



Mandate of the Human Resources and Committee

Approved by the Board of Directors February 28, 2023

PART A - PURPOSE AND DUTIES OF THE COMMITTEE

1 Purpose

The Human Resources and Corporate Governance Committee (the “Committee”) is responsible for assisting the Board of Directors (the “Board”) of Laurentian Bank of Canada (the “Bank”) in its oversight of:

- Human resources matters, including: (i) developing and recommending to the Board compensation policies and programs; (ii) reviewing key talent management and succession frameworks; (iii) overseeing the pension plans of the Bank and participating subsidiaries; and (iv) overseeing key culture and human resources strategies, including employee engagement, employee health and well-being, and equity, and diversity and inclusion matters.

In fulfilling its duties, the Committee is mindful of the importance of environmental (including climate), social and governance principles adopted and managed by the Bank.

The organization of the Committee and its authority are subject to any restrictions, limitations or requirements set out in the Bank’s constituting documents, including its articles and by-laws, as well as any restrictions and limitations or requirements set out under applicable laws, including without limitation the *Bank Act* (Canada), the *Trust and Loan Companies Act* (Canada), Canadian securities laws as well as the standards, policies and guidelines of the stock exchange on which the Bank’s securities are listed (collectively, the “Applicable Law”). This mandate should be read together with other Bank policies and procedures to ensure (i) an understanding of the Bank’s overall governance framework and (ii) a consistent application of procedural requirements including, without limitation, the Bank’s *Whistleblower Policy*.

2 Duties

The Committee performs the duties set out in this mandate and such other duties as may be necessary or appropriate including:

2.1 Compensation

2.1.1 Reviewing and recommending to the Board the overall compensation framework (including compensation, short-, medium- and long-term incentive plans, social benefits, change of control provisions, pension plans or any similar plans, and ancillary benefits) for the Bank’s executives and senior officers.

2.1.2 Reviewing any ancillary or other benefits, incentive plans, change of control provisions, retirement plans or any other similar plan in accordance with its terms and conditions

2.1.3 Reviewing and recommending to the Board approval of any stock option and other equity incentive plans.

- 2.1.4 Reviewing and approving individual grants made under any incentive plans in accordance with their terms and conditions.
- 2.1.5 Reviewing and approving the compensation, individual bonuses and employment conditions of the Bank's executives and senior officers, as well as the material terms and conditions of compensation and other employment conditions applicable to the Bank's executives and senior officers.
- 2.1.6 Reviewing annually, with the Bank's Risk Management Committee, alignment of overall Bank compensation, performance and risk with the compensation principles and standards of the Financial Stability Board.

2.2 Talent Management

- 2.2.1 Reviewing and recommending to the Board approval of any significant changes to the Bank's organizational structure.
- 2.2.2 Reviewing and recommending to the Board the position description of the President and Chief Executive Officer.
- 2.2.3 Reviewing and approving the position description of the Chief Human Resources Officer.
- 2.2.4 Recommending to the Board appointment or dismissal of the President and Chief Executive Officer.
- 2.2.5 Recommending to the Board approval of the Bank's senior officer appointments and of the Bank's Head of Complaints Resolution.
- 2.2.6 Reviewing and approving any terms and conditions of any agreement regarding employment termination for members of the Bank's executive committee.
- 2.2.7 Reviewing and recommending to the Board (annually) the objectives, performance evaluation, compensation and employment terms and conditions of the President and Chief Executive Officer.
- 2.2.8 Reviewing and recommending to the Board (annually) the objectives, performance evaluation and compensation for members of the Bank's executive committee other than the President and Chief Executive Officer.
- 2.2.9 Ensuring the suitability, competency and qualifications of the Bank's executives and senior officers.
- 2.2.10 Reviewing (annually) and evaluating the effectiveness of the Bank's performance management process for executives and senior officers.

2.3 Succession Planning

- 2.3.1 Reviewing and recommending to the Board a succession plan for the President and Chief Executive Officer and other senior officers (including, consideration of the Bank's emergency preparation plan).
- 2.3.2 Ensuring, while also being mindful of the Bank's competitiveness and internal equity system, that management implements a plan to promote the hiring, retention and motivation of qualified personnel.

2.4 Pension plans

- 2.4.1 Ensuring that management implements appropriate internal oversight systems for the proper management of pension plans.
- 2.4.2 Reviewing and recommending to the Board approval of the design, implementation, governance rules, and terms and conditions applicable to any pension plan provided by the Bank to employees, as well as any changes to it.
- 2.4.3 Overseeing the work of the Bank's Pension Plan Committee, in its capacity as administrator, including monitoring the administration of pension plans by receiving management reports that address the following:
 - (a) all major activities and decisions relating to the pension plans provided by the Bank and their financial status on a semi-annual basis;
 - (b) funding and investment policies, as well as the pension plans' actuarial valuations for funding purposes;
 - (c) the hiring or dismissal of a Bank pension plan:
 - (i) a consulting actuary;
 - (ii) one or more fund managers;
 - (iii) an asset custodian; or,
 - (iv) an auditor;
 - (d) the performance of any fund manager and of the pension plan portfolio on a quarterly basis.
- 2.4.4 Overseeing the work of the Bank's Pension Plan Committee, in its capacity as plan sponsor.

2.5 Culture and Conduct

- 2.5.1 Ensuring that the Bank's strategies and organizational culture encourage and contribute to the safety, health and well-being of its employees and integrate environmental (including climate), social and governance principles.
- 2.5.2 Ensuring that management conducts periodic evaluations of employee engagement levels and reviewing their results.
- 2.5.3 Ensuring that management implements and periodically reviews the Bank's equity, diversity and inclusion principles.
- 2.5.4 Ensuring that the President and Chief Executive Officer and other senior officers create and adhere to a culture of integrity and ethical conduct at the Bank.

PART B - COMMITTEE COMPOSITION AND PROCEDURES

3 Appointment, Membership, and Independence

The Committee shall consist of no less than three directors.

Following each annual meeting of shareholders, the Board shall appoint Committee members and, from among them, the chair of the Committee (the “Committee Chair”). No Committee member can be an officer or employee of the Bank or any affiliate of the Bank. In addition, all Committee members must meet the independence requirements under Applicable Law as well as those established by the Board.

Each member will remain a member until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy that occurs in the Committee at any time.

4 Compensation

Compensation for Committee members is set by the Board from time to time and may consist of a base fee, deferred compensation units, or a mix of both.

5 Meetings

The Committee meets no less than four times a year following the end of each financial quarter.

Committee meetings may also be held without notice (provided the members waive such notice) and, subject to minimum quarterly meeting requirements set out above, as often as Committee members deem appropriate and at a location determined by them.

6 Quorum

Quorum at Committee meetings is no less than a majority of the members. Where a Committee member has left for a portion of a meeting due to a conflict of interest, the member will nonetheless be considered to have been present for that meeting.

7 Chair

The Committee Chair chairs Committee meetings. In the Committee Chair’s absence from a meeting, the members present may elect a chair from among themselves for the entire, or a portion of a, meeting.

8 Procedure

Procedure for Committee meetings is the same as that applied for Board meetings.

9 Powers of the Committee

The Committee may:

- (a) call a meeting of directors;
- (b) communicate or meet privately with any officer or employee of the Bank, as well as with its internal or external auditors;
- (c) invite to any Committee meeting any director, officer or employee of the Bank or such other person as it deems appropriate in order to carry out its responsibilities, and may also exclude

from any Committee meeting any person it deems appropriate in order to carry out its responsibilities; and

- (d) call on the services of independent third-party advisors, subject to the requirements of applicable Bank policy regarding their retainer.

10 Secretary

The Bank's Corporate Secretary or any other officer designated by the President and Chief Executive Officer of the Bank carries out the corporate secretarial duties for the Committee and the Committee Chair.

11 Reporting

The Committee reports to the Board on its activities (i) verbally at any Board meeting which normally follows a Committee meeting, and (ii) through presentation to the Board, for review, of any Committee-approved minutes of a Committee meeting.

The Committee also reports on its activities annually to shareholders in the Bank's management proxy circular.

12 Delegation

The Committee may, at its discretion, designate one member, or a sub-committee comprised of several members, to review, or review further, and report back to the Committee on, any matter raised by a Committee member or during a Committee meeting.

13 Review of Mandate

The Committee reviews its mandate as required, and in any event no less than annually.