

Laurentian Bank Concludes Review of Strategic Options

MONTRÉAL, Sept. 14, 2023 /CNW/ - Laurentian Bank (TSX: LB) (the "Bank") announced today that it has completed its review of strategic options aimed at maximizing shareholder and stakeholder value with the support of independent financial and legal advisors. Based on the review, the Board, with the support of the Executive Management Team, has unanimously concluded that the best path forward to drive shareholder value is to embark on an accelerated evolution of its current strategic plan with an increased focus on efficiency and simplification.

Laurentian Bank is a much stronger organization today than it was three years ago. Building on the momentum of its turnaround, and its strong track record of delivering against its plan, the Bank will be simplifying its organizational structure and focusing on where it can win by allocating capital and resources to its highest grossing businesses and specialized products while maintaining a relentless focus on the customer.

Track Record of Execution

Two years ago, Laurentian Bank launched a new three-year strategic plan to reboot itself for the future. Since then, the Bank has delivered on key milestones, including exceeding all its financial targets, closing its customers' top five digital pain points, and growing Commercial Banking with a focus on its areas of specialization. It maintains a strong capital and liquidity position, and its funding and deposit base are strong, stable, and diversified.

Having completed two years of the plan, coupled with a changing macroeconomic environment and evolving customer expectations, the Bank's Board of Directors and Executive Management Team felt it was prudent to embark on a thorough review of strategic options to determine the best path forward to maximize shareholder and stakeholder value.

Throughout that process it considered a variety of options, including an acquisition of the whole bank, divestments of certain businesses, as well as accelerating its already proven strategic plan.

The Path Forward

As part of the accelerated path forward, with an increased focus on efficiency and simplification, the Bank is providing larger mandates to two proven executive leaders:

- **Éric Provost**, currently head of Commercial Banking, assumes the leadership of Personal Banking as Group Head of Personal & Commercial Banking. Under Mr. Provost's leadership of Commercial Banking, its team and businesses have become centres of operational and customer service excellence. Under Mr. Provost's expanded mandate, he will drive additional synergies and the sharing of best practices to further improve the customer experience for all of the Bank's customers.
 - The Bank would like to sincerely thank **Karine Abgrall-Teslyk** for her leadership of Personal Banking over the past two years. Under her leadership, the retail bank has been repositioned for growth having now closed key foundational gaps including the launch of the Bank's new mobile app and its digital account opening solution.
- **Sébastien Bélair** becomes the Bank's Chief Administrative Officer, assuming responsibility for the Bank's Operations in addition to his current role as Chief Human Resources Officer, as the Bank brings together two key corporate functions under one leader. Under Mr. Bélair's leadership, the Bank's culture has been renewed, guided by a new purpose and core values, and employee engagement has increased by 6 points to 80%. Under his expanded mandate, Mr. Bélair will focus on identifying additional opportunities to streamline processes and drive down the Bank's efficiency ratio while improving both the customer and employee experience. Prior to joining Laurentian Bank, Mr. Bélair had almost 20 years experience running operations functions at two of the big six financial institutions in Canada
 - The Bank would like to sincerely thank **Yves Denommé** for his leadership of the Bank's

Operations function and team over the past two and a half years. Under his leadership, many layers of complexity have been removed and processes improved organization-wide, resulting in meaningful savings.

2024 Investor Day Announced

The Bank will be sharing more information at its Q4 earnings call on December 7, 2023 and will be unveiling a renewed strategic plan at an Investor Day early in 2024.

The Executive Management Team remains committed to executing on the Bank's fiscal 2023 priorities of delivering excellent customer service, a focus on deposits and optimizing its funding structure, and driving efficiencies through simplification, with the full support and confidence of the Board.

"Having now completed this review of our strategic options, we are more confident than ever in Laurentian Bank's strong positioning in the market and unique offering for our customers," said Rania Llewellyn, President and Chief Executive Officer. "As we continue to evolve our Bank, our Executive Management Team and all employees will build on our proven track record of executing against our plan and delivering meaningful results for our customers, shareholders, and stakeholders. I'd like to thank all our team members for their commitment to the organization and their continued focus on providing the best experience for our customers."

"On behalf of the Board of Directors, I would like to thank all members of the Laurentian Bank team for their resiliency and focus on the customer throughout the strategic review process," said Mike Mueller, Chair of the Board of Directors. "The Bank is a much stronger organization today than it was three years ago due to the leadership of the Executive Management Team and thanks to the efforts of our talented employees. As a Board, we have completed our review and we are unanimous in our decision that embarking on an accelerated evolution of the Bank's current strategic plan with an increased focus on efficiency and simplification will drive the most value for our shareholders and stakeholders."

About Laurentian Bank

At Laurentian Bank, we believe we can change banking for the better. By seeing beyond numbers.

Founded in Montréal in 1846, Laurentian Bank helps families, businesses and communities thrive. Today, we have approximately 3,000 employees working together as one team, to provide a broad range of financial services and advice-based solutions for customers across Canada and the United States. We protect, manage and grow \$50.7 billion in balance sheet assets and \$27.7 billion in assets under administration.

We drive results by placing our customers first, making the better choice, acting courageously, and believing everyone belongs.

SOURCE Laurentian Bank of Canada

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