oversight of Digital Strategy and Transformation, Environmental Social Governance, Open Banking, and Cybersecurity Crisis Management. The Board also met with representatives from the Office of the Superintendent of Financial Institutions (OSFI) to discuss regulatory issues and priorities and the evolution of prudential oversight in Canada.

Further, individual Directors participated in educational opportunities that covered such topics as board diversity, ESG and sustainable finance, future of opening banking, business ethics, IT governance, anti-money laundering, business continuity planning, privacy, conflicts of interest, culture, cybersecurity, oversight of strategy, compensation oversight, board leadership development, diversity equity and inclusion, responsible investing, investment risk management, reconciliation, payments modernization, climate change, future of work, artificial intelligence, digital innovation and transformation, financial sector resilience, and agile methodology.

BOARD OF DIRECTORS: KEY INITIATIVES IN 2021

To fulfil its mandate and enhance the Board's ability to ensure effective governance, the Board spent 2021 focusing on the following primary initiatives:

a) Strategy

The Board spent considerable time in 2021 monitoring strategic execution and engaging in strategic development. In June 2021, the Board and Executive team participated in a 2-day virtual strategic planning offsite to discuss and refine the future strategic direction of the company. The Board further engaged on a quarterly basis in robust strategic planning discussions, with particular emphasis on refining the Bank's commercial banking strategy and Environmental, Social, Governance strategy.

b) Brand and digital bank launch

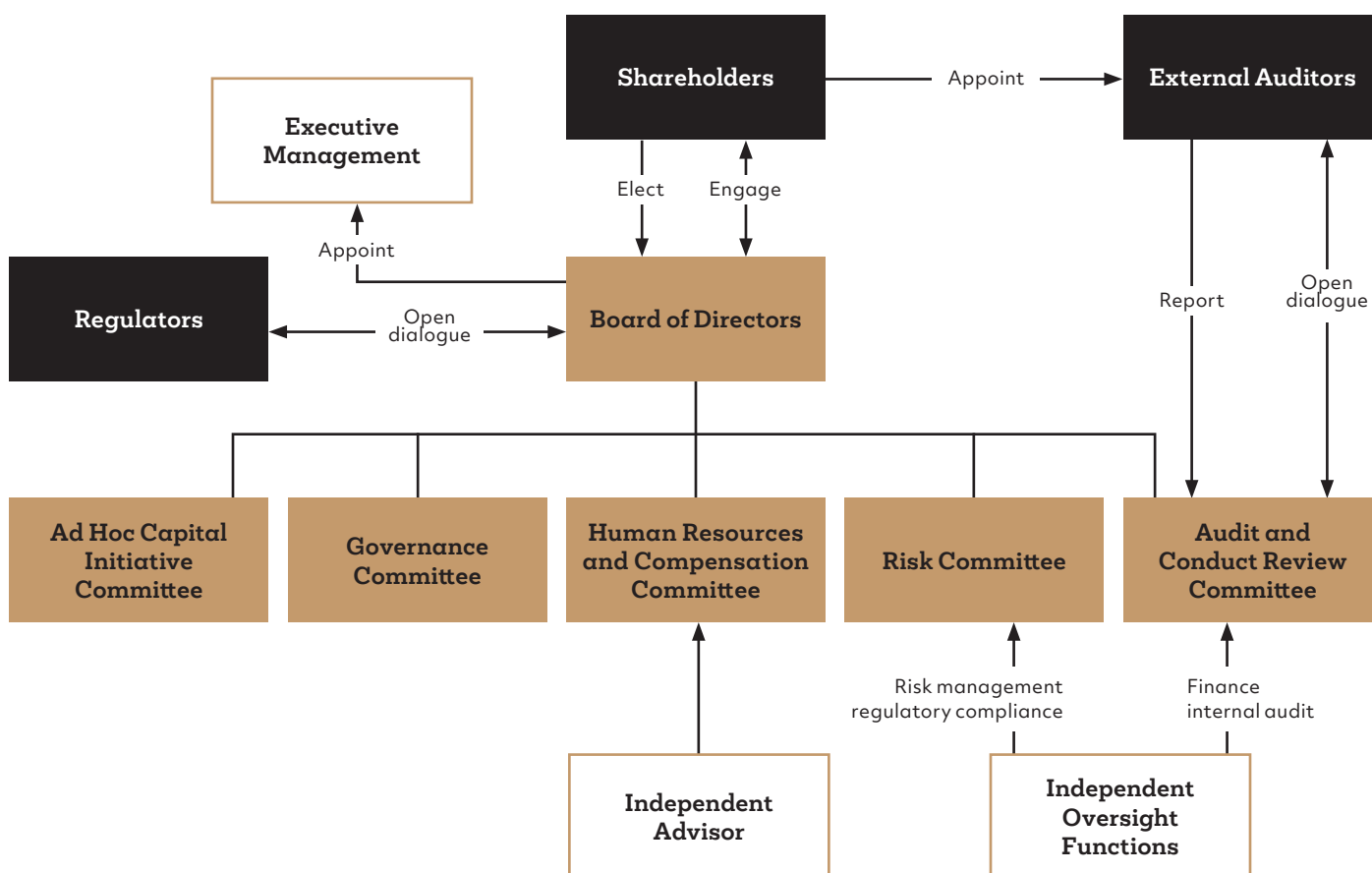
The Board monitored the execution of a significant digital transformation project to support the launch of a new brand and trade name, Wyth Financial, and a cloud-based digital banking platform and mobile app to service Wyth's customers.

c) Risk oversight

The Board continued to monitor the impacts of the pandemic on the Bank from an operational and credit risk perspective, as well as monitoring the impact on overall employee culture and wellbeing. The Board continued its monitoring of all existing and emerging risks across the bank's portfolios.

STANDING COMMITTEES

In fulfilling its roles and responsibilities, the Board delegates certain responsibilities to its Standing and Ad Hoc Committees. Each Standing Committee's Terms of Reference can be found on wyth.ca.



Risk Committee

Tim Smart (Committee Chair)

Eric Dillon (Jan – Apr) | Michael Leonard | David Losier | Cary Ransome (Apr – Dec) | Carol Poulsen |

Teresa Lee (Trust Board)

The role of the Risk Committee is to assist the Board in fulfilling its oversight responsibilities for risk management. The Committee oversees the Risk Management and Compliance Functions and the establishment of risk management frameworks, corporate policies, and strategic controls. The Committee is responsible to oversee the identification and management of significant and emerging risks and to review and monitor the Bank's risk profile and compliance with risk appetite, corporate policy, and legal and regulatory requirements.

Legal and regulatory guidelines require the majority of Committee members to be independent, and every Committee member must also satisfy risk management expertise and experience requirements set out in the Committee Terms of Reference.

The Committee meets regularly with and without members of management present, and has the opportunity to meet separately with the Chief Risk Officer, Chief Compliance Officer, and Chief Anti-Money Laundering Officer. The Committee held six meetings in 2021 and is satisfied it has fulfilled its responsibilities.

Risk Committee Oversight Activities in 2021

In addition to carrying out its general responsibilities, the Committee focused on the following initiatives in 2021.

2021 HIGHLIGHTS	
Risk oversight	<ul style="list-style-type: none"> Continued to closely monitor pandemic-related credit and operational risks through heightened reporting on financials, specific business portfolios, and oversight of the Business Continuity Management Plan and Pandemic Plan. Received reporting on the anticipated impact of forthcoming OSFI SMSB Capital and Liquidity Requirements Guidelines. Reviewed the results of two Internal Capital Adequacy Assessment Processes. Received quarterly reporting on operational, credit and market risks; capital adequacy; emerging risks and significant risk events; regulatory and AML compliance, and cybersecurity.
Risk governance	<ul style="list-style-type: none"> Reviewed and recommended for Board approval the Corporate Policies and Risk Frameworks within its purview. Reviewed and approved the mandate, resourcing, and effectiveness of the Risk Management and Compliance Functions. Oversaw the onboarding of a new Chief Risk Officer.

For details regarding the Bank's approach to risk management, please refer to the 2021 Management Discussion and Analysis.

Audit And Conduct Review Committee

Glen Dyrda (Committee Chair)

Eric Dillon (Apr – Dec) | Anne Gillespie | Carol Poulsen | Tim Smart | Dan Johnson (Jan – Mar)

The Audit and Conduct Review Committee oversees the quality and integrity of the Bank's financial reporting, including the effectiveness of the Finance Function, the integrity of the Bank's financial controls, and the effectiveness of the Internal and External Audit Functions. The Committee also oversees the Bank's Code of Conduct, related-party transactions, and conflicts of interest.

Legal and regulatory guidelines require the majority of Committee members to be independent, and every Committee member must also satisfy financial literacy and experience requirements set out in the Committee Terms of Reference.

The Committee meets regularly with and without members of management present, and has the opportunity to meet separately with the external auditors, the Chief Financial Officer and the Chief Internal Auditor. The Committee held four meetings in 2021 and is satisfied it has fulfilled its responsibilities.

Audit and Conduct Review Committee Oversight Activities in 2021

In addition to carrying out its general responsibilities, the Committee focused on the following initiatives in 2021.

2021 HIGHLIGHTS	
Audit and conduct oversight	<ul style="list-style-type: none"> • Monitored pandemic-related adjustments to material estimates, judgments, and financial disclosures. • Reviewed Concentra's quarterly and year-end financial performance. • Received quarterly and year end reports from the external auditors. • Received quarterly internal audit reporting. • Reviewed and approved Concentra's Dividend Strategy and Declarations. • Reviewed and recommended for Board approval Concentra's 2022 Capital Plan. • Reviewed the impact of the Bank's new risk rating system for commercial loans on financial reporting.
Audit and conduct governance	<ul style="list-style-type: none"> • Reviewed and approved the mandate, resourcing, and effectiveness of the Finance and Internal Audit Functions. • Completed an effectiveness assessment of the external auditors and reviewed and recommended for Board approval the external audit engagement and compensation. • Reviewed and recommended for Board approval the Corporate Policies within its purview.

Governance Committee

Eric Dillon (Committee Chair)

Glen Dyrda | Cheryl Fraser | David Losier | Shelley Williams

The Governance Committee is responsible for developing and overseeing the Bank's corporate governance framework, through which the Committee ensures the appropriate structure and composition of the Board and its Committees.

The Committee oversees the evaluation of the Board's performance and effectiveness and ensures the continuing education of directors through Board education and individual development activities. The Committee oversees the nominations and elections process and the orientation of new directors.

Legal and regulatory guidelines require the majority of Committee members to be independent and satisfy corporate governance expertise and experience requirements set out in the Committee Terms of Reference.

The Committee meets regularly with and without members of management present. The Committee held ten meetings in 2021 and is satisfied it has fulfilled its responsibilities.

Governance Committee Oversight Activities in 2021

In addition to carrying out its general responsibilities, the committee focused on the following initiatives in 2021.

2021 HIGHLIGHTS	
Governance oversight	<ul style="list-style-type: none"> • Reviewed and revised the Board's Competency Matrix and completed an annual competency gap assessment. • Oversaw the annual Director nominations and elections process, AGM planning and delivery, and Board re-organization. • Oversaw the development and execution of a process to assess director conflicts of interest in relation to strategic initiatives. • Oversaw a performance evaluation process for the Board and its Committees. • Enhanced the Board Leadership Development and Succession Planning process and oversaw the creation of individual director Development Plans with a focus on succession planning for key Board leadership roles. • Completed a review of the Bank's governance framework against OSFI Governance Guidelines. • Initiated a review of Director remuneration. • Completed annual reviews of the governance documents and policies within its purview.

Human Resources and Compensation Committee

Shelley Williams (Committee Chair)

Cheryl Fraser | Anne Gillespie | Cary Ransome (Apr – Dec) | Michael Leonard | Dan Johnson (Jan – Mar)

The Human Resources and Compensation Committee is responsible for overseeing the design and operation of the Bank's compensation framework to ensure alignment with strategy, risk appetite and regulatory requirements. It is also responsible for overseeing all matters relating to the proper utilization of human resources within the Bank, with special focus on CEO and executive management succession, development, performance and compensation.

The majority of Committee members are independent and satisfy human resources, compensation, leadership, and related risk management experience requirements, as set out in the Committee Terms of Reference.

The Committee meets regularly with and without members of management present, and meets in-camera with independent consultants and advisors as needed. The Committee held seven meetings in 2021 and is satisfied it has fulfilled its responsibilities.

Human Resources and Compensation Committee Oversight Activities in 2021

In addition to carrying out its general responsibilities, the Committee focused on the following initiatives in 2021.

2021 HIGHLIGHTS	
Compensation oversight	<ul style="list-style-type: none"> Reviewed and recommended for approval short- and long-term incentive plans and the assessment and payment of plan entitlements. Oversaw the development of compensation structures for sales roles. Oversaw the transition to a Notional Unfunded Supplemental Executive Retirement Plan. Engaged an independent advisor to conduct a review of executive compensation pay philosophy and peer groups, benchmarking, and incentive plan design.
Talent management, succession planning	<ul style="list-style-type: none"> Completed annual CEO performance assessment and planning. Continued to enhance the succession planning and leadership development process for the CEO and executive positions.
COVID-19/pandemic	<ul style="list-style-type: none"> Continued to monitor human resource implications of the pandemic, including the work-from-home environment, return-to-work plans, and vaccination policy.
People strategy	<ul style="list-style-type: none"> Engaged with management on the People Strategy to review the progress of leadership development initiatives, employee engagement, talent acquisition and development, and diversity and inclusion. Monitored culture transformation and change management planning with a focus on building a workforce culture to align with a digital, agile, and customer-centric mindset to deliver on Concentra's business strategy, including overseeing the development of a target culture plan for the organization.
HRCC governance	<ul style="list-style-type: none"> Reviewed and recommended to the Board for approval a framework for the application of board discretion within the Bank's incentive plans. Reviewed and recommended for Board approval the Corporate Policies within its purview.

Ad Hoc Capital Initiative Committee

Tim Smart (Committee Chair)

Glen Dyrda | Cheryl Fraser (Sep – Dec) | David Losier | Shelley Williams (Sep – Dec) | Eric Dillon (Jan – Aug) | Michael Leonard (Jan – Aug)

The Ad Hoc Capital Initiative Committee was established to oversee the evaluation and implementation of solutions to capital requirements of the Bank including capital raising initiatives in collaboration with the Bank's majority shareholder.

Every Committee member must satisfy financial literacy requirements and must have demonstrated expertise in one or more of the following areas: risk oversight, financial/accounting, regulatory environment, stakeholder engagement and communications, and mergers and acquisitions.

The membership of the Committee was reconstituted mid-year to ensure that all members of the Committee were independent and free of actual or perceived conflicts of interest in relation to the matters overseen by the Committee. In September 2021, Eric Dillon and Michael Leonard stepped down from the Committee and Cheryl Fraser and Shelley Williams joined the Committee.

The Committee meets as required, with and without members of management present. The Committee held eleven meetings in 2021 and is satisfied it has fulfilled its responsibilities.

Ad Hoc Capital Initiative Committee Oversight Activities in 2021

The Committee focused on the following initiatives in 2021.

2021 HIGHLIGHTS

Capital initiative oversight

- Oversaw a process to support the Bank's majority shareholder in approving a bylaw amendment at AGM 2021 regarding ownership of the Bank's share capital.
- Oversaw the Bank's involvement in a capital raising initiative in collaboration with the Bank's majority shareholder that ultimately resulted in an agreement announced on February 7, 2022, for the sale of the Bank to Equitable Bank.
- Engaged in negotiations and an extensive and robust process to evaluate the sale transaction in the best interests of the Bank and its stakeholders.

DIRECTOR COMPENSATION

Compensation governance

The Governance Committee has responsibility for recommending to the Board the amount and structure of director compensation. Director compensation is designed to attract and retain highly qualified directors with a sufficient range of skills, expertise and experience. It is also designed to align with the market and shareholder interests.

In making its recommendations, the Governance Committee compares director compensation and structure to those of other similarly sized Canadian financial institutions and credit unions, taking into account the principles and values of the co-operative sector in which it operates.

The Governance Committee also considers the risks, responsibilities, time commitment, workload, complexity of issues, and the skills and experience required when reviewing director compensation. The Governance Committee has the authority to retain consultants,

including compensation consultants or advisors, as the committee may deem necessary or advisable to carry out its responsibilities.

Aggregate director compensation is limited by the Bank's By-Laws, which are approved by Shareholders. Any increase to this amount requires Shareholder approval. Please see the By-Law Amendment special business for further information about a proposed increase to the maximum aggregate compensation cap for directors.

Retainers and fees

Directors are compensated for their services through a combination of annual retainers and meeting attendance fees, in accordance with Board-approved policy. The following table provides an outline of the different elements of director compensation in 2021 for non-management directors. The CEO does not receive a retainer or meeting fees for acting as a director.

Role	Retainer amount
BANK BOARD	
Bank director retainer (includes membership on one standing committee)	\$23,500
Additional retainers per role	
Chair of the Board	\$36,500
Vice-Chair of the Board	\$7,500
Chair of the Audit & Conduct Review Committee and Risk Committee	\$10,000
Other Committee Chair	\$7,500
Additional Committee Membership (per Committee)	\$3,500
TRUST BOARD	
Independent trust director retainer (includes membership on one standing committee)	\$15,000
Note: There is no additional retainer paid to a director of the Trust Board who acts as a director of the Bank Board.	

Meeting fees	Amount
Standard meeting (over two hours)	\$1,000
Short meeting (up to two hours)	\$500
Travel per diem	\$500

Directors are also reimbursed for travel and other expenses when they attend meetings or conduct business on behalf of the Bank or its subsidiaries.

The following table summarizes compensation and attendance for each Director in 2021, including attendance at meetings of the Trust Board.

Directors meeting attendance and remuneration for the year ended December 31, 2021						
Director	Trust board meetings	Bank board meetings	Committee meetings	Meeting fees	Retainers	Total
de Moissac, Lise	4/4	11/12	-	\$12,500	\$62,308	\$74,808
Dillon, Eric	4/4	11/12	20/21	\$24,500	\$38,385	\$62,885
Dyrda, Glen	4/4	12/12	27/27	\$29,000	\$42,058	\$71,058
Fraser, Cheryl	-	12/12	20/20	\$24,500	\$29,115	\$53,615
Gillespie, Anne	-	11/12	11/11	\$19,500	\$28,038	\$47,538
Johnson, Dan	-	1/2	3/3	\$3,500	\$8,515	\$12,015
Lee, Teresa*	4/4	6/6	6/6	\$11,000	\$15,577	\$26,577
Leonard, Mike	-	11/12	19/20	\$23,500	\$30,596	\$54,096
Losier, David	-	12/12	29/29	\$27,500	\$39,462	\$66,962
Poulsen, Carol	-	11/12	10/10	\$18,500	\$28,038	\$46,538
Ransome, Cary	-	9/10	9/9	\$16,500	\$19,627	\$36,127
Smart, Tim	4/4	12/12	22/22	\$26,500	\$42,058	\$68,558
Williams, Shelley	4/4	12/12	20/20	\$26,500	\$36,904	\$63,404
Total				\$263,500	\$420,680	\$684,180

* Independent Director serves on the Trust Board, sits on the Risk Committee that jointly serves the Trust and Bank Boards, and participates in Board education and strategic planning sessions

TRUST COMPANY GOVERNANCE

As a wholly owned subsidiary, Concentra Trust (operating as Wyth Trust) is incorporated under the federal *Trust and Loan Companies Act* and is a separate and distinct legal entity from Concentra Bank (operating as Wyth Financial). As such, it requires and maintains a separate Board of Directors to comply with regulatory and legislative requirements of a federally regulated trust company and fulfill its fiduciary obligations and oversight of its operations.

The subsidiary governance of Wyth Trust complies with OSFI's Corporate Governance Guideline. The current Trust Board consists of the Chair of the Bank Board, the Chairs of each of the Bank Board's four Standing Committees (Audit and Conduct Review, Risk, Human Resources and Compensation, and Governance), the President and CEO, together with an independent Director with specific technical skills and experience in the areas of business in which Wyth Trust operates.

Part 4: Executive compensation

THE BANK'S APPROACH TO EXECUTIVE COMPENSATION

The following pages summarize the Bank's approach to compensation for the fiscal year ended December 31, 2021. The Bank's executive compensation is designed to attract, retain and reward experienced executive leaders who develop and execute on the Bank's business strategy and deliver positive results for our shareholders, customers and employees.

The Bank offers competitive compensation for all employees up to and including executive-level positions. During fiscal 2021, the Executive Leadership Team (ELT) was expanded to include the following positions that have a direct reporting relationship to the CEO:

- President and Chief Executive Officer (CEO)
- Chief Digital Officer (CDO)
- Chief Financial Officer (CFO)
- Chief Banking Officer (CBO)
- Chief Risk Officer (CRO)
- Chief People Officer (CPO)
- Chief Technology & Operations Officer (CTOO)
- VP, Trust*
- VP, Chief Internal Auditor*
- VP, Governance & Corporate Secretary*

* Role added to ELT in 2021

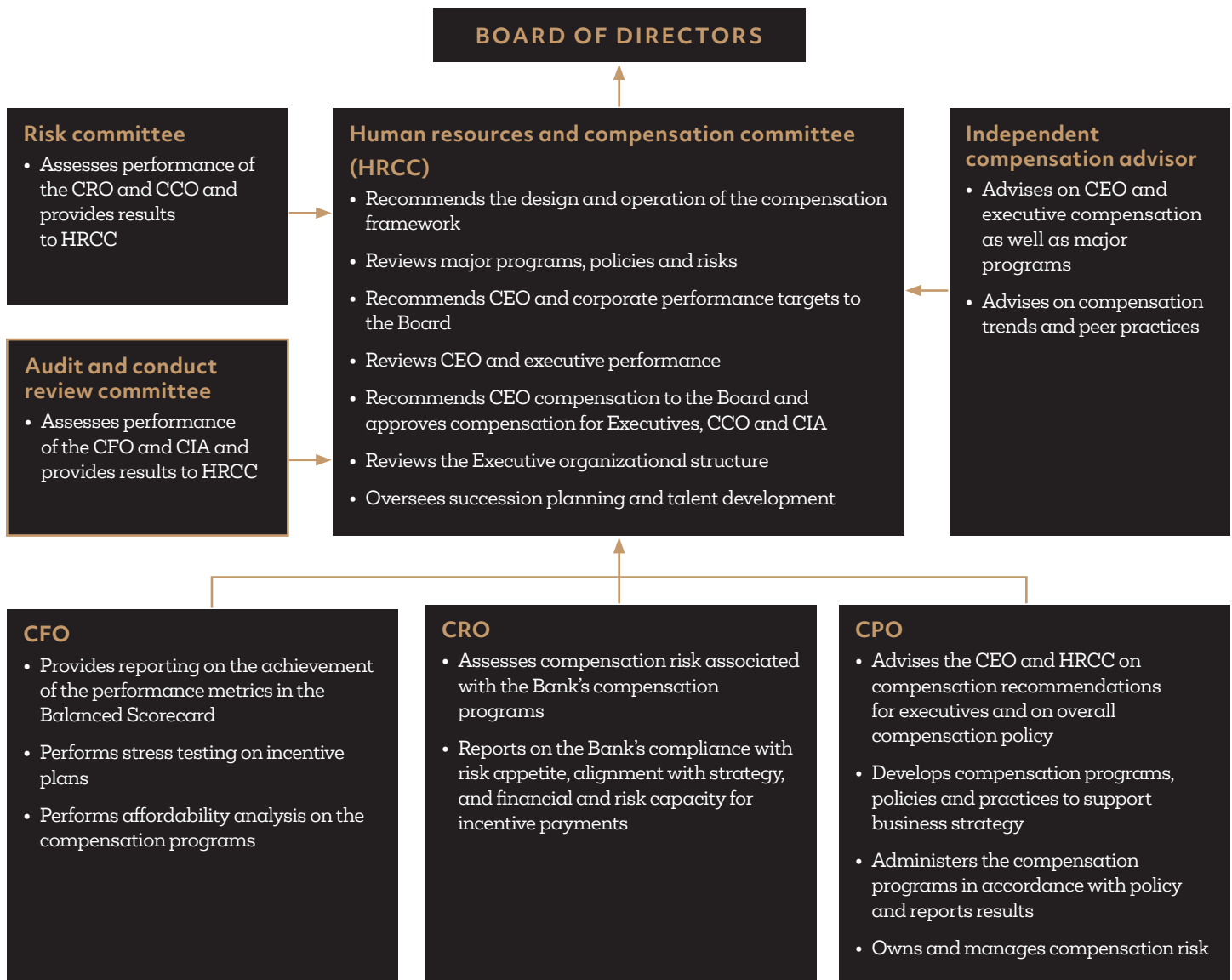
OVERVIEW OF KEY COMPENSATION PRACTICES

The Bank's compensation programs contain a number of key features and best practices to ensure strong alignment with regulatory and market expectations:

Pay for performance	Executive compensation is clearly linked to individual and corporate performance over the short and long term, as well as risk culture and outcomes.
Pay at risk	Variable pay represents a significant portion of executive compensation (over 50% of CEO compensation, over 40% of other NEO compensation).
Appropriate peer groups	Compensation peer group is composed primarily of similarly sized organizations and the Bank is close to the median of its peer group in revenue and assets.
Median target positioning	Compensation is competitive but not excessive, targeting the 50 th percentile.
No guaranteed incentives	Incentive payouts are zero if minimum funding hurdles and performance thresholds are not met.
Capped incentives	STI and LTI awards are capped at 130% and 150% of target, respectively.
Board and committee oversight	The Board and HRCC oversee performance and compensation, and may apply discretion in determining incentive payments based on informed judgement.
Regulatory compliance	The Bank's approach to compensation risk management aligns with OSFI governance guidelines and the Financial Stability Board's (FSB) Principles for Sound Compensation Practices.
Risk controls	The clawback provisions, funding hurdles, incentive caps, and Board discretion mitigate variable compensation risk.
Independent review	An independent consultant is used to provide guidance on compensation design and governance.

COMPENSATION GOVERNANCE

The Board retains the responsibility for oversight of certain human resource matters including the Bank's compensation systems. The Human Resources and Compensation Committee (HRCC) has been mandated by the Board to act as the main body assisting the Board in discharging these responsibilities. The following chart provides a summary of the Bank's compensation governance structure:



Independent advice

The HRCC/Board may engage independent external consultants or legal counsel in order to assist it in fulfilling its responsibilities for compensation oversight. Advice provided by independent consultants may include ad-hoc information on compensation trends and best practices or it may extend to comprehensive reviews of compensation programs, including the comparator group, pay mix, and any component of executive total compensation.

In 2021, the HRCC engaged Hugessen Consulting to provide advice on executive compensation and incentive plan effectiveness, including a comparator group review, compensation benchmarking, incentive design review, and a discretion framework to be used by the HRCC and Board. The scope of work with Hugessen commenced in 2021 and is expected to be complete in 2022. The Committee also undertook a review of the Supplemental Executive Retirement Plan (SERP) which was completed by Mercer.

COMPENSATION PRINCIPLES

Attracting and retaining strong and experienced leadership and talent is critical to the Bank's success. The Bank's programs, policies and practices are based on a "pay for performance" culture wherein pay and rewards are aligned with the achievement of the business strategy. The Bank's compensation is designed on the following key principles:

Support business strategy	Support the achievement of the Bank's short- and long-term corporate objectives, and be consistent with the Bank's vision, mission and core values.
Market competitive	Facilitate attraction of new talent and foster retention of existing employees by offering compensation that is competitive with other peer companies.
Performance focus	Reflect the Bank's pay-for-performance philosophy and meet the expectation of stakeholders by delivering a meaningful proportion of total compensation using variable pay tied to company and individual performance.
Stakeholder alignment	Focus on specific performance objectives that contribute to the enhancement of stakeholder value in the long term.
Fair and equitable	Systematically free of bias. Balancing internal equity with market pay practices.
Simple to understand	Design and manage compensation programs in a manner that can be readily communicated and understood by employees and other stakeholders.

COMPENSATION RISK MANAGEMENT

The Bank's compensation risk management processes and programs, as further outlined in this section, seek to ensure that compensation aligns with the short- and long-term interests of shareholders while keeping regulatory guidance and industry best practices top of mind. In conjunction with the Chief Risk Officer and members of the Bank management, the HRCC reviews the compensation framework annually and makes changes and revisions as necessary.

Compensation is one of the key influencers on the risk culture and the individual motivation to own and manage risks. The Chief Risk Officer (CRO) meets regularly with the HRCC, Risk Committee, and Board to review key risks associated with the Bank's compensation programs. The CRO plays an integral role in:

- Formulating and recommending the compensation risk appetite statement and the risk components of the incentive plans;
- Reviewing compensation program design to ensure it does not encourage excessive risk taking;
- Overseeing the compensation governance, programs and aggregate payouts;
- Attesting to compliance with the Risk Appetite Framework; and
- Reviewing regulatory expectations.

The CRO is not directly involved in revenue generation or the management and financial performance of any business line or product of the Bank. In addition, the CRO's compensation is independent of the performance of any specific business line or product of the Bank. The compensation for all key oversight roles, including the CRO, is tied to both the Bank's overall performance as well as individual performance.

Compensation outcomes are symmetric with risk outcomes and aligned to the Risk Appetite Framework, as outlined in the table below:

Alignment	Characteristics
Overall risk appetite framework metrics	Reflect the Bank's capacity to bear risk as a function of its financial and operational capacity, ability to manage risk, and strength of its reputation and standing with regulators. As such, compensation risk appetite statements are directly linked to all other statements in the Risk Appetite Framework.
Corporate strategy	Sets the business direction and objectives for the organization and as such, impacts the compensation risk appetite statements and metrics.
Financial capacity	Frames the compensation affordability, budgeted in alignment with targeted financial performance.
Risk capacity	Shapes the compensation program design to discourage behaviours not aligned with the Bank's values and ensure that such behaviours are not rewarded.

Use of informed judgement

The use of informed judgement by the HRCC and the Board of Directors is important when determining final compensation. The HRCC and Board of Directors may use discretion to ensure payments appropriately reflect risk performance as well as other unexpected circumstances that may arise during the year, and to eliminate the possibility of unintended outcomes when incentive payouts are determined solely by formulas.

Clawback policy

A clawback policy is in place to enable the Bank to recoup incentive payments that have already been paid and/or to cancel incentive payments in situations such as restated financial results that would have resulted in payment lower than the amount paid, discovery of a risk outcome that was outside the Bank's risk appetite, or misconduct bringing material harm or reputation to the Bank.

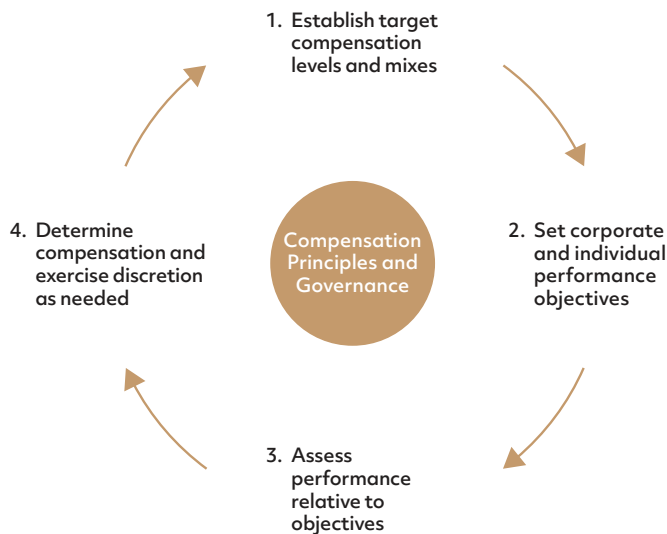
Alignment with FSB principles

The Bank's compensation risk management is guided by the Principles and Standards put forward by the Financial Stability Board (FSB) to ensure effective governance of compensation and alignment of compensation with prudent risk-taking. Here are the FSB Principles and how the Bank adheres to or follows them:

FSB principles	Bank practice
The firm's board of directors must actively oversee the compensation system's design and operation.	The Board/HRCC oversees the design and operation of the Bank's compensation programs to ensure alignment with strategy, risk appetite and regulatory requirements.
The firm's board of directors must monitor and review the compensation system to ensure the system operates as intended.	The Board/HRCC reviews all compensation policies and programs on an annual basis and has final approval on all new designs and material modifications. This review includes incentive plan payouts and may result in adjustments to programs to meet risk appetite.
Staff engaged in financial and risk control must be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the firm.	The Board/HRCC reviews and approves compensation for all executives. The Risk and Audit and Conduct Review Committees have input into performance assessments for the heads of the Bank's oversight function, including risk management, compliance, finance, and internal audit. Compensation for these roles is determined independently from the performance of the segments they oversee. See page 37 for details on the Bank's incentive plans and how they are measured.
Compensation must be adjusted for all types of risk.	Compensation programs are measured for risk at the design stage (through modelling and affordability assessments), the target-setting stage (through an annual review and update of objectives), and at the payment stage (through Board approval of compensation and exercise of board discretion in adjusting individual payments). The Chief Risk Officer provides input to the HRCC on its incentive payment recommendations to the Board through an annual attestation on the Bank's compliance with the Risk Appetite Framework, alignment with corporate strategy, and the Bank's financial and risk capacity.
Compensation outcomes must be symmetric with risk outcomes.	The Bank's "pay for performance" compensation philosophy ensures that compensation aligns with risk exposure and operating results. The Bank's short-term incentives have funding hurdles tied to a minimum Tier 1 Capital ratio (CET1) and a minimum return on equity (ROE), while the Bank's long-term incentives have a funding hurdle tied to a minimum CET1 ratio. If funding hurdles are not met, the plans do not pay out. The Bank's clawback policy allows the Bank to recoup previously paid incentives in the event of restated financial statements, risk outcomes outside the Bank's risk appetite, or misconduct.
Compensation payout schedules must be sensitive to the time horizon of risks.	The Bank aligns executive compensation with the long-term interests of shareholders, by having a significant portion of compensation comprising long-term incentives with a performance period of three years.
The mix of cash, equity and other forms of compensation must be consistent with risk alignment.	While the Bank does not offer equity-based compensation, half of at-risk pay for executives is deferred in order to align with the risk time horizon. The total value of pay that is at risk may vary by executive but the mix of short- and long-term incentives is consistent, with each incentive comprising 50% of total incentives.

COMPENSATION DECISION-MAKING

The Bank's compensation decisions are shaped through the compensation principles outlined above and the governance systems outlined throughout this proxy. The diagram below illustrates the process of determining compensation for the Bank's executives:



1. Establish target compensation levels and mixes:

Based on market data from external consultants specific to the Bank's comparator group, compensation programs, targets and pay mixes are set for the CEO and other executives. Payout and affordability analyses are completed prior to the approval of any new compensation plan design or re-design of an existing plan.

2. Set corporate and individual objectives for compensation purposes:

Corporate objectives are set based on financial and non-financial metrics and approved by the HRCC/Board. These goals align with the strategic priorities and include financial metrics including Return on Equity and operational efficiency measures, as well as non-financial metrics related to client experience, leadership, and digital/operational capabilities. Individual objectives for the CEO and each executive are derived from the strategic objectives and the approved corporate business plan.

3. Assess performance relative to objectives: At the end of the fiscal year, the HRCC evaluates the corporate performance against the objectives. As part of this evaluation, the HRCC considers performance against the Risk Appetite Framework and seeks input from the Risk Committee, the Audit and Conduct Review Committee and the CRO prior to the recommendation of any payout for Board approval. The CEO completes a self-assessment against individual goals, and this assessment along with corporate performance measures, and HRCC and Board input is used to determine the final year-end assessment. The HRCC also receives individual performance assessments for each executive based on CEO review and achievement of individual objectives.

4. Determine compensation and exercise discretion as needed: Final year-end performance assessments are used to determine and make recommendations on the incentive payments for the CEO and executives. The HRCC approves executive incentive payments, and makes a recommendation for any CEO incentive payment to the Board for approval. The HRCC and Board may use discretion to ensure payments appropriately reflect risk performance as well as other unexpected circumstances that may arise during the year.

Comparator and performance benchmarking

Compensation comparator group and positioning

The Bank recognizes the need to be competitive in the markets from which it draws talent in order to be able to attract, retain and motivate high-quality talent. The comparator group typically reflects the Bank's "market for talent"--which qualified candidates are sourced from or lost to. In determining this comparator group, the following factors were considered: industry, ownership type, geography, scope of business and size.

The peer group selected reflects a mix of small to midsized financial institutions and large credit unions within the broader financial services sector that are 1/3 to 3x the size of the Bank in categories of assets, revenue, net income and/or number of employees. All comparators have operations focused on the Canadian market. Although some of the comparators are publicly traded companies, they are highly relevant to the Bank as a national bank competing in similar markets.

In setting 2021 target pay levels, the Bank targeted the 50th percentile of the market as the desired competitive position. Flexibility is maintained to compensate below or above market when warranted by unique circumstances, including but not limited to experience, expertise, tenure, and scope of role.

During the year, with the assistance of Hugessen Consulting, the HRCC conducted an independent review of peer comparators to be used to benchmark compensation for the 2022 fiscal year. In establishing the compensation comparator group, a review of credit unions and mid-size financial institutions within the broader financial services sector was conducted. The compensation peer group selected reflects a mix of larger credit unions and mid-sized financial institutions within the broader financial services sector that are 1/5 to 5 times the size of the Bank in the categories of assets, net interest income, net income and/or number of employees. All comparator peers have operations focused on the Canadian market. Going forward, the Bank will target pay at the mid-point between the 75th percentile within the larger credit union group and the 25th percentile within the mid-sized financial institutions. Publicly disclosed executive compensation of the group is used to benchmark the executive roles at the Bank. To provide additional context and remain aware of broader market trends, the HRCC also considers survey data from broader industry samples in assessing the competitiveness of the Bank's executive compensation.

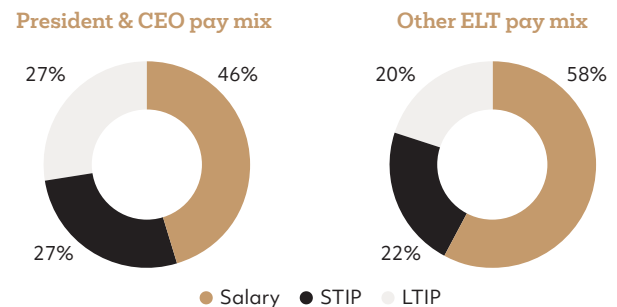
Performance comparator group

With the assistance of Hugessen Consulting, the HRCC has established a new performance comparator group for 2022, which will be used to benchmark relative performance metrics used in the incentive plans going forward. The performance comparator group consists of companies which are market competitors in the same or similar business as the Bank. They include larger credit unions and mid-sized financial institutions, as well as some market competitors which are larger in size and scope to the Bank.

Target pay mix

The target pay mix for the CEO and executive leadership team reflects the Bank's unique position within the financial services industry. A significant portion of executive pay is "at risk" to incent performance and align executive interests with the achievement of ambitious strategic goals. At the same time, the target pay mix considers the Bank's ownership structure within the credit union system. As a result, the Bank's pay mix is more heavily weighted to long-term incentive pay than its credit union peers, but less than its broader financial industry peers.

Below is the target pay mix for the President & CEO and the other Executive Leadership Team members:



COMPENSATION DESIGN

Components of total compensation

Total compensation for the Bank's executives includes the following:

1. Base Salary
2. Incentives (Short-Term and Long-Term)
3. Benefits and perquisites

1. Base salary

Base salaries comprise the fixed component of total compensation and provide a level of income certainty throughout the year. Factors considered in determining base salary include: level of executive responsibility, individual capabilities and experience, performance,

market competitiveness, and internal equity. Base salaries are reviewed annually by the HRCC, with adjustments if appropriate. A more fulsome market review is conducted every two to three years to benchmark against comparators.

2. Short- and long-term incentive plans

The Bank's incentive plans are designed to provide a strong linkage between pay and performance. A significant portion of executive compensation is tied to individual performance and the achievement of corporate results over the short and longer term. The following table summarizes the key features of the variable compensation plans.

Incentive plans	STIP	LTIP
Purpose	Designed to motivate and reward employees for their contribution toward achieving the annual business plan.	Designed to drive successful execution of the long-term business strategy. Important tool for attraction and retention of leadership talent.
Form of Award	Cash Payment	Cash Payment
Performance Period	12 months	3 years
Vesting/Payment	End of performance period	End of performance period
Target Awards	CEO: 60% of Base Salary Executives: 25-40% of Base Salary	CEO: 60% of Base Salary Executives: 20-40% of Base Salary
Performance Components	75% Corporate Results 25% Individual Objectives	100% Corporate Results

Short-term incentive plan (STIP)

The Bank's Short-Term Incentive Plan (STIP) is intended to reward employees for their contributions toward the achievement of the annual business plan and related corporate goals. Payment under this program is based on the level of achievement of corporate performance metrics, determined annually through a balanced scorecard, which is reviewed and approved by the HRCC and Board. In addition to these performance metrics, performance hurdles must be met in order for any payout to occur.

At the end of the year, the HRCC reviews the corporate performance against the established targets and makes a recommendation to the Board regarding the aggregate STIP payout. The HRCC also reviews the CEO's individual performance against his goals and determines the appropriate incentive payment for Board approval. In addition, the HRCC reviews the CEO's assessment of the executive team performance, and approves the executive incentive payments.

The table below outlines the corporate performance metrics and design for the 2021 STIP:

STIP		
Funding hurdles	Minimum CET1/ROE	
Corporate Performance measures	45% Financial	ROE Efficiency ratio
	15% Growing customer advocates	Acquire customers Delight customers
	20% Build a Better Bank	Digitize business operating model Scale operations and processing platform
	20% Foundation	Manage credit risk Strong leadership capabilities ⁽¹⁾
Payment	Cash payment reflecting performance against the corporate measures and individual performance; weighted 75% corporate and 25% individual for executives. The payout range is between 50% to 130% of target for each performance measure, with the exception of the Financial measure where the payout range for 2021 was between 80% and 130%. Regardless of the performance achievement for each measure, if the funding hurdle has not been achieved, no payment is made from the plan.	
Clawback	Subject to the clawback policy, payments made under this plan can be recouped in certain circumstances.	

⁽¹⁾ The leadership measures apply only to the executive and senior leadership teams.

The table below outlines the corporate performance achievement for the 2021 STIP:

STIP plan hurdles	Target	Actual	Result
CET1	>= 11%	12.45%	Achieved
ROE	> 5.0%	9.2%	Achieved

Corporate performance measure	Weighting	Threshold (50%)	Target (100%)	Maximum (130%)	Result (% score)	Weighted result (%)
Financial (ROE, Efficiency Ratio)	45%				118.0%	53.1%
Growing customer advocates (acquire customers, delight customers)	15%				102.0%	15.4%
Build a Better Bank (digitize business operating model, scale operations and processing platform)	20%				103.0%	20.6%
Foundation (manage credit risk, strong leadership capabilities)	20%				115.0%	23.0%
Overall corporate performance						112.1%

Long-term incentive plan (LTIP)

The Bank's Long-Term Incentive Plan (LTIP) is designed to drive the achievement of strategic plans by focusing participants on the longer-term success of the company. The LTIP incentivizes participants to achieve long-term goals that result in the sustainable growth of the Bank and the creation of long-term shareholder value. The LTIP is a component of the Bank's total compensation package and serves as an effective tool for supporting the attraction and retention of individuals with the experience and skills to contribute in key roles at the Bank.



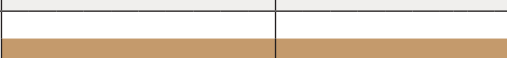
Performance metrics are determined at the onset of each three-year performance period and approved by the Board. In addition to defined performance metrics for each three-year performance period, minimum performance hurdles must be met for any payment to be made under the plan. At the end of the period, HRCC evaluates the performance against the established targets and recommends incentive payments for Board approval.

The following table highlights the performance metrics associated with all in-flight LTIPs in 2021.

LTIP	2019-2021	2020-2022	2021-2023
Funding Hurdles	Minimum CET1	Minimum CET1	Minimum CET1
Corporate performance measures	50% ROE 25% Growth in direct-to-customer loans mix 25% Growth in direct-to-customer funding mix	50% ROE 25% Growth in direct-to-customer loans mix 25% Growth in direct-to-customer funding mix	50% ROE 25% Diversify asset mix 25% Diversify funding mix
Payout range	50% to 150% of Target, except ROE 70% to 150%	50% to 150% of Target	50% to 150% of Target
Clawback	Subject to the clawback policy, payments made under these plans can be recouped in certain circumstances.		

The table below outlines the performance achievement for the 2019-2021 LTIP:

Ltip plan hurdles	Target	Actual	Result
CET1	>= 9%	12.8%	Achieved

Corporate performance measure	Weighting	Threshold (50%)	Target (100%)	Maximum (150%)	Result (% score)	Weighted result (%)
ROE	50%				110.6%	55.3%
Growth in direct-to-customer loans	25%				80.6%	20.1%
Growth in direct-to-customer funding mix	25%				91.8%	23.0%
Overall corporate performance						98.4%

Benefits

The Bank offers a comprehensive benefits package for all permanent employees, including executives. The standard employee benefits package is comprised of: eligibility for a defined contribution pension plan; group insured benefits, including health, dental, life insurance, accidental death and dismemberment, short- and long-term disability, a healthcare spending account and access to an Employee and Family Assistance program; and paid time off.

In addition to the standard employee benefits package, executives receive a cash allowance for perquisites, intended to cover items such as vehicle costs, car allowance, parking, home office equipment, provisionary spending, extended core benefits coverage, financial consulting or tax preparation services, memberships in social or athletic clubs, charitable donations and spousal travel.

Retirement benefits—defined contribution pension plan and SERP

All employees, including executives, participate in the Defined Contribution Pension Plan administered by the Cooperative Superannuation Society. Executive contributions of 6% of base salary are made to the plan with a corresponding company match of 6%, up to the CRA maximum contribution limit. The Bank does not assume any further obligation or liability with regard to the CSS Pension Plan outside of the contributions made to the Plan. The HRCC meets annually with representatives from the CSS Pension Plan to review governance and investment performance.

In the event that contributions to the pension plan reach the CRA maximum contribution limit, the Bank contributes 12% of any further pensionable earnings to a Supplementary Executive Retirement Plan (SERP) to ensure adequate overall retirement income for executives. Pensionable earnings are defined as base salary and any exceptions are approved by the HRCC. A 2021 review of the SERP resulted in a new plan design and the windup of the existing funded SERP. A new notional unfunded SERP plan was designed and approved and will take effect January 1, 2022.

AGGREGATE EXECUTIVE COMPENSATION DISCLOSURE

Aggregate total compensation is disclosed below for the ELT. The disclosure represents total compensation, inclusive of accruals, whether or not they have been paid.

Summary executive compensation for the year ended	2021 (n=10)	2020 (n=10)	2019 (n=9)
Salaries	\$3,316,618	\$2,800,599	\$2,991,975
Retirement allowance and termination benefits	619,228	0	227,899
Performance incentives			
Current	1,356,832	943,350	896,000
Deferred	856,262	804,787	336,875
Other benefits	631,077	522,361	549,694
Total	\$6,780,016	\$5,071,097	\$5,002,443

The Bank continued to execute on a strategy that was focused on digital transformation and the core competencies of specialization, partnering and innovation. In 2021 the Bank launched our new brand, Wyth Financial, and continues to make significant investments in technology and human capital to ensure the necessary talent, skills, capabilities and resources of the organization are available to execute on strategic priorities and meet increased regulatory requirements. In 2021 the Bank hired three new Executive to replace departing Executives, resulting in some overlap in salaries and other compensation elements throughout 2021 as new Executives were onboarded. In addition, stronger performance resulted in higher incentive payments for 2021.

EMPLOYMENT CONTRACTS, TERMINATION AND CHANGE OF CONTROL

The Bank has employment contracts in place with each member of the ELT. These contracts govern the terms of employment for each executive, including duties of the position, compensation, benefits, termination and other obligations of the employee.

The termination provisions included in executive contracts are designed to reflect current market practices while complying with all relevant legal requirements. The total amount and obligation to pay severance will vary depending on the reason for termination, the position, and length of service. The relevant severance provision is defined in the employment contract or change in control agreement, and ranges between one to two years.

In general, each executive would be contractually entitled to severance in the event of a termination without cause or resignation for good reason equal to one to two times (1 to 2 x) the following:

1. Current base salary
2. The greater of: most recent STI payment, or average STI payment over the last 3 years
3. Annual perquisite amount

Change in control agreements are also in place to recognize the importance of stabilizing key management roles in connection with potential or actual change in control activities. The underlying premise is that no additional benefits are provided to executives; however, vesting provisions may differ to address these unique circumstances. The change in control agreements include a double trigger where a severance payment occurs only if both: 1) a change in control occurs; and 2) the executive's employment is terminated.

TALENT MANAGEMENT AND SUCCESSION PLANNING

The key to any organization's success is its people. The Bank values its employees and fosters a culture that engages our employees and provides them with tools to support their success and opportunities to develop their skills.

The Bank's purpose is "Creating the future of banking to enable your success". With this purpose in mind, the development of a sustainable remote work environment, and a culture with a growth mindset and ways of working, the Bank has had success in attracting, retaining, and developing the right talent to transform our business.

Talent management

The people strategy is aligned to the corporate strategy to ensure employees are engaged and empowered to execute on their objectives.

Individual development is a key component of the Bank's people strategy. In collaboration with the Board, the CEO has an annual performance management program including a development plan to ensure ongoing individual development throughout the year. The CEO and executives participate in a biennial 360 Feedback process to not only support their individual development, but to also gain insight into opportunities to enhance their performance as a team.

The Bank aspires to be an employer of choice, attracting and retaining the best employees, providing solid learning and development opportunities for every employee and inspiring a culture of continuous learning. The talent pipeline is balanced between the development of talent from within, and the attraction of new talent, skills and capabilities. In support of a continuous learning culture, an Enterprise Learning Framework was designed in 2021. Within this framework, focus will be to continue to develop our leaders and our employees in our culture, developing skills for career mobility and growth, ensuring compliance and regulatory training, and in Leadership of oneself and of others. Learning at the Bank is delivered in many different ways and the Enterprise Learning Framework recognizes this. Learning from on the job experiences, from others, in an online group/cohort setting, or simply on demand through a learning platform. The Bank continues to improve on our agile culture and ways of working to support our culture and drive collaboration and speed in achieving our goals.

Succession planning

The Bank approaches CEO Succession Planning as an ongoing process that allows the Board to think critically about the CEO skillset required for success in the future; to identify, develop, and observe the top internal candidates, while providing opportunities for senior executive development.

CEO Succession Planning is an annual process that includes a review and update of the CEO role profile. This profile is used to benchmark internal successors and identify any gaps in qualifications, experiences, skillsets, and behavioural competencies, which can then be used to form part of the ongoing Individual Development Plan (IDP). Feedback from external assessment tools, 360-peer feedback and CEO performance assessments are all used to support the development of the IDP. With the support of the CEO, successor candidates are accountable for the development, monitoring, and progress of their IDP.

At least once a year, the HRCC and Board review succession plans for the CEO, executives, and key leadership roles to monitor the risk and ensure a robust talent pipeline exists for all critical leadership positions within the Bank.

Concentra recognizes the importance of succession planning in ensuring business continuity and minimizing people risk. Concentra has developed a succession plan that covers all executives while also addressing business continuity needs.

wyth™