



Concentra[®]

2019

Annual Report

A Strong Strategic Start



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About Concentra

Concentra is a Schedule I bank that also holds a federal trust licence through its wholly owned subsidiary, Concentra Trust.

In November 2018 we embarked upon a strategy to build a digital bank that will serve mid-market businesses, Canadians and Canadian credit unions.

Concentra's purpose is Creating the future of banking to enable your success. We aim to be at the forefront of banking, offering enhanced digital capabilities, helpful products and great service. We have a passion for innovation and finding better ways of banking to help you be successful.

We serve Canadian credit unions with commercial lending, mortgages, securitization, foreign exchange, cash and treasury management, and leasing solutions. Concentra Trust offers registered plans, personal and corporate trust services, and estate planning and administration.

Our headquarters are in Saskatchewan and our employees are located across Canada; we operate in all provinces except Québec. (S'il vous plait, soyez patient, Québec. Nous espérons y arriver un jour!)

CONCENTRA BY THE NUMBERS

- Employs **329** people
- Serves **227** credit unions
- **\$8.9 billion** in total assets
- **\$36.9 billion** in Assets under Administration
- Net income of **\$30.1 million**
- Efficiency ratio of **59.0%**
- Return on Common Equity of **6.6%**
- Funds **\$200,000** of community projects annually
- Funded **\$1.6 million** to **120** community projects in Canada since 2011



Message from the Chair

In 2019 Concentra embarked upon its first full year of executing a strategy that was approved in November 2018: build a direct-to-customer digital bank while continuing to drive value for Canadian credit unions.

The new strategy is built around four core foundations—1) digital transformation, 2) enhanced people capabilities, 3) grow credit union partnerships and 4) operational excellence—and three competencies: 1) specialization, 2) partnering and 3) innovation.

This strategy is designed to deliver on Concentra's purpose—Creating the future of banking, to enable your success—and support the organization's vision. In 10 years, Concentra aims to be the leading bank in the country for entrepreneurs and mid-market businesses, as well as a consumer finance bank.

Concentra remains committed to serving Canadian credit unions. The majority of market share in the Canadian financial services industry is outside the credit union sector and by tapping into this space, Concentra will bring credit unions access to new markets and innovative products. The bank is engaging with potential partners who want to work with Concentra as an intermediary to access credit union members.

Being nimble is an asset for a challenger bank and Concentra is not hampered by legacy procedures and systems. Agile training is underway for the Board of Directors, Executive Leadership Team and many employees to help shift the organization's culture even more toward a future-focused, customer-obsessed mindset.

In 10 years, Concentra aims to be the leading bank in the country for entrepreneurs and mid-market businesses, as well as a consumer finance bank.

Concentra is changing—creating a differentiated experience for customers, maturing its business intelligence, improving internal efficiency, investing in its employees and establishing a digital banking foundation to foster growth. On behalf of the Board of Directors, I'd like to thank the executive leadership team and all employees for their significant work on Concentra's strategy in 2019. You're off to a strong start.



Daniel Johnson
CHAIRMAN OF THE BOARD



Message from the CEO

Concentra's vision to become Canada's leading mid-market commercial bank is different, exciting and bringing much change to our organization. We're carving out a unique identity in the Canadian financial services market and growing the company to make it better and more profitable. This will enable us to make important investments in all areas, and indeed we're off to a strong start with the work we've accomplished in 2019.

At our Board of Directors meeting in June, we presented our staged approach to digital transformation and our mid-market commercial bank plan, both of which were well received. I'd like to thank the Board for their guidance and support.

All year, we've been executing important transformational projects to build our new strategy while at the same time, continuing to support credit unions. We've been expanding into new markets; streamlining and automating our operations and systems; building a customer-obsessed, future-focused culture; and along the way, encouraging employees to contribute their ideas and feedback.

In 2019 we launched online direct GICs and mobile mortgages, as well as specialized lending products such as our First Nations Specific Claims financing initiative. This product assists First Nations to cover the costs associated with preparing and pursuing their specific land claims with the Government of Canada. Preparing and submitting a claim can be expensive and there is no guarantee the claim will be successful. Recognizing the need for a more cost-effective solution, Concentra partnered with two Canadian insurance companies to create a unique financing option that is less costly for First Nations communities.

We're preparing for the future of banking by improving the efficiency of our operations, automating and streamlining our processes, and streamlining our policies, procedures and staffing. We seek to improve our efficiency ratio, enhance our employees' experience, deliver a better customer experience, better manage risk, allow for greater collaboration among and across teams, and make our business more scalable.

Our purpose not only requires us to take a fresh look at our business, but also necessitates a significant investment in our employees. In 2019 we hired a new Chief People Officer with substantial experience in organizational transformation. Our people strategy is aimed at delivering

We're building a future-focused brand and a unique bank founded on a great customer experience.

a meaningful work experience for our employees, is aligned with our corporate strategy and positions Concentra for optimal productivity.

In short, we're making progress on all fronts toward realizing our 10-year vision. We're executing on our strategy, strengthening our foundation, diversifying our revenue, launching new products, forming new partnerships, investing in our people, and improving operational excellence. We're building a future-focused brand and a unique bank founded on a great customer experience.

Our hard work is paying off and I'm proud to say that in 2019 we were once again named to Saskatchewan's Top 100 companies and Canada's Best Managed Companies. I'm motivated to work with my talented colleagues each day, and excited about the journey Concentra is on to create the future of banking for all Canadians.



Don Coulter
PRESIDENT AND CEO

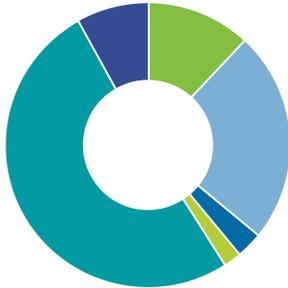
Financial Performance

FIVE-YEAR FINANCIAL OVERVIEW

(Thousands of Canadian Dollars)

	2019	2018	2017	2016	2015
Financial Position - Summary					
Assets					
Cash and securities	\$ 1,244,085	\$ 1,234,663	\$ 1,329,961	\$ 1,628,523	\$ 1,480,192
Retail loans	6,471,834	7,003,662	6,449,392	6,304,743	4,773,002
Commercial loans	1,086,996	1,295,189	1,228,608	1,391,870	1,450,754
Other assets	141,787	145,895	118,711	127,367	95,758
Total Assets	\$ 8,944,702	\$ 9,679,409	\$ 9,126,672	\$ 9,452,503	\$ 7,799,706
Liabilities and Equity					
Deposits	\$ 4,377,099	\$ 4,827,159	\$ 3,752,766	\$ 4,206,923	\$ 4,205,254
Securitization liabilities	3,553,627	3,983,129	4,339,989	4,314,901	2,966,362
Debt	420,276	314,456	453,811	407,561	144,639
Other	91,812	75,463	123,163	88,925	58,646
Shareholder's Equity	501,888	479,202	456,943	434,193	424,805
Total Liabilities and Equity	\$ 8,944,702	\$ 9,679,409	\$ 9,126,672	\$ 9,452,503	\$ 7,799,706
Results of Operations					
Total Revenue	\$ 120,988	\$ 114,879	\$ 106,609	\$ 104,638	\$ 91,473
Net interest income	96,428	90,407	83,497	78,467	68,309
Non-interest income	24,560	24,472	23,112	26,171	23,164
Non-interest expense	71,382	66,452	60,037	51,201	54,607
Net income	\$ 30,082	\$ 40,555	\$ 33,647	\$ 28,859	\$ 25,301
Credit Quality					
Net impaired loans	\$ 40,705	\$ 27,562	\$ 8,592	\$ 13,616	\$ 14,290
Net impaired loans as % of gross credit loans	0.54%	0.33%	0.11%	0.18%	0.23%
Provision for credit losses	\$ 6,894	\$ (7,598)	\$ 618	\$ 14,084	\$ 2,172
Provision for credit losses as % of gross credit loans	0.09%	-0.09%	0.01%	0.18%	0.03%
Financial Ratios					
Return on common equity	6.6%	10.0%	8.8%	7.9%	8.7%
Efficiency ratio	59.0%	57.8%	56.3%	48.9%	59.7%
Operating leverage ratio	(7.5%)	(2.2%)	(2.8%)	16.2%	0.3%
Expense coverage ratio	67.7%	71.5%	73.9%	84.0%	86.3%
Return on average assets	0.3%	0.5%	0.4%	0.3%	0.3%
Return on investment	4.0%	4.0%	3.0%	10.0%	4.0%
Capital Adequacy					
Common Equity Tier 1 capital to risk-weighted assets	13.3%	11.8%	13.1%	10.2%	11.6%
Tier 1 regulatory capital to risk-weighted assets	17.3%	15.6%	17.5%	13.9%	16.2%
Total regulatory capital to risk-weighted assets	17.9%	16.1%	17.5%	14.8%	17.6%
Leverage ratio	5.2%	4.6%	4.7%	4.2%	5.0%

LOAN DIVERSIFICATION



Retail by Province

● British Columbia	12%
● Alberta	24%
● Saskatchewan	3%
● Manitoba	2%
● Ontario	51%
● Other	8%



Commercial by Province

● British Columbia	20%
● Alberta	21%
● Saskatchewan	19%
● Manitoba	6%
● Ontario	30%
● Other	4%

By Asset Class

Commercial

● Mortgages	12%
● Loans and Leases	2%

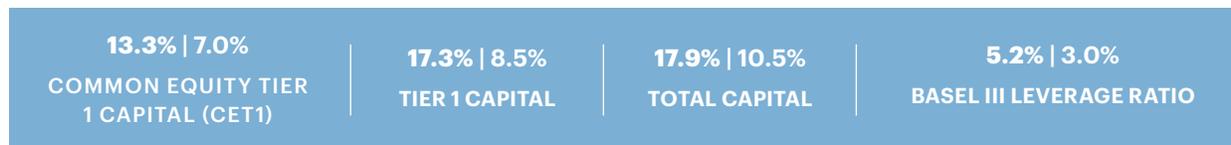
Retail

● Residential mortgages - insured	55%
● Residential mortgages - uninsured	24%
● Consumer term loans - unsecured	7%



Strong Regulatory Capital Ratios Based on *The Standardized Approach*

2019 | Regulatory Minimum

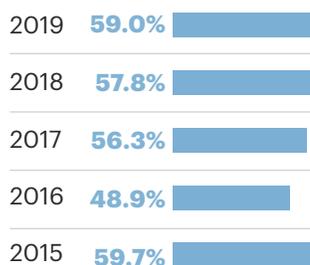


Key Performance Indicators

Return on Common Equity



Efficiency Ratio



Return on Average Assets

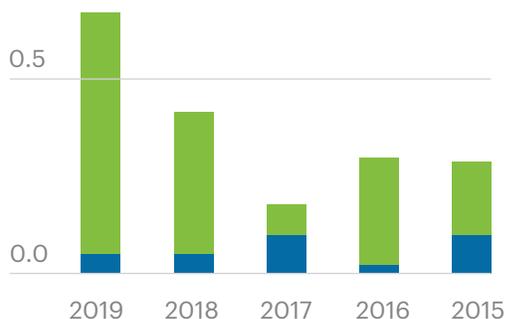


Investment Grade Credit Ratings (DBRS) – Stable Trend



Gross Impaired Loans and Write-offs as a % of Gross Loans

0.37% Gross Impaired Loans
0.06% Write-offs
5 year average as % of gross loans



Funding Sources

	2019	2018
Broker Term	34%	37%
Broker Demand	1%	1%
Direct Term	9%	8%
Direct Demand	6%	5%
Capital Markets Term	7%	5%
Securitization	43%	44%



Business Review

We're off to a strong start executing our new strategy. Our committed leaders have spent time learning to work together efficiently and we are unafraid to challenge and inspire each other. We have a well-researched and sound corporate strategy, the support of the Board of Directors, and some very talented, hardworking employees who've helped us to embrace innovation throughout 2019.

DIGITAL TRANSFORMATION

Continued growth and transformational change in our business underscores Concentra's vision and strategic plan. We are investing in digital modernization to allow us to and participate in the future of banking in Canada (in an open banking world).

NEW PRODUCTS

To help us diversify our revenue we began launching new products in 2019, such as online direct GICs and direct mobile mortgages. Two of our core competencies are specialization and innovation, both of which we leverage to develop niche products. We are careful to choose target segments that have not been well served by big banks' lending models—while the large corporate markets have access to some specialized lending products, most banks have not offered these products to mid-sized businesses because of the complexity, time and setup costs involved.

SPECIALIZED LENDING

We're proud of our long history of providing Canadian credit unions with innovative tools to succeed in an increasingly competitive market. But we aren't comfortable resting on our laurels—we're dedicated to seeking new specialized lending opportunities across the financial services spectrum, including in areas that other financial institutions often overlook.

In 2019 we launched our First Nations Specific Claims financing initiative, assisting a First Nation in British Columbia to cover the costs associated with preparing and pursuing their specific land claim with the Government of Canada. Specific land claims arise from breaches of treaty obligations. The federal government maintains that negotiation is preferred, within the confines of the Specific Claims Policy it has designed for this purpose.

Most First Nations do not have ready access to trained experts in research, legal analysis or negotiation, which forces them to hire outside researchers, lawyers and negotiators to assist in the process. Many First Nations do not have the financial resources to cover this cost and therefore require financial assistance. Recognizing the need for a more cost-effective solution, Concentra partnered with two Canadian insurance companies to create a unique financing option that is less expensive for First Nations communities.

We wouldn't be able to provide this support without dedication and focus to learn about the unique needs of our customers. We have exciting new products in our pipeline and look forward to launching them as we continue to build our mid-market commercial bank.

EQUIPMENT FINANCING

The majority of credit unions do not have an in-house equipment financing solution to offer their commercial members. Concentra has had an equipment finance business and offering to our credit union partners for more than 15 years. We offer full lease services across a number of sectors, supported by an infrastructure that underwrites the lease, completes the fulfillment and funding process and will administer the lease on an ongoing basis.

Our nationwide equipment leasing team deals with a network of brokers and has financed equipment for transportation, construction, production, materials handling, forestry, IT, solar arrays, healthcare and co-gen facilities. Concentra also offers equipment leases at government rates and has done some financing for municipalities; e.g., for street lamps, roof repairs on ice rinks, or snow-clearing equipment.

In 2019 the leasing team started digitizing its processes to enable the team to increase transaction volume, and implemented vendor programs to offer more efficiency and processing capacity.

RESIDENTIAL MORTGAGE POOL SALES

Concentra has historically had a very strong ability to source residential mortgage assets from the marketplace for its own balance sheet but also for the benefit of our credit union partners. Many of our credit union partners are often looking for short-term investment opportunities to deploy excess liquidity and capital. Our residential mortgage pool offering provides credit unions with valuable assets and good returns.

RESIDENTIAL SECURITIZATION OFFERING

This product provides access to CMHC-sponsored securitization programs, namely the NHA Mortgage Backed Securities program and the Canada Mortgage Bond program. These programs focus on delivering competitive funding for insured residential mortgages for financial institutions across Canada. Since credit unions are typically smaller financial institutions, these programs are important to them for accessing long-term, stable funding backed by the federal government for their mortgage books.

Concentra's team of securitization professionals assists our credit union partners navigating the complexities of the securitization program with everything from short-term hedging, managing prepayment risk, monthly administration services and acting as a conduit to the capital markets. Since 2009, Concentra has assisted credit unions in accessing more than \$11 billion in securitization funding.

In 2019, we launched a tool that validates mortgage data submissions for credit unions to support our securitization activities. We received positive feedback from our customers about the resulting time savings and increase in accuracy.

COMMERCIAL ORIGINATIONS AND COMMERCIAL SYNDICATION INVESTMENT OPPORTUNITIES

We partner with credit unions that are looking to reduce their exposure to one of their own members, perhaps because the credit union is reaching its exposure limits with a single borrower. Syndicating a portion of the member's loan allows the credit union to continue to serve that member.

We also source commercial deals in the marketplace for our own balance sheet and as an investment opportunity for credit unions. Our credit union syndication partners have participated in commercial loan offerings representing approximately \$800 million in loans on credit unions' balance sheets.

CREDIT UNION DEPOSITS

We allow credit unions to place their short-term liquidity with Concentra across a number of different investment products.

FOREIGN EXCHANGE

Concentra offers comprehensive foreign exchange (FX) solutions that allow credit unions and commercial members to manage their FX solutions using a modern, white-labelled online platform.

STRATEGIC FINANCIAL MANAGEMENT

Concentra experts provide customized balance sheet management solutions to our credit union partners. This offering identifies risks and opportunities with credit union balance sheet structures across a number of different areas including interest rate risk, profitability, capital and liquidity.

CONSUMER LENDING

In 2015, consumer lending was identified as an opportunity for Concentra to diversify its balance sheet, enhance its margin and create new investment opportunities for credit unions. We leverage third-party origination channels, and support and partner with technology-enabled financial service providers.

Since then, we've partnered with several FinTechs, who were selected based on their technology platform's alignment with our vision and business plan. These FinTechs serve and operate in different sales channels with new and innovative technologies. Along the way, we've developed a reputation for success and being a good partner, such that FinTechs now approach us.

Over the last four years, the consumer lending business line has originated more than \$1.3 billion in loan assets. In 2019 our consumer lending business line showed total assets under management of \$536 million, making it the third-largest contribution margin business line for Concentra.

CONCENTRA BRAND

The best companies in the world deeply know and understand their customers. To support our vision to become a top-tier performing bank, our strategy is anchored around delivering a memorable customer experience. In 2019 we developed and tested potential brand positioning options and have now selected one. We are developing a brand architecture and visual identity, and have tested our new brand with our target markets. We are planning to launch our new brand in 2020.

OPERATIONAL EFFICIENCIES

In 2019 we set out to strengthen our foundation by creating operational efficiencies. By year end we had created ~14,500 hours of additional capacity to support key strategic initiatives, and executed nearly 60 operational improvements. We also completed five initiatives that reduce operational risk and have delivered ~30 financial and management reporting improvements.

PARTNERSHIPS

Our partnerships build on our expertise as a funder of alternative consumer assets, strengthen our consumer lending portfolio and enhance investment options for credit unions.

In 2019 Concentra partnered with Accord Financial Corporation. Our strategic alliance with Accord Financial Corporation was announced in Q3 and brings us one step further to becoming a mid-market commercial bank.

This alliance will capitalize on cross-referral opportunities, giving both our organizations access to new markets.

Our companies will consider jointly developing new products as opportunities arise.

We also partner with League Savings and Mortgage (LSM) in Atlantic Canada. Our relationship with this federally regulated, credit-union-owned financial institution began in 2005. Our offerings to LSM include syndication deals, premium-yield mortgages, consumer finance assets and new deposit channels.

Our partnerships with companies like these enable us to provide new financial solutions to Canadians, diversify our balance sheet and develop new revenue streams.

COMMUNICATIONS

We are undertaking a lot of change at once, with many moving parts. To reduce confusion and uncertainty among employees, our leaders communicate transparently and often, via multiple channels. We also encourage employees' questions, feedback, collaboration and ideas. In 2019 we launched several new interactive communications channels including a new Intranet, media boards, MS Teams and live online chats with our CEO.



Concentra Trust

EXECUTOR AND ESTATE ADMINISTRATION

Concentra Trust offers comprehensive solutions for the effective planning, management and transfer of wealth to future generations. We provide invaluable experience at a time of grieving to complete the myriad estate administration duties in an impartial and professional manner. Our clients can select full estate administration or discrete duties and administrative tasks to efficiently and accurately settle an estate.



TRUSTEE AND TRUST ADMINISTRATION

A trust is a method of holding and protecting assets and can be used for many purposes such as providing a gift to a minor, ensuring the appropriate care for and financial security of a spouse or disabled child, supporting philanthropic objectives, supplementing retirement benefits or holding assets such as cottages and private businesses that are to be managed over the course of multiple generations. Concentra Trust has extensive experience in establishing and administering customized and complex trusts, and is able to provide continuity of trusteeship over the lifespan of a trust.

REGISTERED PLAN ADMINISTRATION

With assets under administration of \$37 billion, we provide registered plan solutions, including:

- Bare trustee services RRSP, RRIF, TFSA and RESP solutions
- Self-directed RRSP, TFSA, and RRIF
- Locked-in plan solutions

We offer technical training workshops, in which a Concentra Trust registered products expert educates advisors in registered plans legislation, compliance, administration, estate settlement and sales effectiveness. These interactive and informative workshops enable credit union partners to reduce risk, solve common problems and provide exceptional service to their members.

In 2019 we began improving operational efficiency across the trust division by reviewing the end-to-end estates process to streamline activities and enhance the client experience, and ensure better integration with the business to automate information capture and transfer.

Leadership & Governance

Concentra is a federally regulated financial institution.

The Boards of Directors of Concentra Bank and its subsidiary Concentra Trust uphold high standards of corporate governance that reflect applicable legal and regulatory requirements as well as best practice. Concentra's dedication to credit union success guides the Board's oversight, its relationship with management and its accountability to shareholders.



REGULATORY ENVIRONMENT

The primary piece of legislation that governs Canadian banks is the *Bank Act*. Prudential regulation of Canadian banks is overseen by the Office of the Superintendent of Financial Institutions (OSFI), which supervises banks and develops legislation and guidelines. Consumer protection is overseen by the Financial Consumer Agency of Canada. Banks must also comply with privacy legislation imposed by the Office of the Privacy Commissioner of Canada.

Concentra's Board of Directors adheres to Concentra's bylaws, the OSFI Corporate Governance Guideline, the *Bank Act* and the Affiliated Persons (Banks) Regulations, and where appropriate, recommendations of the Canadian Coalition for Good Governance and the Canadian Securities Administrators' published requirements for corporate governance.

BOARD OF DIRECTORS

The Boards of Directors of Concentra Bank and Concentra Trust provide direction and leadership to ensure sound corporate governance, an appropriate risk profile and Concentra's ability to achieve sustainable growth, generate profits, and create long-term value for stakeholders. The Boards embody a culture of continuous improvement and dedication to the co-operative system. They supervise the management and affairs of Concentra and provide prudent oversight of Concentra's resources and capacities.

Concentra Bank operates under the *Bank Act* with a 12-person Board, comprising a majority of independent directors, elected in accordance with the legislative, regulatory and bylaw framework of a Schedule I chartered bank.



Our **Board of Directors** and **Executive Leadership Team** are featured on our corporate website, concentra.ca.

SUBSIDIARIES AND PARTNERSHIPS

Concentra Trust is a wholly owned subsidiary of Concentra Bank. Concentra Trust has deepened its commitment to credit unions by embedding an estate and trust specialist within partner credit unions such as Coastal Community Credit Union and FirstOntario Credit Union. The model offers a holistic estate and trust approach from the onset of estate planning dialogues through to the support

and advice for executors, providing for the retention and consolidation of assets, insurance and banking opportunities for the credit union. The estate and trust specialist is an expert who works in conjunction with wealth, retail, business banking and operations to provide comprehensive advice to members.





Risk Management

Concentra faces a variety of risks across all areas of the business. We believe managing risks in alignment with our risk appetite and business strategy is every employee's responsibility. All elements of our risk management framework provide for measured and prudent risk-taking while striking an appropriate balance between risk and return. Within this framework, we leverage strong talent on the front line and in corporate functions, risk management and internal audit to ensure effective risk management.

The Risk Management Group (RMG), as an independent enterprise-wide function, is accountable for oversight and effective challenge of all risks faced by Concentra. The RMG performs several important activities including developing Concentra's risk appetite framework and associated management control metrics; establishing and communicating risk policies, guidelines and limits to manage risks in alignment with strategy and risk appetite; measuring, monitoring and reporting on risk levels; identifying and assessing emerging and potential strategic risks; concurring

on transactions that exceed risk limits delegated to business lines; and ensuring compliance with applicable regulatory and anti-money-laundering requirements.

The risks categories faced and managed by Concentra include:

- Credit and counterparty risk
- Liquidity and funding risk
- Market risk
- Model risk
- Operational risk
- Regulatory and legal risk
- Reputation risk
- Strategic risk

Concentra's Chief Risk Officer (CRO) is the head of the RMG. The CRO is responsible, through the RMG, for identifying, measuring, monitoring and reporting on the risks of Concentra on an enterprise-wide and disaggregated level, independently of the business lines or operational management. The CRO reports functionally to the Board of Directors, through the Risk Committee, and directly to the President and Chief Executive Officer.

The bank's risk governance framework includes a strong and streamlined Risk Management Committee structure, which includes: Executive Risk Management Committee (ERMC), Asset Liability Committee, Investment Management Committee, Technology Risk Management Committee and Trust Risk Management Committee. The ERMC reviews the bank's comprehensive assessment of current

and emerging risks, individually and in aggregate, and promotes an integrated and effective risk culture. The other aforementioned committees report/escalate to the ERMC.

Concentra's risk appetite encompasses our capacity for risk, which enables us to balance our risk tolerance with return expectations. Our Risk Appetite Framework provides the basis for the development of risk management policies and processes that establish and monitor adherence to the approved risk appetite. This framework also establishes the requirement to align risk-taking with Concentra's vision, strategy, risk philosophy and risk capacity. Delegation of authority and adherence to risk tolerances in day-to-day operations provides the basis for understanding and managing Concentra's risk profile.

In 2019, the RMG was significantly strengthened through the further hiring of subject-matter experts. Concentra is committed to continuing to enhance and reinforce our risk culture, to ensure we take risks that are aligned with our evolving business model and strategies, policies and risk appetite, and to transparently report on levels of risk throughout the bank, at individual and aggregate levels.



Our Employees

The key to any organization's success is its people. We do our best to take good care of and engage our employees, and give them a positive experience at Concentra. Our people strategy is aligned with our corporate strategy.

EMPLOYEE ENGAGEMENT AND CULTURE

Concentra is proud to have a strong corporate culture. We foster employee engagement by making sure people understand what is being asked of them and how their role relates to our vision and purpose. We help employees feel valued, coach employees and give them opportunities to develop, foster multi-directional communication, seek regular feedback and make Concentra a fun and inspiring place to work.

Our annual employee engagement survey measures both engagement—an employee's commitment to the company—and enablement—whether job conditions support employees to perform at their full potential. In 2019, Concentra continued to be above the high-performing norm in both areas.

At levels exceeding the high-performing benchmark, employees reported favourably about open and honest communication, support for work-life balance, recognition and rewards, performance feedback, training opportunities, support for risk-taking and innovation, and opportunities to do challenging and interesting work. We will continue to help employees become aligned with our new strategy.

Best Managed Companies Award

IN 2019, CONCENTRA WAS NAMED AS
ONE OF CANADA'S BEST MANAGED
COMPANIES FOR THE 17TH YEAR IN A ROW.

TALENT DEVELOPMENT

Concentra wants to be an employer of choice, attracting and retaining the best employees. We aim to provide solid learning and development opportunities for every employee, to meet their needs as life-long learners. We also want to ensure our leadership pipeline is well-supplied with talent from within. Accordingly, our employee training includes individual and targeted group training that enhances employee satisfaction and productivity, builds confidence and consistency, shows employees they are valued, and increases innovation.



TOTAL REWARDS

Concentra is committed to rewarding employees fairly and equitably, relative to each other and the external market in which we compete for talent. Our best-practice approach to total rewards includes a balanced view of all aspects that make a work environment appealing to new or existing employees. We focus not only on monetary components such as base pay and incentive compensation, but also on less tangible but still critical aspects such as work environment, opportunities for personal growth, benefits, paid time off, and community involvement. The four pillars that make up our total rewards strategy are Compensation, Benefits, Personal Growth and Culture. We believe all these components create a work environment that attracts, retains, motivates, engages and develops the workforce.

REMOTE WORKERS

Concentra does an excellent job of hiring top talent throughout Canada and accessing technology to allow employees to work remotely. Our focus is on getting the right people for the role, so we have implemented video conferencing to allow for a seamless integration of people around the country. Nearly 10 per cent of our employees work remotely, including our CEO and some executives. Our Marcom team, for instance, is spread across three time zones from Ontario to British Columbia.

HEALTH AND WELLNESS

Concentra supports the health and wellness of its employees. Our fitness program reimburses employees for eligible expenses toward the purchase of fitness memberships, classes, footwear and equipment. We also offer space in our offices for lunch-time fitness classes.

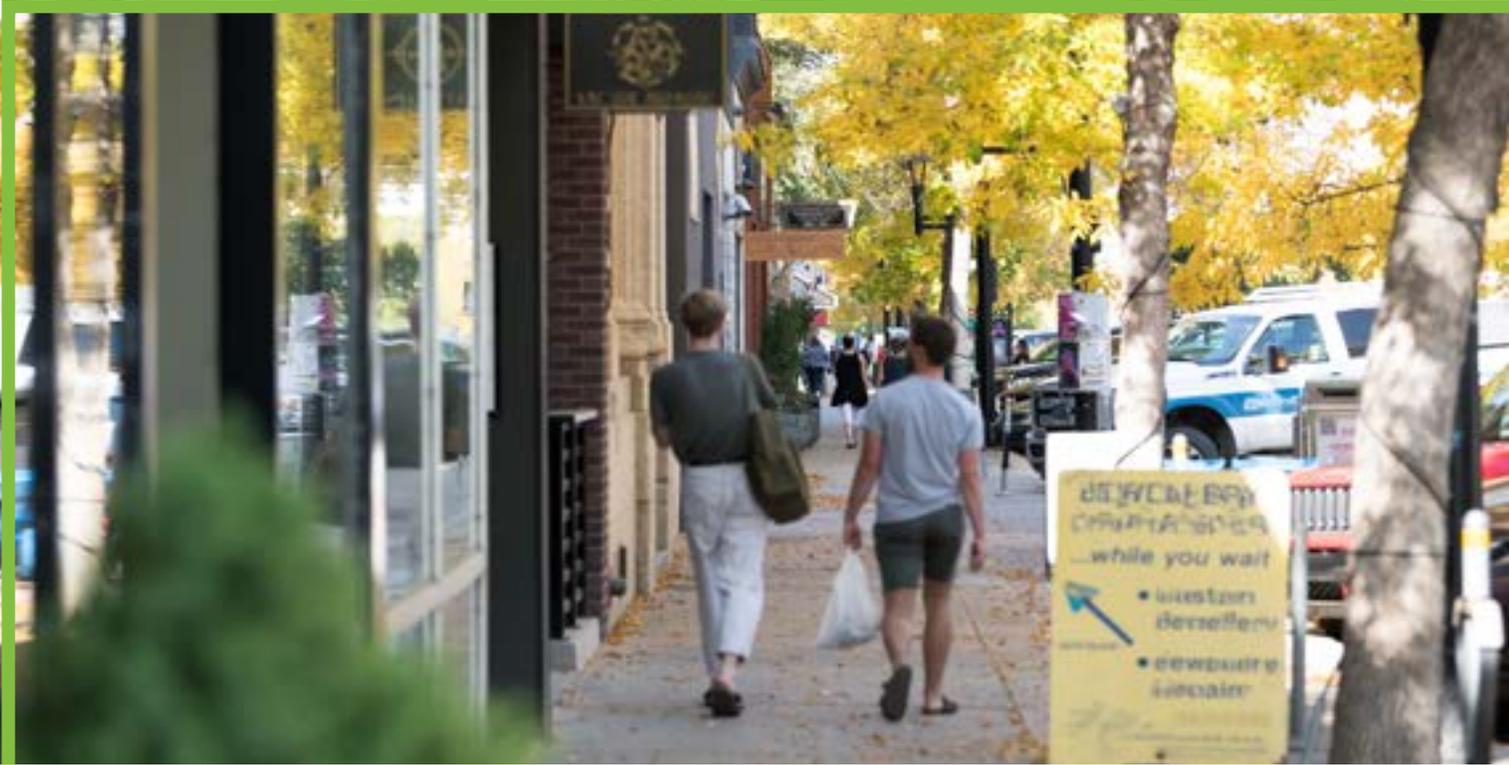
Through our employee family assistance program provider we offer LIFT virtual fitness sessions, which are available on employees' mobile devices so they can stay active anytime, anywhere.

To promote good mental health, during the North American Occupational Health and Safety Week we offered Resilience at Work seminars, chair yoga sessions, and held a draw for fitness-related prizes.

HACKATHON

In 2019 we held our second annual Hackathon, in which employees were invited to pitch executives on their ideas for improving customer experience and employee experience. Two teams each won a monetary prize, half of which went toward their chosen charity.





Giving back to the community

Concentra's Corporate Social Responsibility (CSR) program focuses on three pillars of community impact investing: Credit Union Community, Co-operative Community and Local Community.

CREDIT UNION COMMUNITY

Our flagship CSR program—Empowering Your Community—enables Concentra to invest in community projects across Canada that are supported by local credit unions. In 2019, we selected two credit union projects—the Beausejour Family Crisis Resource Centre in New Brunswick and the Regional Food Distribution Association in Ontario—to receive \$25,000 each and another 17 projects to receive \$10,000 each. Since 2011, Concentra has awarded \$1.6 million in funding to projects in more than 120 Canadian communities.

CO-OPERATIVE COMMUNITY

In 2019, Concentra renewed its support for the University of Saskatchewan's Centre for Co-operative Studies. We have committed to a five-year funding agreement and the appointment of one of our employees to serve on the Centre's advisory board. Our seat on the board helps provide strategic direction to the Centre as well as financial integrity and feedback to the graduate school of public policy.

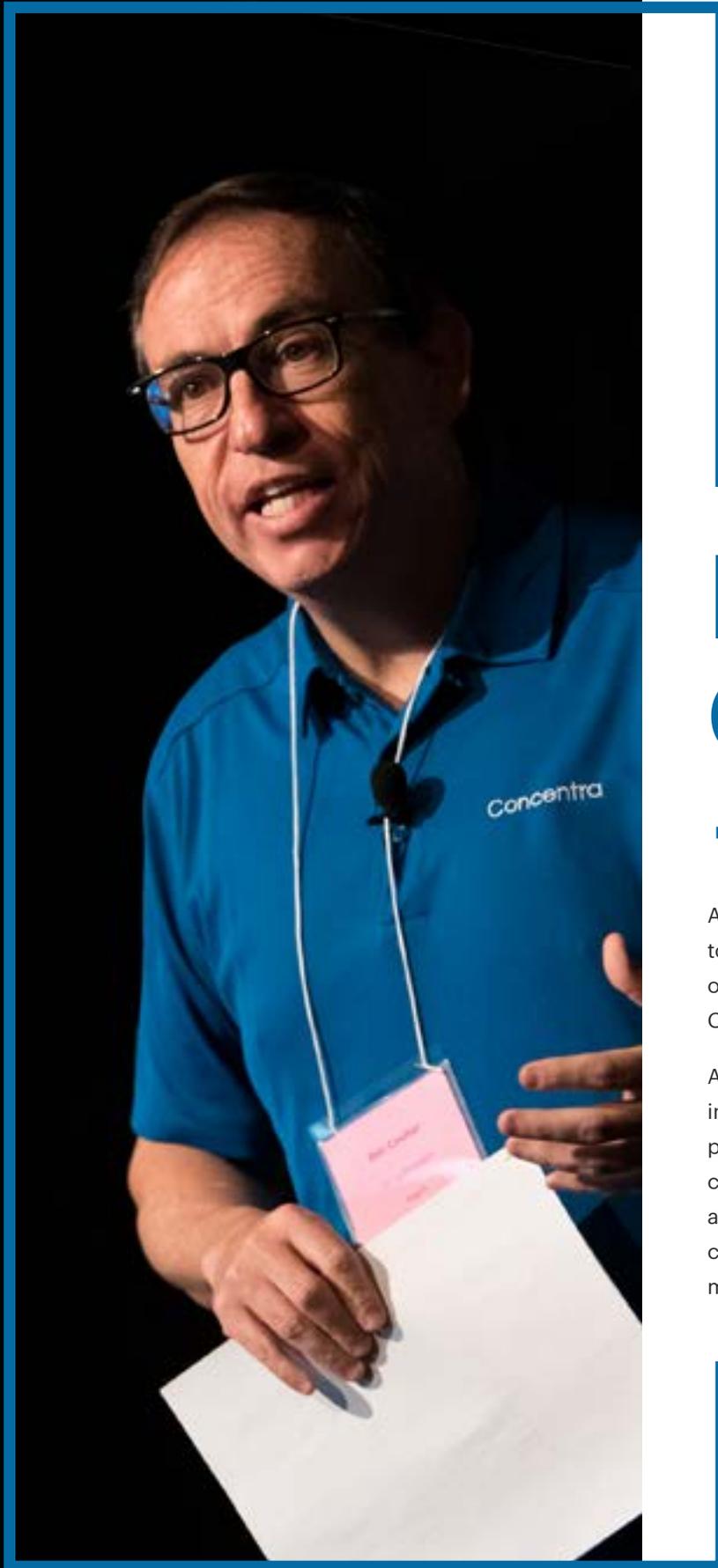
EMPLOYEE VOLUNTEER PROGRAM

We give all our full-time employees three paid days each year to support credit union, co-operative, not-for-profit and charitable organizations. In 2019, Concentra employees volunteered 347 hours, or 46.3 days of service. Volunteers supported many charities, including Bright Eyes Dog Rescue, Habitat for Humanity, Build Love Project, and United Way's Summer Success program.

LOCAL COMMUNITY

As just one example of our support for local community, in 2019 we entered into our second year of a three-year sponsorship with the Illuminate Universe National High School Business Conference, held in Toronto and Vancouver.





Business Outlook

As much as we're proud of the work Concentra does today, we are growing and changing to execute on our new strategy, which is focused on our purpose of Creating the future of banking to enable your success.

As we head into the 2020s, a multitude of factors—including changes in technology, consumer preferences, new competitors and others—are creating an unprecedented rate of change in the world and Concentra is meeting that change head on. Part of creating the future of banking is developing new and meaningful products that meet our customers' needs.



In the near term (two to four years) we plan to build four to six new specialized banking and treasury products and services. We expect to make these available to credit unions to extend their product shelf, improve their financial performance and diversify risk.

In the longer term (four to 10 years) we plan to be a full-service commercial bank with differentiated and specialized offers.

Our priorities for 2020 include executing our digital strategy, building our mid-market commercial bank strategy, originating mortgages, growing retail deposits and continuing to invest in our employees. We got off to a strong start in 2019 and are looking forward to meeting the challenges and opportunities ahead.



Contact Us

We're here to help.

CLIENT SUPPORT*

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306.956.5100

clientsupport@concentra.ca

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