

2021 Investor Day ESG Update

FINANCIAL INDUSTRY SOLUTIONS

\$32B

Managed &
Advised Credit
Portfolios

90+

US Bank
Partners

Disclaimer

Certain information in this presentation is forward-looking and related to anticipated financial performance, events and strategies. When used in this context, words such as “will”, “anticipate”, “believe”, “plan”, “intend”, “target” and “expect” or similar words suggest future outcomes. Forward-looking statements relate to, among other things, ECN Capital Corp.'s (“ECN Capital”) objectives and strategy; future cash flows, financial condition, operating performance, financial ratios, projected asset base and capital expenditures; anticipated cash needs, capital requirements and need for and cost of additional financing; future assets; demand for services; ECN Capital's competitive position; expected growth in originations; and anticipated trends and challenges in ECN Capital's business and the markets in which it operates; and the plans, strategies and objectives of ECN Capital for the future.

The forward-looking information and statements contained in this presentation reflect several material factors and expectations and assumptions of ECN Capital including, without limitation: that ECN Capital will conduct its operations in a manner consistent with its expectations and, where applicable, consistent with past practice; ECN Capital's continued ability to successfully execute on its strategic transition; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing (and in certain circumstances, the implementation of proposed) tax and regulatory regimes; certain cost assumptions; the continued availability of adequate debt and/or equity financing and cash flow to fund its capital and operating requirements as needed; and the extent of its liabilities. ECN Capital believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

By their nature, such forward-looking information and statements are subject to significant risks and uncertainties, which could cause the actual results and experience to be materially different than the anticipated results. Such risks and uncertainties include, but are not limited to, operating performance, regulatory and government decisions, competitive pressures and the ability to retain major customers, rapid technological changes, availability and cost of financing, availability of labor and management resources, the performance of partners, contractors and suppliers.

Readers are cautioned not to place undue reliance on forward-looking statements as actual results could differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking statements. Except as required by law, ECN Capital disclaims any intention and assumes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.

Disclaimer

ECN Capital's audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and the accounting policies we adopted in accordance with IFRS. In this presentation, management has used certain terms, including adjusted operating income before tax, adjusted operating income after tax, adjusted operating income after tax EPS and managed assets, which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. ECN Capital believes that certain non-IFRS Measures can be useful to investors because they provide a means by which investors can evaluate ECN Capital's underlying key drivers and operating performance of the business, exclusive of certain adjustments and activities that investors may consider to be unrelated to the underlying economic performance of the business of a given period. Throughout this presentation, management used a number of terms and ratios which do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures presented by other organizations. A full description of these measures can be found in the Management Discussion & Analysis that accompanies the financial statements for the three and nine-month periods ended September 30, 2020. Disclosures related to COVID-19 can be found in ECN Capital's Management Discussion & Analysis for the three and nine-month periods ended September 30, 2020 and are incorporated herein by reference. ECN Capital's management discussion and analysis for the three and nine-month periods ended September 30, 2020 has been filed on SEDAR (www.sedar.com) and is available under the investor section of the ECN Capital's website (www.ecncapitalcorp.com).

This presentation and, in particular the information in respect of ECN Capital's prospective originations, revenues, operating income, adjusted operating income, and adjusted operating income EPS may contain future oriented financial information ("FOFI") within the meaning of applicable securities laws. The FOFI has been prepared by management to provide an outlook on ECN Capital's proposed activities and potential results and may not be appropriate for other purposes. The FOFI has been prepared based on a number of assumptions, including the assumptions discussed above, and assumptions with respect to operating costs, foreign exchange rates, general and administrative expenses and expected originations growth. ECN Capital and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, however, the actual results of operations of ECN Capital and the resulting financial results may vary from the amounts set forth herein and such variations may be material. FOFI contained in this presentation was made as of the date of this presentation and ECN Capital disclaims any intention or obligation to update or revise any FOFI contained in this presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law.

Business Overview



Origination & Management Services for Financial Institutions

30+ Years Commercial finance experience

\$32B Managed credit portfolios

90+ Financial institution partners

Investment grade rated



Origination & Management of Prime Home Improvement Loans

2004 Founded

\$3B Managed credit portfolios

25+ Bank, life Insurance, pension & credit union partners

13,000+ Network of home improvement dealers



Origination & Management of Prime Manufactured Housing Loans

1959 Founded

\$2B+ Managed credit portfolios

50+ Bank and Credit union partners

3,000+ Network of manufactured housing dealers



Origination & Advisory Services for Credit Card Portfolios

1978 Founded

\$26B Managed credit card portfolios

25+ Financial Institution partners

6,000+ Credit card partnerships created



Business Description

- ECN is a business services provider operating fee-based, asset-light platforms through which it originates, manages and advises on credit assets for its bank and financial institution customers
- **ECN's business services require highly specialized expertise, industry knowledge, regulatory compliance and strategic relationships, which provide significant barriers to entry**
- ECN and its partners are committed to applying ESG standards across its businesses and continuing to improve the environment through the financing of energy efficient home improvements and manufactured homes



ESG Update



ESG Commitment

ECN MANAGEMENT AND THE BOARD OF DIRECTORS ARE COMMITTED TO IMPROVING ESG POLICY, IMPACT, AND THE DISCLOSURE OF THESE ISSUES TO OUR STAKEHOLDERS

- In 2020, ECN formally established the ESG management committee to address ECN's ESG impacts and disclosure
 - Had initial meetings with Board of Directors to establish priorities for 2021
- Engaged with numerous stakeholders to better understand and plan our ESG disclosure
 - Shareholders
 - Standard setters (SASB, GRI)
 - Rating agencies (Sustainalytics, MSCI)
 - Sustainability organizations/pledges (30% Club, CEO Action for Diversity & Inclusion)
 - ESG experts (Corporate Citizenship)

ECN will continually work with all our stakeholders to enhance and evolve our ESG commitment

ATTRACTIVE END MARKETS WITH ESG POSITIVE TAILWINDS



Home Improvement

- Service Finance primarily finances energy efficient improvements to existing homes
 - New HVAC, roofing, windows & doors improve energy efficiency
 - Reduces environmental impact of the home
 - Consumers benefit from significantly lower operating costs
 - Primarily Energy Star rated materials and systems
 - Majority of manufacturers have Energy Star rated manufacturing facilities – i.e., Lennox, Owens Corning, etc.



Manufactured Housing

- Triad finances green housing construction with minimal waste compared to site-built
 - Lower footprint homes built in efficient facilities
 - Materially reduced waste
 - More efficient home lowers overall impact
 - Reduced energy costs
 - Estimate 1/3 of manufactured homes boast Energy Star ratings
 - Majority of manufacturing facilities Energy Star rated

Environmental Impact

Home Improvement	Manufactured Housing
<ul style="list-style-type: none"> • New HVAC system uses ~37% less energy than the existing system it is replacing¹ <ul style="list-style-type: none"> • Lowers annual energy consumption by over 900 kWh, resulting in savings of \$1,800 over the estimated useful life of 15 years¹ • A new roof reduces energy demand by 10-15%² • New windows, doors and skylights reduce energy consumption and carbon footprint by 12%² • Since 2016, SFC has financed over 427,000 projects that improved energy efficiency³ • ~80% of originations financed projects that reduced energy consumption³; ~90-95% of these projects use ENERGY STAR rated products 	<ul style="list-style-type: none"> • Compared with conventional site-built homes, manufactured homes: <ul style="list-style-type: none"> • Consume less materials • Generate ~2.5x or ~4,320 pounds less waste per home⁴ • Consume 5% less energy over its life cycle⁴ • ENERGY STAR rated manufactured homes save homeowners ~\$500/year on average⁵ • Since 2016, Triad has financed almost 50,000 manufactured homes • 1/3rd of manufactured homes financed by Triad are ENERGY STAR rated



¹ Calculated using Lennox Energy Savings Calculator assuming a 12 SEER system is replaced with an 19 SEER system at a cost of \$0.133/kWh

² Per ENERGY STAR and assuming existing equipment replaced with ENERGY STAR certified products

³ Defined as HVAC, windows & doors, roofing and solar, water heaters

⁴ Sun Communities ESG Report and National Association of Home Builders; calculated using 1,800 sq. ft home

⁵ US Department of Energy

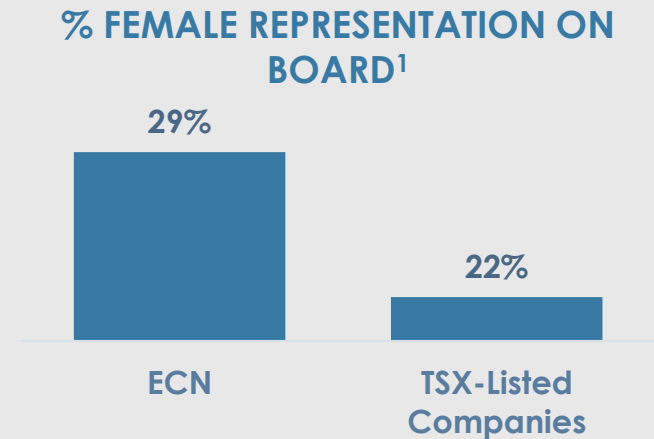
Other Environmental Initiatives

OTHER KEY ENVIRONMENTAL INITIATIVES

- Reducing paper consumption across all business units
 - SFC application process is entirely paperless eliminating need for paper for internal loan processing; beginning in H2 2020 new customers were able to opt-in for paperless statements, with additional rollout to existing customers in the coming months
 - Triad offers paperless application process
 - All KG record keeping and document preparation processes are paperless
- Recycling programs in all offices
- Use of LED lighting in all offices

30% Club Commitment

- Our CEO is a founding member of the Canadian chapter of the 30% Club
- The 30% Club's mission is for women to represent at least 30% of all boards and C-suites globally
- Since 2017, ~30% of ECN's Board members are female, above the average for all other TSX-listed companies



¹ Source: Osler and National Bank Financial

Sustainability Accounting Board Standards (“SASB”)

- ECN will follow SASB guidelines for the consumer finance industry
- SASB published a collection of 77 industry-specific guidelines providing guidance on : (1) disclosure topics (2) accounting metrics (3) technical protocols and (4) activity metrics
- ECN complies with the disclosure standards set forth in the SASB consumer finance industry standard, which address (1) customer privacy (2) data security and (3) selling practices
 - See attached slides for list of applicable SASB consumer finance standards cross-referenced with ECN disclosure



Regulatory Oversight

SFC & TRIAD COMPLIANCE & PRIVACY STANDARDS MUST MEET THE STRICTEST HURDLES

- SFC and Triad have indirect oversight by:
 - Office of the Comptroller of Currency (OCC)
 - Federal Deposit Insurance Corporation (FDIC)
 - Consumer Financial Protection Bureau (CFPB)
 - National Credit Union Administration (NCUA)
 - Nationwide Multistate Licensing System & Registry (NMLS)
- In addition, SFC and Triad are fully licensed to conduct business in all the states in which they operate
 - Regularly audited by State licensing agencies
- SFC and Triad are also subject to regular audits and reviews by their bank, life insurance, pension plan and credit union funding partners
- SFC and Triad have received zero objections or negative comments during and formal examinations

Governance

	SFC	Triad	KG
Policy	<ul style="list-style-type: none"> • Anti-Money Laundering Act (AML) • Truth In Lending Act (TILA) • Unfair, Deceptive, or Abusive Acts or Practices (UDAAP) • Fair Debt Collection Practices Act • SOC 2 – SSAE 16/18 Type II Audit • Gramm-Leach-Bliley Act 		KG does not directly ever receive personal information or directly interact with end customers
Other Key Policies & Procedures		<ul style="list-style-type: none"> • Non-discrimination and anti-harassment • Information technology • Cybersecurity and safeguarding of personal information • Business continuity/disaster recovery • Social media • Internal controls • Whistleblower • And others 	

Responsible Lending

- SFC and Triad provide homeowners with a high-quality, truthful and transparent borrowing experience, as evidenced by the negligible number of CFPB complaints received
- 100% of all CFPB complaints received were promptly and successfully resolved with the homeowner



2016-2020	SFC	Triad
# of Applications	~1,300,000	~335,000
# of CFPB Complaints	76	33
CFPB Complaints as % of Applications	Less than 1 bps	1 bps
% Successfully Resolved	100%	100%

Team Demographics

As of Dec 2020	Total	Corporate	SFC	Triad	KG
# Employees	570	29	242	248	51
% Female	56%	41%	50%	69%	35%
% Minority	45%	28%	68%	31%	18%
% Earning Above US Real Median Personal Income ¹	81%	100%	75%	83%	90%

¹ Federal Reserve Bank of St. Louis, \$35,977 in 2019

Employee Growth, Charitable Giving & Community Involvement

- Employee training, development and continued learning programs
 - Robust onboarding and new employee training programs
 - Tuition reimbursement and financial support for continuing education
- Donations and matching of employee donations in support of several local and national charities
- The management teams and employees at ECN and its subsidiaries take pride in engaging, participating and supporting numerous community volunteer programs and organizations



SASB – Customer Privacy

Standards Code	Description	Service Finance	Triad	KG
FN-CF-220a.1	# of account holders whose information used for secondary purposes	None	None	None
FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	None	None	None



SASB – Data Security

Standards Code	Description	Service Finance	Triad	KG
FN-CF-230a.1	(1) # of data breaches (2) % involving personally identifiable information (3) # of account holders affected	(1) None (2) None (3) None	(1) None (2) None (3) None	(1) None (2) None (3) None
FN-CF-230a.2	Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	(1) None (2) None	(1) None (2) None	(1) None (2) None
FN-CF-230a.3	Description of approach to identifying and addressing data security risks	<p>Service Finance employs a risk-based approach to information security covering people, processes and technology to identify, protect against, detect and recover from threats</p> <p>Program includes policies and procedures, training, risk assessments, monitoring tools, mitigation tools, notification tools, logging tools, internal audits, external audits, regulatory examinations, tabletop exercises and recovery testing</p> <p>Policies and procedures also include 3rd party risk ranking, due diligence and review; SFC also monitors and maintains memberships with government and industry bodies to keep abreast of emerging threats</p>	<p>Annual penetration test, quarterly vulnerability tests and annual internal control audits (SOC 1 and SOC2) are performed</p> <p>Several tools in place such as (but not limited to) firewall email monitoring, networking monitoring as well as active threat protection</p> <p>All network equipment is updated and patched on a timely basis</p> <p>Maintains comprehensive data breach policy, and customers and law enforcement are notified when necessary</p>	<p>Overseen by EVP Finance and General Counsel, program includes business continuity policies, IT security policies, and physical security policies and procedures</p> <p>Policies routinely reviewed by bank partner IT and security staff, who are subject to bank oversight rules</p> <p>Multi-layered approach to data security includes using IT firms to administer systems, conduct routine testing, 3rd-party system monitoring, penetration testing, VPN authentication</p>



SASB – Selling Practices

Standards Code	Description	Service Finance	Triad	KG
FN-CF-270a.1	% of total remuneration that is variable and linked to amount sold	None	Regional managers, 79%	No direct sales to consumers; some executives paid bonus based on revenues associated with client they service or originated
FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO <660	Not material, ~3% of applications are from applicants with FICO <660	30% of approvals from applicants with FICO <660 (1) 18.3% (2) None	None
FN-CF-270a.3	(1) Average fee from add-on projects (2) average APR (3) average age of accounts (4) average annual fees for prepaid products for customers with FICO <660	Not material, ~1.5% of originations are from customers with FICO <660	32% of originations from applicants with FICO <660 (1) None (2) 8.89% (3) ~18-year term (4) None	None
FN-CF-270a.4	(1) # complaints filed with CFPB (2) % with monetary or non-monetary relief (3) % disputed by customer (4) % resulting in investigation by CFPB	(1) 76 over last 5 years (2) 18% (3) 0% (4) 0%	(1) 33 over last 5 years (2) 0% (3) 0% (4) 0%	None
FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	None	None	None