

Climate-related Financial Disclosure

Governance

Peoples Group oversees climate-related risks through its overarching governance and enterprise risk management framework rather than through dedicated climate-specific governance bodies. At the Board level, oversight of climate-related risks forms part of the mandate of the Board Risk Committee, which reviews material risk exposures as part of its broader responsibility for risk oversight. Management oversight is conducted through the Corporate Risk Committee, which meets on a quarterly basis and considers climate-related risks alongside other enterprise-wide risk categories.

Under this structure, climate-related matters are assessed in a manner proportionate to Peoples Group's business model, risk profile, and currently identified exposures. Relevant climate-related information is escalated through risk reporting processes when appropriate, including where physical climate hazards may affect collateral, lending exposures, operations, or business continuity. This integrated approach is intended to support consistent oversight, accountability, and decision-making without establishing separate governance forums solely for climate risk.

Strategy

Peoples Group considers climate-related risks and opportunities in the context of its overall business strategy and risk profile. Based on current assessment, Peoples Group has not identified climate-specific risks or opportunities that are materially impacting its strategy, business model, or financial planning. At this time, the most relevant climate related exposures are physical risks, particularly the potential effects of flood or wildfire events on financed real estate properties located in Canada.

Peoples Group assessed its exposure to both physical and transitional climate risks as part of OSFI's Standardized Climate Scenario Exercise, which identified an immaterial level of exposure to transition risks. Peoples Group maintains a similar lending strategy and exposure to industries impacted by climate transition risks.

Peoples Group monitors physical climate risk exposure as part of its ongoing assessment of credit and collateral risk. This includes consideration of the geographic concentration of

financed real estate properties in higher-risk flood and fire zones across Canada. While Peoples Group does not currently view these exposures as materially changing its overall strategy or giving rise to material climate-related opportunities, management recognizes that the frequency and severity of physical climate events may evolve over time and could affect asset values, borrower performance, insurance availability, or operational resilience. Accordingly, climate-related physical risk considerations are incorporated, where relevant, into ongoing risk monitoring and business planning processes.

Risk Management

Climate-related risk is managed within Peoples Group's broader enterprise risk management framework. Given the current risk profile, Peoples Group's primary climate-related focus is on physical risk affecting financed real estate exposures. Peoples Group has not established dedicated climate-specific targets or risk appetite limits at this time. Current monitoring is focused on understanding exposure to relevant physical hazards rather than managing against a separate suite of climate targets.

Peoples Group tracks the geographic exposure of financed real estate properties to high-risk flood and fire zones across Canada. This information supports management's understanding of portfolio exposure to acute physical climate hazards and may inform risk reporting, portfolio monitoring, and related risk mitigation actions like credit underwriting/credit risk processes where warranted. Climate-related physical risk is considered alongside other relevant risk drivers in order to support a holistic view of risk exposure and to enable escalation through established governance channels where conditions, concentrations, or trends indicate heightened concern.

On a quarterly basis the Financial Risk Management team prepares reporting on trends in geographic concentrations of financed real estate properties in FSAs that contain high risk flood and fire zones across Canada. These high-risk flood and fire zones were originally identified under OSFI Standardized Climate Scenario Exercise. Quarterly trends for the exposure to flood and fire zones are reported at an aggregate portfolio level and at the provincial level. Every quarter an interactive map is prepared which shows the mortgage exposure to each FSA that contains high-risk flood or fire zones.

The trending and interactive map are reviewed by the Corporate Risk Committee on a quarterly basis. At the quarterly Risk Committee of the Board the exposure trends are reviewed along with recommended actions from the Corporate Risk Committee.

As part of its annual Internal Capital Adequacy Assessment Process (ICAAP) PTC maintains a documented methodology for quantifying capital requirements for Climate Risks. Currently this methodology is focused on physical climate risks through credit and operational risk exposures. Based on its business model and balance sheet, PTC has not identified any material impacts of climate-related risks to market or liquidity exposures.

PTC has not identified any climate-related opportunities in the context of its business plan and overall strategy.

Metrics and Targets

At present, Peoples Group's most relevant climate-related metric is the geographic exposure of financed real estate properties to high-risk flood and wildfire zones across Canada. This metric is used to support the identification and monitoring of physical climate risk within the real estate portfolio. Peoples Group may continue to refine its climate-related metrics over time as methodologies, data availability, regulatory expectations, and internal risk management practices evolve.

Metrics Monitored on a quarterly basis:

1. Aggregate mortgage loan exposure (commercial and retail) to FSAs that include high risk flood or fire zones as identified through OSFI's Standardized Climate Scenario Exercise.
2. Mortgage loan exposure (commercial and retail) to FSAs that include high risk flood or fire zones, broken down across provinces.
3. Specific mortgage loan exposure (commercial and retail) to each FSA that includes high risk flood or fire zones – tracked through an interactive map identifying the geographic location of each FSA.

Scope 1 Emissions

PTC does not produce any Scope 1 Greenhouse Gas Emissions as it does not own any fixed assets or vehicles that emit greenhouse gas.

Scope 2 Emissions

Scope 2 emissions for PTC are estimated based on the amount of office space leased in each province measured in square feet (sq ft). An average energy intensity of 1.05 GJ/m² is used as the average energy intensity for office space (excluding medical) as reported by Natural Resources Canada in the 2019 Survey of Commercial and Institutional Energy Use (SCIEU) – Buildings – Data Tables, Table 1.

The measure of 1.05 GJ/m² is converted into kWh/sq ft based on a conversion rate of 25.8 kWh/sq ft for every GJ/m².

$$1 \text{ GJ} = 277.78 \text{ kWh}$$

$$1 \text{ m}^2 = 10.764 \text{ sq ft}$$

$$\text{kWh/sq ft} = \text{GJ/m}^2 * \frac{277.78}{10.764} \approx 25.8$$

Table 5.2 Electricity consumption intensities (*g CO₂e/kWh* electricity consumed) for 2025 from The Government of Canada Emissions factors and reference values Version 3 from October 2025 is used to estimate grams of greenhouse gas emissions per kWh by province.

Province / Territory	Consumption Intensity (<i>g CO₂e/kWh</i>)	Office Space (sq ft)	GHG Emissions (<i>g CO₂e</i>)
British Columbia	15	35,752	14,527,825
Alberta	540	4,138	60,533,147
Ontario	30	17,306	14,064,586
Quebec	1.7	4,550	209,541
Total		61,746	89,335,099

Climate Related Targets:

PTC has not set specific climate related strategic goals and does not track progress against qualitative or quantitative climate related targets.