

**EQUITABLE GROUP INC.
EQUITABLE BANK**

Mandate of the President and Chief Executive Officer

PURPOSE

The President and Chief Executive Officer (“CEO”) is responsible for the overall leadership, strategic direction and successful business performance of Equitable Group Inc. and its wholly-owned subsidiary, Equitable Bank (“the Bank”) (collectively “Equitable”) based on the nature, size, scope and complexity of Equitable’s operations and corporate strategy and its inherent risks.

SCOPE

As Equitable’s principal senior executive, the CEO leads the management of Equitable’s business and affairs. The Chief Executive Officer is responsible for both Equitable’s long-term and short-term successful, as well as sustainable, performance.

The CEO sets the strategic direction consistent with the interests of multiple stakeholders and delegates them to Management for further development and execution across the enterprise. The CEO directs the implementation of the resolutions and policies in a manner consistent with maintaining a culture of risk and control and an awareness of best practices as they relate to Equitable, supported by an effective governance framework, processes and infrastructure.

GENERAL

The CEO is appointed by the Board and shall serve at the pleasure of the Board or until the CEO’s resignation, retirement or death.

The Board of Directors annually approves the CEO’s mandate and compensation.

The performance of the CEO is evaluated at least annually by the Human Resources and Compensation Committee.

ACCOUNTABILITY

The CEO is accountable to the Board of Directors to perform the duties required of the position under the relevant provisions of the *Bank Act* (Canada), requirements of the stock exchange upon which the securities of EGI are listed, and all other applicable laws.

The CEO oversees and manages Equitable’s day-to-day activities within the authority delegated by the Board of Directors (the “Board”) and in compliance with applicable laws, rules, regulations, prescribed practices, and ethical standards, delegating initiatives and individual tasks to certain officers. The CEO directly supervises and evaluates Equitable’s senior management and the discharge of their responsibilities. The CEO meets with them regularly to communicate and share information, as well as ensure effective management relating to enterprise-wide governance and control, enterprise-wide strategic direction and policy, financial affairs, risk management issues and reports that require Board review and/or approval.

The CEO accepts the Board’s role in choosing his/her successor and actively supports succession planning.

The CEO partners with the Chair of the Board (“Board Chair”) to strengthen the Board, and proactively works to communicate and build relationships with the Board Chair and members of the Board via regular Board meetings as well as informal interactions, feedback and guidance, when appropriate, outside of board meetings.

RESPONSIBILITIES

The CEO is responsible for all functions set out below and for any other matter relating to the business and affairs of Equitable that are delegated to the CEO by the Board.

1. Interaction with the Board of Directors

The CEO promotes Board effectiveness:

- Works closely with the Board Chair to set priorities consistent with Equitable’s long-term strategic direction and risk appetite and facilitate effective Board oversight by fostering and participating in relevant and engaged Board discussions.
- In conjunction with the Board Chair and the Board Committee Chairs, ensure that the Board Committees are provided with the resources they require to fulfill their respective mandates, including, when requested, access to management and to external advisors.
- Provides the necessary information, analyses and advice on the organizational structure, objectives, strategies, plans, business operations and significant issues to enable the Board to make informed decisions and focus on key issues.
- Supports the Board’s oversight role by ensuring policies and procedures are in place to facilitate the timely disclosure of relevant, balanced and accurate information to the Board to enable them to fulfill their oversight role and evaluate the operations to ensure Equitable is operating within an appropriate control environment.
- Seeks Board approval for expenditures or transactions falling outside of authorizations established by the Board from time to time.

2. Leadership

The CEO sets the tone for the standards, values and principles Equitable is to adhere to in attaining its strategic objectives and leads the senior management team in the execution of Equitable’s strategic plan:

- Sets the right “tone from the top” and fosters a culture of integrity and ethical business conduct throughout Equitable by exemplifying the highest personal and professional standards.
- Establishes and participates in management committees overseeing the implementation of the strategic and capital objectives.

3. Strategy

The CEO recommends for approval by the Board the Bank’s strategic plan:

- Establishes the framework and processes to develop and communicate Equitable’s long-term strategic direction including the Bank’s risk appetite.

- Establishes corporate priorities and allocates financial and human capital in accordance with such priorities to ensure the effective implementation of Equitable’s corporate objectives and long-term strategies.
- Protects the Bank’s assets while promoting sustainable value creation for its shareholders.
- Investigates business opportunities as they arise and develops new opportunities in accordance with the Bank’s strategic plan.
- Communicates and leads the execution of the strategic plan and related activities ensuring the appropriate integration and alignment of the organizational structure, supporting management processes and allocation of financial and human capital.
- Reviews and monitors the Bank’s progress against its strategic plan.

4. Financial Performance

The CEO oversees the effectiveness of Equitable’s financial structure:

- Monitors and determines Equitable’s present and future capital requirements.
- In conjunction with the Chief Financial Officer, establishes and maintains appropriate standards for all financial, management and regulatory reporting including audit, Board and regulatory authority requirements.

5. Risk Management

The CEO builds and maintains a risk management culture with controls, processes and an effective governance structure to support such culture:

- Advises the Board on the principal risks to Equitable’s business and the implementation and operations of systems to manage these risks within Equitable’s risk appetite.
- Ensures the Bank’s risk profile is managed in accordance with its Risk Appetite Framework and that appropriate risk diversification is in place.
- Oversees the establishment of internal, financial, non-financial and business control and information systems.
- Delegates authority to certain officers with respect to approval limits for capital expenditures, and credit and investment limits as authorized from time to time by the Board.
- Implements risk-based approval processes for all new products, activities, processes and systems.

Recovery Plan

The CEO has overall accountability for Recovery Planning:

- Responsible for the ongoing development, implementation and maintenance of the Recovery Plan and its integration with relevant enterprise-wide frameworks, processes and practices, and for overall leadership during a stress event.

6. Senior Management

The CEO oversees and supports a collaborative work environment characterized by diverse, capable and engaged employees:

- Supervises the day-to-day activities of Equitable, either directly or through officers duly appointed by the Board.
- Approves the overall organizational structure under which major accountabilities and functions are assigned.

- Builds and directs an effective senior management team, and appoints all non-Executive Officers the CEO considers necessary or advisable for the conduct of Equitable’s affairs and delegates to certain officers the matters set out in their respective mandates.
- Oversees business operations either directly or indirectly through the senior management team.
- Designates individuals responsible for business continuity management and for compliance with privacy and consumer protection laws as required by regulators.
- Ensures those in key oversight roles have the resources and support to fulfill their duties and that they are sufficiently independent of operational management and have the capacity to offer objective opinions and advice to the Board and senior management.
- Oversees the establishment of a senior management committee structure and chairs or participates in those committees.
- Oversees the Bank’s approach to executive compensation and human resource management, ensuring the appropriate alignment between compensation, business results and risk management.
- Ensures appropriate succession plans are established and are reviewed by the Board at least annually. Ensures suitable talent management and leadership development plans are in place to provide for the continuity of leadership required by the Bank and are presented to the Board at least annually.

7. Communication

The CEO shall be the official spokesperson for the Bank, and on an ongoing basis:

- Keeps the Board and stakeholders advised of Equitable’s affairs.
- Strengthens Equitable’s brand and positive public profile.
- Represents Equitable to shareholders, the financial and investment community, customers, employees, media and the public; develops and maintains relationships with regulators and business partners.
- Ensures the timely and accurate disclosure of all material information in accordance with Equitable’s Disclosure Control Policy.

AUTHORITY

The CEO serves as a member of the Board as required by the *Bank Act* (Canada).

This mandate was last reviewed and approved by the Board on November 9, 2017.