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MANDATE OF THE HUMAN RESOURCES AND CORPORATE GOVERNANCE COMMITTEE

1. Constitution

The Human Resources and Corporate Governance Committee (in this mandate, also referred to as the “Committee”) is constituted by the Board of Directors to support it in exercising its human resources and corporate governance functions.

The Committee reviews its mandate annually.

2. Appointment and Membership

The Committee consists of at least three directors.

At the Board meeting that follows the annual meeting of shareholders, the Board of Directors appoints the directors who make up the Committee and its Chair. All members of the Committee must meet the independence requirements established by the Board.

The Committee members remain in office until the Board meeting that follows the next annual meeting of shareholders, unless they are replaced in the interim by a decision of the Board.

3. Compensation

Committee members receive compensation for their services established by Board resolution.

4. Meetings

The Committee meets at least once every quarter.

Committee meetings may be held without notice (provided the members waive such notice) as often as the members deem appropriate and at the location determined by them.

5. Quorum

Quorum at Committee meetings is constituted by a majority of the members.

6. Chair

As designated by the Board of Directors, the Committee Chair chairs the Committee meetings. In the Chair’s absence, the members present may elect a Chair *pro tempore* from among themselves.

7. Procedure

The procedure for Committee meetings is the same as that for meetings of the Board of Directors.

8. Powers of the Committee

In carrying out its mandate, if it deems appropriate, the Committee may:

- (a) call a meeting of directors;
- (b) communicate with or meet privately with any officer or employee of the Bank, as well as with its internal or external auditors;
- (c) call on the services of external resources independent of the Bank and determine and pay the related fees in compliance with the Board's policy regarding the use of external advisors.

9. Secretary

The Secretary of the Bank or any other officer designated by the President and Chief Executive Officer of the Bank carries out the duties of secretary with respect to the Committee's mandate and those assigned by the Committee Chair.

10. Functions

The Committee exercises the following functions delegated by the Board, as well as any other functions that may be delegated to it by the Board from time to time:

10.1. Human Resources

With respect to Human Resources management:

- 10.1.1. Review annually the performance management process and evaluate its effectiveness.
- 10.1.2. Ensure that Management implements a plan to promote the hiring, retention and motivation of qualified personnel, taking into account the Bank's competitive position while maintaining an internal equity system.
- 10.1.3. Ensure that Management conducts a periodic evaluation of the level of employee engagement and review the results of this evaluation.
- 10.1.4. Receive periodic status reports on the relations between the Bank and the employees' union, and examine all other important labour relations questions submitted to it.
- 10.1.5. Periodically review and, if applicable, approve amendments to the Bank's structure.
- 10.1.6. Approve the Human Resources management policies listed in the Appendix.

With respect to senior officers:

- 10.1.7. Recommend Board approval of senior officer appointments at executive levels 1, 2 and 3 ("senior officers") and of the ombudsman.
- 10.1.8. Approve the establishment of objectives for members of the Management Committee and evaluate their performance.

- 10.1.9. Approve the terms and conditions of any employment termination agreement of a member of the Management Committee.
- 10.1.10. Ensure that Management implements a succession plan for senior officers with periodical reviews.
- 10.1.11. Ensure that senior officers demonstrate and create a culture of integrity throughout the Bank.
- 10.1.12. Ensure the competence and qualification of senior officers.

With respect to compensation:

- 10.1.13. Approve the overall compensation framework (including compensation, short-, medium- and long-term incentive plans, social benefits, indemnification in case of a change of control, pension plans or any similar plans, and ancillary benefits) for senior officers, for the purpose of furthering the Bank's business objectives, taking into account its competitive position while maintaining an internal equity system.
- 10.1.14. Recommend Board approval of the terms and conditions of any stock option and incentive plans based on share value ("incentive plan").
- 10.1.15. Approve grants made under incentive plans in accordance with their terms and conditions.
- 10.1.16. Manage all ancillary benefits, social benefits, incentive plans, indemnification in the event of change of control, retirement plans or any other similar plan in accordance with the powers of administration granted to the Committee under those plans.
- 10.1.17. Approve the compensation, individual bonuses and employment conditions of the Management Committee members, as well as the material terms and conditions of compensation and other employment conditions applicable to senior officers and other employees and officers of the Bank.
- 10.1.18. In collaboration with the Risk Management Committee, review annually the alignment of the Bank's compensation, performance and risk with the compensation principles and standards of the Financial Stability Board.

With respect to pension plans:

- 10.1.19. Ensure that Management implements appropriate internal oversight systems for the proper management of pension plans.
- 10.1.20. Recommend Board approval of the design, implementation, governance rules, and terms and conditions applicable to any pension plan offered by the Bank, as well as any changes to it.
- 10.1.21. Follow up on the administration of pension plans by receiving management reports that address the following elements:
 - (a) all activities and decisions relating to the pension plans offered by the Bank and their financial situation on a semi-annual basis;

- (b) capitalization and investment policies, as well as the pension plans' actuarial valuations for capitalization purposes;
- (c) the hiring or dismissal, as required, of:
 - (i) a consulting actuary,
 - (ii) one or more fund managers,
 - (iii) an asset custodian,
 - (iv) an auditor;
- (d) the performance of fund manager(s) and of the pension plan portfolio on a quarterly basis.

10.2. Corporate Governance

With respect to the President and Chief Executive Officer:

- 10.2.1. Recommend to the Board the appointment or dismissal of the President and Chief Executive Officer.
- 10.2.2. If applicable, recommend to the Board any change to the job description of the President and Chief Executive Officer.
- 10.2.3. Recommend annually to the Board the objectives, evaluation, compensation and employment conditions of the President and Chief Executive Officer.
- 10.2.4. Implement a succession plan for the President and Chief Executive Officer and review it periodically.
- 10.2.5. Ensure that the President and Chief Executive Officer acts with and creates a culture of integrity throughout the Bank.

With respect to the Board and Committees:

- 10.2.6. If applicable, recommend to the Board any changes to corporate governance rules and ensure compliance with them.
- 10.2.7. Review the annual report on corporate governance and make recommendations to the Board.
- 10.2.8. If applicable, recommend to the Board any changes to the functions of the Board of Directors.
- 10.2.9. Review the Board's membership, including taking into account the competencies and skills that it should possess, as well as the competencies and skills of each of its members and its diversity, and make recommendations to the Board with respect to that.
- 10.2.10. Review the size of the Board and the length of its members' mandates in order to facilitate effective decision-making, and make recommendations to the Board thereon.

- 10.2.11. If applicable, recommend to the Board any changes regarding the compensation of its members.
- 10.2.12. If applicable, recommend to the Board any changes to the rules respecting minimum holding of Bank shares by directors.
- 10.2.13. If applicable, recommend to the Board any changes to the job descriptions of the Board and Committee Chairs.
- 10.2.14. If applicable, recommend to the Board the constitution of Board Committees, as well as any changes to their composition and the description of their functions.
- 10.2.15. If applicable, recommend to the Board any changes to the Code of Conduct for its members and ensure compliance with them.
- 10.2.16. Ensure ongoing training for Board members.
- 10.2.17. Establish criteria to evaluate the independence of Board members and periodically assess the independence of each member.
- 10.2.18. Evaluate the Board and its members.
- 10.2.19. Ensure the recruitment of new Board members to be submitted for election by shareholders, evaluate if each new appointee can devote sufficient time and resources to the duties of director, and make recommendations to the Board with respect thereto.
- 10.2.20. See to the orientation and integration of new Board members.
- 10.2.21. If applicable, recommend to the Board any changes to the Board's policy regarding the use of external advisors by directors.

With respect to public disclosure:

- 10.2.22. Recommend Board approval of information on compensation in accordance with regulations prior to its publication in the Bank's Management Proxy Circular.
- 10.2.23. Review the information on corporate governance prior to its publication.
- 10.2.24. Ensure that shareholders are well informed of the Bank's state of affairs and deal with all major differences between the Bank and its shareholders.

11. Reporting

The Committee reports on its activities to the Board of Directors verbally at the Board meeting that normally follows the Committee meeting, and in writing at the subsequent Board meeting.

The Committee also reports yearly on its activities to shareholders through the Bank's Management Proxy Circular.

APPENDIX

Policies Included in the Human Resources and Corporate Governance Committee's Framework

- Employment Equity Accommodation Policy
- Policy to Combat Harassment and Violence
- Policy on Financial Benefits on Products Offered by the Bank
- *Politiques de formation et de développement* (not available in English)
- Performance Management Policy
- *Politique de remplacement du président et chef de la direction en cas d'incapacité subite ou accidentelle* (not available in English)
- Directors' External Advisors Services Policy
- Policy Regarding Background Checks on Directors and Officers
- Compensation Policy for Laurentian Bank Senior Executives
- *Politique de rémunération des employés des marchés des capitaux* (not available in English)
- *Politique sur la capitalisation des régimes de retraite* (not available in English)
- *Politique sur les comptes de dépenses des administrateurs* (not available in English)
- Governance Policy