

---

## Governance and Nominating Committee Mandate

### A. ROLE

1. The role of the Governance and Nominating Committee (the “Committee”) of the Board of Directors (the “Board”) of EQB Inc. and Equitable Bank (the “Bank”) (collectively, “EQB”) is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to:
  - (i) identifying individuals qualified for board membership and recommending director nominees for election or re-election to the Board;
  - (ii) developing a set of corporate governance guidelines, including a code of conduct;
  - (iii) overseeing compensation arrangements for non-management directors;
  - (iv) overseeing EQB’s alignment with its purpose and its strategy, performance, and related reporting on corporate responsibility for environmental and social matters; and
  - (v) overseeing the evaluation of the Board and Board committees.
2. The Committee shall assist the Board in executing its oversight duties for the Compliance function with respect to the adequacy and overall effectiveness of EQB’s material compliance with legal and regulatory requirements and its related policies.
3. The Committee shall act as the conduct review committee for the Bank and any federally regulated Canadian subsidiary of the Bank.
4. The Committee shall fulfill the compliance requirements of the Bank, and any federally regulated Canadian subsidiary of the Bank, in respect of the Financial Consumer Agency of Canada, including overseeing the establishment and maintenance of policies in respect of the Bank’s compliance under the consumer protection provisions of the Financial Consumer Protection Framework under the *Bank Act* (Canada).

### B. RESPONSIBILITIES

The Committee shall:

#### Board Structure and Composition

1. Develop and regularly assess the competencies and skills the Board as a whole should possess for effective oversight of EQB now and in the future, taking into consideration its strategy, risks, opportunities, Board succession planning considerations, Board diversity including gender diversity, and other needs of the Board and its Committees.
2. Recommend the criteria for the selection of new directors based on these assessments and identify candidates to serve on the Board, taking into consideration their qualifications, personal attributes, diversity criteria and other factors, such as whether the candidate can devote sufficient time to their duties as a director.
3. Engage independent consultants, where appropriate, to help identify qualified candidates.
4. Monitor the effectiveness of the Board’s diversity policy, including its progress in achieving its aspirational goals.
5. Recommend to the Board director candidates to fill vacancies on the Board that occur between annual meetings of shareholders, and any resulting vacancy in Board Committee membership.

6. Review the appropriateness of the size of the Board relative to its mandate and the composition of the Board as a whole, with a view to facilitating effective and independent decision-making.
7. Recommend to the Board the composition of Board committees and the appointment of Committee Chairs, having regard to such attributes including experience, dedication and leadership skills essential to be an effective Chair.
8. Recommend to the Board criteria for the tenure of directors, such as term limits, retirement age, continuing suitability, and assumption of responsibilities incompatible with directorship.
9. Review and recommend for Board approval mandates and/or position descriptions for an individual director, the Board of Directors, the Chair of the Board, and Committee Chairs.
10. Oversee and monitor the orientation of new directors and the continuing education for all directors, including oversight of topical presentations for the Board as required.
11. Consider any resignation offer from a director pursuant to EQB's policy on majority voting for director elections and absent any exceptional circumstances, recommend to the Board the acceptance of such resignation.
12. At least annually, review a succession planning process for the Chair of the Board and make recommendations to the Board as appropriate. The Committee may recommend to the Board the removal of the Chair of the Board, where the Committee determines this to be appropriate. Where there is a vacancy in the Chair of the Board, the Committee may recommend to the Board a replacement, based on the Committee's succession planning process.
13. Monitor the quality of the relationship with management and recommend improvements as necessary. Monitor the quality, relevance and timeliness of information provided to enable the Board to focus on key issues and make informed decisions, and recommend any improvements determined advisable.
14. Satisfy itself that the Office of the Superintendent of Financial Institutions (OSFI) is promptly notified in advance of any potential changes to Board membership.

### **Board Independence**

1. Review and recommend for Board approval a director independence policy that establishes independence standards for directors.
2. Assess the independence status of each director candidate standing for election at the annual meeting of shareholders, and report the results of the assessment to the Board.
3. Oversee the structures and procedures of the Board and its relationship with management to ensure it can function independently of management.
4. Have unrestricted access to management in carrying out its responsibilities.
5. Engage external counsel, consultants or advisors as determined necessary, at the expense of the Bank.
6. Oversee the provision of information from management to the Board to enable the Board to focus on key issues and make informed decisions on a timely basis.

7. Facilitate the scheduled and requested meetings of the Board in the absence of management and/or any non-management director.

### **Board and Director Assessment**

1. Establish and oversee the process for annually assessing the performance and effectiveness of the Board as a whole and its Committees, and the periodic assessment of the Chair of the Board and individual directors (through peer review and director interview processes), against criteria the Committee considers appropriate.
2. Periodically conduct the Board assessment process with the assistance of an independent external advisor and recommend to the Board for approval the retention of the external advisor selected by the Committee.
3. Report the results of such assessments to the Board and, if necessary, recommend any action plans to address issues that may be raised as a result of such assessments.

### **Director Compensation**

1. Review, at least biennially, the adequacy and form of director compensation and, when appropriate, recommend any changes to the Board for approval.
2. Oversee the administration of the Deferred Share Unit Plan and where appropriate, recommend any amendments to the Board for approval.
3. Review and monitor share ownership requirements for the non-management directors and, when appropriate, recommend changes to the Board for approval.

### **Corporate Governance**

1. Review at least annually EQB's Corporate Governance Guidelines and recommend approval or changes thereto to the Board.
2. Approve the disclosure of EQB's corporate governance practices in annual disclosure documents.
3. Review EQB's corporate governance practices against emerging trends, best practices and regulatory guidance and make recommendations to the Board as appropriate.
4. Review and recommend for Board approval policies for ethical personal and business conduct, including the Code of Conduct (the "Code") for EQB and its subsidiaries, as appropriate.
5. Monitor compliance with the Code and recommend for Board approval any waiver from a provision of the Code that is requested by any Director or Executive Officer.
6. Review and monitor adherence to the Bank's policy for assessing the suitability and integrity of the Bank's directors (Responsible Persons).
7. Review and approve policies for insider trading and monitor their effectiveness.
8. Periodically review and recommend for Board approval any changes to EQB's general by-laws.
9. Monitor the governance practices of the Bank's subsidiaries.

---

## **Environmental, Social Responsibility and Governance (“ESG”)**

1. Oversee EQB’s ESG strategy and initiatives, including integration with overall strategic planning and related reporting, specifically the ESG Report and Public Accountability Statement, charitable giving strategy, human rights, and vendor code of conduct.
2. Monitor emerging trends, standards and best practices in ESG matters and the disclosure of non-financial performance.
3. Support the Board in its oversight of EQB’s purpose and review EQB’s disclosure on, execution of, and alignment with, its purpose.
4. Review and recommend for Board approval the Bank’s statement on human rights and modern slavery.
5. Oversee engagement efforts with stakeholders, including ESG ratings agencies and suppliers.

## **Regulatory Compliance**

1. Review the Regulatory Compliance Management Policy which specifies the components of the regulatory compliance management program, and approve the annual compliance plan presented by the Chief Compliance Officer.
2. Receive regular reports from the Chief Compliance Officer on the status of the annual compliance plan and the adequacy and effectiveness of the Bank’s regulatory compliance management program, including annual and other periodic reports of the Chief Compliance Officer.
3. Receive the Chief Compliance Officer’s annual assessment of the Bank’s compliance with applicable legal and regulatory requirements and report any material findings to the Board.
4. Receive and discuss regular reports on compliance reviews conducted by the Bank’s regulators and any required remedial action by management.
5. Review reports from Internal Audit that address the effectiveness of the Bank’s regulatory compliance management program and management of significant compliance risks, and monitor management’s progress regarding the status of significant recommendations and findings as well as direct and follow up on improvements as necessary.

## **Compliance Function**

1. Review the organizational structure of the Compliance function and annually approve the function’s resources and budget.
2. Review and approve the mandate of the Chief Compliance Officer. Ensure the Chief Compliance Officer has sufficient stature and authority within EQB.
3. Approve the appointment or dismissal of the Chief Compliance Officer.
4. Annually assess the effectiveness and performance of the Chief Compliance Officer, taking into account any material instances of non-compliance or control weakness with respect to the Compliance function and provide the results to the Chief Executive Officer as input into the compensation approval process.

5. Periodically engage an independent third party to assess the effectiveness and independence of the Compliance function and review the results of that assessment and management's response.
6. Provide a forum for the Chief Compliance Officer to have unfettered access to the Committee to raise any reporting issues or issues with respect to the relationship and interaction among the Compliance function, management and/or regulators.

### ***Anti-Money Laundering and Anti-Terrorist Financing***

1. Review and approve the mandate of the Chief Anti-Money Laundering Officer ("CAMLO"). Ensure the CAMLO has sufficient stature and authority within EQB.
2. Review the appointment or dismissal of the CAMLO.
3. Review the Anti-Money Laundering/Anti-Terrorist Financing ("AML/ATF") Policy and any significant changes thereto.
4. Receive reports on compliance with applicable regulatory AML/ATF requirements and at least annually review the effectiveness of the AML/ATF Program.
5. Review any issues raised by Internal Audit on the effectiveness of the Bank's AML/ATF Program and follow up with management on the status of recommendations and suggestions as appropriate.
6. Provide a forum for the CAMLO to have unfettered access and a functional reporting line to the Committee to raise any compliance issues or issues with respect to the relationship and interaction among the AML Department, management and/or regulators.

### **Conduct Review**

1. Review and monitor the effectiveness of the Bank's policy and procedures for complying with the self-dealing provision of the *Bank Act* (Canada) and the *Trust and Loan Companies Act* (Canada).
2. Review the Bank's practices to ensure that any transactions with related parties of the Bank, or any Canadian subsidiary that is a federally-regulated financial institution, that may have a material effect on the stability or solvency of the respective entity are identified.
3. Establish criteria for determining whether the value of transactions with related parties of the Bank is nominal or immaterial to the Bank.
4. Review and approve the terms and conditions of (i) loans, other than margin loans, to senior officers of the Bank that are more favourable than those offered to the public; and (ii) loans to spouses of senior officers on the security of mortgages of the principal residences of such spouses if such terms and conditions are more favourable than those offered to the public.
5. Approve the terms and conditions of any permitted related party transaction that exceeds the established Transaction and Aggregate Threshold for such transaction.
6. Approve the terms and conditions of financial services, other than loans or guarantees, offered to senior officers, their spouses/common law partners or their children who are less than eighteen years of age, if such terms and conditions are more favourable than those offered to the public and the said financial services are also offered to employees of the Bank under the same terms and conditions.

7. Report to OSFI on the Committee's mandate and responsibilities under the self-dealing provisions of the *Bank Act (Canada)* and *Trust and Loan Companies Act (Canada)*.
8. Review the Board's report to OSFI with respect to conduct review committee matters undertaken by the Committee during the year, which must be filed within 90 days after the Bank's financial year-end.

### **Conflicts of Interest and Confidential Information**

1. Review, approve and monitor the effectiveness of EQB's policy and procedures to identify and resolve conflicts of interest.
2. Review, approve and monitor the effectiveness of the Bank's policy and procedures to restrict the use and disclosure of confidential information.
3. Oversee the Bank's compliance with privacy legislation.

### **Consumer Protection**

1. Require the management of the Bank to establish policies/procedures for complying with consumer provisions.
2. Review the appropriateness of policies/procedures established for complying with consumer protection provisions of the Financial Consumer Protection Framework under the *Bank Act (Canada)* to ensure the Bank is complying with the consumer provisions.
3. Review, at least annually, reports from the Chief Compliance Officer on the implementation of the policies/procedures and on any other activities the Bank carries out in relation to the protection of its customers.
4. Report to the Financial Consumer Agency of Canada ("FCAC") on the Committee's mandate and responsibilities under the consumer protection provisions of the Financial Consumer Protection Framework under the *Bank Act (Canada)*.
5. Review the Board's report to FCAC on the activities undertaken by the Committee with respect to consumer protection matters undertaken by the Committee during the year, which must be filed within 90 days after the Bank's financial year-end.

### **Other**

1. Review and assess the adequacy of this Mandate at least annually and where necessary, recommend changes to the Board for approval.
2. Annually evaluate the Committee's effectiveness with respect to this mandate.
3. Participate as required or as determined by the Committee Chair in internal or external education sessions to enhance familiarity with the Committee's responsibilities. The Bank will provide appropriate funding for such sessions.
4. Prepare a report on the Committee's activities for inclusion in EQB's Management Information Circular.

---

**C. MEMBERSHIP**

1. The Committee shall consist of a minimum of three independent directors as defined in applicable laws, rules and regulations and as determined pursuant to the Director Independence Standards approved by the Board.
2. Each Committee member should have an understanding of issues related to corporate governance or be willing to acquire the necessary knowledge within a reasonable period of time following their appointment to the Committee.
3. Committee members are appointed annually by the Board to take effect immediately following the annual meeting of shareholders, and members shall hold office until their successors are appointed or until they cease to be directors of EQB.

**D. VACANCIES**

Vacancies may be filled for the remainder of the current term of appointment by the Board.

**E. CHAIR AND SECRETARY**

1. The Board shall appoint from the Committee membership, a Chair for the Committee to preside at meetings. In the absence of the Chair, the Committee members may appoint a chair from the members present to preside at that meeting. The Chair shall work with management to develop the Committee's meeting agendas and annual workplan.
2. The Corporate Secretary or their designate shall act as Secretary of all Committee meetings and record and maintain minutes of all meetings of the Committee and subsequently present them to the Committee for approval.

**F. MEETINGS AND QUORUM**

1. The Committee shall meet at least four times a year or more frequently as circumstances dictate. Meetings shall be convened at such times, places and in such a manner as determined by the Committee Chair.
2. Meetings of the Committee may be called by the Chair or by any two Committee members. Members may participate in meetings in person or by telephone, electronic or other communication facilities. A member participating by such means is deemed to be present at that meeting.
3. Any non-Committee director has a standing invitation to attend meetings of the Committee but may not vote. The Committee may invite any officer or employee or any other person to attend meetings to assist the Committee with its deliberations.
4. Notice of Committee meetings shall be sent to each Committee member in writing or by telephone or electronic means, at least 24 hours before the time and date set for the meeting, at the member's contact information recorded with the Corporate Secretary. A member may in any manner waive notice of a meeting of the Committee and attendance at a meeting is a waiver of notice of the meeting, except where a member attends for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called.

5. The external auditor is entitled to receive notice of each Committee meeting at which matters under the Conduct Review section of this mandate will be reviewed.
6. Quorum for a Committee meeting shall be a majority of its members, subject to a minimum of two members.
7. Written resolutions in lieu of a meeting are permitted solely in accordance with the *Bank Act* (Canada) or the *Trust and Loan Companies Act* (Canada).
8. Matters decided by the Committee shall be by majority vote.
9. The Committee shall meet privately immediately prior to and/or following the conclusion of the regular agenda matters.
10. The Committee shall meet separately with the Chief Compliance Officer, the Chief Anti-Money Laundering Officer and other members of management as determined necessary.

#### **G. REPORT TO THE BOARD**

1. The Committee Chair shall report to the Board after each Committee meeting on matters reviewed and/or approved by the Committee, including those relating to consumer protection and, where applicable, present the Committee's recommendations to the Board for its approval.

\* \* \* \*

This mandate was last reviewed and approved by the Board on November 8, 2022.