
2024 ESG Report

2024 Environmental,
Social and Governance (ESG)
Report and Public
Accountability Statement



LAURENTIAN
BANK

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Public Accountability Statement & Declaration of Energy Consumption and Greenhouse Gas (GHG) Emissions

This Public Accountability Statement (PAS) outlines Laurentian Bank’s (the Bank) contributions, and the contributions of the Bank’s affiliates with operations in Canada, to the Canadian economy and society. This fulfills the requirements of the Canadian Federal Government’s Public Accountability Statement regulations (section 627.996 (1) of the Bank Act (Canada)) for the 2024 fiscal year (November 1, 2023, to October 31, 2024). This PAS also includes our disclosure in response to the Code of Conduct for the Delivery of Banking Services to Seniors and our declaration of Energy Consumption and Greenhouse Gas (GHG) Emissions.

This ESG Report includes information about Laurentian Bank of Canada (“Laurentian Bank” or “the Bank”) and its significant subsidiaries, including:

- B2B Bank
- Laurentian Bank Securities Inc.
- Laurentian Trust of Canada Inc.
- LBC Capital Inc.
- NCF Commercial Finance Holdings Inc.
- Northpoint Commercial Finance LLC
- LBC Financial Services Inc.
- LBC Investment Management Inc.
- V.R. Holding Insurance Company Ltd.
- Venture Reinsurance Company Ltd.
- LBC Tech Inc.
- LBC Trust
- NCF International Holding Kft



Financing to Firms in Canada & Outside Canada*

*Including financing from Northpoint Commercial Finance Capital Inc.

Total amounts (in CAD) authorized during the fiscal year ended October 31, 2024.

PROVINCE		0 – \$24,999	\$25,000 – \$99,999	\$100,000 – \$249,999	\$250,000 – \$499,999	\$500,000 – \$999,999	\$1,000,000 – \$4,999,999	\$5,000,000 and over	TOTAL
Alberta	Amount of financing	2,093,377	5,241,761	16,663,973	15,293,889	7,836,955	35,762,951	277,076,332	359,969,238
	Number of firms	125	58	79	35	9	15	12	332
British Columbia	Amount of financing	1,524,772	2,594,991	11,975,161	14,775,950	5,583,544	1,128,238	235,704,000	273,286,656
	Number of firms	130	31	57	39	10	1	13	281
Manitoba	Amount of financing	172,166	1,645,374	5,946,812	4,097,569	3,822,742	7,556,378	59,069,958	82,310,999
	Number of firms	13	22	29	6	1	4	3	79
Nova Scotia	Amount of financing	1,445,726	1,445,401	2,731,590	3,066,804	600,085	13,300,950	61,690,300	84,280,856
	Number of firms	128	22	17	10	1	6	3	186
Ontario	Amount of financing	13,316,751	18,874,851	52,784,335	46,860,843	16,755,745	112,501,993	1,539,728,261	1,800,822,779
	Number of firms	1,268	229	252	114	20	44	68	1,997
Quebec	Amount of financing	12,933,438	20,825,168	66,934,706	83,422,590	94,989,452	570,395,107	1,757,675,535	2,607,175,997
	Number of firms	1,476	293	301	207	112	246	108	2,743
Newfoundland & Labrador	Amount of financing	163,637	540,341	4,943,601	4,573,645	1,340,600	1,105,500	55,204,216	67,871,540
	Number of firms	17	5	23	11	1	1	3	61
New Brunswick	Amount of financing	570,644	1,500,563	2,303,264	2,391,471	500,000	5,010,000	14,853,700	27,129,642
	Number of firms	67	22	11	6	1	2	1	109
Saskatchewan	Amount of financing	569,074	907,018	3,179,419	959,248	3,308,506	2,500,000	64,921,644	76,344,909
	Number of firms	54	16	16	3	4	2	1	96
PEI	Amount of financing	66,044	105,971	959,259	697,014	550,000	2,801,250	–	5,179,539
	Number of firms	7	2	4	1	1	1	–	16
USA	Amount of financing	4,394,911	56,720,476	176,957,594	301,631,910	99,804,455	351,577,782	377,738,073	1,368,825,201
	Number of firms	35	779	901	826	147	158	31	2,878
Total	Amount of financing	37,250,541	110,401,915	345,379,715	477,770,932	235,092,084	1,103,640,149	4,443,662,020	6,753,197,356
	Number of firms	3,321	1,479	1,690	1,257	307	480	243	8,778

Access to Banking Services

Recognizing that some communities face barriers to accessing financial solutions, we are proud to offer banking plans and services to meet the broad and diverse needs of our customers. To learn more, visit laurentianbank.ca.

For low-income individuals:

- A low-fee banking plan that includes up to 12 free transactions per month.
- A no-fee banking plan for seniors receiving the Guaranteed Income Supplement (GIS) or to beneficiaries of a Registered Disability Savings Plan (RDSP).

For young people:

- A no-fee banking plan that includes unlimited monthly transactions for youths under 18 years of age.
- A no-fee banking plan that includes up to 20 free transactions per month for students 16 to 25 years of age.
- The Student Advantage program that offers discounts on Unlimited accounts for students 16 to 25 years of age.

For seniors:

- A no-fee plan with four free transactions per month for persons aged 65 or over.
- The 60+ Advantage program that offers discounts on two of our most popular banking plans for persons aged 60 and over.
- For further information on our support for seniors, see the Seniors Code section on page 14 of this document.

For persons with disabilities:

- We provide customers living with disabilities an inclusive banking experience. Our websites and transactional sites are optimized for use with various types of assistive software for persons with disabilities, and our telephone system features a transcription system. The identification process on our online banking platform, LBCDirect, is also adapted for use by individuals who are blind or visually impaired.

Commitment to using clear language:

- One of our core responsibilities is to ensure our customers understand how our products and services work, as well as their financial rights and obligations. We spare no effort in ensuring that we use clear language when engaging with our customers in print, online and in person. Further information can be found in Laurentian Bank's Responsible Marketing Policy on our [website](https://laurentianbank.ca).

Accessibility:

- Accessibility and the inclusion of persons with disabilities is key to our inclusion and equity strategy. In 2023, we developed a multi-year accessibility plan as a commitment to improving the accessibility of our services and of our workplace. To further advance our work in this area, we deployed an Accessibility Champions Network with representatives from across the organization. We are continuing our commitment to accessibility of our services and making accessibility a part of our Inclusion and Equity strategy. Information on our Accessibility Policy and our three-year accessibility plan can be found on our [website](https://laurentianbank.ca).

Donations:

- Over the past three years, Laurentian Bank and its employees have contributed annually an average of \$750,000 in corporate donations.
- The Bank has donated \$50,000 to Groupe 3737, an entrepreneurial innovation and diversity hub located in Montreal.

Branches & ABMs Opened or Closed

The following Laurentian Bank **branches** were opened or closed during the 2024 fiscal year.

OPENED

Address	City	Province	Postal Code
1440, Boulevard Grande-Allée, Suite 100	Terrebonne	QC	J6W 6B7
3235, Avenue de la Gare	Mascouche	QC	J7K 3C1
204, Boulevard de Montarville, #100	Boucherville	QC	J4B 6S2
430, Boulevard de l'hôpital, #106	Gatineau	QC	J8V 1T7
1524, Rue Montarville	Saint-Bruno-de-Montarville	QC	J3V 3T7
310, Avenue du Pont Nord #120	Alma	QC	G8B 5C9
180, Avenue de la Cathédrale, #100	Rimouski	QC	G5L 5H9
1801, 3 ^e Avenue, Suite 00390	Val-d'Or	QC	J9P 5K1
35, Allée de Hambourg #110A	Hull	QC	J9J 4J6

CLOSED

Address	City	Province	Postal Code
999, Boulevard de Montarville	Boucherville	QC	J4B 6R2
1090, Boulevard Moody	Terrebonne	QC	J6W 3K9
3235, Avenue de la Gare*	Mascouche	QC	J7K 3C1
325, Boulevard Greber, Suite L	Gatineau	QC	J8T 8J3
1354, Rue Roberval	Saint-Bruno-de-Montarville	QC	J3V 5J2
500, Rue Sacré-Coeur Ouest	Alma	QC	G8B 1M1
320, Rue St-Germain E.	Rimouski	QC	G5L 1C2
872, 3 ^e Avenue	Val-d'Or	QC	J9P 1T1
75, Boulevard du Plateau, Suite 109	Hull	QC	J9A 3G1

* Laurentian Bank occupied offices for a few months in 2024 at 3235 Avenue de la Gare in Mascouche. These offices served to hold client meetings and are no longer being used by the Bank.

The following Laurentian Bank **ABMs** were opened or closed during the 2024 fiscal year.

OPENED

Address	City	Province	Postal Code
1440, Boulevard Grande-Allée, Suite 100	Terrebonne	QC	J6W 6B7
204, Boulevard de Montarville, #100	Boucherville	QC	J4B 6S2
430, Boulevard de l'hôpital, #106	Gatineau	QC	J8V 1T7
1524, Rue Montarville	Saint-Bruno-de-Montarville	QC	J3V 3T7
310, Avenue du Pont Nord #120	Alma	QC	G8B 5C9
180, Avenue de la Cathédrale, #100	Rimouski	QC	G5L 5H9
1801, 3 ^e Avenue, Suite 00390	Val-d'Or	QC	J9P 5K1
35, Allée de Hambourg #110A	Hull	QC	J9J 4J6

CLOSED

Address	City	Province	Postal Code
1090, Boulevard Moody	Terrebonne	QC	J6W 3K9
999, Boulevard de Montarville	Boucherville	QC	J4B 6R2
2200, Rue Fleury Est	Montréal	QC	H2B 1K4
325, Boulevard Greber, Suite L	Gatineau	QC	J8T 8J3
1354, Rue Roberval	Saint-Bruno-de-Montarville	QC	J3V 5J2
500, Rue Sacré-Coeur Ouest	Alma	QC	G8B 1M1
320, Rue St-Germain E.	Rimouski	QC	G5L 1C2
872, 3 ^e Avenue	Val-d'Or	QC	J9P 1T1
75, Boulevard du Plateau, Suite 109	Hull	QC	J9A 3G1

Headcount

TABLE 1

Employees by Province and Contract Type,
excluding Northpoint Commercial Finance

As at October 31, 2024

Province	Full-Time	Part-Time	Temporary	Total
Alberta	40	–	–	40
British Columbia	17	–	–	17
Newfoundland and Labrador	1	–	–	1
Nova Scotia	1	–	–	1
Ontario	1,079	7	22	1,108
Quebec	1,364	70	25	1,459
All other	–	–	–	–
Total	2,502	77	47	2,626

TABLE 2

Employees by Province and Contract Type,
Northpoint Commercial Finance only

As at October 31, 2024

Province	Full-Time	Part-Time	Temporary	Total
Alberta	4	1	–	5
New Brunswick	–	1	–	1
Ontario	20	1	1	22
Quebec	5	–	–	5
United States	167	2	–	169
Total	196	5	1	202

Taxes Paid or Payable

CANADA

For the year ended October 31, 2024

(in thousands of Canadian dollars)	Income taxes ¹	Other taxes ²	Total
Federal	9,792	17,522	27,314
Quebec	2,236	27,473	29,709
Ontario	3,847	9,289	13,136
Alberta	121	-	121
British Columbia	-	-	-
New Brunswick	-	103	103
Nova Scotia	-	146	146
Prince Edward Island	-	17	17
Newfoundland and Labrador	3	48	51
Saskatchewan	-	-	-
Manitoba	-	-	-
Total provincial	6,207	37,076	43,283
Total federal and provincial	15,999	54,598	70,597

OUTSIDE OF CANADA

For the year ended October 31, 2024

(in thousands of Canadian dollars)	Income taxes	Other taxes	Total
Total	41,287	2,676	43,963

¹ Estimated amounts

² Other taxes: Amount including compensatory tax on salaries, payroll tax, property tax and sales taxes.

Data Tables and Regulatory Reporting



Human Resources

Representation data is provided as at October 31, 2024, and excludes Northpoint Commercial Finance employees (202 employees in Canada and in the US). Representation of women is calculated based on information collected from employees at time of hire. Beyond gender, representation data is collected via a voluntary, confidential Self Identification Questionnaire (SIQ), which had a 99.1% completion rate as of October 31, 2024 (excludes Northpoint Commercial Finance). Please see the next page for definitions relevant to this data.

Prevention of Elder Abuse: Was part of the 2023 Consumer Protection training but was excluded from the 2024 program. The module is currently being reviewed and is expected to launch for new hires during the year 2025.

Data Governance Training: Data Governance was decommissioned and is now replaced with a Data Quality Awareness Training Program that was launched on November 18, 2024.

METRIC	UNIT OF MEASURE	2024	2023	2022	2021	2020
Representation of...						
Women, VP+	%	40	39 ✓	39 ✓	36 ✓	n/a
Women, management	%	49	48 ✓	49 ✓	46 ✓	46
Women, overall	%	56	55 ✓	55 ✓	53 ✓	55
Racialized persons, VP+	%	12	15 ✓	17 ✓	12 ✓	n/a
Racialized persons, management	%	32	30 ✓	31 ✓	28 ✓	n/a
Racialized persons, overall	%	43	37 ✓	39 ✓	35 ✓	28.5
2SLGBTQIA+ persons overall	%	3	3 ✓	3 ✓	3 ✓	n/a
People with disability(ies), overall	%	4	3 ✓	3 ✓	3 ✓	3
Indigenous persons, overall	%	0.4	0.4 ✓	0.4 ✓	0.3 ✓	0.3
Black employees, student roles*	%	22.2	0	5	8	n/a
Training						
Accessibility training	Completion rate (%)	88	88	97	99	n/a
Prevention of elder abuse	Completion rate (%)	n/a	86	93	96	n/a
Unconscious bias training	Completion rate (%)	90	86	94	95	n/a
Anti-money laundering and terrorist financing (AMLTF) training	Completion rate (%)	94	92	96	97	n/a
Privacy training	Completion rate (%)	96	90	91	98	n/a
Data governance training	Completion rate (%)	n/a	99	93	97	n/a
Employee training	Total hours	40,150	50,021	51,107	64,779	n/a
Employee training, average	Average hours per employee	15.29	17.14	12.6	22.6	n/a
Employee Engagement						
Employee engagement score	%	78	80	77	74	n/a

* Part of the Bank's commitment to the BlackNorth Initiative pledge. Please refer to our 2023 ESG Report for more details.

✓ Data assured to a limited level by EY. Please refer to our 2023 ESG Report for more details.

Definitions

Indigenous Peoples	In accordance with the Employment Equity Act, Indigenous Peoples include First Nations, Inuit and Métis.
Racialized persons	Referred to as “Visible Minorities” under the Employment Equity Act are persons, other than Indigenous Peoples, who are non-Caucasian in race or non-white in colour.
Persons living with a disability/disabilities	In accordance with the Employment Equity Act, persons with a disability(ies) means those who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment and who: a) consider themselves to be disadvantaged in employment by reason of that impairment, or b) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment, and includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.
2SLGBTQIA+	Refers to individuals who identify as Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and additional sexual orientations and gender identities.
VP+	Includes all employees at Vice President level and above, including Senior Vice President, Executive Vice President, and President.
Manager	Includes all employees in roles that have been assigned an internal grade level of Management or Business Development Management, based on role requirements as determined by HR and the business lines. Role requirements include setting direction and deploying resources, being accountable for managing people, and being accountable for business, functional or operational areas, processes, or programs. The results of management are primarily achieved through the work of others and typically depend on the manager’s ability to influence and negotiate with parts of the organization where formal authority is not held. This category does not include employees in VP+ roles as those are reported separately.
Employee Engagement Score	<p>Employee engagement score is a measure of overall employee engagement and is calculated based on the average of the percent of favourable responses (4 or 5 on a 1-5 scale) to four questions:</p> <ol style="list-style-type: none"> 1) Overall, I am extremely satisfied with Laurentian Bank as a place to work. 2) I would gladly recommend Laurentian Bank as a place to work to people I know. 3) I rarely think about looking for a new job with another company. 4) I am proud to work for Laurentian Bank.

Complaints Reporting

Laurentian Bank has implemented a complaint handling process to promptly deal with customer complaints in a fair and consistent manner. For more information, consult our [Complaints Resolution Process pamphlet](#). The Head of Complaints Resolution of the Client Complaints Appeal Office (CCAO) is the most senior designated person to deal with complaints if they have not been resolved at Level 1 and 2. The Bank has a prescribed 56-calendar day period to resolve complaints from the time of the customer's initial submission to the Bank.

In fiscal year 2024, the CCAO processed 76 requests. Of this number, 64 cases concerned Laurentian Bank, and they were processed within an average of 31 days. At the end of the exercise, the Head of Complaints Resolution maintained the Bank's position in 24 cases, while recommended a settlement favourable to the customer in 40 cases.

With regard to B2B Bank, 8 cases were processed in 2024 within an average of 31 days. The Head of Complaints Resolution endorsed B2B Bank's initial decision in 4 cases and recommended a settlement favourable to the customer in 4 cases.

With regard to LBC Financial Services, 4 cases were processed within an average of 47 days. The Head of Complaints Resolution endorsed LBC Financial Services in 2 cases and recommended a settlement favourable to the customer in 2 cases.

The CCAO received 1,269 inquiries during the year 2024. These inquiries were related to our efforts in facilitating customers' access to Bank resources best suited to their needs, as well as coaching of Bank employees to help them find solutions to issues raised by customers.

Number of complaints handled by the Head of Complaints Resolution in 2024

	LBC	B2B	LBCFS
Credit Card	28		
Estate	1		
Closure	2		
Cancellation	2		
Transfer	1		
Insurance	1		
Processing	2		
Payment	3		
Balance	5		
Agreement	1		
Statement	1		
Transaction	9		
Bank Account	23	2	
Closure	1		
Fees	1		
Opening	1		
Balance	7		
Transaction	9		
ATM	1		
Transfer	1		
Processing	1		
Digital		2	
Estate	1		
Mortgages	8		
Agreement	3		
Interest	2		
Payment	1		
Processing	1		
Transaction	1		
Line of Credit	1		
Transaction	1		
Investments	4	6	4
Alert	1		1
Agreement	1		1
Closure			
Advisory Services	1		1
Transfer		1	
Estate		2	1
Loans		2	
Processing		1	
Statement	1		
TOTAL	64	8	4

Seniors Code

Laurentian Bank has adopted the Code of Conduct for the Delivery of Banking Services to Seniors (the Code), which was introduced in July 2019 by the Canadian Bankers Association. The Code outlines seven principles Canadian banks can follow to better serve and meet the needs of customers over the age of 60.

The seven principles of the Code are as follows:

- 1) Establish and implement appropriate policies, procedures, and processes to support the Code.
- 2) Communicate effectively with seniors.
- 3) Provide appropriate training to employees and representatives who serve seniors.
- 4) Make appropriate resources available to customer-facing employees and representatives to help them understand matters relevant to seniors' banking needs.
- 5) Endeavour to mitigate potential financial harm to seniors.
- 6) Take market demographics and the needs of seniors into account.
- 7) Publicly disclose the steps they have taken to support the principles set out in the Code.

This Code requires that banks designate a Seniors Champion whose responsibilities include providing leadership in the implementation of the Code, as well as promoting and raising awareness of matters affecting seniors. Banks must also publish a yearly report on the steps taken to support each principle of the Code and others to improve the delivery of banking services to seniors. You can find more details in the Canadian Bankers Association's Code of Conduct for the Delivery of Banking Services to Seniors.

Implementing the Seniors Code at Laurentian Bank

Cultivating a "customer-first" culture is at the very heart of everything Laurentian Bank does, and we believe that enhancing and simplifying our customer experience is key to meeting the needs of all our customers. We also focus on educating our customers so that they can make smart and sound financial decisions, and in compliance with the Code has implemented measures that include the following:

We have appointed a Seniors Champion who actively participates in the implementation of the Code. An internal reporting process facilitates the transmission of potential cases of abuse, financial mistreatment or fraud to the Seniors Champion, who then ensures the provision of timely support to all team members. The specialized support service is continuously trained on new developments and new practices in this area. As at October 31, 2024, the Seniors Champion has intervened in 71 cases of potential harm to senior customers. Understanding that this segment of our clientele is more vulnerable to cases of financial mistreatment, abuse or fraud, Laurentian Bank has set up a multidisciplinary committee to discuss cases and take concrete actions. This committee meets monthly and includes representatives from our Legal, Fraud, Compliance and Customer Service teams. The committee held 9 meetings in 2024 to discuss cases submitted to the Seniors Champion, thus enabling the Bank to be proactive with this clientele, take steps to raise awareness, and to also react promptly to all situations of senior abuse.

The Bank also made procedures available for team members, front-line representatives, and specialized units to be able to identify and signal potential cases of financial abuse to the Seniors Champion. All procedures are available in a centralized repository of information for all employees. These procedures describe:

- key indicators to quickly identify cases of financial mistreatment, abuse or fraud;
- mechanisms to deal with these types of cases; and,
- means to report all potential cases of abuse to the Seniors Champion.

An annual review of these procedures allows us to ensure that we continue to comply with the elements of the Code at all times.

To ensure information is easy to access and understand, we implemented a [dedicated webpage](#) for seniors as well, and we updated our Complaint Resolution Process – Achieving Customer Satisfaction brochure to include the Seniors Champion as an escalation option for seniors. This dedicated webpage describes all products and services offered to seniors, such as the 65+ Plan, the Preferred Account 60+ Advantage, and The Unlimited Account 60+ Advantage. We also describe the lending facilities we offer to seniors, such as the Retirement Line of Credit and Equity Line of Credit insurance. Moreover, the webpage provides important information about RRIFs and other investment products.

Senior customers can also access tutorials on our electronic services and useful links to get access to our LBCDirect Services. Finally, seniors can communicate directly with the Bank or the Seniors Champion from this page if specific needs arise, such as access to certain documents in a specific form.

Understanding the particular needs of our senior clientele, our branch locations offer confidential spaces for seniors to meet with our advisors and receive extra support in using and accessing our range of digital services. Seniors can also request assistance at any time for all ATM transactions in our branch network.

In March and October 2024, we invited customers (mainly seniors) to attend information sessions at some of our branches on fraud and cyberfraud. These sessions were run in collaboration with the police.

All team members have also received training to ensure they are fully equipped to offer the best possible service to seniors. This training has covered the following topics:

- Identifying signs of potential financial abuse or financial mistreatment
- Actions to be taken to deal with elderly customers who are victims of abuse or mistreatment
- Procedures on how to report cases of potential harm or abuse
- Types of fraud; and,
- Best practices to interact with seniors

The initial training, aligned with the Seniors Code, was deployed when the Code first came into force and is mandatory for all new customer facing employees who join the Bank. Additional training for these employees, via webinars, for example, is also carried out on an annual basis to ensure that our personnel are up to date with the latest trends.

Our Continued Promise

Laurentian Bank recognizes the crucial contribution of seniors to our society, and in respecting their needs, we strive to continuously improve how we deliver banking services on their behalf.



Environment



Energy Consumption and Greenhouse Gas (GHG) Emissions

The Bank's GHG emissions have been calculated based on a Corporate Accounting and Reporting Standard ("GHG Protocol"). In 2022, the Bank moved from the financial control approach to the operational control approach for the estimation of GHG emission data.

Under the operational control approach, the reporting company is responsible for all GHG emissions from operations over which it has control. The operational boundary of the Bank's GHG inventory includes direct (Scope 1) and indirect (Scope 2) emissions related to all of the Bank's buildings under operational control. Scope 3 covers emissions from business travel, as well as the corporate real estate and residential mortgage asset classes of financed emissions.

More specifically,

- **direct emissions** include those from combustion of on-site fuels in stationary sources (boilers, furnaces, etc.) that are owned or controlled by the Bank;
- **indirect emissions** designate those from the generation of purchased electricity, heating, steam and chilled water; and
- **other indirect emissions** refer to those generated from the transportation of employees for business-related activities, and associated with providing financing to customers related to corporate real estate or residential mortgages.

A portion of the data has been estimated; see below for the methodology and assumptions used.

Laurentian Bank's Scope 1 and 2 GHG emissions have been calculated for our locations, including branches, commercial offices, corporate offices, ATMs, and storage facilities. For many of these locations, energy use is not billed separately, and exact energy type and usage is not known. The Bank continues to work with landlords to improve data availability. For both Scope 1 and 2 emissions calculations, energy consumption and GHG emissions were estimated using the following approach:

- 1) Where fuel or electricity consumption data was available from the landlord or utility, actual data was used.
- 2) Where energy consumption data was not available for a site, but the Bank had actual energy consumption data for >50% of the total square footage of the same facility type, consumption was estimated using the energy intensity of the Bank's known building envelope.
- 3) Where energy consumption data was not available for a site, and the Bank did not have actual consumption data for >50% of the total square footage of the same facility type, consumption was estimated using the provincial energy intensity factors published by Natural Resources Canada. Energy consumption data has been collected for August 1, 2023 – July 31, 2024, in order to improve data availability.

Standard energy conversion factors have been sourced from the U.S. Energy Information Administration and Canada Energy Regulator energy conversion tables where required. The Bank intends to continue to use an August – July energy year. For our Scope 3 financed emissions, we calculated based on data from October 31, 2023.

Laurentian Bank Operations-Related GHG Emissions

Scope 1 – Direct Emissions

The Scope 1 emissions are direct GHG emission sources owned or controlled by the Bank. Sources of Scope 1 emissions at each location vary depending on equipment in the building.

A. Stationary Combustion

Stationary combustion relates to emissions from the combustion of fuels in stationary sources to generate heat within the Bank's buildings. The two identified fuels relevant to the Bank are natural gas and fuel oil.

In order to fall under Scope 1, fuel combustion must be directly generated on site, within the operational boundaries of the Bank, where it can account for the amount of fuel consumed. This can be done via thermostat system, meters, or by maintaining an open channel of communication with the property manager.

In some instances, fuel combustion is controlled by property managers, but the Bank has no visibility on the amount of fuel consumed. If no fuel combustion details are provided on monthly rental invoices, associated emissions are considered to be part of Scope 2 as a form of purchased heat or electricity.

To calculate the GHG emissions from stationary combustion, the Bank multiplies the annual quantity of each fuel consumed at relevant locations by the appropriate emission factors for GHG leveraging the Global Warming Potentials (GWP) from the United Nations Intergovernmental Panel on Climate Change Sixth Assessment Report (AR6).

B. Mobile Combustion

This source relates to emissions from the combustion of fuels in self-propelled equipment, in other words, emissions from the transportation of materials, products, waste and employees. As the Bank does not have mobile equipment, this source is not considered in the GHG inventory.

C. Process or Chemical Emissions

Considering the operations carried out by the Bank, this source of GHG emissions is not considered in this GHG inventory.

D. Fugitive Emissions

This source includes emissions from equipment for air conditioning, refrigeration and refrigerant leaks. In the absence of available data, this emission source is not considered in the GHG inventory at this time.

Scope 2 – Indirect Emissions

Scope 2 emissions are indirect emissions that occur using purchased electricity, steam, heat, or cooling. Steam, heat (in the form of hot water), and cooling (in the form of chilled water) can be delivered to an organization’s facility through a localized grid called a district energy system or through a direct line connection. Although Laurentian Bank does not own or control the sources, its activities require the generation of energy which, emits GHG emissions.

A. Electricity Purchased

Purchased electricity can either be sourced directly from the regional grids (location-based) that provide electricity or through contractual arrangements (power purchase agreement or renewable energy certificates) under which the organization procures power from specific sources (market-based). For fiscal 2024, the Bank has purchased electricity only from the regional grids and no power purchase agreements have been contracted during that fiscal year. Therefore, our location-based and market-based Scope 2 GHG emissions are equal and only location-based data will be presented. All Laurentian Bank facilities consume electricity. To calculate the GHG emissions from purchased electricity, we multiplied the annual electricity consumption by emission factors specific to the building location. For buildings located in Canada, we use the emission factors presented in the most recent National Inventory Report. For buildings located in the U.S., we use the factors from the most recent EPA eGrid.

B. Steam, Heat and Cooling

Steam, heat and cooling can be purchased through a local grid or directly from a supplier. As noted in the “Stationary Combustion” section, fuel consumption in a combustion system not under the control of the Bank is reported in this category as indirect emissions. Fuel consumption is converted into GHG emissions using the same approach as Scope 1 Stationary Consumption.

Scope 3 – Other Indirect Emissions

Scope 3 emissions include emissions from activities or assets not under the Bank's operational control or included in Scope 2, but which are impacted by our value chain. The Bank is providing analysis on two Scope 3 categories included in the GHG Protocol in 2022 – Category 6 (Business Travel) and Category 15 (Investments, commonly referred to as Financed Emissions).

Business Travel

Data collected and used have been broken down into the following categories: airfare, personal car mileage, taxi, train, car rental and public transport. For personal car mileage, distance travelled is reported and has been used without any further assumptions. All other categories have been calculated using a spend-based methodology based on expense reporting.



Energy Consumption*	2024	2023	2022
Total Fuel Consumption	1,437 GJ	1,442 GJ√	2,460 GJ√
Total Electricity Consumption	36,957 GJ	44,408 GJ√	53,635 GJ√
Total Steam, Heating, and Cooling	11,153 GJ	10,820 GJ√	16,971 GJ√

* Including Northpoint Commercial Finance Capital Inc.

√ Data assured to a limited level by EY. Please refer to our 2023 ESG Report for more details.

Operations-Related GHG Emissions	2024	2023	2022	UNIT
Scope 1	75	76√	130√	tCO ₂ e
Scope 2 (location-based)	682	692√	967√	tCO ₂ e
Scope 3 (business travel)	583	465	399	tCO ₂ e
Total Operations-Related GHG Emissions	1,340	1,233	1,496	tCO₂e

√ Data assured to a limited level by EY. Please refer to our 2023 ESG Report for more details.

Explanation

In 2022, the Bank estimated our combined Scope 1 and Scope 2 GHG emissions at 1,097 tCO₂e. With the reduction and downsizing of branches and corporate office spaces, the Bank reduced that number by 31% to 757 tCO₂e in 2024. This decrease in emissions is a positive step forward and continues to keep the Bank in line with the targeted goal of a 35% reduction from the 2022 baseline.

Compared to 2023, our Scope 1 and Scope 2 GHG emissions were reduced by 1%, driven primarily by the reduction of our office space. This is aligned with our flexible hybrid work model where working from home is the primary approach for all tasks that can be performed remotely.

As for Scope 3 emissions — more specifically, business travel — they increased by 17% in 2024 compared to last year due to an increase in air travel and car mileage. This increase in travel is due to the end of pandemic restrictions and, more recently, the increase of in-person visits to clients and employees.

Financed Emissions

Scope 3 – Other Indirect Emissions – Category 15 (Investments, commonly referred to as Financed Emissions).

For Category 15, we calculate emissions in accordance with the Partnership for Carbon Accounting Financials (PCAF) and are including two asset classes at this time (CRE and residential mortgages). The Bank intends to expand the coverage of our Scope 3 reporting to include other material categories and improve data quality over time.

For financial institutions like Laurentian Bank, the largest emissions impacts are expected to be indirect, through our financing activities. In 2022, the Bank joined the Partnership for Carbon Accounting Financials (PCAF) and applies their methodology for relevant asset classes to calculate Scope 3 financed emissions. For this 2024 ESG Report, the Bank has estimated the financed emissions associated with the Corporate Real Estate (CRE) and Residential Mortgages PCAF asset classes. This choice was influenced by two factors: relative portfolio size and data availability. CRE and mortgages are the largest of the PCAF asset classes at Laurentian Bank. The Bank is engaged in industry working groups to improve availability of data and estimation tools for mortgages and other PCAF asset classes.

Asset Class Definition and Calculation Method

For CRE, PCAF includes on-balance sheet loans for the purchase and refinancing of on-balance sheet investments in CRE when the financial institution has no operational control over the property and where owner uses the property to conduct income-generating activities. Loans that are secured by CRE, but where the use of proceeds are unknown (as defined by

the GHG protocol), are not included in CRE and will be included in the business loans asset class in the future. Loans for construction and renovation of CRE, as well as industry loans, were excluded from the calculation of CRE financed emissions, in accordance with PCAF. For mortgages, PCAF includes on-balance sheet loans for the purchase and refinancing of residential property, including individual homes and small-unit multi-family housing, implying that properties are used for residential purposes and not for commercial activities. Home equity loans, mortgages used for construction, mortgages used for renovation and mortgage lines of credit with unknown use of proceeds were excluded from the calculation of mortgage-financed emissions, in accordance with PCAF.

Emission scopes covered: In estimating the Bank's Scope 3 financed emissions from CRE and mortgages, we have chosen to only include Scope 1 and 2 emissions of our mortgage and CRE customers in the calculation. Including a customer's Scope 3 emissions is optional for this asset class, and we do not have access to data to estimate Scope 3 emissions for our mortgages and CRE customers at this time.

Data quality: Access to quality data to enable estimation of emissions data is a key area of focus across financial services firms. To enable initial disclosure of financed emissions, PCAF has laid out a data quality hierarchy for each asset class, applying a score of 1 (best) to 5 (lowest). Information on the data quality hierarchy for CRE and mortgages is included in the table on page 23.

In this CRE review, we were able to attain data required for a data quality level of 4 or 5 for 97% of the PCAF eligible portfolio, with an average data quality score of 4.6. Our CRE data quality score in 2024 is unchanged from 2023. In the residential mortgages review, we were able to attain data required for a data quality level of 5 for 99% of the PCAF eligible portfolio.

Emission factors: To estimate the Scope 1 and Scope 2 emissions for mortgage customers, we leveraged the PCAF online emissions factor database. This database provides mortgage emissions factors by province and building usage on a per dwelling, per building, or per m² basis, sourced from the Government of Canada Natural Resources Canada. At time of calculation, the most recent data in the PCAF database reflected 2019 average emission factors for CRE and mortgages. We will update our calculations as more recent emissions data becomes available in the PCAF database.

Attribution factor: PCAF methodology uses an attribution factor to calculate the portion of a customer's emissions attributable to a financial institution's loan or investment. For real estate asset classes, this factor is calculated as the outstanding amount financed by the Bank divided by the property value at origination.

Next steps: Moving forward, we will continue to work to expand the coverage and data quality of our Scope 3 financed emissions calculations. We will also continue to report on Scope 3 financed emissions annually.

Corporate Real Estate PCAF Calculations

DATA AVAILABLE	OUTSTANDING CORPORATE REAL ESTATE LOANS As at October 31, 2023		ESTIMATED EMISSIONS (tCO ₂ e)			Data Quality Score
	Balance (\$M)	% of Total	Customer Scope 1	Customer Scope 2	Total	
Primary data on actual building energy consumption + Supplier-specific emission factors	–	–	–	–	–	1
Primary data on actual building energy consumption + Average emission factors	–	–	–	–	–	2
Official building energy labels + Floor area + Average emission factors	–	–	–	–	–	3
Building type + Location + Floor area + Average emission factors	2,223	40	34,346	13,199	47,544	4
Building type + Number of buildings	2,958	54	17,614	2,002	19,616	5
Insufficient data to estimate	314	6	–	–	–	5
Total	5,495	100	51,960	15,201	67,161	4.6

Explanation

This data is based on the PCAF definition of asset class, which may differ from Laurentian Bank's own definition. Therefore, total CRE and mortgage portfolio size may differ from other public disclosures. Although excluded from calculations, insufficient data was classified as a 5 when weighting the average data quality score. This was to ensure our reported data score reflects the full CRE portfolio according to the PCAF definition, as well as to allow improvements in data quality to be more accurately tracked over time.

Mortgage PCAF Calculations

DATA AVAILABLE	OUTSTANDING MORTGAGE LOANS As at October 31, 2023		ESTIMATED EMISSIONS (tCO ₂ e)			Data Quality Score
	Balance (\$M)	% of Total	Customer Scope 1	Customer Scope 2	Total	
Building type + Number of buildings	16,296	100	100,873	37,601	138,474	5
Insufficient data to estimate	7	0	–	–	–	–
Total	16,303	100	100,873	37,601	138,474	5

Summary of Financed GHG Emissions

Financed GHG Emissions*	2023	2022	UNIT
Scope 3 (financed emissions, CRE)	67,161	67,820	tCO ₂ e
Average data quality, CRE	4.6	4.6	tCO ₂ e
Scope 3 (residential mortgages)	138,474	127,029	tCO ₂ e
Average data quality, mortgages	5	5	tCO ₂ e

Explanation

As for the financed emissions of Commercial Real Estate (CRE), their level is similar to 2022 since our portfolio has remained relatively stable due to high interest rates. Regarding Residential Mortgages, the total increased by 9% in line with the growth of our portfolio.

* 2024 Data are not available due to their non-availability at the time this report was produced.

Caution Regarding Forward-Looking Statements

From time to time, Laurentian Bank of Canada and, as applicable its subsidiaries (collectively referred to as the Bank) will make written or oral forward-looking statements within the meaning of applicable Canadian and United States (U.S.) securities legislation, including, forward-looking statements contained in this 2024 Public Accountability Statement & Declaration of Energy Consumption and Greenhouse Gas Emissions (and in the documents incorporated by reference herein), as well as in other documents filed with Canadian and U.S. regulatory authorities, in reports to shareholders, and in other written or oral communications. These forward-looking statements are made in accordance with the “safe harbour” provisions of, and are intended to be forward-looking statements in accordance with, applicable Canadian and U.S. securities legislation. They include, but are not limited to, statements regarding the Bank’s vision, strategic goals, business plans and strategies, priorities and financial performance objectives; the economic, market, and regulatory review and outlook for Canadian, U.S. and global economies; the regulatory environment in which the Bank operates; the risk environment, including, credit risk, liquidity, and funding risks; the statements under the heading “Risk Appetite and Risk Management Framework” contained in the 2024 Annual Report, including, the MD&A for the fiscal year ended October 31, 2024, and other statements that are not historical facts.

Forward-looking statements typically are identified with words or phrases such as “believe”, “assume”, “estimate”, “forecast”, “outlook”, “project”, “vision”, “expect”, “foresee”, “anticipate”, “intend”, “plan”, “goal”, “aim”, “target”, and expressions of future or conditional verbs such as “may”, “should”, “could”, “would”, “will”, “intend” or the negative of any of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature, which give rise to the possibility that the Bank’s predictions, forecasts, projections, expectations, or conclusions may prove to be inaccurate; that the Bank’s assumptions may be incorrect (in whole or in part); and that the Bank’s financial performance objectives, visions, and strategic goals may not be achieved. Forward-looking statements should not be read as guarantees of future performance or results, or indications of whether or not actual results will be achieved. Material economic assumptions underlying such forward-looking statements are set out in the 2024 Annual Report under the heading “Outlook”, which assumptions are incorporated by reference herein.

The Bank cautions readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond the Bank’s control and the effects of which can be difficult to predict or measure, could influence, individually or collectively, the accuracy of the forward-looking statements and cause the Bank’s actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These factors include, but are not limited to general and market economic conditions; inflationary

pressures; the dynamic nature of the financial services industry in Canada, the U.S., and globally; risks relating to credit, market, liquidity, funding, insurance, operational and regulatory compliance (which could lead to the Bank being subject to various legal and regulatory proceedings, the potential outcome of which could include regulatory restrictions, penalties, and fines); reputational risks; legal and regulatory risks; competitive and systemic risks; supply chain disruptions; geopolitical events and uncertainties; government sanctions; conflict, war, or terrorism; and various other significant risks discussed in the risk-related portions of the Bank’s 2024 Annual Report, such as those related to: Canadian and global economic conditions; Canadian housing and household indebtedness; technology, information systems and cybersecurity; technological disruption, privacy, data and third party-related risks; competition; the Bank’s ability to execute on its strategic objectives; digital disruption and innovation (including, emerging fintech competitors); changes in government fiscal, monetary and other policies; tax risk and transparency; fraud and criminal activity; human capital; business continuity; emergence of widespread health emergencies or public health crises; environmental and social risks including, climate change; and various other significant risks, as described in the relevant pages of the 2024 Annual Report, including the MD&A, which information is incorporated by reference herein. The Bank further cautions that the foregoing list of factors is not exhaustive. When relying on the Bank’s forward-looking statements to make decisions involving the Bank, investors, financial analysts, and others should carefully consider the foregoing factors, uncertainties, and current and potential events.

Any forward-looking statements contained herein or incorporated by reference represent the views of management of the Bank only as at the date such statements were or are made, are presented for the purposes of assisting investors, financial analysts, and others in understanding certain key elements of the Bank's financial position, current objectives, strategic priorities, expectations and plans, and in obtaining a better understanding of the Bank's business and anticipated financial performance and operating environment and may not be appropriate for other purposes. The Bank does not undertake any obligation to update any forward-looking statements made by the Bank or on its behalf whether as a result of new information, future events or otherwise, except to the extent required by applicable securities legislation. Additional information relating to the Bank can be located on SEDAR+ at www.sedarplus.ca.



