TSX.EQB | EQB.PR.C

EQB Inc. | Management Information Circular

RETURNS
+16% ROE 10-YEAR AVERAGE

GROWTH
11.4% EPS GROWTH 10-YEAR CAGR

WEALTH
305% 10-YEAR TSR

DRIVE CHANGE
TO ENRICH PEOPLE'S LIVES

INNOVATION
TECHNOLOGY TO BETTER SERVE CANADIANS

SCALE
EQB WELCOMES CONCENTRA BANK

GAINS
488K CUSTOMERS

SUSTAINABILITY
CARBON NEUTRAL IN SCOPE 1 & 2 GHG EMISSIONS

Notice of Annual Meeting of Shareholders and Management Information Circular

May 17, 2023 | 10:00a.m. (Eastern)

Your vote is important. This document tells you who can vote, and what you will be voting on and how to vote.

Note: all cover measures as at December 31, 2022

Canada's Challenger Bank ™

EQB | Equitable Bank | EQ Bank

Fellow Shareholders:

This past year has been uniquely rewarding for EQB. While delivering profitable organic growth, our subsidiary Equitable Bank (Canada's Challenger Bank™) successfully completed the acquisition of Concentra Bank on November 1, 2022. In so doing, we became Canada's 7th largest independent bank with $103 billion in combined assets under management and assets under administration at year end.

Scale and added diversification in sources of revenue, funding and distribution are valuable as they enhance operating leverage, competitive strength and market presence. We gained all three along with a substantial increase in the number of commercial and retail customers we serve – with very positive implications for future value creation. The combination of new account openings at EQ Bank, Canada's leading digital platform with increasing household awareness, and the addition of Concentra brought our customer base to nearly a half a million, up from 325,000 the prior year. Notably, 200 Canadian credit unions that serve their nearly six million members also became valued clients.

EQB has maintained a distinct focus on steady Return on Equity (ROE) anchored value creation annually with a 10-year average of greater than 16%. Our Bank and focus on bringing change to Canadian banking is also designed with a robust risk management framework, nearly 100% of our lending is secured and 46% insured, our common equity tier 1 capital remains among the best of Canadian banks, and our funding sources are diverse with the majority of deposits insured by design.

This business model will continue to enable EQB to perform in volatile and changing markets, which were evident in 2022 and have been prominent early in 2023. These are times when our shareholders can be particularly proud of the diversification, growth and capabilities of our team and confident in our ability to generate long-term, peer-leading total shareholder return including a dividend that increased another 25% year–over year in 2022.

While much changed over the past year, the defining characteristics of our business did not. We are proud to describe some of these enduring features below to introduce this year's Management Information Circular.

#1 Our purpose

Our purpose is to drive change in Canadian banking to enrich people's lives. This purpose causes us to think and act differently as a bank – even as one that is now more diversified across personal and commercial lines – by setting new standards for customer value. It also encourages us to be thoughtful but also bold and innovative in our product and service approach.

The feature-rich EQ Bank Card is the latest example of delivering our purpose. The card was broadly tested by employees late in 2022 and formally launched to all customers in January 2023. It is an everyday payment solution with a difference. Customers who use it can access their high-interest EQ Bank Savings Plus account – fee free – from any ATM in Canada. With cashback on all purchases and no charges on foreign exchange purchases, the Card sets a new benchmark for customer value and convenience.

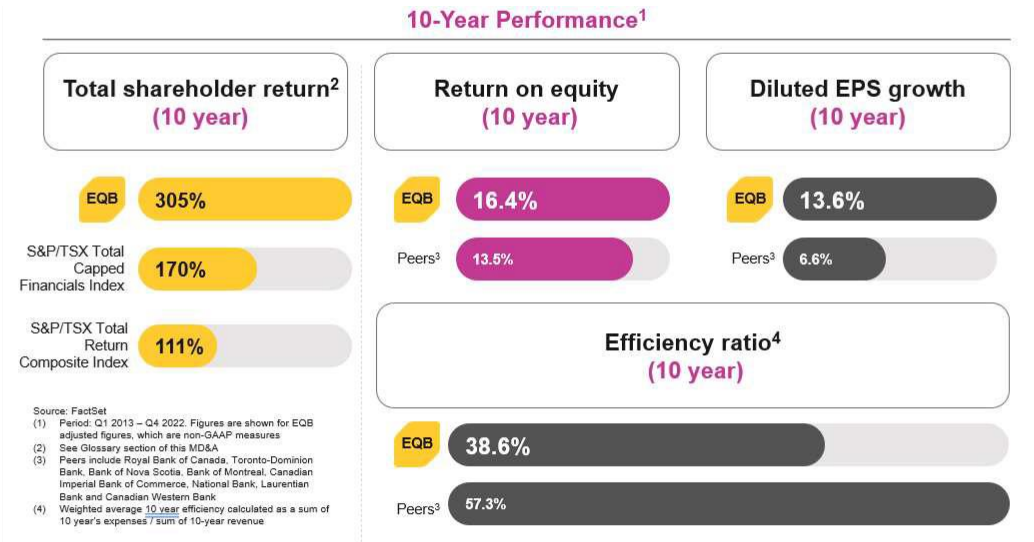
At year end, EQ Bank accounted for $7.9 billion of our diversified $30.8 billion deposit book and with the late-2022 launch of EQ Bank services in Québec, our digital platform is now national in scope and achieving an ever-increasing level of consumer acceptance. Beyond these numbers, we think it is important for our shareholders to know that the team at EQB has a deep understanding of how technology is changing banking, and with our true cloud-native digital platform, is able to lead that change through the rapid release of high-reliability, highly differentiated customer solutions.

#2 Our values

Our Bank has long operated with five core values: service, integrity, empowerment, respect and agility. We codified these values in a set of behaviours that every employee – including our CEO – is expected to model every day. Annual performance appraisals are among the tools we use to reinforce these non-negotiable principles. Living our values is essential to our standing as a federally regulated institution, instrumental in earning the trust that is placed in us to protect depositors' money and keeps us grounded and respectful of people inside and outside our institution.

Ultimately, our central organizing purpose as Canada's Challenger Bank™ and our corporate values make it easier for customers, business partners, employees and shareholders to assess whether they wish to do business with, work for, or own our institution. Prior to acquisition, Concentra Bank also operated with a principled culture – a fact that is proving to be beneficial in the integration now well underway.

#3 Our focus on delivering consistently superior performance



On an annual basis, we publicly state earnings and growth guidance and strive to achieve it – as we did in 2022. However, what matters most is consistency of performance over decades. ROE, which measures the efficiency and effectiveness of capital deployment, is our north star financial metric.

Many years ago, we developed an economic model that guides us in achieving an ROE of 15 to 17% annually and a proprietary ROE calculator to assess every loan. By growing businesses that can consistently deliver our ROE hurdle rate, we enable EQB to i) build sufficient capital to distribute dividends in the range of 10-12% of net income available to common shareholders ii) increase book value by 14-16% annually iii) build assets by 14-16% annually iv) maintain stronger capital ratios than Canadian peers.

This approach is repeatable and proven. Over the past decade, the average annual growth rate for assets was 16.0%, 15.4% for book value and 16.6% for common share dividends. In the same period, our total capital ratio averaged a strong 15.8% and despite growth in dividends, our payout against net income available to common shareholders was 10.9%.

Despite our status as a larger institution, our value-creation method remains entirely appropriate and relevant. It will be applied without variation as we expand and further diversify our customer services.

#4 Our risk management approach

Over the past five years, Canada encountered a variety of stress-inducing events including the pandemic, an abrupt recession and the highest rate of inflation in 30 years. Now, our markets confront higher borrowing costs due to Bank of Canada monetary actions while the global financial system faces potential spillover effects from idiosyncratic banking failures outside our borders.

Through this period, and for many years before that, our tolerance for the various risks we face has not changed even as we added new business lines – nor will it change now that we are a larger institution with a more diversified asset (and deposit) base.

Instead, we will continue to be guided by the same consistent, focused and well-defined Risk Management Framework that is deeply operationalized within our Bank at all levels. This framework was designed to safely guide us through the entirety of a business cycle and is an entrenched part of our decision-making process. It works, as evidenced by a decade of very low realized loan losses; the lowest loss rate as a percentage of loan assets among all Schedule I banks in the S&P/TSX Bank Index. On sound credit fundamentals and consistent profitability, DBRS Morningstar upgraded the credit ratings of EQB, Equitable Bank and Concentra Bank in late November 2022.

Our Bank also employs sound capital funding and liquidity management strategies that are stress and scenario tested to provide protection in the event of market or financial system duress. In particular, our expert Treasury team maintains a well-matched book that funds assets with liabilities of similar terms. This prudence is what our customers and shareholders have come to expect of our institution over the past five decades and can count on at all times as we live up to the requirements of operating in the world's most stable and well-regulated banking market. Tangible proof of capital strength can be found in our year-end CET1 ratio of 13.7%, which is above 2021's level even after accounting for the acquisition of Concentra Bank.

#5 Our belief in the value of good governance and meaningful stakeholder engagement

Our Board of Directors operates with a strong governance framework to create value for all stakeholders, enhance long-term sustainability, and reduce business risk. In reviewing the biographies of our Directors starting on page 21, you will see that their expertise is relevant and that they have the knowledge and experience to challenge management in a positive manner to ensure stakeholder interests are enhanced and protected.

Recognizing that we operate a growing business in a dynamic environment, the Directors' continuing education program is designed to keep our Board current on regulatory, economic and marketplace developments. In-depth sessions in 2022 explored open banking and offered Directors greater insights into how the capital markets evaluate EQB versus other financial institutions. The Board's decision to change EQB's year end to October 31st starting in 2023 – the same as the Big Six – will most certainly help the investment community compare our performance with our peers.

Board renewal through well-planned Director succession is a key part of delivering good governance. This year, David LeGresley and Lynn McDonald are not standing for re-election having reached their 12-year term limit. David retires as Chair of the Board (since 2014). We sincerely thank all Directors, including our retirees, for their outstanding leadership and commitment to EQB.

In preparation for these retirements, your Board recruited three new independent Directors who will stand for first-time election at our annual meeting on May 17th: Michael Hanley, Marcos Lopez and Carolyn Schuetz. In keeping with best practices, the selection process was thorough, company specific and considered core personal attributes and qualities, as well as skills and experience. It was also conducted with a view to reinforcing Director diversity. Our Board engaged a consultant specifically to ensure we went well beyond our own networks to identify diverse talent.

We are delighted with the outcome and urge shareholders to vote in favour of all candidates.

Of note, the Board plans to name Mr. Hanley as our next Chair, a role he is well suited to perform given his extensive leadership and governance experience which includes serving as Lead Director of Nuvei Corporation, a Nasdaq-listed Canadian fintech company and earlier in his career as Lead Director of BRP Inc., a global recreational products leader, Director of Industrial Alliance Insurance and Financial Services Inc., and a Director of Shawcor Ltd. among others. Prior to that, he was Senior Vice-President, Operations and Strategic Initiatives at National Bank of Canada, and Executive Vice-President and Chief Financial Officer of Alcan Inc.

Shareholder engagement is an important responsibility of the Board and our executive team. On page 44, you can learn more about our approach to communicating with shareholders, analysts, and the public generally. In 2022, a highlight of EQB engagement was our Institutional Investor Day held in Toronto on June 13th. We recommend downloading a recording of the presentations made that day at Equitable Bank Investor Relations - Events (investorroom.com).

In recognition of our desire to grow that part of our business, our CEO also hosted two national credit union townhalls in 2022 and formed a Credit Union Advisory Council. Listening to and seeking advice on our plans will help us to better understand the needs of our credit union partners who make a substantial contribution to their five million members and Canadian society as a whole through their community-minded programs.

#6 Our ESG framework

We believe our greatest contributions to a sustainable world are the delivery of stable, attractive rates on all Bank deposits, innovations in digital banking and payments that make people's financial lives better and, the provision of capital to help Canadians purchase homes and grow their businesses.

Within our ESG framework, financial inclusion sees our Bank serve many different constituents that are sometimes overlooked by other institutions. For example, through our growing wealth decumulation business, we address the specialized needs of Canadians in or approaching retirement. This past year, we created an artificial intelligence-powered onboarding process for EQ Bank that enabled the use of status cards as an official form of ID for account opening, which reduces a barrier to banking for members of Indigenous communities.

Our Board is also keenly aware of the importance of Inclusion, Diversity, Equity, Accessibility and Anti-Racism. We were pleased to note the 2022 creation of an effort inside the Bank aptly named IDEA^2. It brings together Challenger employees with diverse lived experiences to guide us knowing what each of their communities – EQB employees and customers – need.

We are proud that our workforce is diverse. 20% of employees self-identify as people of colour/racialized persons and women form the majority of our Challenger team. By celebrating our differences, operating with purpose-built programs such as JEDI – short for Justice, Equity, Diversity and Inclusion – and gaining knowledge from our dedicated Employee Resource Groups, our Bank moves forward for the betterment of all.

We also recognize that climate change is a serious threat to society, a risk that must be priced into our activities and a cause that deserves special attention in how we manage the Bank's own (albeit small) environmental footprint. In response, the Board approved EQB's first climate strategy in 2022, taking into account the baseline measurement of our total annual emissions footprint (including financed emissions). EQB's 2022 ESG Performance Report will be available on our website shortly and we encourage you to review it for full details. Of note, our business remains carbon neutral in Scope 1 and 2 emissions and the only bank in Canada to disclose its Scope 3 emissions.

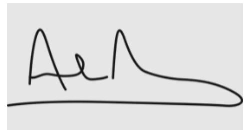
#7 Our enduring focus on tomorrow

Our purpose requires us to constantly strive for better. By relying on our strengths – a talented team of 1,685 service-oriented Challengers, an industry-leading digital platform, an effective value creation method and a proven risk management framework – we are determined to become an even more enriching force in people's lives as Canada's 7th largest independent bank.

On behalf of the Board and management, thank you for investing in and supporting EQB. We look forward to your participation in our virtual annual meeting.

Yours sincerely,

David LeGresley
Chair, Board of Directors



Andrew Moor
President and Chief Executive Officer

March 30, 2023

What's inside

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This management information circular (circular) is furnished in connection with the solicitation of proxies by management of EQB Inc. ("EQB") for use at the annual meeting of shareholders (the "meeting") to be held virtually on May 17, 2023 at 10:00 a.m. (Eastern), or at any adjournment thereof, for the purposes set forth in the notice of meeting.

All information in this circular is as at March 30, 2023, unless indicated otherwise.

What you're voting on

	BOARD VOTE RECOMMENDATION
Election of 11 Directors	✓ **FOR** each nominee
Appointment of KPMG LLP as Auditors	✓ **FOR**
Advisory vote on EQB's approach to executive compensation	✓ **FOR**

Notice of 2023 Annual Meeting of Shareholders

When	Where	Record Date
Wednesday, May 17, 2023 10:00 a.m. (Eastern)	**VIRTUAL**-only meeting via live audio webcast online at meetnow.global/M65HLAM	Close of business on March 24, 2023

Business of the meeting

1. Receive EQB's 2022 financial statements and the auditors' report;
2. Elect 11 directors to serve until the close of the next annual meeting of shareholders;
3. Appoint KPMG LLP as auditors to serve until the next annual meeting of shareholders and authorize the directors to fix their remuneration;
4. Vote on a non-binding advisory resolution to accept EQB's approach to executive compensation; and
5. Consider any other business that may properly come before the meeting, and any adjournment thereof.

Materials

A notice and access notification to shareholders (Notice) is being mailed to shareholders on or about April 10, 2023. We are providing access to the information circular and annual report via the internet using the "notice and access" system. These materials are available on the website referenced in the Notice (**http://www.envisionreports.com/EQB2023**).

We will again be conducting the meeting in a virtual-only format via live audio webcast. Registered shareholders and duly appointed proxyholders will have the opportunity to participate and ask questions, and vote, all in real time, provided they are connected to the Internet and comply with all of the requirements set out in the management information circular. Non-registered (or beneficial) shareholders who have not appointed themselves as proxyholder will be able to attend the meeting as guests, but will not be able to vote or ask questions. See pages 11 to 13 of the management information circular for information about how to participate, ask questions and vote at the meeting.

Your vote is important

Please read the circular carefully before voting your shares. We recommend you vote by proxy using the various voting methods provided to ensure your vote is received prior to the meeting. Your vote must be received by our transfer agent, Computershare Investor Services Inc., by 10:00 a.m. (Eastern) on May 15, 2023.

By order of the Board of Directors,

Michael Mignardi
Vice-President and General Counsel
March 30, 2023

Delivery of meeting materials

Notice and Access

Again this year, in compliance with Canadian securities rules, EQB is using notice-and-access to deliver our management information circular and annual financial statements (meeting materials) for our annual meeting, to both registered and non-registered shareholders.

This means that the meeting materials are being posted online for you to access, rather than being mailed out. This notice includes information on how to access the meeting materials online and how to request a paper copy. Notice-and-access gives shareholders faster access to the circular, reduces our printing and mailing costs, and is environmentally friendly as it reduces paper and energy consumption.

You will find enclosed with this notice a form of proxy or voting instruction form that you can use to vote your shares.

In this document:

- *we, us, our, Company,* and *EQB* mean EQB Inc.
- *you* and *your* mean holders of our common shares
- *Bank* means Equitable Bank
- *common shares* and *shares* mean EQB's common shares
- *meeting* means the annual meeting of shareholders

How to access the meeting materials online

The meeting materials will be available online on the website of our transfer agent, Computershare Investor Services Inc. (Computershare) at **http://www.envisionreports.com/EQB2023**, on our website at **www.equitablebank.ca** and on SEDAR at **www.sedar.com**.

EQB has not adopted a stratification procedure in relation to the use of the Notice and Access provision.

How to obtain a paper copy of the meeting materials

You may request a paper copy of the meeting materials at no cost up to one year from the date the circular was filed on SEDAR. Requests for paper copies may be made using your Control Number as it appears on your form of proxy or voting instruction form. Please note that you will not receive another form of proxy or voting instruction form; please retain your current one in order to vote.

Shareholders with a 15-digit control number	Shareholders with a 16-digit control number
Before the meeting: Toll Free, within North America: 1-866-962-0498 Outside of North America: (514) 982-8716	Toll Free, within North America: 1-877-907-7643 Outside of North America: (905) 507-5450
After the meeting: Call 1-866-407-0004. The meeting materials will be sent to you within 10 calendar days of receiving your request.	

To ensure you receive the meeting materials in advance of the voting deadline and meeting date, all requests must be received no later than **May 8, 2023**.

Go Paperless!

Sign up for electronic delivery of our shareholder materials, including this circular, by email. It's secure, easy, free, convenient and environmentally friendly. The process to sign up depends on how you hold your shares:

Beneficial shareholders	Registered shareholders
Go to www.proxyvote.com using the Control number found on your voting instruction form and following the instructions	Go to www.investorcentre.com, enter your control number on your form of proxy and click on "Receive Documents Electronically"

Voting information

Who is soliciting my proxy

Proxies for the meeting will be solicited by EQB management primarily by electronic mail, by telephone or in person. We pay all costs for soliciting proxies.

Who can vote

You have the right to vote if you owned shares on our record date, March 24, 2023.

Quorum

We need to have at least two people present at the meeting who hold, or represent by proxy, at least 25% of the issued and outstanding shares entitled to be voted at the meeting.

How to vote

You can vote before the meeting, online during the meeting or you can appoint someone to attend the meeting and vote your shares for you (called voting by proxy). How you vote depends on whether you are a registered or a non-registered (beneficial) shareholder:

Beneficial shareholders	Registered shareholders
You are a **beneficial** shareholder if your shares are registered in the name of an intermediary such as a securities broker, trustee or financial institution. Most of our shareholders are beneficial shareholders.	You are a **registered shareholder** if your shares are registered in your name with our transfer agent, Computershare.

Voting before the meeting

Beneficial shareholders		Registered shareholders	
Internet	Go to www.investorvote.com and follow the instructions.	**Internet**	Go to www.investorvote.com and follow the instructions.
Phone	Call 1-866-734-VOTE (8683) toll free and follow the instructions. You will need your Control Number located in the lower left corner of the voting instruction form.	**Phone**	Call 1-866-732-VOTE (8683) toll free and follow the instructions. You will need your Control Number located in the lower left corner of the proxy form.
Mail	Complete the voting instruction form and return it in the prepaid envelope provided.	**Mail**	Complete the form of proxy and return it in the prepaid envelope provided.

If you vote by telephone or internet, do NOT complete or return the voting instruction form. **Your voting instructions must be entered by 10:00 a.m. (Eastern) on Monday May 15, 2023**.

Most intermediaries allow you to send your instructions as noted above but each has their own process so make sure you follow the instructions on the form. Your intermediary must receive your instructions in enough time to act on them before the May 15, 2023 deadline.

Computershare must receive your proxy form or you must have voted by telephone or Internet **no later than 10:00 a.m. (Eastern) on Monday May 15, 2023.**

Changed your mind?

If you are a beneficial shareholder, you may revoke your voting instructions by contacting your intermediary to find out what to do.

If your intermediary gives you the option of using the internet or telephone to provide your voting instructions, you can use the internet or telephone to change your instructions, as long as your intermediary receives the new instructions in enough time to act on them **before 10:00 a.m. (Eastern) on Monday, May 15, 2023.**

If you are a registered shareholder you may change a vote by:

- voting again on the internet or by telephone **before 10:00 a.m. (Eastern) on Monday, May 15, 2023**
- completing a new proxy form with a later date. Any new instructions must be received by Computershare **before 10:00 a.m. (Eastern) on Monday, May 15, 2023**.
- by delivering a notice to this effect signed by you or your authorized attorney to Computershare at any time up to **10:00 a.m. (Eastern) on Monday, May 15, 2023.**

Appointing a proxyholder (third party) to represent you at the virtual meeting

You may appoint someone as your proxyholder other than Andrew Moor and David LeGresley, EQB's proxyholders named in the form of proxy or voting instruction form. This includes beneficial shareholders who wish to appoint themselves as proxyholder to attend, participate or vote at the meeting. **You may appoint anyone as your proxyholder to represent you at the meeting**. Your proxyholder does not have to be an EQB shareholder. Your proxyholder must attend the meeting and vote for you.

Shareholders who wish to appoint someone other than the EQB proxyholders to attend and vote their shares MUST submit their form of proxy or voting instruction form appointing that person as proxyholder AND register that proxyholder as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an Invite Code that is required to vote at the meeting.

Step 1 – Submit your form of proxy or voting instruction form.

To appoint someone other than EQB's proxyholders, inserting the person's name in the blank space provided, and follow the instructions for submitting your form of proxy or voting instruction form.

If you are a beneficial shareholder and wish to vote at the meeting, you MUST insert your own name in the space provided on the voting instruction form and follow all applicable instructions provided by your intermediary AND register yourself as proxyholder, as described above. By doing so you are instructing your intermediary to appoint you as proxyholder.

Step 2 - Register your proxyholder with Computershare to secure an Invite Code.

To register yourself or a third party proxyholder, you must visit **http://www.computershare.com/EQB** and provide Computershare with the proxyholder's contact information by 10:00 a.m. on May 15, 2023, so that Computershare may provide the proxyholder with an Invite Code via email after May 15, 2023**. Failure to register the proxyholder will result in the proxyholder not receiving the Invite Code from Computershare that is required in order to participate and vote at the meeting.**

If the registered or beneficial shareholder is a business corporation or a corporate entity, the form of proxy or voting instruction form must be signed by a duly authorized officer or agent of the registered or beneficial shareholder.

Voting online at the meeting

Beneficial shareholders

If you are a beneficial shareholder and wish to vote at the meeting online, you must first appoint yourself as proxyholder by following the instructions under A*ppointing a proxyholder to represent you at the virtual meeting* on the preceding page. Duly appointed proxyholders will receive an Invite Code by email from Computershare after the voting deadline has passed, which will enable you to participate in the meeting.

- Log in at **meetnow.global/M65HLAM** at least 30 minutes before the meeting starts to avoid any technical or logistical issues
- Click **Invitation** and enter your Invite Code

Non-registered shareholders who do not appoint themselves as proxyholder will <u>not</u> be able to vote during the meeting but will be able to participate as a guest. This is because we and Computershare do not have a record of EQB's beneficial shareholders and, as a result, will have no knowledge of your shareholdings or entitlement to vote unless you appoint yourself as your proxy.

Registered shareholders

Registered shareholders can participate, vote, and ask questions by following the instructions below:

- Log in at **meetnow.global/M65HLAM** at least 30 minutes before the meeting starts
- Click **JOIN MEETING NOW** and then select **Shareholder**
- Enter your 15-digit control number
If you are an appointed proxyholder, select **Invitation** and enter your Invite Code

More information about online participation in our annual meeting is detailed in our Virtual Meeting User Guide included in the Notice package, and available at **www.equitablebank.ca** and at **http://www.envisionreports.com/EQB2023**

If you have followed the process for attending and voting at the meeting online, and accept the terms and conditions, you will be revoking any and all previously submitted proxies.

Attending as a Guest

Guests cannot vote at the meeting or ask questions. To attend the meeting:

- Log in at **meetnow.global/M65HLAM** at least 30 minutes before the meeting starts.
- Click **Guest** – you will then be prompted to enter your name and email address.

You have to be connected to the Internet at all times to be able to vote when balloting commences – it is your responsibility to make sure you stay connected for the entire meeting.

More information about online participation in our meeting is detailed in our Virtual Meeting User Guide which was included with the meeting material, and available on our website at **www.equitablebank.ca** and at **http://www.envisionreports.com/EQB2023.**

How your shares will be voted

You can choose to vote "For", "Withhold" or "Against", depending on the item to be voted on, or you can let your proxyholder decide for you. Your proxyholder must vote according to your voting instructions. If you have not specified your voting instructions on a particular matter, then your proxyholder can vote your shares as they see fit on such matter.

If you appoint David LeGresley or Andrew Moor as your proxyholder, they will vote in accordance with your directions.

If you **do not** specify how you want your shares voted, they will vote:

- **FOR** the election of our director nominees;
- **FOR** the appointment of KPMG LLP as our independent auditors; and
- **FOR** our approach to executive compensation (or "Say on pay").

They will vote in accordance with their best judgment if any other matters are properly brought before the meeting. As at the date of this circular, we are not aware of any variation, amendment or other matter that will be brought before the meeting.

Submitting questions at the meeting

EQB will hold a live questions and answer (Q&A) session at the end of the meeting to answer questions submitted during the meeting. Only shareholders and duly appointed proxyholders may submit questions.

Questions may be submitted in advance of the meeting by contacting the Corporate Secretary by email or mail using the contact details on the back cover.

During the meeting, questions can be submitted at any time up until the chair of the meeting closes the Q&A session. To ask a question, click on the Q&A tab, type your question into the box at the bottom of the screen, and then press **Send**.

We will respond in writing to the shareholder or proxyholder as soon as practical after the meeting to any questions that cannot be answered during the meeting due to time or technical constraints.

Is my vote by proxy confidential?

Computershare counts and tabulates the votes to maintain confidentiality. They will only refer proxies to us when it is clear that a shareholder wants to communicate with the Board or senior management, the validity of the form is in question, or the law requires it.

How can I vote if I hold shares in the employee savings plan?

Employees participating in EQB's Employee Share Purchase Plan will have received a voting instruction form in their Notice Package. Please follow the instructions provided for beneficial shareholders on the previous pages.

Questions?

If you have any questions regarding the meeting, please contact Computershare by telephone at 1-800-564-6253 or by email at service@computershare.com.

Outstanding shares

There were 37,657,844 EQB common shares outstanding on March 24, 2023. Each share carries the right to one vote.

Principal Holders of voting shares

Our directors and officers are not aware of any person or company who beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of our outstanding common shares as of the record date, except for the following:

	Number of common shares	Percentage of outstanding common shares
Stephen Smith[1]	6,560,900	17.42%
Oakwest Corporation Limited[2]	3,836,780	10.19%

1. Stephen Smith indirectly owns, or exercises control or direction over these shares through his private holding company, Smith Financial Corporation. These shares were acquired for investment purposes.
2. Oakwest, a private investment holding company, acquired these shares in the ordinary course of business and not with the purpose of influencing or changing the control of Equitable.

Additional Information

Cease Trade Orders and Bankruptcies

To our knowledge, none of our director nominees are, as of the date of this circular, or have been within the last 10 years:

(a) a director, CEO or CFO of any company that was subject to a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of 30 consecutive days that was issued:

(i) while the proposed director was acting in the capacity as a director, CEO or CFO;

(ii) after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO;

(b) a director or executive officer of any company, including EQB, that while acting in that capacity or within a year of ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties or Sanctions

Furthermore, to our knowledge, after due inquiry, no nominee director has been subject to: (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a nominee director.

Business of the meeting

1 Receive financial statements

Our consolidated financial statements for the year ended December 31, 2022 including the report of the auditors are available **on SEDAR (www.sedar.com), on Envision (http://www.envisionreports.com/EQB2023)**, and **on our website (www.equitablebank.ca)**.

2 Elect Directors

The Board recommends you vote FOR each director nominee

You will elect 11 directors individually to serve until the close of the next annual meeting or until their successors are elected or appointed. Information about the nominated directors can be found beginning on page 21.

Unless authority to do so is withheld, the persons named in the form of proxy or voting instruction form intend to vote **FOR** the election of each director nominee.

Majority Voting for Directors

The Board believes that each director should have the confidence and support of our shareholders. Our majority vote policy requires any director nominee who is not elected by *at least* a majority of votes cast (50% plus 1 vote) in an uncontested election will be considered to not have received the support of the shareholders and will be required to tender their resignation from the Board immediately following the annual meeting.

Absent exceptional circumstances, the Board will accept the resignation offer. There are very limited circumstances under which the Governance and Nominating Committee can recommend retaining the director provided that active steps are taken to resolve the circumstances in the following year. The director offering to resign will not participate in any deliberations on the resignation offer by the Governance and Nominating Committee or the Board. The Board shall issue, within 90 days of receiving the final voting results, a press release announcing the resignation of the director in question or its rationale for not accepting the resignation.

Shareholders should note that, as a result of this policy, a "withhold" vote is effectively the same as a vote "against" a director nominee in an uncontested election.

More information on our majority voting policy can be found in the Investor Relations section on our website.

3 Appoint Auditors

The Board recommends you vote FOR the appointment of KPMG LLP as our auditors

You will vote on appointing our external auditors. The Audit Committee of the Board has assessed the performance and independence of KPMG using a framework recommended by the Chartered Professional Accountants of Canada and the Canadian Public Accountability Board. Based on the satisfactory results of the assessment and on the recommendation of the Audit Committee, the Board recommends that KPMG be reappointed as our external auditors for the fiscal year ended October 31, 2023 and that the Board be authorized to fix the auditors' remuneration. KPMG has served continuously as our external auditors since 2004.

Unless authority to do so is withheld, the persons named in the form of proxy or voting instruction form intend to vote **FOR** the appointment of KPMG LLP as our external auditors until the close of the next annual meeting of shareholders, and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the remuneration of the auditors.

External auditor service fees

Fees billed for services provided by KPMG LLP for the years ended December 31, 2022 and December 31, 2021 are listed in the table below. The Audit Committee pre-approves all audit and permitted non-audit services (including the fees and conditions) as permitted within the scope of the policies and procedures approved by the Committee.

($000s)	**2022(1)(2)**	2021(1)(2)
Audit fees	**1,958**	867
Audit-related fees	**262**	200
Tax compliance fees	**11**	23
Other tax fees	**-**	13
Other fees	**10**	-
Total	**2,241**	1,103

1. Amounts exclude CPAB fees and HST.
2. In accordance with the respective Engagement Letters, the fees reported above are subject to a technology and support charge in the amount of $157.
3. Comparative amounts have been reclassified to conform to the current year's presentation.

Audit fees

Audit fees include amounts paid or accrued for professional services rendered by the auditors in connection with the audit of EQB's annual consolidated financial statements, including Concentra Bank's annual consolidated financial statements beginning in 2022, the opening Concentra Bank balance sheet on the date of acquisition as well as the purchase price allocation, the review of its interim financial statements, and accounting advisory services related to the audited financial statements.

Audit-related fees

Audit-related fees relate to specified procedures reports to support the Bank's participation in CMHC-sponsored securitization programs, consent letters for EQB's prospectus offerings, and AMF Reporting.

Tax fees

Tax fees paid for professional services primarily related to the review of EQB and its subsidiaries' corporate tax returns and commodity tax return.

Other fees

Other fees relate to due diligence services in support of the acquisition of Concentra Bank and transition services.

4 Vote (on an advisory basis) on our approach to executive compensation

You can have a say on what we pay our executives by participating in an advisory vote on our approach to executive compensation.

The Board recommends you vote FOR our approach to executive compensation

Since this vote is advisory, it will not be binding on the Board. The Board remains fully responsible for its compensation decisions and is not relieved of this responsibility by a positive or negative vote. However, the Board and the HR and Compensation Committee will consider the outcome of the vote as part of their ongoing review of executive compensation and shareholder engagement feedback. EQB plans to hold an advisory vote on our approach to executive compensation on an annual basis.

You will be asked to vote "for" or "against" the following advisory resolution:

> RESOLVED, on an advisory basis, and not to diminish the role and responsibilities of the board of directors, that the shareholders accept the approach to executive compensation disclosed in the circular delivered in advance of our 2023 annual meeting of shareholders.

If a significant number of shares are voted against the advisory resolution, the HR and Compensation Committee will review our approach to executive compensation in the context of any specific shareholder concerns that have been identified and may make recommendations to the Board. We will disclose the Committee's review process and the outcome of its review within six months of the shareholder meeting and in any case not later than our next management information circular.

> The HR and Compensation Committee and the Board welcome questions and comments about EQB's executive compensation. We maintain an open dialogue with shareholders and consider all feedback. See the back cover for our contact information.

Director nominees

The Board is elected by shareholders to oversee management and act in EQB's best interests. Key to proper stewardship is assembling a Board that is qualified, experienced, diverse, and operates independently of management.

This year there are 11 directors nominated for election to the Board to serve until the next annual meeting of shareholders, or until their successors are duly elected or appointed. Eight of the eleven nominees were elected directors at last year's annual meeting. Michael Hanley, Marcos Lopez and Carolyn Schuetz are standing for election for the first time. All nominees are independent except for Andrew Moor who is EQB's President and CEO.

Lynn McDonald and David LeGresley, our current Chair of the Board, will retire from the Board at the close of the annual meeting. The Board would like to thank Ms. McDonald and Mr. LeGresley for their years of dedicated service to the Board and to EQB. Michael Hanley will be Chair of the Board subject to his election as a director at the meeting.

The director profiles include a summary of each nominee's career experience, 2022 Board committee memberships and attendance, public company directorships over the past five years, and equity ownership in EQB which is comprised of common shares and DSUs as at March 15, 2023 and 2022. Under current share ownership requirements (SOR), the Chair of the Board and independent directors are required to hold 3x their respective annual retainer (equal in value to $795,000 and $360,000, respectively).

Values of common shares and DSUs as at March 15, 2023 are based on the $55.82 closing price of EQB's common shares on the TSX on March 15, 2023.

Board Diversity

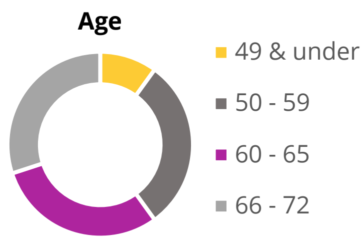
The Board is committed to diversity and inclusion at all levels at EQB, as it not only provides EQB access to a wide pool of talent, it also drives creativity, productivity, engagement and growth. The Board first adopted a written Board diversity policy in 2015. The policy recognizes that diversity has many dimensions, which can include ethnicity, race, gender, physical ability, age, Indigenous peoples, religion, sexual orientation and members of other underrepresented groups. Diversity can also extend to work experience, geographic background, and socio-economic background. The objective of the policy is to ensure that the Board possesses the diverse qualifications, skills and expertise that are relevant to our business and that will allow the Board to fulfil its mandate. The Governance and Nominating Committee, which is responsible for assessing Board composition, is responsible for identifying suitable candidates and recommending director nominees to the Board. The Committee considers the most qualified candidates for Board membership based on the skills sets we have and the experience we need, taking into account multiple aspects of diversity. When recruiting new candidates for directors, the Board will ensure that the pool of identified candidates meet the Board's skills and diversity criteria.

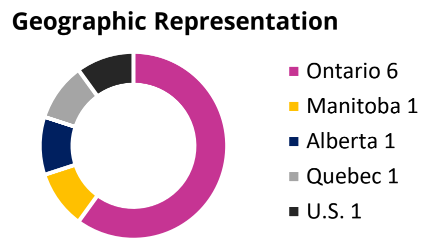
Our Board is composed of qualified professionals who have the requisite financial services and risk management experience to fulfill the Board's mandate, serve on its four Committees, and supervise management. The current directors have a broad range of skills, background, experience and knowledge which are highlighted in the *Director Profiles* section of the circular.

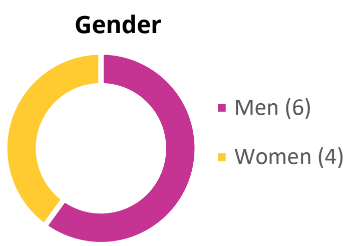
The policy requires that women represent at least 30% of the independent directors, a target that has remained unchanged since the policy was first established in 2015. The Board recognizes that the appointment or retirement of a single Director has a notable impact on the percentage of women on the Board which fluctuates as directors reach their maximum term of service and new directors join. If the current director nominees are elected, women will comprise 40% of the Board's independent membership. Two of the nominees self-identify as members of a visible minority. While progress has been made, the Board remains committed to further enhance diversity on the Board and include members of other under-represented groups.

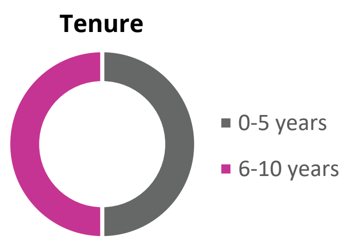
The Governance and Nominating Committee considers the effectiveness of the Board Diversity Policy on an ongoing basis and more formally as part of its annual review of the Corporate Governance Guidelines.

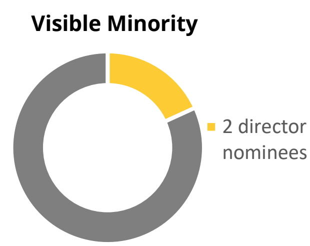
Below is a snapshot of our ten independent nominated directors (excluding the CEO).











40% are women plus two committee chairs are women

Average tenure is 5 years

20% self-identify as a member of a visible minority

Director profiles

Michael Emory
Toronto, Ontario

Age 67

Director since 2014

Independent

2022 voting results FOR:
96.1%

Skills and experience
- Governance
- Real Estate
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Human Resources/ Compensation

Public board memberships
Allied Properties REIT (2002 - present)

Mr. Emory has been President and Chief Executive Officer and a trustee of Allied Properties REIT since 2003. He has been continuously active in the commercial real estate business since 1988. Prior to that time, Mr. Emory was a partner with the law firm of Aird & Berlis LLP, specializing in corporate and real estate finance. Mr. Emory received his Bachelor of Arts (Honours) degree from Queen's University and his J.D. from the University of Toronto.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
Governance & Nominating	5 / 5	100%
HR & Compensation	6 / 6	100%
Credit Risk Sub-Committee	24 / 24	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	3,200	12,078	15,278	852,818	Yes (2.37x)
2022	3,200	10,804	14,004	1,048,760	Yes (2.91x)

Susan Ericksen
Cumming, Georgia, USA

Age 64

Director since 2018

Independent

2022 voting results FOR:
97.4%

Skills and experience
- TechnologyStrategic Planning
- Risk Management
- Retail Banking
- Human Resources/ Compensation
- Governance

Public board memberships
None

Ms. Ericksen is a Corporate Director. She has had a distinguished 35-year career with Fortune 500 companies, serving as a Chief Technology Officer for Fiserv, Inc., and most recently as a Managing Director, Global Technology Operations, at The Coca-Cola Company in Atlanta.

Ms. Ericksen has also served as a Chief Information Officer or Chief Technology Officer at New York Life, Merrill Lynch Bank and Trust, Merrill Lynch Bank USA, CitiFinancial, and Citi Cards. Ms. Ericksen received her Master of Science degree in Computer Science from the University of Colorado and a Bachelor of Arts degree in Business Administration from Mount St. Mary's College, Los Angeles. She is a member of the National Association of Corporate Directors with the DC designation.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
HR & Compensation	6 / 6	100%
Risk & Capital	4 / 4	100%
Credit Risk Sub-Committee	16/16	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	1,800	8,316	10,116	564,675	Yes (1.57x)
2022	1,800	7,122	8,922	668,169	Yes (1.86x)

Michael Hanley
Mount-Royal, Quebec
Age 57

Director since 2022

Independent

2022 voting results FOR:
-

Skills and experience

- Governance
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Finance/Accounting
- Retail Banking
- Human Resources/ Compensation
- Legal/Regulatory

Public board memberships
LyondellBasell Industries N.V. (since 2018)
Nuvei Corporation (since 2020)
The Jean Coutu (PJC) Inc. (2016-2018)
BRP Inc. (2012-2022)
Shawcor Ltd. (2015-2021)
Industrial Alliance Insurance and Financial Services Inc. (2015-2019)

Mr. Hanley is a Corporate Director with over 25 years of experience in leadership roles and corporate governance. He serves on the Board of Directors and acts as chair of the audit committee of LyondellBasell Industries N.V., where he is also a member of the Compensation and Talent Development Committee. In addition, he currently serves as the Lead Director, Chair of the Audit Committee and member of the Governance and Nominating Committee of Nuvei Corporation and a member of the Board of Directors of ExCellThera Inc. Earlier in his career, Mr. Hanley was Senior Vice-President, Operations and Strategic Initiatives at National Bank of Canada and held a number of positions at Alcan Inc., including Executive Vice-President and Chief Financial Officer, and President and CEO of the Global Bauxite and Alumina business group. He also served as Chief Financial Officer of two other Canadian public companies, Gaz Métro (now Energir) and St-Laurent Paperboard Inc. Mr. Hanley is a Chartered Professional Accountant and member of the Ordre des CPA du Québec since 1987.

Board / Committee Memberships	2022 Attendance	Overall
Board	1 / 1	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	3,400	734	4,134	230,760	0.29x
2022	-	-	-	-	-

Mr. Hanley has until November 2027 to meet the share ownership requirement.

Kishore Kapoor
Winnipeg, Manitoba

Age 66

Director since 2016

Independent

2022 voting results FOR:
98.7%

Skills and experience

- Governance
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Finance/Accounting
- Marketing/Branding

Public board memberships
RF Capital Group Inc. (since 2018)

Mr. Kapoor is the President and Chief Executive Officer of RF Capital Group Inc. He serves as a director of Richardson Financial Group Limited and Richardson Wealth. Until 2011 he was President of Wellington West Holdings Inc., the parent company of a number of subsidiaries that provided wealth management and corporate finance services to retail and institutional clientele in Canada.

From November 2003 to June 2005 Mr. Kapoor was Executive Vice-President of Corporate Development at Loring Ward International Inc., a public company formed to hold the U.S. operations of Assante Corporation, previously one of the largest wealth management firms in Canada, and served as its Executive Vice-President, Corporate Development from March 1994 until November 2003. Mr. Kapoor has a Bachelor of Science degree from the University of Manitoba and is a Chartered Accountant and former tax partner with KPMG LLP.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
Audit (Chair)	5 / 5	100%
Risk & Capital	4 / 4	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	2,850	11,931	14,781	825,075	Yes (2.29x)
2022	2,850	10,659	13,509	1,011,689	Yes (2.81x)

Yongah Kim
Toronto, Ontario

Age 50

Director since 2020

Independent

2022 voting results FOR:
99.9%

Skills and experience
- Governance
- CEO/Senior Executive
- Strategic Planning
- Retail Banking
- Human Resources/ Compensation

Public board memberships
None

Ms. Kim is an Associate Professor of Strategic Management at the Rotman School of Management, University of Toronto, and a core faculty member in the Leadership Development Lab and the Self-Development Lab of the Desautels Centre for Integrative Thinking. Prior to joining Rotman, Ms. Kim was a Senior Partner at McKinsey & Company where she spent 25 years working across Canada, US and Asia. She has a very diverse set of experiences that span across digital & analytics transformation, global expansion, performance transformation, and digital marketing, with a particular focus on digital and performance transformations in the financial services sector. Ms. Kim held a number of leadership positions while at McKinsey including leader of multiple industry practices, and Women's Initiatives in Asia and North America. She also served as co-chair of McKinsey's Global Partner Election Committee for several years. She has the distinction of being the first Korean woman elected to Partner and Senior Partner at McKinsey. She has a BA in Business Administration from Yonsei University and a MBA from Harvard Business School. She is currently Vice Chair of the Board of The Hospital for Sick Children.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
HR & Compensation	6 / 6	100%
Risk & Capital	4 / 4	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	-	3,587	3,587	200,226	0.56x
2022	-	1,718	1,718	128,661	0.36x

Ms. Kim has until December 2025 to meet the share ownership requirement.

Marcos Lopez
Calgary, Alberta

Age 46

Director since 2022

Independent

2022 voting results FOR:
-

Skills and experience

- Technology
- Governance
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Finance/Accounting
- Human Resources/
- Compensation
- Marketing/Branding

Public board memberships
None

Mr. Lopez is the former CEO of Solium Capital Inc. (now Shareworks by Morgan Stanley). His long stewardship of Solium culminated in its acquisition by Morgan Stanley for $1.1 billion. Under his leadership, Solium's Shareworks platform evolved into a world-class suite of products and services used by more than 3,000 companies worldwide. After Solium was acquired by Morgan Stanley, he became Co-Head of Morgan Stanley at Work, ensuring a successful integration of the business and ultimately helping create the largest employee share plan administration business globally. Before becoming Solium's CEO, he was the co-founder of Bitonic Solutions Inc. Mr. Lopez holds a Bachelor's Degree in Computer Science from the University of Calgary, and was the 2012 recipient of the Ernst & Young Entrepreneur of the Year award for the technology section, Western Canada.

Board / Committee Memberships	2022 Attendance	Overall
Board	1 / 1	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	2,600	734	3,334	186,104	0.52x
2022	-	-	-	-	-

Mr. Lopez has until November 2027 to meet the share ownership requirement.

Andrew Moor
Toronto, Ontario

Age 62

Director since 2007

Non-Independent

2022 voting results FOR:
99.9%

Skills and experience
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Finance/Accounting
- Real Estate
- Retail Banking
- Human Resources/
- Compensation
- Legal/Regulatory
- Technology
- Marketing/Branding

Public board memberships
Sleep Country Canada Holdings Inc. (since 2015)

Mr. Moor has served as EQB's President and Chief Executive Officer since March 2007. Before joining EQB he was President and Chief Executive Officer of Invis Inc. from 2002 to 2007 and prior to that was President and Chief Financial Officer of SMED International Inc. In addition to serving on the Board of Sleep Country Canada Inc. Mr. Moor serves as a Director of the Canadian Bankers' Association, as Chairman of the Banks and Trust Companies Association, as a member of the advisory council of the Smith School of Business at Queen's University, and as a member of the Business Council of Canada. Mr. Moor holds an MBA from the University of British Columbia and a Bachelor of Science degree in Engineering from University College, London. He is a member of the Institute of Corporate Directors with the ICD.D designation.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%

Equity Ownership [1]

Year	Common shares	PSUs/TPSUs	Total common shares and PSUs/TPSUs	Total value of common shares and DSUs ($)[2]	Meets SOR
2023	532,842	33,336	566,178	31,604,040	Yes (8.10x)
2022	479,124	31,068	510,192	38,208,301	Yes (9.80x)

1. Andrew Moor meets the share ownership requirement for his position as President and CEO - see page 94.
2. Values at March 15, 2023 are based on the higher of $55.82, the closing price of an EQB common share on the TSX on March 15, 2023 or the acquisition/grant price, if such value is higher.

Rowan Saunders
Toronto, Ontario

Age 58

Director since 2013

Independent

2022 voting results FOR:
98.7%

Skills and experience
- Governance
- CEO/Senior Executive
- Strategy
- Risk Management
- Human Resources/ Compensation
- Legal/Regulatory
- Technology
- Marketing/Branding

Public board memberships
Definity Financial Corporation (since 2021)

Mr. Saunders is President and Chief Executive Officer of Definity Financial Corporation, and has been President and Chief Executive Officer of Economical Mutual Insurance Company since November 2016. His extensive background includes over 35 years of international P&C industry experience including 12 years as President and Chief Executive Officer of Royal & Sun Alliance Insurance Company of Canada (RSA Canada).

Mr. Saunders is a past Chairman and current director of the Insurance Bureau of Canada, and a past member of the Financial Services Commission of Ontario's CEO Advisory Committee. Mr. Saunders received a Bachelor of Arts degree from York University, holds the Canadian Risk Management designation and is a Fellow of the Insurance Institute of Canada.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
Audit	5 / 5	100%
HR & Compensation	6 / 6	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	7,000	19,359	26,359	1,471,359	Yes (4.09x)
2022	4,000	16,873	20,873	1,563,179	Yes (4.34x)

Carolyn Schuetz
Toronto, Ontario

Age 60

Director since 2022

Independent

2022 voting results FOR:
-

Skills and experience

- Governance
- CEO/Senior Executive
- Strategic Planning
- Risk Management
- Finance/Accounting
- Retail Banking
- Technology

Public board memberships
Altus Group Limited (since 2022)

Ms. Schuetz is an accomplished executive with more than 30 years of global experience in financial services. Having spent 16 years at HSBC, most recently as the Global Chief Operating Officer for Group Retail Banking and Wealth Management, she brings deep operational expertise and a proven track record of delivering large-scale transformational change in complex, highly regulated industries. She serves on the board of OakNorth Bank plc, a UK-regulated private FinTech bank and Altus Group Limited, which provides the global corporate real estate industry with intelligence-as-a-service solutions to maximize returns and reduce risk. Ms. Schuetz holds a Bachelor of Mathematics from the University of Waterloo, is a Chartered Professional Accountant and has an MBA from Stanford.

Board / Committee Memberships	2022 Attendance	Overall
Board	1 / 1[1]	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	1,200	734	1,934	107,956	0.30x
2022	-	-	-	-	-

Ms. Schuetz has until November 2027 to meet the share ownership requirement.

1. Carolyn Schuetz attended the joint meeting of the Boards of EQB and the Bank held on November 8, 2022. Ms. Schuetz was elected a director of the Bank at that meeting.

Vincenza Sera
Toronto, Ontario

Age 66

Director since 2013

Independent

2022 voting results FOR:
97.2%

Skills and experience
- Governance
- Risk Management
- Finance/Accounting
- Real Estate
- Human Resources/ Compensation

Public board memberships
DREAM Industrial Real Estate Investment Trust (since 2012)
DREAM Unlimited Corp. (since 2013)

Ms. Sera is a Corporate Director. She currently serves on the Board of the Investment Management Corporation of Ontario, and served 13 years on the Ontario Pension Board, including nine as Chair. Ms. Sera has more than 25 years of experience in capital markets, corporate finance and corporate governance holding senior positions with National Bank Financial First Marathon Securities and Canadian Imperial Bank of Commerce. She holds a Master of Business Administration degree from the University of Toronto and completed the Institute of Corporate Directors – Rotman School of Management's Director Education Program.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
Governance & Nominating	5 / 5	100%
Risk & Capital	4 / 4	100%
Credit Risk Sub-Committee	24 / 24	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	5,153	13,632	18,785	1,048,579	Yes (2.91x)
2022	4,000	12,324	16,324	1,222,504	Yes (3.40x)

Michael Stramaglia
Toronto, Ontario

Age 63

Director since 2014

Independent

2022 voting results FOR:
97.3%

Skills and experience
- Governance
- CEO/Senior Executive
- Strategy
- Risk Management
- Finance/Accounting
- Real Estate
- Retail Banking
- Human Resouces/Compensation
- Legal/Regulatory

Public board memberships
Definity Financial Corporation
(since 2021)

Mr. Stramaglia is a Corporate Director and President and founder of Matrisc Advisory Group, a risk management consulting firm. He is currently Executive in Residence at the Global Risk Institute in Financial Services and Program Director for the Schulich Executive Education Centre of Excellence in Governance, Risk Management and Control. Mr. Stramaglia serves on the Board of Directors of Definity Financial Corp., Economical Mutual Insurance Company, Foresters Financial, and the Canadian subsidiaries of Munich Reinsurance Company of Canada. He also serves as Chair of the Ontario Internal Audit Committee.

Mr. Stramaglia has extensive financial services experience, including prior executive leadership roles of Executive Vice-President and Chief Risk Officer for Sun Life Financial, Executive Vice-President and Chief Investment Officer for Clarica and as President and Chief Executive Officer of the Zurich Life Insurance Company of Canada. Mr. Stramaglia is a qualified actuary and a Chartered Enterprise Risk Analyst. He holds an Honours Bachelor of Mathematics from the University of Waterloo and holds the ICD.D designation from the Institute of Corporate Directors.

Board / Committee Memberships	2022 Attendance	Overall
Board	7 / 7	100%
Governance & Nominating	5 / 5	100%
Risk & Capital	4 / 4	100%

Equity Ownership

Year	Common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)	Meets SOR
2023	10,250	12,818	23,068	1,287,656	Yes (3.58x)
2022	6,000	11,414	17,414	1,304,134	Yes (3.62x)

Meeting Attendance

We expect directors to make every reasonable effort to attend all meetings of the Board and committees of which they are members and the annual meeting of shareholders. Directors may participate by phone or video conference if they cannot attend in person. The Board held seven regularly scheduled meetings in 2022, one of which was dedicated to strategy. Directors are expected to attend at least 75% of the combined total of Board and Committee meetings.

The Credit Risk Sub-Committee met 24 times in 2022. These meetings are held through the year to adjudicate credit applications that exceed management authority, and are generally convened with two to three days' notice.

The table below sets out each director's attendance at the Board and committee meetings held in 2022. Excluded is the attendance of Diane Giard who retired from the Board following the annual and special meeting of shareholders on May 18, 2022.

	Board	Audit Committee	RCC Committee	G&N Committee	HR & Comp Committee	Credit Risk Sub-Comm	Overall Attendance %
Michael Emory	7/7	-	-	5/5	6/6	24/24	100
Susan Ericksen[2]	7/7	-	4/4	-	6/6	16/16[2]	100
Michael Hanley[1]	1/1[1]	-	-	-	-	-	100
Kishore Kapoor	7/7	5/5	4/4	-	-	-	100
Yongah Kim	7/7	-	4/4	-	6/6	-	100
David LeGresley	7/7	-	-	-	-	-	100
Marcos Lopez[1]	1/1[1]	-	-	-	-	-	100
Lynn McDonald	7/7	5/5	-	5/5	-	-	100
Andrew Moor	7/7	-	-	-	-	-	100
Rowan Saunders	7/7	5/5	-	-	6/6	-	100
Carolyn Schuetz[1]	1/1[1]	-	-	-	-	-	100
Vincenza Sera	7/7	-	4/4	5/5	-	24/24	100
Michael Stramaglia	7/7	-	4/4	5/5	-	-	100

1. Messrs. Hanley and Lopez, and Ms. Schuetz joined the Bank Board on November 8, 2022. EQB and Bank Board meetings run concurrently.
2. Ms. Ericksen became a member of the Credit Risk Sub-Committee on May 17, 2022.

Director compensation

Our director compensation program is designed to:

- attract and retain highly qualified individuals with an appropriate mix of skills, expertise and experience to serve as directors,
- provide an appropriate level of compensation to reflect the risks, responsibilities and time commitment they assume when serving on our Board and Board committees, and
- provide a significant portion of compensation in equity (DSUs) to align directors' interests with those of our shareholders.

The Governance and Nominating Committee is responsible for reviewing and making recommendations to the Board regarding the amount and form of director compensation. The Governance and Nominating Committee conducts a biennial benchmarking review of director compensation, with assistance from management, to ensure it meets the objectives set out above. The Governance and Nominating Committee benchmarks director compensation levels against the same peer group the HR and Compensation Committee uses to benchmark executive compensation, as well as a reference group consisting of public companies of comparable size in different industries. The Governance and Nominating Committee has the authority to retain external consultants, including compensation consultants, as it may determine necessary or advisable to carry out its responsibilities.

In 2022, the Governance and Nominating Committee retained Meridian Compensation Partners Inc. ("Meridian"), an independent external compensation consultant, for assistance in reviewing the competitiveness of EQB's director compensation program. Meridian has been retained as the independent external executive compensation consultant to the HR and Compensation Committee since 2019.

Meridian benchmarked EQB's director compensation against the compensation peer group used for benchmarking executive compensation. Companies included in the comparator group are Canadian Western Bank, Laurentian Bank of Canada, HSBC Bank Canada, TMX Group Limited (included as of the closing of the Concentra Bank acquisition) and seven other companies which are named on page 75 of this circular. After reviewing market data, and in consideration of the growing complexity and scope of EQB's businesses as well as the increasing regulatory expectations elevating the workload and time commitment of Board members to discharge their oversight responsibilities, the Committee recommended and the Board approved a new Committee member retainer of $10,000 per Committee, and increases in the following annual Chair retainers to take effect after the 2023 annual meeting:

1. Chair of the Board retainer to increase by $30,000.
2. Committee Chair retainers for the Audit Committee, HR and Compensation Committee and Risk and Capital Committee to increase by $5,000, and for the Governance and Nominating Committee to increase by $10,000.

Components of compensation

In 2018, the Board approved a tiered flat fee structure for our non-employee directors which it believes to better align with the changing role of directors and is more reflective of the continuous nature of their contributions and responsibilities throughout the year. Directors often provide advice outside of meetings and continuously keep abreast of developments affecting EQB. The tiered flat fee structure takes into account the different responsibilities of the chair. Directors receive an annual retainer for serving on the boards of both EQB and the Bank. The Chair of the Board receives a separate all-inclusive annual retainer. Additional retainers are paid to Committee Chairs, and to members of the Credit Risk Sub-Committee in consideration of the number of meetings held in a year.

Mr. Moor, as President and CEO of EQB, does not receive any director compensation.

Director fee table

	Compensation payable before May 17, 2023 ($)	Compensation payable after May 17, 2023 ($)
Annual board retainer		
Chair of the Board (one half granted in DSUs)	265,000	295,000
All other directors (one half granted in DSUs)	120,000	120,000
Committee retainers		
Audit Committee		
Chair	20,000	25,000
Member	-	10,000
Governance and Nominating Committee		
Chair	15,000	25,000
Member	-	10,000
Human Resources and Compensation Committee		
Chair	20,000	25,000
Member	-	10,000
Risk and Capital Committee		
Chair	20,000	25,000
Member	-	10,000
Credit Risk Sub-Committee		
Member	5,000	5,000

All directors, including the Chair of the Board, receive 50% of their annual retainer in the form of DSUs, regardless of whether they have met the share ownership requirement. Directors may also elect to receive the cash portion of their annual retainers and any additional retainer, in any combination of cash and/or DSUs, which is paid quarterly. DSUs are phantom share units that have the same value as common shares and because they have the same upside potential and downside risk as common shares, they serve to align the interests of our directors and shareholders. Non-employee Directors are also reimbursed for all travel and other expenses they incur in attending meetings or conducting business on behalf of EQB.

DSUs vest immediately and accrue additional DSUs when dividends are paid on EQB's common shares. Following a director's departure from the Board, the director may elect, at any time up to the end of the calendar year following the calendar year the director leaves the Board, to have their DSUs redeemed for cash based on the market value of EQB's shares on the redemption date.

The table on the next page provides a summary of all DSUs outstanding as at March 15, 2023 for each non-employee director. All DSUs were vested as at March 15, 2023.

	Total Number of DSUs held as at March 15, 2023 (#)	Market value of DSUs not paid out or distributed as at March 15, 2023[1] ($)
Michael Emory	12,078	674,194
Susan Ericksen	8,316	464,199
Michael Hanley	734	40,972
Kishore Kapoor	11,931	665,988
Yongah Kim	3,587	200,226
David LeGresley	38,281	2,136,845
Marcos Lopez	734	40,972
Lynn McDonald	20,698	1,155,362
Rowan Saunders	19,359	1,080,619
Carolyn Schuetz	734	40,972
Vincenza Sera	13,632	760,938
Michael Stramaglia	12,818	715,501

1. The closing price of an EQB common share on the TSX on March 15, 2023 was $55.82.

2022 actual compensation

The total compensation paid to non-employee directors for the year ended December 31, 2022 is shown in the table below.

	Annual Director / Board Chair Retainer		Portion of cash retainer(s) taken in DSUs	All other compensation	Total
	Cash ($)	DSUs ($)	(%)	($)	($)
Michael Emory[1]	65,000	60,000	0	-	**125,000**
Susan Ericksen[1]	83,125	60,000	0	-	**143,125**
Diane Giard[3]	0	27,500	100	-	**27,500**
Michael Hanley	0	40,274	100	-	**40,274**
Kishore Kapoor	80,000	60,000	0	-	**140,000**
Yongah Kim	16,875	103,125	85	-	**116,250**
Marcos Lopez	0	40,274	100		**40,274**
David LeGresley	82,813	182,187	0	-	**265,000**
Lynn McDonald	30,000	90,000	50	-	**120,000**
Rowan Saunders	0	120,000	100	-	**120,000**
Carolyn Schuetz	0	40,274	100		**40,274**
Vincenza Sera[1,2]	74,375	60,000	0	-	**134,375**
Michael Stramaglia	72,500	67,500	0	-	**140,000**
TOTAL	**504,688**	**951,134**	-	-	**1,452,072**

1. Includes the retainer for serving as a member of the Credit Risk Sub-Committee ("CRSC"). Sue Ericksen was appointed to the CRSC in May 2022.
2. Ms. Sera was appointed Chair of the GNC Committee in May 2022.
3. Diane Giard stepped down from the Board at the May 2022 annual meeting.

Director share ownership requirements

All non-employee directors are required to own at least three times their applicable annual retainer within five years of their appointment date. Both common shares and DSUs count towards share ownership requirements which we calculate using the higher of the closing price of EQB's common shares on the TSX on the date the shares were acquired/DSUs granted, or on the date compliance is assessed, which is March 15. All director nominees have met or exceed the ownership requirement other than Michael Hanley, Yongah Kim, Marcos Lopez and Carolyn Schuetz who are within the five-year period following the date of their appointment to the Board.

Corporate governance practices

Our Board and management are committed to high standards of corporate governance which it believes to be the foundation that contributes to strong corporate performance for our shareholders and stakeholders, and for long-term sustainability. Our Board sets the tone at the top, promoting a strong culture of integrity and ethical behaviour throughout the organization. Our governance policies and practices are consistent with the requirements of authorities that regulate EQB, including OSFI, the Canadian Securities Administrators, and the TSX and we continually review them against changing regulations and evolving policies and best practices, updating them as appropriate.

What we do

- Separate Board Chair and CEO
- Independent board – 10 of our 11 director nominees are independent
- Fully independent Board Committees
- In camera sessions of independent directors at each Board and Committee meeting
- Majority voting policy for the election of directors that complies with TSX rules
- All directors are required to certify compliance with our Code of Conduct annually
- Directors elected annually and individually
- Established retirement age for directors and a 12-year term that informs board succession planning
- Clawback policy for senior executives
- Share ownership requirements – we require our directors and Executive Officers to own shares, or have an equity interest in EQB, to align their interests with our shareholders
- Our Board and committees oversee our risk management framework and strategic, financial and operational risks
- Diverse board – our Board represents a diverse mix of skills, backgrounds and experience. The Board adopted a target to have women represent 30% of its independent members
- Financial and risk management experience on every Board Committee
- Formal Board evaluation conducted annually
- We limit the number of other public company boards our directors can serve on together
- Board skills matrix used for director recruitment and succession planning
- We are holding an advisory, non-binding vote (Say on pay) on our approach to executive compensation
- Meeting attendance requirements for directors
- New directors are paired with a director who has several years of experience on EQB's Board to act a mentor and assist with their orientation and understanding of the functioning of the Board

What we don't do

- No slate voting – directors are individually elected
- No monetization or hedging
- Directors cannot receive stock options
- The Chair of the Board does not have a deciding vote in the case of a Board tie

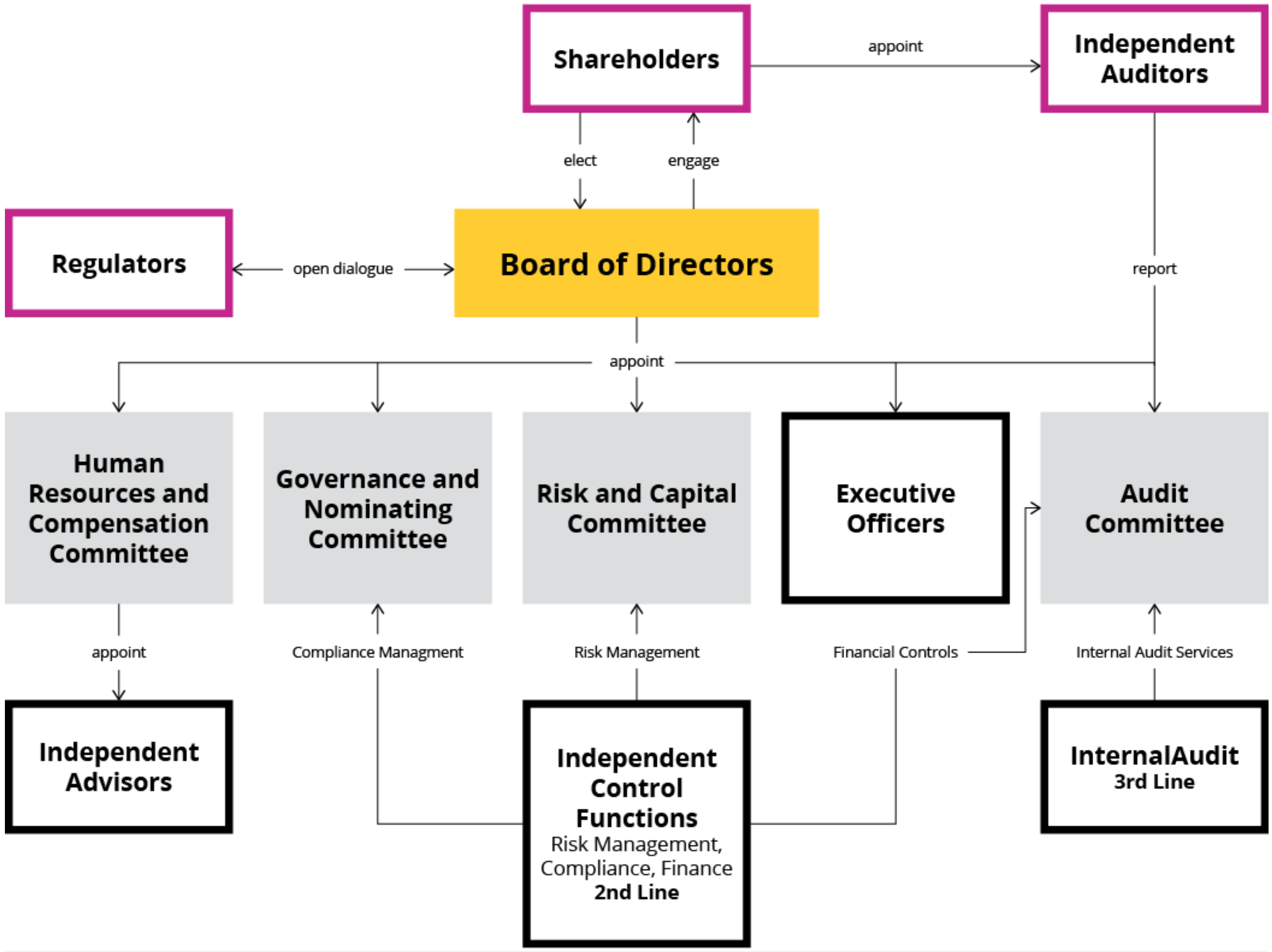
Our governance structure

The Board is supported by four standing Committees: the Audit Committee, Governance & Nominating Committee, HR & Compensation Committee and the Risk and Capital Committee, as well as one sub-committee: Credit Risk Sub-Committee.

Th**e Governance and Nominating Committee annually reviews the composition of each Board Committee and the designated Committee Chairs together with the Chair of the Board. Rotation of Committee members is based on continuity, balance, the need for fresh perspective, the utilization of each director's particular experience and expertise, with consideration given to director term limits. Each Board Committee is 100% independent and each director serves on a minimum of two Committees with the exception of our three newest Directors who have not yet been assigned Committee membership. The Chair of the Board regularly attends all Committee meetings in a non-voting capacity.**

Each Board Committee reviews its mandate annually and any changes are recommended for approval by the Board. Committee Chairs report to the Board on material matters considered and decisions made by the Committee at the next regularly scheduled board meeting. Each Committee also uses an annual work plan to guide its deliberations during the course of the year, which it approves on an annual basis. The Committee also has the authority to retain external advisors at EQB's expense in connection with its responsibilities.

The diagram on the next page outlines the reporting relationships between shareholders, the Board, four Board Committees and management. Formal mandates are approved for the Board, each Committee, the Chair of the Board, Committee Chairs, the CEO, and the control function heads (CFO, CRO, Chief Compliance Officer and Chief Auditor). These mandates set out the key responsibilities and accountabilities for each role, Committee and function.



Chair of the Board

The Chair of the Board is an independent director. The Chair presides over all Board and shareholder meetings and oversees the work of the Board Committees. In carrying out their duties, the Chair:

- leads the Board in its supervision of the business and affairs of EQB and its oversight of management;
- provides leadership to the Board to ensure it can function independently of management as and when required;
- advises the CEO on major issues and serves as a liaison between the Board and senior management;
- fosters the Board's understanding of the boundaries between Board and management responsibilities;
- participates in the recruitment and orientation of new directors;
- together with the Governance and Nominating Committee, conducts the Board's annual evaluation process;
- assists the HR and Compensation Committee in monitoring and evaluating the performance of the CEO;
- chairs in camera meetings of the independent directors at all Board meetings;
- regularly attends Board Committee meetings in a non-voting capacity;
- interacts with directors and senior management throughout the year; and
- meets with regulators, shareholders and other stakeholders on behalf of the Board.

The mandate of the Chair of the Board is available on our website at www.equitablebank.ca.

Board Mandate

The Board's responsibilities are set out in its mandate (attached to this circular as Schedule A) and include the following:

Strategic Planning

The Board oversees EQB's strategic planning process, ensuring alignment with EQB's risk appetite, and annually approves the strategic and financial plan, which takes into account the opportunities and risks of the businesses, holding management accountable for executing the strategy and delivering strong performance while managing risk. The Board holds a strategic planning session with Management every year as part of the planning process. The President and CEO, together with the senior management team, update the Board at every regularly scheduled meeting on our progress, and discuss strategic issues, competitive developments, and business opportunities and risks, with input and insights provided by the Board. The Board oversees the implementation of the strategic plan and monitors our progress, providing guidance and input as appropriate. The Board approves any adjustments to the strategic plan in response to our progress and/or changing market conditions. New strategic opportunities and risks are discussed as they arise throughout the year. The Board and HR and Compensation Committee assess our performance against the strategic and financial plan at the end of the year in the context of targets and measures set for the short-term incentive award. This ensures that our executive compensation supports the strategy and that there is a direct link between pay and performance.

Risk Management

The Board is responsible for overseeing the identification and monitoring of the core risks to which EQB is exposed and for satisfying itself that appropriate policies, procedures and practices are in place to effectively identify, monitor and manage them within our Risk Appetite Framework. The Board delegates responsibility for the execution of certain areas of risk oversight to its committees in order to ensure that they are treated with appropriate expertise, attention and diligence, with reporting to the Board in the ordinary course. Our core risks and detailed information on matters including our risk management framework, risk culture and risk appetite are provided in our 2022 MD&A.

> Our Enterprise Risk Management Framework is designed to enhance the identification and mitigation of risks across the organization, and to assist the Board and the Risk & Capital Committee with their oversight responsibility for risk management.

Each Committee assists the Board in overseeing risk:

Audit Committee	• oversees the quality and integrity of our financial reporting processes to mitigate our exposure to financial, derivative and disclosure risks • oversees the quality and effectiveness of our internal controls and the independence of the internal audit function • oversees the qualifications, independence and performance of the external auditor • oversees the independence and performance of the Finance and Internal Audit functions

Governance and Nominating Committee	• oversees adherence to the code of conduct • oversees regulatory risk • responsible for board and chair succession • makes recommendations to the Board on corporate governance practices • oversees compliance with legal and regulatory requirements, governance policies and practices • oversees ESG initiatives, sustainability, and monitors trends and best practices in ESG reporting • oversight responsibility for consumer protection matters • oversees the independence and performance of the Compliance function
HR and Compensation Committee	• oversees material risks associated with compensation programs, talent retention, and succession planning risk to the executive team • oversees diversity and inclusion, employee engagement, culture, employee health, safety and wellbeing and pay equity • reviews the compensation of employees that have a material impact on risk
Risk and Capital Committee	• oversees EQB's core and emerging risks and the implementation of controls to manage risks • reviews and/or approves policies and frameworks in place to manage current and emerging risks • reviews EQB's risk-based capital requirements • promotes a strong risk culture • reviews the risk impact of our strategic plan and new business initiatives • oversees EQB's business continuity plan including crisis management, disaster recovery and pandemic plans • meets regularly with the Chief Technology Officer and Chief Information Security Officer to discuss information management, technology and cybersecurity risks • reviews EQB's risk profile against the approved risk appetite and has primary oversight for credit, liquidity, market, operational, business and strategic, and reputational risks • oversees the risk function and adherence to risk management policies

Succession Planning

The HR and Compensation Committee and the Board review senior leadership succession, including for the CEO, and also ensures there are emergency replacements for key executive roles including control function heads. Their involvement in leadership development and succession planning is systematic and ongoing.

The HR and Compensation Committee and Board prioritize executive succession planning and invest significant time in CEO succession planning. The HR and Compensation Committee reviews the strengths, leadership capabilities, experience, tenure and development opportunities of potential successors for the CEO position together with the CEO and CHRO. During their discussions, the HR and Compensation Committee may recommend additional development opportunities, mentorship and enhanced responsibilities to accelerate candidates' growth. The HR and Compensation Committee reports to the Board on these matters. In addition to the annual review, the HR and Compensation Committee discusses talent management and succession in the context of performance reviews used to determine executive compensation.

The HR and Compensation Committee reviews changes to our organizational structure and its impact on executive roles and spans of control. The Board encourages the CEO to provide opportunities for the Board to interact with our Executive Officers and high potential employees we have identified, including through presentations made at Board and Committee meetings, education sessions and meeting with these individuals, both for succession planning and leadership development purposes, and to provide the Board with a broader perspective and context on issues relevant to EQB.

Succession planning is an important priority for our Board and is reviewed at least annually

Internal Controls

The Board oversees and monitors the integrity and effectiveness of EQB's internal controls and management information systems. The Board also oversees compliance with applicable audit, accounting and regulatory reporting requirements and approves the quarterly and annual consolidated financial statements.

A strong control environment is critical to our success. Over the past few years, we have been investing significantly in strengthening our controls surrounding people, processes and technology to protect EQB and our customers' information.

The Audit Committee oversees the Internal Audit function by reviewing audit plans and activities, and performance of the Chief Auditor.

Disclosure Controls

Our Disclosure Control Policy provides guidance for determining whether information is material (as defined by securities legislation) and includes measures to avoid selective disclosure of material information. It also sets out our commitment to promptly release material information in a timely, accurate and balanced way to stakeholders.

Our Disclosure Control Committee, which is composed of senior officers, is a key part of this process and its responsibilities include evaluating events to determine whether they give rise to material information that must be publicly disclosed and the timing of that disclosure, and reviewing our core disclosure documents (management information circular, annual and quarterly consolidated financial statements and related MD&A and AIF) before they are reviewed by the board for approval and public release.

A Culture of Ethical Conduct

A strong culture of ethical conduct is central to EQB. The Board plays a key role in overseeing our culture, setting the "tone at the top". Management is held accountable for maintaining high ethical standards and practices which are fundamental to our business, assets and reputation. The Board has established standards for the ethical conduct of our business in the Code of Conduct (Code), which applies at all levels of the organization. Together, all directors, officers and employees are accountable for preserving EQB's role as a trusted partner dedicated to service in a safe, fair, honest, respectful and ethical manner. The Code serves as a central guide to connect our corporate values to a common understanding of what practices are acceptable and which are not; living these corporate values fosters a positive working environment and is the key to our continued success. The Code addresses fundamental topics such as conflicts of interest, confidentiality and the protection / use of corporate assets and information, professional conduct and personal integrity, compliance with laws, regulations and other obligations including the reporting of any illegal or unethical behaviour.

All employees and officers, as a condition of employment, and all directors, upon joining the Board, must acknowledge they have read, understand and agree to comply with the Code. They are also required to review and attest that they have complied with it annually. Employees and contingent workers are also required to complete Code training.

The Governance and Nominating Committee monitors compliance with the Code, including approving, where appropriate, any waiver from the Code to be granted for the benefit of any director or executive officer of EQB, and any such waivers are disclosed in accordance with applicable regulatory requirements. Compliance with the Code is monitored by management on an ongoing basis and material issues arising under the Code are reported to the Governance and Nominating Committee by the Chief Compliance Officer (CCO). The CCO reports annually to the Governance and Nominating Committee on the attestation process confirming the completion of attestation activities. Directors and officers must also read and consent to the Conflict of Interest Policy.

We have specific policies and training for directors and employees including anti-money laundering, privacy, insider trading, operational risk and cybersecurity.

We are committed to providing an inclusive, respectful and safe work environment that is free from discrimination, violence and harassment for all, as well as to complying with applicable laws pertaining to discrimination, human rights, violence and harassment. Complaints of discrimination, violence or harassment are dealt with promptly, and treated with seriousness, sensitivity and confidentiality. Retaliation against anyone for having raised a concern or complaint in good faith is forbidden and anyone who raises a concern in good faith is protected from retaliation.

The Code is available on our website.

Reporting a concern

All directors, officers and employees have an obligation to report any concerns they may have about financial reporting or suspected fraudulent activity, unethical behaviour, a breach of the Code and other compliance policies, without fear of retaliation.

Our Whistleblower Policy helps safeguard the integrity of our financial reporting and business activities, support adherence with the Code, and provide assurances to EQB's stakeholders in their reliance on the accuracy of our financial reporting.

The Policy provides multiple reporting channels, including calling the confidential, toll-free hotline or going online to make an anonymous and confidential report (both of which are maintained by an independent third party).

All reports are investigated internally or by an independent external party, and appropriate action is taken. Significant concerns are raised with the Chair of the Audit Committee.

Conflicts of interest and related party transactions

Directors have an ongoing obligation to disclose their business and personal relationships with EQB and other companies they have relationships with so that any potential conflicts can be identified. Directors may not be eligible for election if they have a potential or actual conflict of interest that is incompatible with service as a director.

Each director is responsible for reporting any potential or actual conflict of interest between them and EQB to the Chair of the Governance and Nominating Committee and/or the Chair of the Board. The Governance and Nominating Committee will determine an appropriate course of action with respect to such director. Where the potential or actual conflict is manageable, such as the director excusing themselves from discussions or deliberations, the director may be eligible for election and the potential or actual conflict will be monitored by the Governance and Nominating Committee and recorded in the minutes of the meeting.

The Governance and Nominating Committee's mandate includes its responsibilities for:

1. reviewing and monitoring the effectiveness of the Bank's policy and procedures for complying with the self-dealing provision of applicable laws;
2. reviewing and approving EQB's practices to identify related party transactions that could have a material effect on the stability or solvency of EQB, and the criteria and thresholds for permitted related party transactions;

3. review and, if considered advisable, approving the terms and conditions of loans to related parties that exceed established thresholds; and
4. approving the terms and conditions of any related party transaction that exceeds the established thresholds.

Management provides the Committee with an annual attestation on the effectiveness of the Bank's procedures and their continuing compliance with applicable laws.

There were no material conflicts of interest or related party transactions reported to the Board in 2022.

Communication and Engagement

We communicate with our shareholders and other stakeholders through a variety of channels, including:

- quarterly financial results
- annual information form
- management information circular
- ESG Report
- Public Accountability statement
- News releases
- our website
- social media

Shareholders can communicate with the Chair, any of our independent directors or our Investor Relations team by using the contact details on the back cover.

We engage directly with shareholders and other stakeholders on a regular basis through:

Meetings, calls and media appearances	The CEO, CFO and other senior officers including members of our Corporate Development and Investor Relations team meet regularly with financial analysts, the investment community and/or institutional and retail investors, and rating agencies providing an opportunity for constructive dialogue on various topics including strategy and governance, ESG issues, open banking and modernizing payment systems. These meetings are held through a variety of forums including direct meetings, virtual meetings and conferences.
News releases	We issue news releases throughout the year to report any major changes or developments in our business
Ad hoc meetings with shareholder advocacy groups upon request	The Chair of the Board and/or Chairs of the Governance and Nominating or HR & Compensation Committees will meet with shareholder advocacy groups such as the Canadian Coalition for Good Governance, regulators, employees, to discuss any issues, concerns or obtain feedback on a particular subject matter
Quarterly conference calls and webcasts	The CEO and CFO hold quarterly earnings calls with analysts and investors after we release our financial results. The calls are broadcast live and, for a period of 3 months after each call, are archived on our website in the Investor Relations section at https://eqbank.investorroom.com/home. Shareholders can also access comprehensive financial information, including information on dividends, annual information form, the annual ESG report and news releases on our website.

This past year, we embarked on an ambitious engagement strategy to proactively reach out to our shareholders and investors to better explain the Challenger Bank story and certain decisions made by EQB as well as to understand their priorities and listen to their concerns. In some cases, we met with investors on multiple occasions to provide ongoing updates on our progress on ESG issues. We held over 100 engagements with retail and institutional shareholders in Canada and around the world, rating agencies and regulators.

We also respond to any shareholder concerns and questions we receive throughout the year.

Environmental, Social and Governance ("ESG")

To achieve our purpose of enriching people's lives as Canada's Challenger Bank™, we follow best ESG practices but also make decisions differently than some other institutions.

The Board, with the assistance of the Board committees, oversees our approach to ESG issues and its integration into our strategy, business processes, and operations. Board and committee responsibilities are outlined below:

	Summary of ESG responsibilities
Board	• oversee a culture of integrity and ethical business conduct, and approve the Code of Conduct • approve EQB's strategy, oversee its implementation and monitor its execution • approve the risk appetite framework and oversee its implementation Further information can be found in EQB's Board mandate attached to the circular as Schedule "A"
Audit Committee	• oversee the quality and integrity of financial reporting and the effectiveness of internal controls over financial reporting • oversee the effectiveness of the whistleblower program • oversee the effectiveness of the Internal Audit function and review reports on ESG-related audits Further information can be found in the Committee's mandate on our website.
Governance and Nominating Committee	• oversee EQB's ESG initiatives and related reporting, specifically the ESG Performance Report and the Public Accountability Statement • receive updates on current and emerging trends, standards and best practices in ESG matters and disclosure of non-financial performance • support the Board in its oversight of EQB's purpose and review disclosure on and alignment with its purpose • develop and recommends corporate governance guidelines and Code of Conduct, and review the Third Party Code of Conduct • monitor the effectiveness of the Board Diversity Policy • oversee compliance with the consumer protection provisions of the *Bank Act* • oversee engagement efforts with stakeholders, including ESG rating agencies Further information can be found in the Committee's mandate on our website.
HR and Compensation Committee	• oversee and monitor EQB's policies, programs and practices designed to: ✓ promote workplace equity, including pay equity for equal work ✓ protect the mental health and physical health and safety of employees in the workplace, and promote employee wellbeing and engagement

	Summary of ESG responsibilities
	✓ ensure a respectful workplace free from harassment ✓ support an inclusive workplace culture and business environment that emphasizes the importance of reconciliation and is actively anti-racist • oversee the executive compensation program and consider the interests of our customers and the long-term interests of shareholders • oversee senior management succession and leadership development Further information can be found in the Committee's mandate on our website.
Risk and Capital Committee	• review and recommend EQB's risk appetite framework and oversees EQB performance against its risk appetite • review and approves significant risk management frameworks and policies • oversee the promotion of a sound risk-aware culture throughout EQB • receive reports on the integration of significant environmental and social risk exposures within the enterprise risk management framework Further information can be found in the Committee's mandate on our website.

Our inaugural ESG report, which is available on our website, highlights our achievements in 2021, and reflects upon our experiences with investors, rating agencies, regulators, and other stakeholders to address ESG issues.

Our 2022 ESG Report will be published and available in May 2023.

Inclusion, Diversity, Equity, Accessibility and Anti-Racism work = IDEA² work

Our work focuses on what we call IDEA²: Inclusion, Diversity, Equity, Accessibility and Anti-Racism work. The heart of this work comes from the wisdom of our in-house experts: the employees of lived experience, who guide us forward knowing what each of their communities –comprised of EQB employees and customers – need.

Inclusion is central to our Challenger Bank mindset, a theme that runs through EQB's incredibly impactful Employee Resource Groups (ERGs), via our IDEA² Committee goals, and shines especially brightly during employee-led cultural days of celebration and commemoration. Days such as Nowruz, Pride, National Day for Truth and Reconciliation, and beyond. Our diverse perspectives and lived experiences create the rich fabric of our workplace culture.

Our six ERGs are each comprised of individuals with lived experiences within each category. These groups serve as powerful resources within our organization, experts who themselves provide the gift of wisdom and guidance through their own lenses. These groups currently include (i) The Black Collective; (ii) The Indigenous ERG; (iii) Women in Tech; (iv) The Green Team (environmental focus); (v) Proud ERG (LGBTQ+); and (vi) Newcomers To Canada.

Our internal recruitment bar is to go beyond where other organizations go. We strive to make thoughtful, long-term ties to communities, to contribute to those communities via scholarships, charitable donations, and volunteer work, and to find talent in areas via underserved organizations, specifically ones where our competitors do not go.

We know, with conviction, that our organization's work, as well as our customer's experience and our employee connection is stronger when we:

1. are guided by our employees' recommendations,
2. amplify the shared wisdom of our diverse employees
3. continue to work with an unyielding eye on supporting community change-makers and reconciliation-focused work.

To date we have not established specific diversity targets for our Executive team due to its small size and the need to carefully consider a broad range of criteria; most importantly, the appropriate matching of business needs to drive long-term value for our stakeholders, and the proven skills and capabilities of new appointees. As of the date of the circular, 29% (2 out of 7) of our Executives are women, one who is also a person of colour.

Board Independence

The independence of our directors is determined annually by the Board, on the recommendation of the Governance and Nominating Committee. The Board has adopted a director independence policy which incorporates the definition of “independence” from the CSA rules. Our director independence policy is included in our Corporate Governance Guidelines which can be found in the corporate governance section of our website.

A director will be considered independent if they have no direct or indirect material relationship with EQB, our independent auditors, or our executives. The information required to make this determination is collected from sources such as:

- director responses to an annual detailed questionnaire
- director biographical information, and
- internal records and reports on relationships between directors, and entities affiliated with directors and EQB

Also considered are relationships between directors and EQB, and other facts and circumstances deemed relevant to determine whether any of these relationships could reasonably be expected to interfere with a director’s independent judgment.

The Board has affirmatively determined that ten of the eleven director nominees standing for election are independent.

Maintaining independence

The Board has established other important practices to maintain its independence.

External advisors	Under their mandates, the Board and each board committee may engage their own external advisors at EQB's expense to ensure they have access to independent advice.
Access to management	All independent directors have unrestricted access to EQB management and employees
***In camera* sessions**	The Board Chair and each Committee Chair lead sessions without management present at each of their meetings to facilitate open and candid discussion among directors. Such sessions are held before and/or after every regularly scheduled meeting.

Board interlocks and service on other boards

The Board has an interlock policy which states that no more than two of our directors shall serve on the same company board unless otherwise agreed to by the Board.

The Governance and Nominating Committee reviews external board and committee memberships of all directors as part of its annual review of director independence. The table below shows the names of the companies that have more than one of EQB's director nominees serving on their board of directors:

Company	Director	Company board committee of which director nominee is a member, or position held
Definity Financial Corporation[1]/ Economical Insurance Company of Canada	Rowan Saunders	President and CEO
	Michael Stramaglia	Chair, Risk Review Committee Member, Corporate Governance Committee

1. Denotes public company

The Governance and Nominating Committee has determined that this relationship does not impair the ability of these directors to exercise independent judgment.

CEO directors should serve on no more than two public company boards, including their own, and non-CEO directors should not serve on more than five public company boards. Directors are required to notify the Chair of the Board and the Chair of the Governance and Nominating Committee prior to accepting an invitation to join another board.

Expectations of our directors

Each member of the Board is expected to act honestly and in good faith and to exercise business judgment that is in EQB's best interest. In accordance with the position description for directors which has been established by the Board, each director is expected to, among other things:

- ensure personal compliance with EQB's Code of Conduct and with all policies that apply to directors
- demonstrate high ethical standards and integrity in their personal and professional dealings
- avoid conflicts of interest
- devote the necessary time and energy to fully assume their responsibilities to EQB
- develop an understanding of our strategy, business and industry
- participate in director education sessions
- expected to attend all Board and Committee meetings on which they serve but at a minimum, are required to attend at least 75% of those meetings, and to come to those meetings fully prepared.

Board succession planning – size of the board, board composition and tenure, nomination of directors

The Governance and Nominating Committee is responsible for Board succession planning, for making recommendations to the Board annually regarding the size and composition of the Board and its Committees, and for recommending qualified candidates for Board membership.

The Board is required to have a minimum of seven and a maximum of twelve directors. The exact size of the Board is set by the Board prior to each annual meeting of shareholders on the recommendation of the Governance and Nominating Committee. The Board size may be changed by the Board from time to time between annual meetings. In November 2022 the EQB Board increased its size to 12 members in order to appoint Michael Hanley and Marcos Lopez as Directors. The Bank's Board amended its By-law No. 1 to increase the maximum size to 13 members and appointed Messrs. Hanley and Lopez as well as Carolyn Schuetz as Directors.

The Governance and Nominating Committee, together with the Chair of the Board, regularly reviews the composition of the Board, including the age and tenure of directors, various areas of expertise, diversity and geographic representation, with the objective of having a sufficient range of skills and experience to ensure the Board can carry out its responsibilities effectively. Over the past few years the Governance and Nominating Committee and the Chair of the Board have focused on Board renewal and Chair succession to meet the evolving needs of EQB's business and plan for director retirements.

Retirement Age and Term Limits

The Board has established a mandatory retirement age for directors whereby a director will not stand for election to the Board after they reach the age of 72 years. Subject to the retirement age and receiving solid performance assessments, directors may serve on the board for up to 12 years. In exceptional circumstances, and subject to the retirement age and being re-elected annually by the shareholders, a director's term may be extended for an additional one-year term to a maximum of three years if it is determined by the Board to be in EQB's best interests. Under the *Bank Act* (Canada), EQB's CEO is required to serve on the Board for as long as they hold such office. At the upcoming annual meeting, Lynn McDonald and David LeGresley will retire from the Board having served as Directors for 12 years.

Seven independent directors, including Diane Giard who stepped down from the Board at the close of the 2022 annual meeting, have joined the Board in the past five years. The average tenure of our 2023 director nominees, excluding the CEO, is 5 years.

Skills Matrix

The Governance and Nominating Committee maintains a skills and competencies matrix based on knowledge areas, types of expertise and experience considered most relevant for EQB, and helps the Committee to identify any gaps so as to ensure there is a diverse range of skills, expertise and experience for the Board to meet its current and future needs. These areas of expertise are intended to dovetail with the general qualifications and personal attributes the Committee seeks in all Board members and director candidates, such as high personal and professional ethics and integrity, practical wisdom, sound business judgment, and a willingness to devote the required amount of time to carry out the duties and responsibilities of Board service.

The table on the following page indicates each director nominee's skills and experience, based on self-assessments, as well as their gender, age range and tenure at EQB as at the date of the meeting:

	Gender	Skills and Experience											Age				Years on Board		
		Governance	CEO/Senior Executive	Strategy	Risk Management	Finance/Accounting	Real Estate	Retail Banking	Human Resources/ Compensation	Legal/Regulatory	Technology	Marketing/Branding	49 and under	50-59	60-65	66-72	0-5 years	6-10 years	11+ years
Michael Emory	M	✓	✓	✓	✓	✓	✓		✓	✓						✓		✓	
Susan Ericksen	F	✓	✓	✓	✓			✓	✓	✓	✓				✓		✓		
Michael Hanley	M	✓	✓	✓	✓	✓		✓	✓	✓				✓			✓		
Kishore Kapoor	M	✓	✓	✓	✓	✓			✓	✓		✓				✓		✓	
Yongah Kim	F	✓	✓	✓				✓	✓			✓		✓			✓		
Marcos Lopez	M	✓	✓	✓	✓	✓			✓		✓	✓	✓				✓		
Andrew Moor	M	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓				✓
Rowan Saunders	M	✓	✓	✓	✓				✓	✓	✓	✓		✓				✓	
Carolyn Schuetz	F	✓	✓	✓	✓	✓		✓		✓	✓				✓		✓		
Vincenza Sera	F	✓			✓	✓	✓		✓							✓		✓	
Michael Stramaglia	M	✓	✓	✓	✓	✓	✓	✓	✓	✓					✓			✓	

Description of Skills and Experience:

- **Governance**: Experience in board and governance practices of a publicly-listed company or large organization
- **Retail Banking:** Senior level experience in retail banking or in the digital/ online distribution of banking products/service offerings, and related technology issues
- **CEO/Senior Executive:** Broad business experience as a senior executive of a public company or large organization
- **Human Resources/Compensation:** Experience in succession planning, talent management and retention, compensation program design and structure (in particular executive compensation programs)
- **Strategic Planning:** Experience in developing and implementing a strategic direction at a large organization
- **Legal/Regulatory:** Training and/or experience in law and compliance for regulatory regimes
- **Risk Management:** Experience in risk management practices, internal risk controls, risk assessments and reporting; experience on a public company or regulated company board committee that oversees risk management
- **Technology:** Experience in or oversight of technology and operations, including cybersecurity issues and data management
- **Finance/Accounting:** Experience in financial accounting and reporting, corporate finance and internal financial/accounting controls, and International Financial Reporting Standards
- **Marketing/Brand Awareness:** Experience as a senior executive in sales and marketing strategies, and in developing and implementing strategies to increase customer satisfaction and enhance the customer experience
- **Real Estate:** Experience in real estate development and in the real estate industry

Recruiting new directors

The Governance and Nominating Committee is responsible for identifying and recommending suitable director candidates, with the help of professional search firms as necessary. Since 2015, all directors who have joined the Board have been with the assistance of an external search firm and this is true for our newest Directors, Messrs. Hanley and Lopez, and Ms. Schuetz. Directions for any director search require that the pool of identified candidates meet the approved skills and experience, and are diverse.

The Governance and Nominating Committee is committed to ensuring that the Board represents a diverse mix of skills, experience, gender, age, ethnicity and other dimensions of diversity with a view to ensuring that the Board benefits from the broader exchange of perspectives made possible by diversity of thought, background, skills and experience. Search firms engaged for any director search are instructed to include diversity criteria in any director search.

Once potential, qualified candidates are identified, they meet with the Chair of the Board, the Chair of the Governance and Nominating Committee, the CEO and two other Committee members to discuss the Board's expectations of director contribution and commitment, as well as to obtain other relevant information required to evaluate the candidate. The Committee assesses the candidate's integrity and suitability by obtaining references, verifying their educational background, conducting background checks, and assessing any independence or other concerns. Candidates are considered based on merit, having regard to skills and experience being sought as well as experience in risk management and the financial services industry, in order to contribute to the broad range of issues with which the Board routinely deals.

The Committee also takes into consideration potential conflicts, and the candidate's ability to devote sufficient time as a director. Upon completion of this process, the Committee will make a recommendation to the Board on the appointment of the candidate as a director, or as a director nominee for election by the shareholders.

Nominating existing directors

In considering whether to recommend an existing director for re-nomination, the Governance and Nominating Committee, in consultation with the Chair of the Board, reviews the director's:

- continued integrity and suitability
- overall performance and capability to contribute effectively to the Board and its oversight responsibilities;
- tenure and age;
- attendance at regularly scheduled Board and Committee meetings; and
- compliance with our Code of Conduct.

Board Evaluation

The Governance and Nominating Committee oversees the annual evaluation of the Board to assess its effectiveness. In addition to succession planning, the evaluation process assists the Board in:

- assessing its overall performance and measuring the contributions made by the Board as a whole, by each Committee and each director
- evaluating the mechanisms in place for the Board and each Committee to operate effectively and make decisions in the best interests of EQB
- improving the overall performance of the Board by assisting individual directors to build on their strengths, and
- identifying gaps in skills and educational opportunities for the Board and individual directors

The evaluation process consists of:

Questionnaires → **One-on-one meetings** → **Feedback**

The Governance and Nominating Committee determines the format for the evaluation process annually, with input from the Chair of the Board. Questionnaires for evaluating Board performance consists of both long and short form which alternate depending upon the dynamics of the board. Long-form questionnaires are more comprehensive and solicit directors' views on a variety of matters, including execution of EQB's strategy, the Board's progress against its objectives, effectiveness of communication between the Board and senior management, succession planning processes, board processes, what was done well and what could be done better, board committee work, Board leadership, tone at the top, compliance and risk management, adequacy of information provided to directors for Board and committee meetings, and what the Board's priorities should be in the coming year which help with creating annual objectives for the Board. The questionnaire includes open-ended questions on Board and Committee effectiveness so directors can elaborate on their responses and give candid feedback and constructive comments. Short-form questionnaires include open-ended questions and solicit directors' views on the Board's progress against its objectives and at least three or four other specific matters.

The 2022 Board evaluation consisted of the short-form questionnaire which solicited feedback on EQB's strategy, board and committee performance, and succession planning including Chair succession. Upon the recommendation of the Governance and Nominating Committee, the Board has approved the appointment of Michael Hanley as Chair of the Board, subject to his election at the meeting.

Peer reviews, when conducted, solicit directors' views of the performance of their colleagues, their contributions and participation in Board discussions and debate, knowledge, experience, demonstration of high ethical standards, independent judgment, communication, and persuasion skills.

All questionnaires are completed electronically and a complete set of the responses is forwarded to the Chair of the Board who summarizes the results and presents them to the Board. All director responses remain anonymous. The results from this evaluation serve to inform the Board's objectives for the following year. The Board's progress in meeting these objectives is reviewed quarterly by the Board.

The Chair of the Board conducts candid and confidential one-on-one meetings with each director to discuss the answers received from and in respect of each director, when conducted, the Board evaluation, and any other issue which either may wish to raise. For those directors who are a Committee Chair, the Chair of the Board will also discuss their contribution and effectiveness in that position.

The Chair of the Governance and Nominating Committee receives the results of the Board Chair evaluation and provides a summary of the feedback received to the Chair of the Board.

Orientation

New Directors:

- meet with the Chair of the Board and each Committee Chair to discuss the role of the Board and the various Committees, governance, Board dynamics and culture;
- meet with the CEO and other executive officers, including the heads of the control functions to discuss our financial position, our key risks and risk management processes, the regulatory environment, and current issues facing our business;
- are assigned a “mentor” director for their first year to answer questions and provide contextual information to better understand materials and processes;
- visit the individual business units to observe the business and develop a deeper understanding of the day-to-day operations;
- are provided with opportunities to engage with the employee base;
- are encouraged to attend all Board Committee meetings before they are elected or appointed to the Board and during their first year following their election or appointment;
- receive access to our secure online board portal where they have access to our by-laws, Board and Committee mandates, Board policies, Corporate Governance Guidelines, minutes and material from recent Board and Committee meetings, , our Code of Conduct, Director compensation and share ownership requirements, as well as EQB’s strategic plans and analyst reports.

Continuing Education

Our continuing education program consists primarily of education sessions led by external speakers. Directors identify their specific education needs in discussions with management, during the annual Board evaluation where they are canvassed on specific topics or best practices they would like to learn more about, and during Board and Committee meetings. Committee Chairs can also determine the education sessions necessary for their members. Certain of our directors are also members of the Institute of Corporate Directors (ICD) or the National Association of Corporate Directors (NACD) and/or attended courses and programs offered by the ICD and NACD.

EQB’s continuing education program for directors includes:

- in-depth presentations provided by management on our business segments, regulatory changes and industry developments at Board and Committee meetings;
- enrolment in programs offered by the Global Risk Institute;
- timely access to comprehensive materials and relevant information prior to each Board and Committee meeting;
- presentations by external guest speakers that provide directors with updates on key topics including emerging industry and regulatory trends, the marketplace, the economic landscape, and other topics of specific interest;
- Board dinners at each regularly scheduled meeting which include educational sessions on relevant business or strategic topics; and
- educational materials and updates between Board meetings on matters that affect our business, including equity analyst research reports, competitive environment and industry developments.

From time to time directors also attend forums and conferences convened by regulators.

During 2022 directors participated in and received educational materials on the following topics.

2022 Director education sessions

Date	Topic	Attended by
February	External speaker presentation on the cloud fintech ecosystem	Board
May	External speaker presentation on Payments	Board
	External speaker presentation on Cybersecurity	Board
August	External speaker presentation on the future of Finance	Audit Committee
	External speaker presentation on the housing market in a rising interest rate environment	Board
	External speaker presentation compensation trends, legislative changes, and pay design practices	HR and Compensation Committee
November	External speaker presentation on IFRS disclosure requirements for financial risks associated with the use of derivative instruments	Audit Committee
	External speaker presentation on Open Banking	Board
December	External speaker presentation on capital markets comparability and metrics associated with EQB, peer bank trading insights and equity research analyst market perspective	Audit Committee/Board
Quarterly	Updates on enterprise risk, cybersecurity program and progress, cloud strategy	Risk & Capital Committee
	Updates on Investor relations strategy	Audit Committee
	Updates on Regulatory Compliance and the AML/ATF Program	Governance & Nominating Committee

Board committee reports

Report of the Audit Committee

The key responsibilities of the Audit Committee are to oversee (i) the quality and integrity of our financial statements; (ii) the qualifications, independence and performance of the independent auditors; (iii) the effectiveness of our internal controls, including internal control over financial reporting, (iv) the effectiveness and independence of the finance and internal audit functions, and (v) act as the audit committee for any subsidiary that is a federally-regulated financial institution. The Audit Committee's mandate can be found on our website at www.equitablebank.ca.

The following sets forth the highlights of the actions taken by the Committee in 2022:

Committee Members

Kishore Kapoor (**Chair**)
Lynn McDonald
Rowan Saunders

(100% independent)

5 meetings in 2022

At each meeting the Committee met:

- *in camera* with KPMG
- *in camera* with the Chief Financial Officer
- *in camera* with the Chief Auditor
- *in camera* without management present

2022 Highlights

Financial Reporting, Internal and Disclosure Controls

- reviewed and recommended for Board approval the public release and filing of the quarterly unaudited and annual audited consolidated financial statements, the related MD&A and earnings press releases, supplementary financial information, and the annual information form
- reviewed and recommended the annual financial statements the Bank and the Bank's federally regulated subsidiary for approval to their respective boards
- received reports from the Chief Financial Officer related to the quarterly and annual financial performance and operating results relative to results in prior periods and to market expectations
- monitored the financial reporting impact of the acquisition of Concentra Bank
- monitored capital and expense management
- reviewed and discussed with management and the external auditor the use of estimates, assumptions and areas of significant judgement to financial statement presentation, modelling and provisioning for credit losses
- reviewed and discussed with management significant changes to financial statement disclosures
- received reports from management on the Bank's regulatory capital ratios
- oversaw the effectiveness of disclosure controls and procedures and internal controls over financial reporting
- received management's report on the effectiveness of EQB's whistleblower program
- received an education session on disclosure requirements for financial risks arising from financial instruments
- received reports on legal actions taken by and against the Bank and its subsidiaries

Investor Relations

- received an education session on capital markets comparability and metrics associated with EQB, peer bank trading insights and equity research analyst market perspective
- monitored EQB's progress against the annual investor relations performance metrics

External Auditor

- oversaw the work of the external auditor, including review and approval of the audit plan, areas of focus and significant audit risk that involve subjective or complex judgment,

- approved the audit fees and reviewed the fees for all non-audit services provided by the external auditor
- received written confirmation from KPMG of the firm's independence, including written disclosure of all relationships with EQB
- reviewed and approved the policy for the pre-approval of all engagements for non-audit services and fees
- reviewed updates on auditing and regulatory developments provided by KPMG
- reviewed reports issued by the Public Company Accounting Oversight Board and CPAB
- assessed KPMG's performance relating to audit quality, industry knowledge, objectivity, service, communication and technical expertise and concluded they should be recommended for reappointment

Internal Audit

- reviewed and approved the annual audit plan, including the risk assessment methodology to satisfy itself that the plan was appropriate and aligned with the Bank's seven core risks over a measurable cycle
- received regular updates from the Chief Auditor on the status of major audits, effectiveness and sustainability of key controls, including those related to top and emerging risks, and enterprise-wide themes, and key audit report follow-ups

Oversight of Finance and Internal Audit Functions

- received an education session on the future of finance and the transformation of the Finance function
- oversaw the reorganization of EQB's Finance function
- retained an independent third party to review the effectiveness of the Finance function
- received a report on an external quality assessment of the Internal Audit function
- approved the mandates for the Chief Financial Officer and Chief Auditor and assessed each officer's effectiveness and performance
- reviewed and assessed the independence of the Finance and Internal Audit functions and approved both function's budget, organizational structure and resources

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2022.

Governance and Nominating Committee report

The Governance and Nominating Committee is responsible for: (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-employee directors; (iv) overseeing the evaluation of the Board and Board Committees; (v) overseeing EQB's compliance with legal and regulatory requirements and its related policies including those of the Financial Consumer Agency of Canada; (vi) overseeing EQB's environmental and social responsibility practices, (vii) reviewing EQB's related party transactions, and (viii) acting as the conduct review committee for the Bank and for any federally regulated subsidiary of the Bank that requires a conduct review committee, i.e. Equitable Trust, Concentra Bank and Concentra Trust.

The following sets forth the highlights of the actions taken by the Committee in 2022:

Committee Members

Vincenza Sera (**Chair**)
Michael Emory
Lynn McDonald
Michael Stramaglia

(100% independent)

5 meetings in 2022

The Committee met:

- *in camera* with the CCO at each quarterly meeting
- *in camera* with the Chief Auditor annually
- *in camera* without management present at each meeting

2022 Highlights

Board composition

- reviewed Board composition, the level of diversity on the board, the tenure, independence, skills and experience, and other board service of each director prior to nominating directors for re-election at the annual meeting of shareholders
- with the assistance of an independent search firm, dedicated significant time to director recruitment activities in view of planned director retirements and recommended the appointment of three director candidates for Board membership. These directors further strengthen our Board by bringing expertise and experience in technology, finance and accounting, risk management and senior executive leadership, and ensured the Board would continue to surpass the gender diversity target specified in the Board Diversity Policy of having women represent at least 30% of the Board's independent membership
- oversaw Board Chair succession planning and recommended the appointment of Michael Hanley as Chair, subject to his election at the 2023 annual meeting.
- reviewed and recommended board committee composition
- oversaw director orientation
- received updates on evolving regulatory practices, legislative changes and perspectives of proxy advisory firms that may impact EQB's governance practices

Governance

- reviewed the proposed board governance structure of Concentra Bank upon closing
- completed the annual review of the Corporate Governance Guidelines, corporate policies, and board governance documents including the Board mandate, the Committee's mandate, the Board and Committee Chair mandates and position descriptions
- reviewed EQB's Sustainable Bond Framework, climate strategy and Third Party (Vendor) Code of Conduct
- reviewed EQB's ESG initiatives and reporting, EQB's Bank's community investment and charitable donations in employee causes and social justice issues in the Bank's inaugural ESG Performance Report and Public Accountability Statement
- reviewed reports each quarter on emerging trends, proposed regulatory disclosures, stakeholder perspectives, and standards on ESG matters
- reviewed and approved the governance disclosure in EQB's management information circular

Board assessment

- reviewed and recommended the Board's 2022 objectives and reviewed and agreed to the topics for the Board's 2022 education sessions

- discussed the scope, format and objectives for, and oversaw the annual Board evaluation which confirmed the Board continues to operate effectively

Director compensation

- engaged Meridian to conduct an in-depth competitive benchmarking review of director compensation and recommended for Board approval a new Committee member annual retainer and increases in annual retainers for Committee Chairs and the Board Chair
- reviewed director share ownership requirements and recommended no changes
- reviewed and recommended for Board approval a change to the DSU plan

Compliance oversight

- reviewed the administration of and adherence to EQB's Code of Conduct by all employees and the Board
- received regular updates from the CCO /CAMLO on regulatory compliance and on the design effectiveness and operation of the Bank's enterprise-wide compliance programs, including the anti-money laundering/anti-terrorist financing (AML) program and privacy program, consumer protection provisions of the Financial Consumer Protection Framework (FCPF) including reportable compliance issues and the effectiveness of the Bank's complaint handling program, including changes to improve the customer experience
- received updates on the Bank's state of compliance with applicable regulatory AML/ATF requirements including mandatory reporting to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and the CAMLO's annual self-assessment review of the effectiveness of the AML/ATF Program
- received updates on the impact of changing regulations and regulatory expectations on the Bank's business, and on the activities undertaken to comply with the consumer protection provisions of the FCPF, including new requirements for mandatory electronic alerts as well as new complaints and whistleblower processes
- received updates on the ongoing or planned implementation of EQB compliance programs across the organization including the Concentra Bank and Trust integration
- reviewed the Chief Auditor's annual assessment of the effectiveness of the Bank's Compliance methodologies, policies and practices of the Bank, as well as those of Concentra as at the closing date, November 1, 2022
- reviewed and approved the mandates for the CCO and CAMLO and assessed the effectiveness of the CCO/CAMLO
- reviewed the organizational structure of the Compliance function and approved the function's budget and resources
- reviewed internal audit reports relating to the adequacy and effectiveness of the Bank's procedures and controls to manage legal and regulatory risk
- acted as the conduct review committee for Equitable Bank and its federally-regulated subsidiaries and reviewed reports and policies on related parties and consumer protection provisions to foster compliance with the *Bank Act* (Canada)

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2022.

Human Resources and Compensation Committee report

The key responsibilities of the Human Resources and Compensation Committee are to oversee the: (i) design and operation of the compensation program to ensure alignment with EQB's strategy, risk appetite framework, and regulatory requirements; (ii) performance and compensation of the CEO; (iii) appointment, performance and compensation of Executive Officers; (iv) human capital matters, including pay equity, diversity and inclusion, succession planning, recruitment and retention, talent management and leadership development practices; (v) policies, programs and practices designed to promote workplace equity, protect mental and physical health and safety of employees and promote employee wellbeing; and (vi) support a respectful workplace free from harassment, and an inclusive workplace culture and environment that emphasizes the importance of reconciliation and is actively anti-racist.

The following sets forth the highlights of the actions taken by the Committee in 2022:

Committee Members

Susan Ericksen (Chair)
Michael Emory
Yongah Kim
Rowan Saunders

(100% independent)

6 meetings in 2022

At each meeting the Committee met:

- *in camera* with the CHRO
- *in camera* with the CEO
- *in camera* with the executive compensation consultant
- *in camera* without management present

2022 Highlights

Culture and human capital matters

- monitored EQB's management of the ongoing implications of the evolving environment and received regular updates on EQB's return-to-office strategy and a new hybrid work model, turnover, and monitored the impact on EQB's people strategy and culture
- oversaw the "S" of EQB's ESG initiatives by receiving progress updates on EQB's equity, diversity and inclusion initiatives for employees and the programs in place to promote the health, safety and well-being of employees
- reviewed the results of the annual employee engagement survey
- met with the Black Employee Resource Group to discuss progress made against the recommendations made in 2020 for eliminating real or perceived racial biases and inequity in the workplace
- reviewed preparation plans associated with the closing of the Concentra Bank acquisition, and received updates on communication and integration

President and CEO and Executive compensation

- reviewed and recommended performance objectives for the CEO, assessed his performance against these objectives and recommended all aspects of his compensation for Board approval, including his base salary, and short and long-term incentive awards
- reviewed the performance assessments of the executive team and Chief Auditor, approved their compensation and recommended long-term incentive compensation for Board approval
- reviewed and recommended for Board approval the corporate performance metrics for the annual short-term incentive plan
- reviewed and approved changes to short-term and long-term incentive targets applicable to Executive Officers
- monitored share ownership of the President and CEO and each Executive Officer relative to established share ownership targets and approved increases in executive share ownership targets commencing in 2023

Compensation Plans

- reviewed and recommended changes to the Treasury Share Unit Plan and approved long-term incentive design changes and changes to financial and non-financial performance metrics including ESG-related metrics
- approved the payout factor for the 2020-2022 Performance Share Units for Executive Officers
- recommended the aggregate compensation awards under the long-term incentive plans including the number of stock options to be granted

Succession planning, talent management and leadership development

- reviewed and discussed EQB's leadership succession planning strategy to enhance the quality, depth and diversity of the Bank's executive team and develop top leaders,
- monitored progress of top CEO succession candidates
- reviewed contingency plans for key Executives and control function heads to ensure continuous leadership and stability
- reviewed the executive organizational structure

Governance

- reviewed and discussed with the independent compensation consultant trends in executive compensation practices and reporting, and the perspectives of proxy advisory firms such as ISS and Glass Lewis
- recommended providing the "Say on pay" advisory vote to shareholders
- reviewed and recommended Board approval of changes to the Compensation Policy
- approved changes to the composition of the compensation peer group upon the close of Concentra Bank
- reviewed with the CRO the alignment of the compensation program with FSB Principles for Sound Compensation Practices
- reviewed option grants made by the CEO to new Vice-President hires pursuant to the authority delegated to him by the Board
- reviewed internal audit reports on the human resources and compensation-related practices and culture of the Bank and its subsidiaries and ensured the necessary actions were being taken in response to Internal Audit's recommendations
- reviewed the list of positions deemed critical to the safety, soundness and reputation of the Bank ("Responsible Persons")
- reviewed and recommended Board approval of the mandates for the CEO and the HR and Compensation Committee
- reviewed the independence of the executive compensation advisor and approved their fees
- approved annual workplans for both the Committee and the executive compensation advisor, and monitored progress against the workplans
- reviewed and approved the Executive Compensation section of this circular

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2022.

Risk and Capital Committee report

The Risk and Capital Committee (RCC) is responsible for: (i) reviewing and recommending for Board approval the Bank's risk appetite framework (RAF); (ii) reviewing, on an enterprise-wide basis, the significant risks to which EQB is exposed and assessing whether trends and emerging risks have been identified, measured, mitigated, monitored and reported, (iii) approving risk appetite statements in support of the RAF; (iv) reviewing the Bank's risk profile against the approved risk appetite, (v) reviewing risk management policies, frameworks, processes and controls and monitoring adherence to regulatory requirements, and (vi) overseeing the adequacy of EQB's capital structure and adherence to regulatory capital requirements.

The following sets forth the highlights of the actions taken by the Committee in 2022:

Committee Members

Michael Stramaglia (**Chair**)
Susan Ericksen
Kishore Kapoor
Yongah Kim
Vincenza Sera

(100% independent)

4 meetings in 2022

At each meeting the Committee met

- *in camera* with the Chief Risk Officer
- *in camera* without management present

2022 Highlights

Enterprise Risk and Risk Appetite Framework

- reviewed the Bank's risk appetite framework and its alignment with the strategic plan, and recommended this framework to the Board for approval,
- reviewed and approved risk appetite statements and key risk metrics,
- reviewed and recommended for Board approval the annual ICAAP,
- reviewed updated, and approved as necessary, risk management policies and applicable risk limits,
- received regular reporting on the assessment of the Bank's risk profile against risk appetite, including reviews of credit, market, liquidity, and operational risks, and the results of enterprise risk stress testing to identify and assess the Bank's core risks, inform risk tolerances and support strategic decisions,
- monitored the Bank's capital targets and ratios,
- reviewed significant risk management frameworks,
- monitored the impact of acquisition of Concentra Bank on risk appetite key metrics,
- reviewed sensitivity analyses related to credit risk and in-depth reviews on the Bank's loan portfolio,
- reviewed and discussed capital planning activities,
- monitored and discussed the Bank's progress towards AIRB implementation,

Risk Monitoring and Oversight

- reviewed performance against key risk metrics and management action plan to remediate any metric that falls outside of the Bank's risk appetite,
- reviewed quarterly enterprise cybersecurity program reports, including threat readiness and resilience, and discussed technology, cybersecurity and operational risks,
- reviewed Internal Audit reports on topics relevant to the Committee's areas of oversight and ensured the necessary actions were being taken in response to Internal Audit's recommendations in these reports,
- reviewed reports on third party risk management, and data asset risk,
- reviewed and discussed top and emerging risks,
- oversaw Treasury and non-trading market and liquidity risks and related activities,
- received updates on credit risk monitoring activities by the Credit Risk Sub-Committee and Credit Risk Management Committee,
- reviewed the adequacy of the Bank's insurance coverage for Board approval,
- continued to focus on ensuring the Bank supports a culture which promotes accountability, escalating and promptly resolving issues, learnings from past experiences, and encourages open communication and transparency on all aspects of risk taking

	Risk Governance • received attestations from the Chief Risk Officer related to the Bank's level of risk, processes and controls, • reviewed and recommended Board approval of delegation of credit risk limits to Management, • approved the budget and resources for the Risk Management function and reviewed the function's organizational structure, • reviewed and approved the mandate of the Chief Risk Officer and assessed his performance and the effectiveness of the Risk function, • received reports on compliance with risk management policies and limits, • reviewed and approved mandates of the Credit Risk Sub-Committee, Enterprise Risk Management Committee and Asset Liability Committee

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2022.

EXECUTIVE COMPENSATION

Letter to Shareholders

To our shareholders,

On behalf of the Human Resources and Compensation Committee ("HR and Compensation Committee") and the Board of Directors of EQB, we are pleased to share an overview of EQB's approach to executive compensation, and how it aligns with our performance.

In the Compensation Discussion and Analysis (CD&A) section that follows, we share detailed information on our pay-for-performance philosophy, compensation programs, governance practices and compensation for our Named Executive Officers ("NEOs").

2022 financial performance and strategic accomplishments

EQB delivered strong financial performance in 2022. We continued to advance the Bank's Challenger strategy despite the ongoing disruption to the Canadian economy from the COVID-19 pandemic.

Some highlights include:

- launched the "Make Bank" campaign to clearly deliver the message related to the Bank's innovation to improve people's lives
- produced an ROE of 15.7% compared to a 15%+ target with diluted earnings per share of $9.17, +9% year-over-year
- reported a common equity tier 1 ratio of 13.7%
- closed the acquisition of Concentra Bank thereby becoming Canada's 7th largest independent Canadian bank by assets, directly and indirectly serving more than 5 million Canadians, with nearly $103 billion in combined assets under management and assets under administration
- grew the all-digital EQ Bank platform customer base by 23% to approximately 308,000 customers, and EQ Bank deposit balances by +14% year-over-year to nearly $8 billion
- increased our loans under management by $18.3 billion or 47% year-over-year partially driven by the Concentra Bank acquisition
- launched EQ Bank in Quebec to serve digital banking customers across Canada and EQ Bank Card readiness and then full launch in January 2023, which is enabling customers to use the EQ Bank Savings Plus Account as their primary bank account
- achieved an all time high EQ Bank customer engagement score of 48% in Q4 with frequency of digital transactions +43% year-over-year and accounts held per customer +28% year-over-year
- released our first full-scale ESG Performance Report with data and commentary to provide stakeholders with transparent, relevant, and comprehensive disclosure on all aspects of environmental, social and governance strategies, practices, and outcomes
- become first bank in Canada to disclose our Scope 3 emissions
- remained carbon neutral in our Scope 1 and 2 greenhouse gas (GHG) emissions

Our executive compensation philosophy, principles and governance

Our philosophy for executive compensation aligns with our strategy as Canada's Challenger Bank. Our compensation program balances our accountability to operate a bank with safety and soundness while building long-term value for shareholders by driving change in Canadian banking to enrich people's lives. We aim to achieve this balance of prudence and appropriate entrepreneurial incentive by:

- Adhering to FSB principles to align incentives with established international standards to promote prudent management behaviour in banking;
- Operating a short-term incentive plan that incents: disciplined financial performance, maintaining a prudent capital structure and progress towards the Bank's longer term strategic goals;
- Emphasizing performance over the longer term by offering relatively more opportunity for upside leveraged to long term share price performance, provides more incentive for consistent return on shareholders' equity meaningfully above the cost of equity, and puts more emphasis on critical customer service metrics, than more traditional banks. Long-term program changes implemented in 2022 and early 2023 support our vision of long-run pay-for-performance; and
- Following market-aligned governance processes, policies and practices.

Long-term program changes implemented in 2022 and early 2023 support our vision of long-run pay-for-performance.

Our approach to compensation is based on guiding principles that align pay decisions with shareholder interests, while providing incentives and linking rewards to EQB's longer-term success. We have a strong governance process with an independent HR and Compensation Committee that in turn engages an independent executive compensation consultant. We carefully review outcomes and may exercise discretion if deemed appropriate, however discretionary adjustments are not currently a prominent feature of the incentive compensation design.

We are committed to an executive compensation program that aligns with:

- corporate performance
- shareholder interests and long-term value creation
- our risk parameters, culture and values
- comparable financial institutions

In 2023, EQB will hold its first Say on pay vote at the 2023 annual meeting of shareholders.

2022 key compensation decisions

In 2022 (finalized in early 2023) EQB developed and implemented significant design changes to the structure of the long-term incentive program and related share ownership requirements. Some adjustments to NEO compensation levels were also made, principally to acknowledge and reflect EQB's success in closing the Concentra transaction in November, and the revised scale and scope of NEO responsibilities going forward.

- The payout factor for the corporate component of the 2022 short-term incentive plan ("STIP") (before the application of any individual performance modifiers) was 1.22x, reflecting above-target performance for the financial goals, and strong performance against the Bank's 2022 strategic priorities.
- The 2020 – 2022 performance share unit (PSU) cycle concluded without any application of Committee judgment, with a final payout factor of 0.95x.
- The Committee reviewed progress against EQB's equity, diversity & inclusion initiatives, as well as the Bank's return-to-the-office/future of work strategy.
- Closed the acquisition of Concentra, which for Commercial Banking added two new business lines (Concentra Trust and Credit Unions Services) and saw us combine Concentra's commercial lending, equipment financing and commercial deposits businesses in our portfolios.
- Following the approval by shareholders of the EQB Treasury Share Unit Plan at the 2022 annual meeting, in 2022 EQB developed a new long-term incentive program, with first awards under this program made in early 2023. In parallel, the executive share ownership guidelines were revised.

CEO Compensation

In considering CEO compensation, the HR and Compensation Committee considers Company financial performance, progress against strategic objectives, the drive to completion of the Concentra acquisition, culminating in the closing of that transaction in November 2022, and Mr. Moor's ongoing leadership and agility in reacting and adapting to changes in the macro environment over the course of the year.

After conducting a review, the HR and Compensation Committee and the Board determined that Mr. Moor had led EQB to strong financial and excellent strategic performance in 2022. Mr. Moor's final STI payout for 2022 was $1,166,000, a slight increase over his payout for 2021 performance, reflective of good financial performance, strong performance against 2022's strategic initiatives, and excellent individual performance that has set EQB up for future success.

In considering the other elements of Mr. Moor's compensation, given his sustained performance as EQB's leader, the HR and Compensation Committee determined to maintain his salary at its 2022 level, maintain his STI opportunity at 100% of salary, and to award him a long-term incentive opportunity of 190% of salary for his 2023 LTI grant – an increase of 20 points over his LTI award made in respect of 2021 performance. Mr. Moor's total direct compensation in respect of 2022 performance (the sum of his base salary, his STI payout, and the grant-date value of his LTI awards in respect of 2022) was $3,428,000.

A significant portion of the CEO's total direct compensation is conditional on EQB's financial and share price performance. For 2022, more than 75% of the CEO's total direct compensation is contingent upon this performance, and approximately half was provided in long-term incentives.

Advisory vote on executive compensation ("Say on pay Vote")

In 2023, shareholders will be asked to cast their first advisory vote on EQB's approach to executive compensation. The Board and Committee believe that shareholders should have the opportunity to cast this advisory vote, as an important indicator of their understanding and support of EQB's approach to executive compensation. With this vote, EQB is committed to opening an ongoing annual feedback loop with shareholders and other stakeholders on the design and functioning of EQB's executive pay program.

Looking ahead

Now as Canada's seventh-largest independent bank, our mission going forward, notwithstanding the macroeconomic headwinds, is to continue to drive change in Canadian banking while keeping return on equity (delivered to investors), and great customer service (delivered to customers), at the heart of our efforts. We continually monitor market trends and best practices to ensure our compensation program remains aligned with your expectations and our pay-for-performance philosophy. The Board and HR and Compensation Committee remain committed to assessing the executive compensation framework regularly to ensure alignment with EQB's short- and long-term business strategy, and risk parameters.

If you have any comments or questions related to our approach to executive compensation, please provide them in writing to the Chair of the HR and Compensation Committee at corporatesecretary@eqbank.ca.

Your Board, with the support of the HR and Compensation Committee, is committed to ensuring that our executive compensation continues to support our shareholders' interests and our future success as *Canada's Challenger Bank*™.

Sue Ericksen
Chair, HR and Compensation Committee

David LeGresley
Chair of the Board

Compensation discussion and analysis

The following is a discussion of our executive compensation program. It includes information relating to our philosophy and our approach to executive compensation, the factors considered in determining compensation, and the actual compensation paid to our Named Executive Officers for 2022.

Our Named Executive Officers for 2022

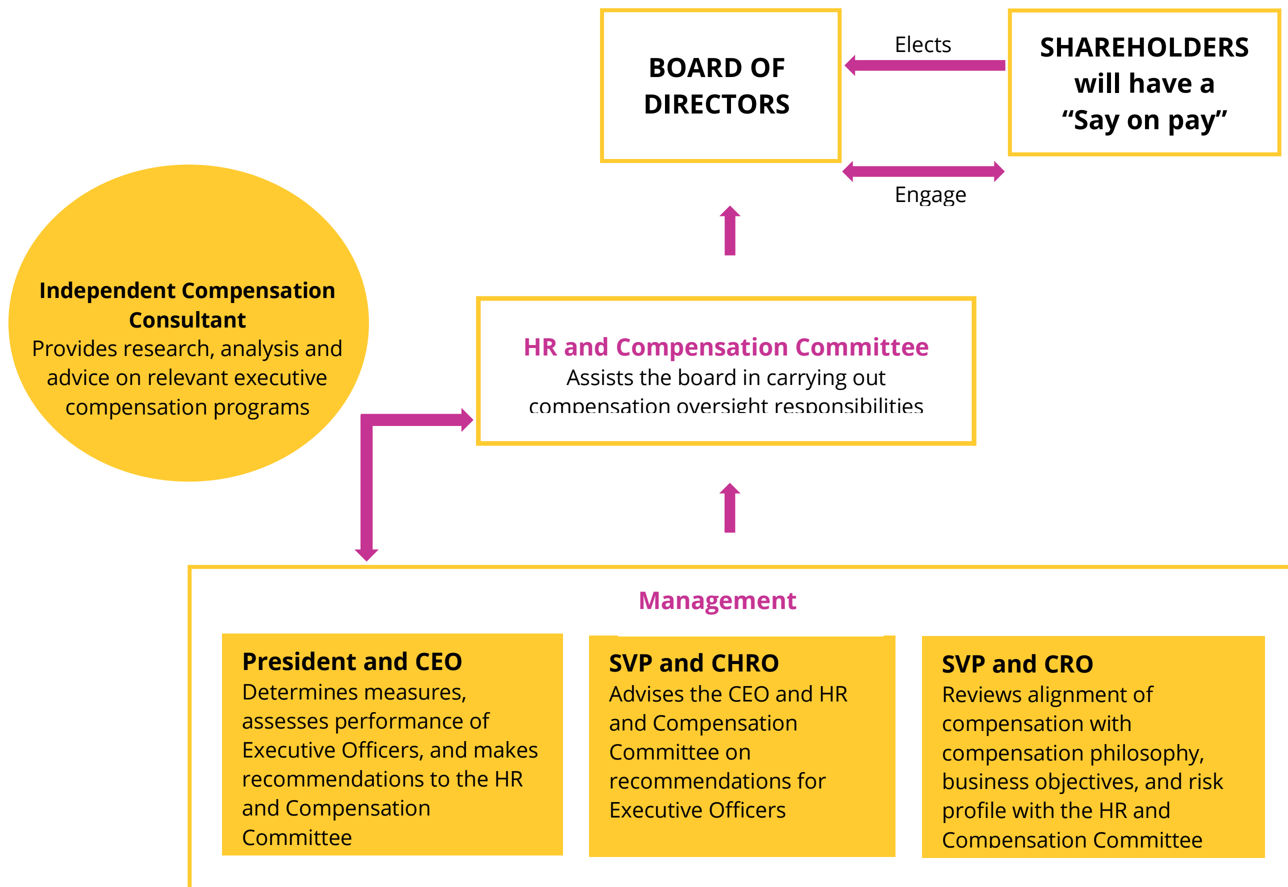
Andrew Moor	President and Chief Executive Officer
Chadwick Westlake	Senior Vice-President and Chief Financial Officer
Mahima Poddar	Senior Vice-President, Group Head, Personal Banking
Ron Tratch	Senior Vice-President and Chief Risk Officer
Darren Lorimer	Senior Vice-President, Group Head, Commercial Banking

Compensation Philosophy & Principles

We establish a direct linkage between compensation and the achievement of corporate and personal objectives by providing an appropriate mix of fixed versus "at-risk" compensation, and immediate versus future income linked to our share price performance. Our approach to compensation is based on these guiding principles:

Compensation aligns with long-term shareholder interests	• Incentive compensation is contingent upon: 1) financial and total shareholder return (TSR) performance, and 2) advancement on other strategic objectives that cannot be measured immediately in financial results, including customer satisfaction and culture, diversity and inclusion – all within a framework of prudent risk management • We align our incentive plans with performance over short- and mid- to long-term periods with the aim of ensuring our short-term actions lead to long-term increases in shareholder value • A significant fraction of compensation actually realized will depend on long-term share price appreciation
Compensation aligns with sound risk management principles	• The HR and Compensation Committee ensures that plan design does not incentivize risk-taking outside of the Bank's Risk Appetite Framework, and completes reviews to ensure plans are operating as intended and are aligned with the FSB Principles • EQB's program is governed by market-aligned pay-related governance policies as an additional tool to manage risks
Compensation rewards performance	• We establish a clear and direct linkage between compensation and both corporate and individual performance. A significant portion of compensation is "at risk" and provided through incentives tied to EQB's success • EQB seeks to allocate more executive compensation to long-term incentives (versus short-term/annual incentives), principally measured by ROE and TSR
Compensation enables us to attract, engage and retain talent	• As *Canada's Challenger Bank*™, pay programs are designed to reward growth and the creation of value for shareholders • A competitive program is vital to attract and retain key talent. Executive compensation is regularly benchmarked to comparators in the Canadian financial services sector. The HR and Compensation Committee considers market benchmarks but does not target a precise percentile of compensation market data for pay positioning • The HR and Compensation Committee also considers individual performance, experience, internal equity and retention risks in its evaluation and decisions

Compensation Governance Structure



Compensation Oversight

The Board oversees the work of the HR and Compensation Committee, the responsibilities of which include reviewing and approving the compensation arrangements of our Executive Officers, and recommending their respective LTI awards for Board approval, as well as reviewing and recommending the compensation of the CEO to the Board for approval. Four independent directors serve on the Committee, and the average tenure is 4 years.

See page 59 for information about the Committee and its activities during the past year.

HR and Compensation Committee	Member since
Michael Emory	2015
Susan Ericksen (Chair since 2021)	2019
Yongah Kim	2021
Rowan Saunders	2021

HR and Compensation Committee

The HR and Compensation Committee works with management and the compensation consultant to get an independent view of best practices, our compensation program, and compensation decisions. The Committee takes into consideration the information and recommendations provided by the consultant, but also considers other factors and is ultimately responsible for its own decisions.

To ensure the Committee has the expertise it needs to carry out its mandate, Committee members are required to have a thorough understanding of issues related to human resources, leadership, talent management, compensation, governance, and risk management. All members have gained experience serving as senior leaders in large organizations.

Additional information about the Committee members can be found in the "Director Profiles" section of this circular. Committee members also sit on other Board Committees, which helps the HR and Compensation Committee make more informed decisions on the alignment of compensation policies and practices with sound risk management principles and practices.

Independent advice

The HR and Compensation Committee benefits from the advice of an external independent compensation consultant with deep expertise in the area of executive compensation and related corporate governance matters. The HR and Compensation Committee has retained Meridian for this purpose since 2019. Meridian has no connections to members of the HR and Compensation Committee or EQB's Executive Officers that could jeopardize its independence, and maintains policies and procedures designed to prevent conflicts of interest, including an annual affirmation of independence using a six-part independence test.

Meridian provided independent compensation advice on meeting content, management's recommendations, governance trends and other items requested by the HR and Compensation Committee in 2022 which are noted below:

- providing benchmark compensation data for senior executive positions
- providing updates on executive compensation practices, governance and regulatory trends
- providing advice on appropriate levels of target compensation for the CEO and other Executive Officers, with reference to market data and, in the case of the CEO's direct reports, the CEO's perspective on their individual performance
- assisting with the review of the long-term incentive program design
- providing advice on compensation-related governance policies
- assisting with the development and review of the proxy circular and CD&A
- reviewing compensation-related materials prepared by management in advance of HR and Compensation Committee meetings and highlighting potential issues to the HR and Compensation Committee Chair

The Chair of the HR and Compensation Committee meets privately with the independent compensation consultant before meetings where compensation is discussed. In addition, the HR and Compensation Committee meets with Meridian without management present at every meeting where compensation is reviewed.

The HR and Compensation Committee does not direct Meridian to perform services in any particular manner

or under any particular method. It approves all mandates for work performed by Meridian. The HR and Compensation Committee has the final authority to hire and terminate Meridian as its independent advisor.

The total fees that EQB paid to Meridian for their services over the past two years, excluding HST, are as follows:

	Fees paid in 2022		**Fees paid in 2021**	
Compensation Advisor	**Executive compensation related fees**	**All other fees**	**Executive compensation related fees**	**All other fees**
Meridian	$162,133[1]	-	$108,108	-

[1] Includes services relating to benchmarking director compensation.

Compensation risk management practices and policies

Effective risk management is critical to our success and the achievement of our business objectives. As part of the annual review of our compensation program, we conduct a risk assessment to ensure that our incentive plans, policies and practices do not encourage undue risk taking. In addition, we utilize a mix of performance measures, so that undue emphasis is not placed on one particular measure and employ different types of compensation to provide value over the short and long-term.

The Board regularly reviews the program to ensure its effectiveness. The core risks faced by EQB are described in our MD&A for the year ended December 31, 2022.

<table>
<tr><th colspan="2">Alignment of compensation with risk and performance outcomes</th></tr>
<tr><td>Purpose</td><td>To align pay with our business strategy and drive performance, reward prudent management of our institution and protection of depositors, maximize long-term shareholder return, and attract and retain key talent, while considering an appropriate risk appetite.</td></tr>
<tr><td>Key features
(applies to all employees, including Executive Officers)</td><td>Performance goals must incorporate the following:
Understand our risk and compliance frameworks, policies, guidelines and practices
Ensure decisions take into account risk / compliance considerations and adhere to appropriate policies
Promote an effective risk and compliance management culture in daily operations
Proactively manage compliance and anticipate changes to compliance regulations
Demonstrate awareness of risks and manage responsibilities consistent with our Risk Appetite Framework</td></tr>
<tr><th colspan="2">Clawback Policy</th></tr>
<tr><td>Purpose</td><td>To address situations where employees engage in misconduct, or conduct business activities inappropriately or outside the approved risk limits and tolerances, or situations involving a material error or misstatement of financial results.</td></tr>
<tr><td>Key features
(applies to Executive Officers and key senior employees)</td><td>In the event of (i) a financial restatement due to misconduct by the employee; (ii) fraud or misconduct without requiring a financial restatement; (iii) a breach of the Code of Conduct or Workplace Violence and Harassment Policy; and/or (iv) a termination for cause, the Board may:
require repayment of any incentive award (i.e. cash bonuses, RSUs, PSUs, TPSUs and stock options) paid to the individual to recoup excess amounts, and/or
reduce or eliminate unvested, or vested but unexercised incentive awards, or adjust RSU/PSU/TPSU payouts due to the individual.
In the event of a financial restatement due to fraud or misconduct, the Board may, on the recommendation of the HR and Compensation Committee, claw back all or part of the incentive compensation received by all Executive Officers to recoup excess amounts paid
EQB has not had to claw back any compensation under this policy since its implementation.</td></tr>
<tr><th colspan="2">Share Trading/Hedging/Pledging Restrictions Policy</th></tr>
<tr><td>Purpose</td><td>To maintain the alignment of employee and shareholder interests, and comply with legal requirements.</td></tr>
<tr><td>Key features
(applies to all employees and directors)</td><td>Prohibits directors and officers from directly or indirectly entering into (i) short sales or trading call or put options in respect of EQB's shares; (ii) transactions that hedge or offset a decrease in the market value of EQB securities; or (iii) brokerage arrangements that result in trades during restricted/blackout periods. Directors and the CEO are also prohibited from pledging EQB securities.</td></tr>
</table>

Executive Share Ownership Policy	
Purpose	To align executives' investment in EQB common shares and common share equivalents with long-term shareholder interests.
Key features (applies to all Executive Officers)	• Requires Executive Officers to maintain ownership levels equal to a multiple of annual salary. The ownership level may be achieved through holding common shares, unvested RSUs and PSUs, unvested TPSUs and holdings through our Employee Share Purchase Plan. Preferred shares and subscription receipts are not included in share ownership calculations. • Compliance is assessed annually on March 15th. • The value of holdings is based on the higher of acquisition cost/grant-date value and the market value as at the date of compliance (i.e. March 15). • Where ownership threshold is not met within prescribed timelines: all Executive Officers must (i) hold after tax proceeds of option exercises in shares; and/or (ii) use at least 50% of the after-tax proceeds of any PSU/RSU payout to purchase common shares in the open market; and/or (iii) redeem TPSU awards in shares, not cash, until the ownership threshold is met. • Externally appointed Executive Officers have 5 years to meet the requirement; internally promoted Executive Officers have 3 years to meet the requirement. • Effective 2023, our Executive Officers have the following Executive Share Ownership requirements:

Executive	Multiple of Salary
President and CEO	5x (including 10,000 common shares)
All other Executive Officers	2x

Aligning Compensation with the FSB Principles

The FSB Principles were designed to enhance the stability and soundness of financial institutions by protecting them against excessive risk taking. The table below sets out how our compensation program and governance framework align with key elements of the FSB Principles, including how risk management is integrated into our compensation process.

	FSB Principles	Our alignment

Effective Governance of Compensation	**The Board actively oversees the compensation system's design and operation**	• The HR and Compensation Committee approves or recommends for Board approval EQB's compensation philosophy, policy, incentive plans, total payouts, vesting under material incentive plans, and equity grants
		• The HR and Compensation Committee:
		  ◦ is composed entirely of independent directors and has cross-committee membership
		  ◦ retains an independent consultant for compensation matters
		  ◦ reviews the performance of the Executive Officers
		  ◦ determines incentive compensation criteria and awards
		  ◦ oversees the hiring, promotion and compensation of Executive Officers
		  ◦ ensures effective succession and leadership development planning is in place

	FSB Principles	Our alignment
	The Board monitors and reviews the compensation system to ensure it operates as intended	• The HR and Compensation Committee monitors and reviews the compensation system to ensure alignment with risk management principles and practices, including the compensation philosophy, compensation program design, and incentive performance targets / outcomes / payouts • The CRO reports to the HR and Compensation Committee on the alignment of the compensation program and practices with the FSB Principles and the Bank's risk profile, and the Bank's performance against the risk appetite framework
	Control function employees are compensated in a manner independent of the business areas they oversee	• Compensation for employees in control functions (such as risk, internal audit, compliance, and finance) is independent of the specific businesses they support. • Compensation for employees in the control functions is tied to overall corporate performance and their individual performance • The CFO, Chief Auditor, Chief Compliance Officer and the CRO have ultimate responsibility for their employees, including hiring decisions, performance reviews and compensation • The Audit Committee Chair recommends the Chief Auditor's compensation
Effective Alignment of Compensation with Prudent Risk Taking	**Compensation is adjusted for all types of risk**	• There are standard accountabilities regarding risk and compliance behaviours embedded into performance assessments for all Executive Officers • Our STI is based on the Bank's financial performance and includes a discretionary component based on the Bank's strategic objectives • To support the HR and Compensation Committee's approval of the financial multiplier for determining the annual STI payout, the CRO presents his assessment of the Bank's performance against the Risk Appetite Framework • Incentive threshold, target, and maximum performance levels are reviewed by the HR and Compensation Committee and are set considering multiple perspectives including historical performance, budget, strategic plan and external factors
	Compensation outcomes are symmetric with risk outcomes	• Performance-based incentives are based on qualitative and quantitative criteria • Short-term incentives are based on pre-established thresholds, targets, and maximum percentages of base salary by employee level, with no minimums or guaranteed bonuses • The Board may use its discretion to adjust the payout factor when the calculated factor based on the performance metrics employed does not reflect all relevant considerations, taking into account significant events and circumstances (such as a material downturn in financial performance or events outside of management's control, etc.), including the possibility to reduce the STI payout to zero • Incentive compensation for all employees is subject to forfeiture if an employee resigns or is terminated for cause • Incentive compensation for Executive Officers is subject to clawback and/or forfeiture resulting from intentional fraud or willful misconduct • The CRO reviews the compensation programs to ensure alignment with EQB's risk appetite • Multi-year guaranteed incentive payments are not permitted. One-time awards may be selectively provided to new hire-employees to compensate for the loss of income as a result of deferred compensation foregone from a previous employer
	Compensation payout schedules are sensitive to the time horizon of risks	• Our compensation program is designed to align the behavior of those Executive Officers who can influence the Bank's risk position with our risk appetite. A significant portion of an Executive Officer's pay is in long-term incentives to ensure alignment of compensation with the risk time horizon and to enhance the focus on longer-term value • Share ownership requirements for the Executive Officers align interests with shareholders

FSB Principles	Our alignment
	• Employees are prohibited from engaging in any hedging transactions with respect to EQB's shares
The mix of cash, equity and other forms of compensation must be consistent with risk alignment	• The portion of equity-based compensation increases with seniority • Having a significant portion of compensation subject to vesting and potential reduction or forfeiture at maturity allows the HR and Compensation Committee to ensure that, over time, actual compensation paid is aligned with risk-adjusted performance • Incentive awards cannot be assigned

Sound Policies and Practices

The HR and Compensation Committee has implemented a number of compensation governance practices that we believe are consistent with best practices and regulatory guidance, support our business objectives and align with shareholder interests.

Pay for performance	
Compensation rewards performance	We assess the performance of the Named Executive Officers relative to objectives that support our business strategies for sustainable growth over short-, medium- and long-term horizons, which are aligned with our risk appetite.
Significant portion of pay is at risk and based on performance	On average, 65% of our NEOs' target total direct compensation is at risk, which creates a strong pay-for-performance relationship.
Long-term vesting	A significant portion of compensation vests over a period of three or four years (with options expiring after seven years, and, new for 2023, expiring after ten years), consistent with our compensation principles.
Long-term incentive mix	EQB uses a balanced mix of stock options, RSUs and PSUs (TPSUs in lieu of PSUs starting with the 2023 awards – see page 82).
HR and Compensation Committee discretion	The HR and Compensation Committee may use its informed judgment when recommending final compensation awards to the board to ensure outcomes appropriately reflect risk and any unexpected circumstances that may arise during the year.
Compensation governance and risk management	
Governance oversight	The HR and Compensation Committee assists the board in carrying out its compensation oversight responsibilities, including the compensation of the Executive Officers.
Say on pay vote	As of this year, shareholders are asked to vote on our approach to executive compensation.
External independent advice	The HR and Compensation Committee engages an independent compensation advisor to provide an external perspective of market best practices related to compensation design and governance, and objective advice on the compensation for the Executive Officers in the context of EQB's performance and the market.
Alignment with FSB Principles and Standards	Our approach to compensation risk management is consistent with the Financial Stability Board's (FSB) Principles and Standards.
Clawback provisions	To effectively balance risk and reward, clawback provisions address situations where Executive Officers engage in misconduct, or conduct business activities inappropriately, or situations involving a material error or misstatement of financial results.

Anti-hedging policy	Executive Officers are not permitted to use hedging to undermine the risk alignment in our compensation plans.
No stock option repricing	Stock options cannot be re-priced without shareholder approval
Share ownership requirements	To align executive compensation with the risk time horizon and to motivate executives to create long-term value, Executive Officers are expected to achieve and maintain a specific amount of equity in EQB.
Incentive plan caps	We cap the annual NEO STI payouts at 150% of target, and payouts under the PSU program at 125% of target (increasing to 150% of target with the TPSU awards made in 2023).
Peer Group criteria and application	We use a comparator group of Canadian financial services organizations to establish competitive target compensation levels. We also use compensation survey data based on a broader financial services industry sample, for an additional point of validation when making compensation decisions.
Double trigger change of control	Equity awards vest only in situations where there is a “double trigger” change of control.

Based on the foregoing, the HR and Compensation Committee is satisfied that EQB’s Compensation Policy and program does not encourage the undertaking of risks which could have a material adverse effect on EQB.

Compensation Decision-Making Process

Compensation decisions are guided by our compensation philosophy and principles and external market benchmarking analysis. The following illustration sets out the HR and Compensation Committee's compensation decision-making process:

1. Establish Target Compensation

Target total direct compensation is reviewed every other year for all Executive Officers. The CEO recommends to the HR and Compensation Committee the level and form of compensation targets for the Executive Officers, other than the CEO. The HR and Compensation Committee has full discretion to adopt or alter the CEO's recommendations, and engages its external compensation consultant to assist in evaluating the recommendations. EQB's philosophy is to set target compensation mix and aggregate compensation for each NEO within a competitive range of median market compensation data, unless the HR and Compensation Committee determines that a variance from the median range is warranted based on factors such as individual performance, relevant experience, tenure, internal equity considerations, and retention needs. Actual compensation paid out or realized is primarily a function of corporate performance, share price appreciation, and individual performance.

The competitive market for EQB's executive talent is drawn from the financial services sector and broader industry. It is challenging to use one specific peer group to benchmark executive compensation given our structure, size and scope as well as the inherent imprecision in comparing roles/responsibilities for a position at EQB, against a specific benchmark match. As such, a holistic approach is applied which considers comparator group data, survey data, and role-specific factors to ensure we provide competitive compensation.

Selection of comparator group

In 2020, the HR and Compensation Committee retained Meridian to conduct a comprehensive review of the comparator group. The HR and Compensation Committee applied the following peer selection criteria, which have been in place since 2020:

- Canadian public companies in the financial services sector, excluding asset management organizations.
- Companies having financial parameters between 0.33x to 3x EQB's assets and revenue, and a secondary lens of market capitalization and total employees (using the same 0.33x to 3x parameters), although out-of-scope peers were also considered.
- Additional factors, including but not limited to, business similarities, competitors for talent or business, companies viewed as peers by analysts, and peer groups used by certain other institutions in the Canadian financial sector.

The Committee reviews the comparator group every two years to ensure peers remain appropriate for continued use. A subsequent review was completed by Meridian in 2022, and one new peer (TMX Group Limited) was added to the comparator group following the closing of Concentra Bank in view of EQB's larger size in asset terms.

The HR and Compensation Committee relied on the following comparator group to make decisions for 2022 executive pay. The comparator group reflects the size, scope and business characteristics of EQB, with revenue, assets and market capitalization positions around the median of the comparator group.

Comparator group

ATB Financial	Home Capital Group Inc.
Canadian Western Bank	HSBC Bank Canada
The Co-operators Group Ltd.	Laurentian Bank of Canada
Definity Financial Corp.	Sagen MI Canada Inc.
ECN Capital Corp.	TMX Group Limited
First National Financial Corp.	

Secondary References

EQB also reviews compensation survey data that covers a broader financial services industry sample. This information provides an additional point of validation when making compensation decisions. Further, EQB will consider data from the Domestic Systemically Important Banks (D-SIBs)* with respect to compensation design and governance policies (but not with respect to NEO compensation *levels*).

* Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, The Toronto-Dominion Bank

The HR and Compensation Committee believes that performance comparisons are best made against a performance peer group of other Canadian banks and mortgage finance companies, including D-SIBs. However, these six banks are much larger than EQB and not size-appropriate peers for benchmarking executive compensation levels. Moreover, the market for executive talent is believed to be broader and includes size-appropriate financial services companies from sectors other than banking.

2. Set Corporate and Individual Performance Objectives

The HR and Compensation Committee establishes corporate and individual performance objectives for compensation purposes. Corporate performance objectives are based on Board-approved medium-term financial performance targets and non-financial strategic goals. Individual performance objectives include specific strategic initiatives and leadership objectives, focused on delivering strategic results that are best for people, best for clients and best for investors. The HR and Compensation Committee sets target compensation levels for each Executive Officer based on the benchmarking and assessment process described above. In addition, the Chief Human Resources Officer and the independent compensation consultant support the HR and Compensation Committee and provide relevant market data and other information as requested, to enable the Committee to make informed decisions.

3. Evaluate Performance Against Objectives

Following the end of the fiscal year, the CEO provides the HR and Compensation Committee with his assessment of Executive Officer performance and provides recommendations regarding incentive compensation awards. The CEO also performs a self-assessment of his own performance. The HR Committee and Compensation Committee then considers EQB's performance by reference to the corporate performance objectives, as well as individual performance on strategic initiatives and leadership objectives.

4. Determine Performance-Based Compensation Awards

Based on the achievement of specified corporate and individual performance objectives, the HR Committee and Compensation Committee determines the appropriate STIP compensation to be awarded to each Executive Officer for that fiscal year. The HR and Compensation Committee also determines the NEO LTI awards for the next fiscal year. The HR and Compensation Committee may exercise discretion to adjust incentive compensation as described under the heading "Discretion" on page 81.

Elements of Total Compensation

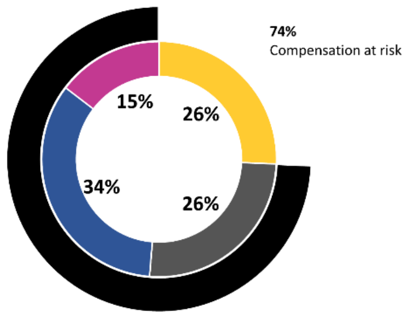
EQB's compensation program is designed to support our strategy, pay our Executive Officers for performance and be competitive with the market. The program is comprised of direct compensation components (base salary), variable compensation, and indirect compensation (e.g. employee benefits that promote the well-being of all employees and their families). A summary of the different compensation elements is provided below:

Element	Features / Objective	Performance Period
Annual total direct compensation		
Fixed Base Salary	• base level of pay determined by evaluating the responsibility and scope of the Executive's position, prior experience, breadth of knowledge, and performance • reflects market competitive value of the role versus peers • paid in cash	N/A
Variable Pay – At-risk Compensation		
Short-term Incentive	• provides an annual cash award based on corporate and individual performance	1 year
Long-term Incentive		
Restricted Share Units	• deferred incentive that aligns executive pay with the shareholder experience over the medium term • RSU payout provided in cash based on EQB's share price	Cliff vest after 3 years
Performance Share Units	• performance-based deferred incentive rewards executives for creating sustained shareholder value based on relative TSR performance • PSU payout provided in cash based on EQB's share price and TSR performance ranking	Cliff vest at the conclusion of a 35-month performance period
Stock Options	• performance-based and leveraged deferred incentive to motivate executives to create sustainable shareholder value over the long-term • value depends on share price at time of exercise and only holds value to the extent EQB's share price increases	7 years (vest equally over 4 years) Effective January 1, 2023, stock options will have a 10 year term

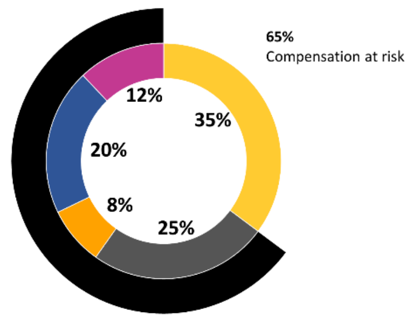
Element	Features / Objective	Performance Period
Annual total direct compensation		
Treasury Share Units ("TSUs") (Effective January 1, 2023)	• Treasury RSUs and PSUs ("TRSUs" and "TPSUs", respectively) awarded under EQB's Treasury Share Unit Plan ("TSU Plan") approved by shareholders in 2022 • See "2023 Long-Term Incentive Awards" for a description of the design of the 2023 TPSU program • Starting in 2023, TPSUs are awarded in lieu of PSUs. No TRSUs have been awarded.	50% of TPSUs cliff vest after 3 years, and the remaining 50% cliff vest after 4 years, subject to performance conditions
Indirect compensation		
Group Benefits ESPP, Group RSP and DPSP	• provided to support the health and well-being of all employees • Executive Officers provided comprehensive annual health assessments • Group RSP and DPSP help to support funding for income at retirement	

Target Total Direct Compensation Mix

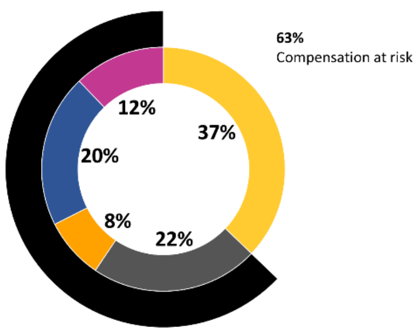
President & CEO



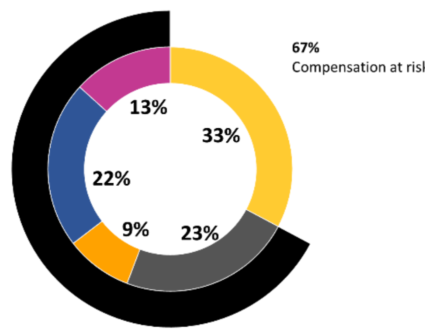
SVP & Chief Financial Officer



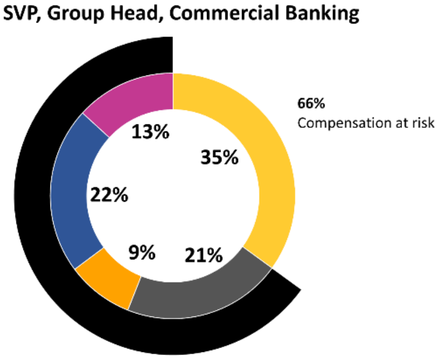
SVP & Chief Risk Officer



SVP, Group Head, Personal Banking



SVP, Group Head, Commercial Banking



■ Base Salary ■ Short-term incentive ■ RSUs ■ TPSUs ■ Options

Base Salary

EQB believes that a competitive base salary is one component of the broader compensation program that is necessary for attracting and retaining qualified Executive Officers. Executive Officer salaries are reviewed annually, with consideration given to the level of responsibility and scope of the position, additional duties or oversight responsibilities, competitive market data, internal equity, general market conditions and potential retention risks, and individual performance. Executive Officer salaries are benchmarked every two years against data provided by the HR and Compensation Committee's executive compensation consultant.

NEO base salaries for 2023 were adjusted as follows:

2023 and 2022 Base Salary Decisions

	2023 ($)	% Increase (2023 - 2022)	2022 ($)
Andrew Moor	780,000	0%	780,000
Chadwick Westlake	535,000	4%	515,000
Mahima Poddar	460,000	23%	375,000
Ron Tratch	395,000	4%	380,000
Darren Lorimer	400,000	14%	350,000

See the individual NEO pay summaries that follow for additional explanation.

Short-Term Incentive Award

The STI award is designed to reward the achievement of business objectives in the short term by providing an annual cash bonus. This element of pay is calculated based on individual and corporate performance.

For NEOs, the target award is based on a percentage of the Executive's base salary. The actual award in any given year will vary as it is linked to EQB's financial and operational performance, and the Executive's individual performance in the year.

STI awards are determined via a two-part process: corporate performance and individual performance. An initial payout range of between 0% and 137% (as described in more detail below) of targets is determined based on financial and strategic performance indicators. The corporate performance score becomes the basis for all payouts to NEOs and other plan participants. This score is then modified up or down by individual, by multiplying the corporate performance score through an individual modifier. Final award payouts may range from 0% to 150%.

Corporate Performance

Each year, the Board approves the corporate financial performance measures to be included in the corporate scorecard. It establishes threshold, target and maximum performance levels for each measure to align with payout opportunities. These targets are established in the context of EQB's business plan and operating environment.

For 2022, corporate financial performance measures were equally weighted:

- Diluted Earnings per Share ("Diluted EPS")
- Return on Equity ("ROE")
- the Bank's Common Equity Tier 1 ("CET1") ratio

These corporate financial performance measures are as described and reported in EQB's 2022 MD&A which is available at **www.sedar.com** and on our website at **www.equitablebank.ca**.

The Corporate Performance Score is determined based on actual results for each financial performance measure and subject to modification by the addition or subtraction of up to 20% based on the HR and Compensation Committee's year-end assessment of performance against predetermined strategic objectives.

The overall maximum Corporate Performance Score is capped at 1.37x (minimum = 0x), a level that would reflect a score of 1.17x for exceptional corporate financial performance plus an additional 20 points for strategic objectives.

Importantly, goals at target are set each year based on the approved budget and operating plan, which is in turn established based on an evaluation of the business environment for the year and informed by EQB's mid and long-term business objectives.

Individual Performance

The HR and Compensation Committee reviews individual performance targets for the CEO based on EQB's long-term business and strategic initiatives and leadership goals, and recommends them to the Board for approval. The amount of the CEO's STI award may vary depending on performance relative to EQB's financial performance metrics and achievement of strategic initiatives and leadership goals. The individual performance objectives for the remaining NEOs are reviewed and approved by the CEO in consultation with each NEO. Objectives vary based on respective roles and responsibilities.

At the end of the year, the CEO summarizes the performance of all direct reports for review and evaluation by the HR and Compensation Committee. An Individual Performance Score is determined based on an assessment of performance relative to the predetermined objectives.

The maximum Individual Performance Score is capped at 1.3x (minimum = 0), a level that would reflect exceptional individual performance and contributions to EQB's objectives.

The final STI payout for each employee is then based on a combination of the Corporate Performance Score for the year and the Individual Performance Score.

2022 and 2023 Target STI Opportunities for NEOs (% of base salary)

For the 2023 performance period, the HR and Compensation Committee approved the following target STI opportunities for the NEOs:

	2022 Target	2023 Target
Andrew Moor	100%	100%
Chadwick Westlake	70%	70%
Mahima Poddar	70%	70%
Ron Tratch	60%	60%
Darren Lorimer[1]	60%	70%

1. Mr. Lorimer's target STI award was adjusted considering the benchmark compensation data prepared by Meridian in 2021, and existing senior executive structures.

The payout range for each NEO's 2022 STI award was as follows (% of base salary):

	Threshold	Target	Maximum
Andrew Moor	0%	100%	150%
Chadwick Westlake	0%	70%	105%
Mahima Poddar	0%	70%	105%
Ron Tratch	0%	60%	90%
Darren Lorimer	0%	60%	90%

How STI Awards are Calculated

The illustration below shows how STI awards are calculated:

Base Salary x Target STI

x

Corporate Performance Score
Range: 0x – 1.37x based on maximum 1.17x from the financial metrics, +/- up to 0.20x in either direction

[ROE (1/3) 0x – 1.25x + Diluted EPS (1/3) 0x – 1.25x + CET1 (1/3) 0x – 1x]

Corporate Strategic Objectives Modifier (+/- 20%)

x

Individual Performance Score
Range: 0x – 1.30x

Individual performance scorecard aligned with each employee's area of responsibility

=

Final STI Payout

WHY ROE?
Measures how efficiently we deliver returns to our shareholder

WHY DILUTED EPS?
Measures profitability by the increase in net income generated for shareholders

WHY CET1?
Risk-based measure of financial strength and reflects ability to balance risk and return, absorbing shocks and protecting depositors

Discretion

The HR and Compensation Committee believes that although financial performance is an important consideration in determining the STI award, strict adherence to formulas could lead to unintended results. Accordingly, the HR and Compensation Committee retains the discretion to adjust STI awards based on qualitative considerations, such as extenuating circumstances or unexpected events that may have arisen over the course of the year that are not within management's control and which impacted the Executive's ability to meet or exceed his or her original objectives, any new objectives that were mutually agreed upon during the year, as well as modifications to individual, departmental and/or corporate deliverables. If circumstances warrant, the total amount of the STI award can be adjusted upwards to the maximum or downwards to zero. As a rule, discretion is expected to be exercised infrequently, symmetrically, and only when necessary to recognize exceptional circumstances. For STI payouts in respect of 2022 financial performance, the Committee did not exercise discretion. Certain aspects of the plan (i.e. strategic modifiers and performance scores) require a review and discretion of the HR and Compensation Committee.

2022 Corporate Performance Scorecard

In February 2022, the HR and Compensation Committee reviewed and approved performance targets and ranges for each of the annual incentive measures.

We had five strategic objectives that inform our corporate performance. These include growth in key assets, building strong customer relationships, demonstrating disciplined capital allocations, improving our capabilities around digital experience and developing the human capital of the organization.

In February 2023, the HR and Compensation Committee reviewed EQB's 2022 adjusted financial performance relative to the EPS, ROE and CET1 ratio targets and determined a corporate performance multiplier of 1.22x as follows:

Performance Factor	2022 Target [1]	2022 Actual	Corporate Performance Score
Earnings Per Share	$8.94	$9.17	1/3 weight x 1.18 score
Return on Equity	15.38%	15.66%	1/3 weight x 1.22 score
CET1 ratio	≥ 13%	13.7%	1/3 weight x 1.0 score
	2022 Total financial performance score		1.12
Strategic Objectives			10%
	2022 Total Corporate Performance Score		**1.22x**

1. For achieving target performance on EPS and ROE measures, the Corporate Performance Score is equal to 1.1x. For achieving target performance on CET1 ratio, the Corporate Performance Score is 1.0x.

The STI awards for NEOs, with the exception of the CEO, were approved by the HR and Compensation Committee in February 2023. The STI award for the CEO was approved by the full Board, also in February 2023. Individual performance scores were developed as well – see individual NEO profiles that follow for a description of their individual performance.

	2022 Base Salary	Target STI (% of Base Salary) (A)	2022 Corporate Performance Score (B)	2022 Individual Modifier (C)	Calculated STI (A x B x C)	Maximum STI Payout	Actual STI Payout (% of base salary)
Andrew Moor	$780,000	$780,000 (100%)	1.22	1.23	$1,170,468	$1,170,000	$1,166,000 (149%)
Chadwick Westlake	$515,000	$360,500 (70%)	1.22	1.23	$540,966	$540,750	$540,000 (105%)
Mahima Poddar	$375,000	$262,500 (70%)	1.22	1.20	$384,300	$393,750	$383,000 (102%)
Ron Tratch	$380,000	$228,000 (60%)	1.22	1.15	$319,884	$342,000	$320,000 (84%)
Darren Lorimer	$350,000	$210,000 (60%)	1.22	1.18	$302,316	$315,000	$303,000 (87%)

Long-Term Incentive Awards

Long-term incentive compensation is intended to be forward-looking – it rewards Executive Officers and other eligible employees for creating sustained performance over a period of three to seven years (three to ten years, starting with the 2023 LTI awards), and strengthens the alignment between Executive Officer compensation and the long-term interests of shareholders. The actual amount realized could be greater or less than the grant date amount based on EQB's financial and share price performance over the next three years, in the case of RSUs and PSUs, and seven years, in the case of options (ten years starting in January 1, 2023). All LTI awards are granted by the Board on the recommendation of the HR and Compensation Committee.

LTI compensation consists of RSUs, PSUs (TPSUs starting with the 2023 awards) and options. It allows EQB to increase Executives' ownership interest, and to attract and retain key executives. LTI is administered by the HR and Compensation Committee which recommends LTI grants for Executive Officers to the Board after considering peer group benchmarking data provided by the HR and Compensation Committee's executive compensation consultant, the performance and experience of the executive, and the responsibility of the role.

Effective January 1, 2023, EQB has granted TSUs to Executives in the form of TPSUs, under the TSU Plan adopted in 2022. Changes to EQB's long-term incentive design for awards granted in 2023 are described under the heading "2023 Long-Term Incentive Awards" on page 86.

Restricted Share Unit Awards

RSUs align Executives' and shareholder interests in share return growth. Time vesting supports the retention of Executive Officers to better enable EQB to execute its long-term strategy.

Each RSU represents one notional common share and earns notional dividends, which are re-invested into additional RSUs when cash dividends are paid on EQB's common shares.

The number of RSUs granted is determined on the grant date by dividing the target award value (based on a percentage of base salary) by the five-day weighted average trading price of an EQB common share prior to the grant date.

RSU Vesting and Payout

RSUs vest on December 15 of the third calendar year following the calendar year for which the RSUs were awarded ("cliff vest"). The amount received depends on the number of units that vest (including the initial grant and additional RSUs acquired as dividend equivalents) and the share price at the time of vesting:

- vested units are converted to cash using the volume-weighted average trading price of our common shares on the TSX for the five consecutive trading days immediately prior to the vesting date.
- payments are made by December 31 of the year the units vest, and withholding taxes apply. Participants must be employed by EQB at the time of vesting to receive the cash payment.

Payout of 2020 RSU Awards

The RSUs awarded to the NEOs on March 4, 2020, based on their performance in 2019, vested on December 15, 2022.

The vesting price was the 5-day volume-weighted average of an EQB common share on the TSX as at December 15, 2022. The payout value of RSUs received by the NEOs, before taxes, in December 2022, was as follows:

	RSUs awarded in 2020 (#)	Number of dividend equivalent received (#)	Total RSUs (#)	Vesting price ($)	Payout Value of RSUs on vesting ($)
Andrew Moor	-	-	-	-	-
Chadwick Westlake[1]	13,640	420.60	14,060.60	59.764	840,318
Mahima Poddar	660	31.92	691.929	59.764	41,352
Ron Tratch	822	39.76	861.76	59.764	51,502
Darren Lorimer	642	31.05	673.05	59.764	40,224

1. Mr. Westlake joined EQB on November 2, 2020 and received a one-time RSU grant in the amount of $640,000.

Performance Share Units

PSUs align Executives' and shareholder interests by linking share price growth over a period of time. Each PSU represents one notional common share and earns notional dividends, which are re-invested into additional PSUs when cash dividends are paid on EQB's common shares.

The number of PSUs granted is determined on the grant date by dividing the target award value (based on a percentage of base salary) by the five-day weighted average trading price of an EQB common share prior to the grant date.

PSU Vesting and Payout

For awards granted prior to 2023, PSUs vested on December 15 at the end of a 35-month performance period based on our TSR performance relative to the TSR performance of a group of other Canadian banks and finance companies named on the following page. The final payout value is tied to the number of PSUs that vested and EQB's share price at the time of vesting.

At the end of the performance period for each respective grant of PSUs, a performance multiplier ("payout adjustment factor") is applied to the number of PSUs granted (plus notional dividends reinvested), to determine the final payout on the vesting date. The value of each common share underlying each PSU held on the vesting date is based on the volume-weighted average trading price of our common shares on the TSX for the five consecutive trading days immediately prior to the vesting date. Payments are made by December 31st of the year the PSUs vest, and withholding taxes apply.

PSU Grant + **Notional Dividends Received in Years One to Three** x **Payout Adjustment Factor (75% to 125%)** x **Vesting Price** = **PSU Payout (cash)**

Where TSR is negative, the payout adjustment factor is automatically reduced to threshold (75%)

How we calculate TSR and the Payout Adjustment Factor

TSR is calculated using the formula set out below. EQB's TSR is then ranked against that of its Performance Peers, determining the Payout Adjustment Factor to be used in PSU payout calculation.

$$\frac{\text{20-day volume-weighted average share price ending Nov 30}^{th}\text{ of year three of the performance period} - \text{20-day volume-weighted average share price beginning Jan 1}^{st}\text{ of year one of the performance period} + \text{Dividends paid from Jan 1}^{st}\text{ of year one to Nov 30}^{th}\text{ of year three of the performance period}^{1}}{\text{20-day volume-weighted average share price beginning Jan 1}^{st}\text{ of year one of the performance period}} \times 100 = \text{TSR}$$

1. Reinvested at time of receipt, aligned with dividends paid to common shareholders.

The peer group for determining TSR for purposes of calculating the PSU payout adjustment factor is as follows:

Performance Peer Group
Bank of Montreal
Canadian Imperial Bank of Commerce
Canadian Western Bank
Sagen MI Canada[1]
Home Capital Group Inc.
Laurentian Bank of Canada
National Bank of Canada
Royal Bank of Canada
The Bank of Nova Scotia
The Toronto-Dominion Bank

1. Sagen was acquired in 2021 and removed from the peer group effective with the 2022 grant.

Why these companies?
Reflects regulated financial institutions in business subject to similar risks as EQB

Calculating Payout Adjustment Factor	
TSR Relative to Peer Group	**Payout Adjustment Factor**
1st	125%
2nd	120%
3rd	115%
4th	110%
5th	105%
6th	100%
7th	95%
8th	90%
9th	85%
10th	80%
11th	75%

Payout of 2020 PSU Awards

The PSUs awarded to the NEOs on March 4, 2020 vested on December 15, 2022. For these PSUs, the payout value was determined by comparing the TSR of EQB's common shares during the performance period that began on January 1, 2020 and ended on November 30, 2022, against the TSR of the companies in the Performance Peer Group noted above. EQB's TSR ranked seventh for the performance period and resulted in a payout adjustment factor of 95%.

The value of PSUs on the vesting date was calculated as the number of PSUs that vested multiplied by 95% multiplied by the vesting date value of $59.76 (5-day volume-weighted average of an EQB common share on the TSX as at December 15, 2022).

The payout value of PSUs received by the NEOs in December 2022, was as follows:

	PSUs awarded in 2020 (#)	Number of dividend equivalents received (#)	Total PSUs (#)	Vesting price ($)	Payout Adjustment Factor (%)	Payout Value of PSUs on vesting ($)
Andrew Moor	13,152	636.13	13,788.13	59.76	95	782,832
Chadwick Westlake[1]	-	-	-	-	-	-
Mahima Poddar	660	31.92	691.92	59.76	95	39,284
Ron Tratch	2,876	139.11	3,015.11	59.76	95	171,185
Darren Lorimer	642	31.05	673.05	59.76	95	38,213

1. Mr. Westlake joined EQB on November 2, 2020.

2023 Long-Term Incentive Awards

Following shareholder approval in 2022, EQB adopted a new TSU Plan that allows it to grant TRSUs and TPSUs with longer measurement and vesting periods than had been the case historically. This helps advance the interests of EQB and its shareholders by providing participants with additional incentive and alignment over a longer period of time, encourages real share ownership, and attracts and retains talent.

In addition to RSUs and Options, EQB granted TPSU awards to its executives in 2023 in lieu of PSUs. TPSUs have the following key features:

Design Feature	Current PSU Design	TPSU Design (Awards starting in 2023)
Vesting Period	Cliff vest at the conclusion of a 35-month performance period	• 50% of the TPSUs cliff vest at the conclusion of a 36-month performance period • 50% of the TPSUs are additionally subject to a further 1-year time vest (i.e. 4 years from the grant date) • This change was made to align the TPSU performance period with market and to provide a longer term incentive to EQB executives
Payout Range	75% to 125%	• 25% to 150% • We broadened the pay/performance range of the TPSUs to better align with EQB's pay philosophy and create better reward potential, subject to performance

Performance Metrics	PSUs are measured based on EQB's relative TSR ranking against Performance Peers	• TPSUs will be measured based on three metrics: relative TSR (similar to PSUs), ROE and customer satisfaction-based metrics. ROE and customer satisfaction are fundamentally long-term measures of EQB's success; we have removed ROE from the short-term incentive plan for 2023 so there is no overlap in what is being measured by both plans

Design Feature	Current PSU Design	TPSU Design (Awards starting in 2023)
Settlement	PSUs are settled in cash	• TPSUs are settled by shares issued from treasury, or at the participant's election and subject to the consent of the Company, in cash or shares purchased in the open market

The performance metrics, when combined, lead to a determination of a final payout percentage between 25% and 150% as follows:

Relative Total Shareholder Return (TSR)	+	Return on Equity (ROE)	+	Customer Satisfaction Score (CSAT)	=	Final Performance Payout Percentage
Weighting of 40%		***Weighting of 50%***		***Weighting of 10%***		
Payout factor between 50% and 150%		Payout factor between 0% and 150%				Between 25% and 150%

2023 RSU awards

The RSUs awarded to each NEO on February 28, 2023 were as follows:

	Number Awarded (#) RSUs	Grant Date Fair Value[1] ($)	Award (% of 2023 base salary)
Andrew Moor	-	-	-
Chadwick Westlake	1,754	294,250	20.0
Mahima Poddar	1,508	253,000	20.0
Ron Tratch	1,236	207,480	20.0

Darren Lorimer	1,311	220,000	20.0

1. The grant date fair value shown for RSU awards is based on the volume-weighted average trading price of EQB's common shares on the TSX for the five consecutive trading days prior to February 28, 2023 of $67.12.

2023 TPSU awards

The TPSUs awarded to each NEO on February 28 2023 were as follows:

	Number Awarded (#) TPSUs	Grant Date Fair Value[1] ($)	Award (% of 2023 base salary)
Andrew Moor	15,456	1,037,400	70.0
Chadwick Westlake	4,384	294,250	50.0
Mahima Poddar	3,769	253,000	50.0
Ron Tratch	3,091	207,480	50.0
Darren Lorimer	3,278	220,000	50.0

1. The grant date fair value shown for TPSU awards is based on the volume-weighted average trading price of EQB's common shares on the TSX for the five consecutive trading days prior to February 28, 2023 of $67.12.

2023 Option awards

In addition to the introduction of TPSU awards, effective January 1, 2023, the term of stock options grants has been lengthened from 7 to 10 years.

The Option award for each NEO which was granted by the Board on February 28, 2023 is as follows:

	Options Granted[1] (#)	Grant Date Fair Value[2] ($)	Award (% of 2023 base salary)
Andrew Moor	24,686	444,600	30.0
Chadwick Westlake	9,803	176,550	30.0
Mahima Poddar	8,429	151,800	30.0
Ron Tratch	6,912	124,488	30.0
Darren Lorimer	7,329	132,000	30.0

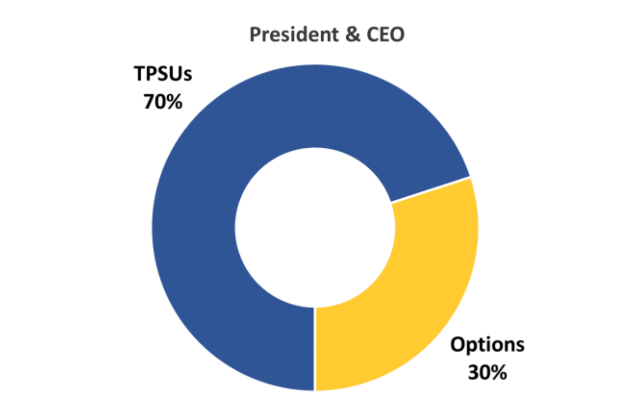
1. The number of options granted is determined by dividing the target option award value by the fair value of the option.
2. The grant date fair value of $18.01 is calculated based on a Black-Scholes option pricing model, assuming a term of 10 years and vesting over 4 years.

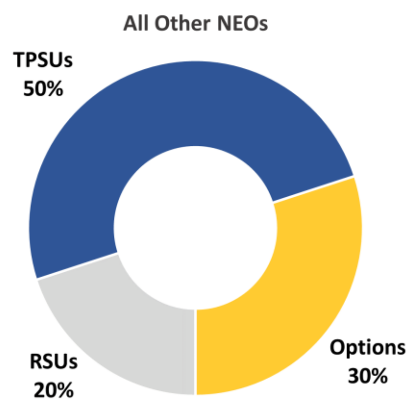
Target LTI mix

The LTI mix for Executive Officers has been updated to place a greater weighting on TPSUs. Specifically:

- the CEO's LTI mix will be 70% TPSUs and 30% stock options
- the other NEO LTI mix will be 50% TPSUs, 30% stock options, and 20% RSUs.

For the 2022 compensation decisions, the LTI awards for the NEOs were as follows[1]:





Objectives of LTI:

- Align the interests of management with shareholders
- Enhance ability to attract, motivate and retain key Executives
- Provide opportunity for management to build an economic stake in EQB

2022 Target LTI awards (% of base salary)

Position	Target
CEO*	150%
CFO	90%
SVP & Group Head, Personal Banking	90%
CRO	85%
SVP & Group Head, Commercial Banking	75%

*The CEO's LTI award ranges from 125% - 175% of base salary, depending on factors considered at time of grant.

The HR and Compensation Committee considers the following when determining individual awards:

- market competitiveness (based on periodic benchmarking)
- position level of the Executive
- responsibilities associated with position level
- retention considerations
- internal equity

The LTI award is forward-looking, so the HR and Compensation Committee does not consider the value of awards the Executive Officer received in previous years when determining new grants.

Cost of Management Ratio

The following table shows the total aggregate compensation awarded to the NEOs as a percentage of net income in each of the last three years.

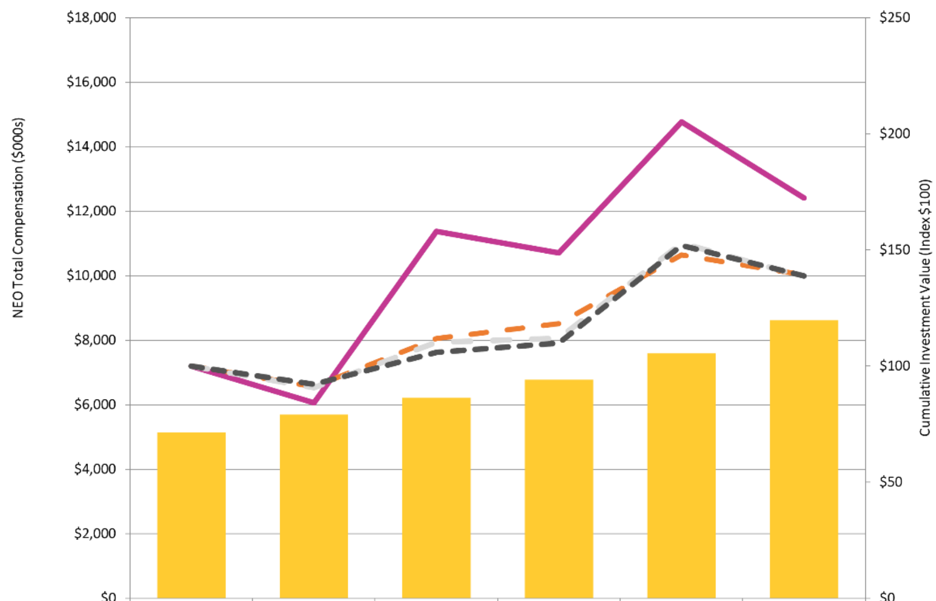
	2022	2021	2020
Total Aggregate NEO Compensation	$8,058,870	$7,600,805	$6,778,385
Net Income After Tax	$270,181,000	$292,530,000	223,804,000
Total Aggregate NEO Compensation as a % of Net Income After Tax	2.98%	2.60%	3.03%

Performance Graph

The following graph illustrates the change in cumulative TSR for $100 invested in EQB's common shares five years ago on December 31, 2017. The cumulative TSRs of the S&P/TSX Composite Index, the S&P/TSX Capped Financials Index, and the Performance Peer Group, are also shown over the same period. It assumes the reinvestment of all dividends; the performance peer group composite is weighted by average market capitalization in each year.

The graph also includes NEO Total Direct Compensation, as recorded in the Summary Compensation Table, for the past five years.

Cumulative Total Return on $100 Investment



	2017	2018	2019	2020	2021	2022
EQB Total NEO Compensation	$5,142	$5,695	$6,218	$6,778	$7,601	$8,625
EQB Inc.	$100	$84	$158	$149	$205	$172
S&P/TSX Composite Index	$100	$91	$112	$118	$148	$139
S&P/TSX Capped Financials Index	$100	$91	$110	$112	$153	$138
Market Cap-Weighted Perf. Peer TSR	$100	$92	$106	$110	$152	$139

2022 Compensation for the Named Executive Officers

Andrew Moor, President and Chief Executive Officer

Andrew Moor has been President and CEO of EQB since March 2007. He is responsible for providing leadership, vision and management of EQB's business and affairs. He is also responsible for the successful execution of EQB's strategy, the oversight of capital and risk management, compliance with overall governance and regulatory requirements, and EQB's overall financial performance. In recent years, Mr. Moor's focus has been in positioning the Bank as Canada's Challenger Bank™.

Mr. Moor holds an MBA from the University of British Columbia and a Bachelor of Science degree in Engineering from University College, London.

2022 performance highlights

Highlights of EQB's adjusted financial results are set out below:

	2022	2021	Change
Adjusted Earnings Per Share	$9.17	$8.38	9%
Adjusted Return on Equity	15.7%	16.7%	(1.0%)
CET1 ratio	13.7%	13.3%	0.4%

Notable highlights of Mr. Moor's performance included:

- drove the Concentra transaction to a successful close;
- drove the Challenger Bank strategy, with great progress on diversity of funding and business mix as well as with digitization and with the Bank's objective of becoming an Advanced Internal Rating-Based (AIRB) model-enabled bank
- continued to improve EQB's profile with the capital markets and the analyst community; and
- demonstrated and lived the values of good corporate social responsibility, including with respect to employee and other stakeholder engagement, diversity, and inclusion, strengthened data and cybersecurity capabilities

Compensation awarded

The Board sets the CEO's target level and mix of compensation based on the following: the target and actual compensation of CEOs in the comparator group, his performance and experience in the role, and EQB's overall performance under his leadership. The HR and Compensation Committee assessed EQB's adjusted financial performance against the three financial performance metrics and his achievement of strategic initiatives and also assessed his achievement against his personal objectives. In 2022, the HR and Compensation Committee reviewed updated benchmark compensation market data. The Committee also considered the ongoing state of the macroeconomy and the interest rate environment, as well as the headwinds provided by the capital markets. On this basis, and on the recommendation of the HR and Compensation Committee, the Board determined to award Mr. Moor an STI payout of $1,166,000, reflecting the corporate performance factor used for all NEOs, plus strong strategic and individual modifiers.

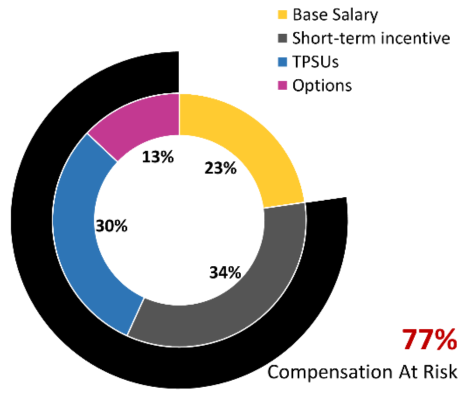
In light of his strong personal performance, EQB's strong corporate performance in 2022, plus market benchmark considerations, his seniority and tenure, and the long-term emphasis of EQB's executive pay philosophy, the Board further determined to adjust Mr. Moor's target direct compensation for 2023, with a base salary unchanged at $780,000, target STI opportunity unchanged at 100% of salary, and an LTI award, made in 2023 in respect of 2022 performance, equal to 190% of salary.

Total Direct Compensation

	2020 ($)	2021 ($)	2022 ($)
Base Salary	725,000	725,000	780,000
Short-term Incentive	927,000	1,128,000	1,166,000
• *TPSUs (rounded)*	-	-	1,037,400
• PSUs (rounded)	598,125	663,000	-
• *Options (rounded)*	598,125	663,000	444,600
Long-term incentive	1,196,250	1,326,000	1,482,000
Total Direct Compensation	**2,848,250**	**3,179,000**	**3,428,000**

PSUs were granted in respect of 2020 and 2021. TPSUs were granted in respect of 2022

2022 Compensation Awarded Mix



Reported versus realized CEO pay

A significant portion of CEO compensation is conditional on EQB's financial and share price performance. The following table further demonstrates shareholder alignment of EQB's compensation program by comparing compensation awarded to Mr. Moor in respect of his performance as CEO to the actual value received as at December 31, 2022.

The actual total direct compensation value includes the realized and realizable value of the awards granted each year as at December 31, 2022:

- realized value: base salary, STI (earned for performance in the year but paid in the following year) the payout value of PSUs awarded for the period that vested, and gains realized from options exercised;
- realizable value: the value of unvested PSUs and the in-the-money value of unexercised outstanding options.

The table reflects Mr. Moor's compensation from 2018 to 2022 and compares the actual value to the CEO for each $100 of compensation awarded each year, to the value earned by shareholders over the same period. We have indexed these values at $100 to provide a meaningful comparison.

Year	Total Direct Compensation Awarded (000s)[1] ($)	Realized Pay[2] ($)	Realizable Pay[3] ($)	Compensation realized and realizable as at December 31, 2022 ($)	Period	Value of $100 CEO[4,5] ($)	Value of $100 EQB Shareholders[6] ($)
2018	2,799	2,348	2,046	4,394	Jan 1, 2018 to Dec 31, 2022	157.01	171.68
2019	2,956	7,937	1,739	9,676	Jan 1, 2019 to Dec 31, 2022	327.30	199.27
2020	2,848	3,136	586	3,722	Jan 1, 2020 to Dec 31, 2022	130.67	108.98
2021	3,179	8,675	507	9,182	Jan 1, 2021 to Dec 31, 2022	288.82	111.43
2022	3,428	4,717	508	5,225	Jan 1, 2022 to Dec 31, 2022	152.41	80.67

1. Includes base salary and all incentive compensation awarded in respect of performance in the year as reported in the Summary Compensation Table.
2. Actual value of compensation awarded to Mr. Moor each year, realized between grant date and December 31, 2022.
3. Actual value of compensation awarded to Mr. Moor each year, still realizable on December 31, 2022.
4. Compensation realized or realizable by Mr. Moor or each $100 awarded in total direct compensation during the year indicated.
5. Includes gains realized from options exercised, including from grants beyond the 5-year lookback.
6. Represents the cumulative value of a $100 investment in common shares made on January 1 in each year indicated, assuming reinvestment of dividends.

Share Ownership

Values at March 15, 2023 are based on $55.82, the closing price of an EQB common share on the TSX on March 15, 2023. Mr. Moor exceeds his share ownership requirement of $3,900,000.

Common shares (#)	TPSUs (#)	PSUs (#)	Total Value ($)	Required multiple of base salary	Actual multiple of base salary	Meets requirement
532,842	15,456	17,880	31,604,040	5x	40.5x	Met

Chadwick Westlake, Senior Vice-President and Chief Financial Officer

Chadwick Westlake joined EQB as SVP & CFO in November 2020. His responsibilities include the overall corporate strategy and financial management of EQB, including corporate development & strategy, investor relations, treasury and capital markets including securitization, capital management, financial planning and analysis, regulatory reporting, accounting, tax, legal, bank wide project delivery and process improvement, the transformation management office for the Concentra Bank integration and ESG strategy.

He previously held various positions at Scotiabank over more than 18 years, including EVP, Enterprise Productivity & Canadian Banking Finance, and SVP & CFO of Canadian Banking. He received his CFA designation in 2009, holds a BA degree in Economics and Management Studies from the University of Waterloo, and completed an Executive Program with The Fuqua School of Business at Duke University.

In Mr. Westlake's second year with EQB, he made a strong contribution to EQB achieving and in some cases exceeding all performance targets. This included:

- managed the equity and debt acquisition financing for Concentra Bank, as well as the overall closing and integration process to date
- further improved the scale and diversification of funding, including the delivery of two additional covered bond issuances in Europe
- achieved a credit rating notch increase from DBRS Morningstar to a first ever investment grade rating for EQB
- in a challenging year, further improved the Bank's approach to investor relations, including delivering EQB's second ever investor day, and increased the depth and breadth of equity and fixed income investors
- continued to improve the transparency and effectiveness of investor and management financial reporting, and issued EQB's first annual ESG performance report

Mr. Westlake deployed material effort into evolving the EQB's corporate strategy with capital allocation to achieve its north star ROE objectives, while maintaining strong capital and liquidity levels, development and recruitment of talent, legal and government relations.

Compensation awarded

The table below shows the total direct compensation approved for Mr. Westlake in respect of 2022.

Total Direct Compensation

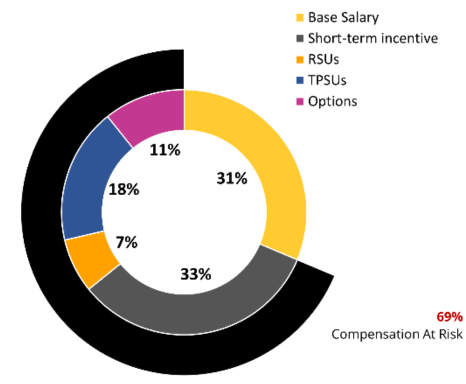
	2020 ($)	2021 ($)	2022 ($)
Base Salary	500,000	500,000	515,000
Short-term Incentive	60,000	540,000	540,000
• *TPSUs (rounded)*	112,500	115,875	294,250
• *PSUs (rounded)*	112,500	115,875	
• *RSUs (rounded)*	112,500	115,875	117,700
• *Options (rounded)*	225,000	231,750	176,550
Long-term incentive	450,000	463,500	588,500
Total Direct Compensation	**1,010,000**	**1,503,500**	**1,643,500**

Salary amounts reflect Mr. Westlake's annualized base salary for 2020.

Short-term incentive paid reflects Mr. Westlake's bonus for 2020 as negotiated as part of his new hire arrangements.

PSUs were granted in respect of 2020 and 2021. TPSUs were granted in respect of 2022

2022 Compensation Awarded Mix



Base salary

At its February 2023 meeting the HR and Compensation Committee approved a 4% increase to Mr. Westlake's base salary, to $535,000, effective January 1, 2023.

Short-term incentive

Mr. Westlake's 2022 STI award was approved and paid in February 2023 in the amount of $540,000. It was reflective of above-target financial and strategic performance, and his individual performance. Mr. Westlake target STI opportunity remained at 70% of salary for 2023.

Long-term incentive

Mr. Westlake's LTI award was based on his anticipated future contributions, the competitive position of his compensation compared to the peer group, EQB's internal equity, and alignment with shareholder interests. At the February 2023 meeting, on the recommendation of the HR and Compensation Committee, the Board approved $588,500 in long-term incentives for 2023 (110% of salary), allocated 50% to TPSUs, 20% to RSUs and 30% to stock options. A portion of Mr. Westlake's 2023 LTI award was a one-time grant in recognition of work related to the Concentra transaction. These awards are intended to be forward-looking. The actual amount Mr. Westlake realizes may be greater or less than the grant date amount based on EQB's financial and share price performance over the next 3-10 years.

Share Ownership

Values at March 15, 2023 are based on the higher of $55.82, the closing price of an EQB common share on the TSX on March 15, 2023 or the acquisition/grant price, if such value is higher. Mr. Westlake is on track to meet his share ownership requirement of $1,070,000 by November 2, 2025, the date required under EQB's share ownership guideline policy.

Common shares (#)	TPSUs (#)	PSUs (#)	RSUs (#)	Total Value ($)	Required multiple of base salary	Actual multiple of base salary	Meets requirement
876	4,384	3,243	4,997	929,960	2x	1.7x	On track

Mahima Poddar, Senior Vice-President and Group Head of Personal Banking

Mahima Poddar joined EQB as Director, Corporate Development in January 2016 and has held various leadership positions. Now, as SVP and Group Head of Personal Banking, Ms. Poddar's responsibilities include the oversight, establishment and execution of the strategy for: single family residential lending and sales, wealth solutions, EQ Bank, payments, marketing, client experience, and reverse mortgages.

Previously she was a long time management consultant at the Boston Consulting Group, specializing in Financial Services and Corporate Development. She received her MBA from Kellogg School of Management at Northwestern University in 2012, and received an HBA at Richard Ivey School of Business in 2007.

2022 performance highlights

Ms. Poddar's responsibilities have increased significantly since she joined the Bank in 2016 as Director, Corporate Development to her current line management responsibilities overseeing all of the lending operations of the Personal Banking business line as well as EQ Bank, our strategically important digital platform. Ms Poddar's responsibilities increased in November 2022 with the addition of certain business operations of Concentra Bank.

Ms. Poddar had an exceptional year in achieving results across her lines of business including:

- drove significant customer growth for EQ Bank through revamped AI supported on-boarding and new "Make Bank" brand positioning
- established new growth markets for EQ Bank by launching in Quebec and starting work on the EQ Bank for Small Business offering
- launched payment card functionality on EQ Bank, enabling EQ Bank to deliver its primary bank strategy
- drove material SFR and Reverse Mortgage portfolio growth alongside record high broker satisfaction scores, despite national market slowdown
- established several material new lines of business focused on generating fee revenue for the Personal Banking, including BIN Sponsorship, Equitable Advance, and 3rd party servicing

Compensation awarded

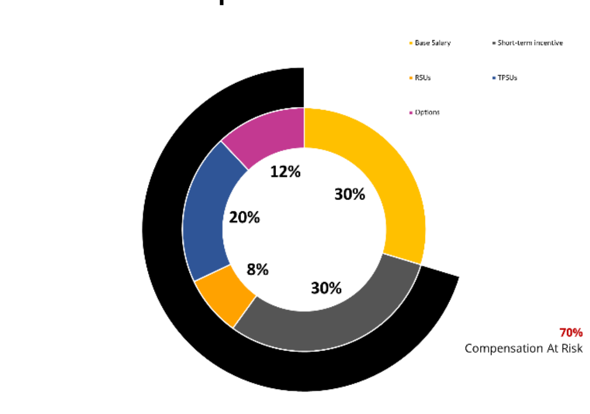
The table below shows the total direct compensation approved for Ms. Poddar in respect of 2022.

Total Direct Compensation

	2020 ($)	2021 ($)	2022 ($)
Base Salary	335,000	360,000	375,000
Short-term Incentive	200,000	332,000	383,000
• *TPSUs (rounded)*	-	-	253,000
• *PSUs (rounded)*	76,500	84,375	-
• *RSUs (rounded)*	76,500	84,375	101,200
• *Options (rounded)*	153,000	168,750	151,800
Long-term incentive	306,000	337,500	506,000
Total Direct Compensation	**841,000**	**1,029,500**	**1,264,000**

PSUs were granted in respect of 2020 and 2021. TPSUs were granted in respect of 2022

2022 Compensation Awarded Mix



Base salary

Given the increasing scale and scope of Ms. Poddar's increasing responsibilities and accountabilities following the Concentra transaction, external market data from the peer group, and internal equity considerations, at its February 2023 meeting the HR and Compensation Committee approved a 23% increase in her base salary to $460,000, effective January 1, 2023.

Short-term incentive

Ms. Poddar's 2022 STI award was approved and paid in February 2023 in the amount of $383,000. The reward is reflective of above-target financial and strategic performance, and her individual performance. Her target STI opportunity remained at 70% of salary for 2023.

Long-term incentive

Ms. Poddar's LTI award was based on her anticipated future contributions, the competitive position of her compensation compared to the peer group, EQB's internal equity, and alignment with shareholder interests. At the February 2023 meeting, on the recommendation of the HR and Compensation Committee, the Board approved $506,000 in long-term incentives for 2023 (110% of base salary), allocated 50% to TPSUs, 20% to RSUs and 30% to stock options. A portion of Ms. Poddar's 2023 LTI award was a one-time grant in recognition of work related to the Concentra transaction. These awards are intended to be forward-looking. The actual amount Ms. Poddar realizes may be greater or less than the grant date amount based on EQB's financial and share price performance over the next 3-10 years.

Share Ownership

Values at March 15, 2023 are based on the higher of $55.82, the closing price of an EQB common share on the TSX on March 15, 2023 or the acquisition/grant price, if such value is higher. Given the change in Ms. Poddar's base salary effective January 1, 2023, and the change in the ownership guideline policy for Executive Officers, Ms. Poddar exceeds her revised share ownership requirement of $920,000.

Common shares (#)	TPSUs (#)	PSUs (#)	RSUs (#)	Total Value ($)	Required multiple of base salary	Actual multiple of base salary	Meets requirement
7,821	3,769	2,281	3,789	1,121,151	2x	2.4x	Met

Ron Tratch, Senior Vice-President and Chief Risk Officer

Ron Tratch has been SVP and CRO of the Bank since January 2015. He is responsible for the risk function and for providing oversight of enterprise risk management of the Bank's seven core risks, the Compliance function, and the capital planning process. While Finance is responsible for managing capital on a daily basis, Mr. Tratch is responsible for leading the capital planning process and risk management for the organization.

Mr. Tratch joined the Bank in August 2011 as Vice-President, Commercial Credit. Previously he served as Senior Vice-President at GE Capital Canada, and was a partner in a Private Equity firm.

Mr. Tratch holds a B. Comm from the University of Calgary and is a CPA, CMA.

2022 performance highlights

- led the ongoing advancement of the Bank's AIRB project for capital and risk management
- championed the integration of Concentra into the Bank's risk management framework, risk appetite, compliance program, and ICAAP
- enhanced risk capabilities in the areas of credit risk oversight, model risk management, and operational risk, via systems and resourcing enhancements
- oversaw the Chief Compliance Officer's activities and supported the implementation of new systems and operating frameworks to reduce regulatory compliance, money laundering and fraud risk

Compensation awarded

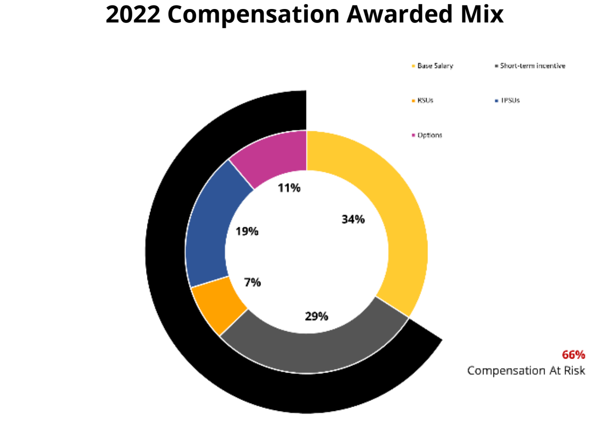
The table below shows the total direct compensation approved for Mr. Tratch in respect of 2022.

Total Direct Compensation

	2020 ($)	2021 ($)	2022 ($)
Base Salary	351,750	369,000	380,000
Short-term Incentive	260,000	320,000	320,000
• *TPSUs (rounded)*			207,480
• *PSUs (rounded)*	78,413	80,750	
• *RSUs (rounded)*	78,413	80,750	82,992
• *Options (rounded)*	156,825	161,500	124,488
Long-term incentive	313,651	323,000	414,960
Total Direct Compensation	**925,401**	**1,012,000**	**1,114,960**

PSUs were granted in respect of 2020 and 2021. TPSUs were granted in respect of 2022

2022 Compensation Awarded Mix



Base salary

At its February 2023 meeting, the HR and Compensation Committee approved a 4% increase in Mr. Tratch's base salary, to $395,200, effective January 1, 2023.

Short-term incentive

Mr. Tratch's 2022 STI award was approved and paid in February 2023 in the amount of $320,000. It was reflective of above-target financial and strategic performance, and his individual performance. His target STI opportunity remained at 60% of salary for 2023.

Long-term incentive

Mr. Tratch's LTI award was based on his anticipated future contributions, the competitive position of his compensation compared to the peer group, EQB's internal equity, and alignment with shareholder interests. At the February 2023 meeting, on the recommendation of the HR and Compensation Committee, the Board approved $414,960 in long-term incentives for 2023 (105% of base salary), allocated 50% to TPSUs, 20% to RSUs and 30% to stock options. A portion of Mr. Tratch's 2023 LTI award is a one-time grant in recognition of work related to the Concentra transaction. These awards are intended to be forward-looking. The actual amount Mr. Tratch realizes may be greater or less than the grant date amount based on EQB's financial and share price performance over the next 3-10 years.

Share Ownership

Values at March 15, 2023 are based on the higher of $55.82, the closing price of an EQB common share on the TSX on March 15, 2023 or the acquisition/grant price, if such value is higher. Mr. Tratch exceeds his share ownership requirement of $790,000.

Common shares (#)	TPSUs (#)	PSUs (#)	RSUs (#)	Total Value ($)	Required multiple of base salary	Actual multiple of base salary	Meets requirement
3,327	3,091	2,261	3,497	803,138	2x	2x	Met

Darren Lorimer, Senior Vice-President and Group Head, Commercial Banking

Darren Lorimer has been Senior Vice-President, Commercial Banking since March 2018. He is responsible for the Bank's Commercial Banking business which consists of conventional commercial, insured multi-unit residential, specialized financing and equipment leasing assets. His responsibilities include oversight of Bennington Financial Corp.

Prior to joining the Bank in September 2015, he spent 21 years at TD Bank in a variety of senior roles. He has a CFA designation, a Bachelor of Arts (Honours) degree from Laurier, and attended the Ivey Executive Program at Western.

2022 performance highlights

Mr. Lorimer's responsibilities have increased with the growth of the Bank's Commercial Banking operations. In addition, in November 2022, Mr. Lorimer took on additional responsibilities related to the acquisition of Concentra Bank, including: an increased commercial portfolio; the activities of Concentra Trust; and overseeing the relationships between the Bank and our partners in the credit union system.

Financial success was evident across Mr. Lorimer's lines of business with all of them achieving strong revenue and earnings performance and high ROEs. For 2022 he:

- achieved high levels of growth across all five Commercial Banking businesses exceeding plan and market guidance
- made considerable progress in expanding the capabilities of the multi-family insured lending business including the Equitable Trust aggregator and CMHC construction lending
- masterfully managed risk in a difficult economic environment including altering focus to areas of less credit stress and active management of higher risk loans
- made strong progress in the early stage integration of Concentra Bank including in the Credit Union and Trust business lines, laying the foundation for a new phase of expansion

Compensation awarded

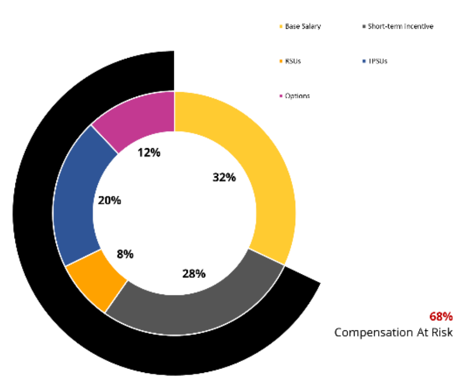
The table below shows the total direct compensation approved for Mr. Lorimer in respect of 2022.

Total Direct Compensation

	2020 ($)	2021 ($)	2022 ($)
Base Salary	291,750	306,000	350,000
Short-term Incentive	145,000	227,000	303,000
• *TPSUs (rounded)*	-	-	220,000
• *PSUs (rounded)*	45,900	65,625	-
• *RSUs (rounded)*	45,900	65,625	88,000
• *Options (rounded)*	91,800	131,200	132,000
Long-term incentive	183,600	262,450	440,000
Total Direct Compensation	**620,350**	**795,450**	**1,093,000**

PSUs were granted in respect of 2020 and 2021. TPSUs were granted in respect of 2022

2022 Compensation Awarded Mix



Base salary

Given the scope of Mr. Lorimer's increasing responsibilities following the Concentra transaction, the contribution of the Commercial Banking business to EQB earnings, and external market data for line of business heads, at its February 2023 meeting, the HR and Compensation Committee approved a 14% increase in Mr. Lorimer's base salary to $400,000, effective January 1, 2023.

Short-term incentive

Mr. Lorimer's 2022 STI award was approved and paid in February 2023 in the amount of $303.000. It was reflective of his above-target financial and strategic performance, and his individual performance. Mr. Lorimer's target STI opportunity has been increased to 70% of salary for 2023.

Long-term incentive

Mr. Lorimer's LTI award was based on his anticipated future contributions, the competitive position of his compensation compared to the peer group, EQB's internal equity, and alignment with shareholder interests. At the February 2023 meeting, on the recommendation of the HR and Compensation Committee, the Board approved $440,000 in long-term incentives for 2023 (110% of base salary), allocated 50% to TPSUs, 20% to RSUs and 30% to stock options. A portion of Mr. Lorimer's 2023 LTI award is a one-time grant in recognition of work related to the Concentra transaction. These awards are intended to be forward-looking. The actual amount Mr. Lorimer realizes may be greater or less than the grant date amount based on EQB's financial and share price performance over the next 3-10 years.

Share Ownership

Values at March 15, 2023 are based on the higher of $55.82, the closing price of an EQB common share on the TSX on March 15, 2023 or the acquisition/grant price, if such value is higher. Given the change in Mr. Lorimer's base salary effective January 1, 2023, and the change in the ownership guidelines for Executive Officers, Mr. Lorimer exceeds his revised share ownership requirement of $800,000.

Common shares (#)	TPSUs (#)	PSUs (#)	RSUs (#)	Total Value ($)	Required multiple of base salary	Actual multiple of base salary	Meets requirement
7,241	3,278	1,572	2,883	941,237	2x	2.4x	Met

Summary Compensation Table

The following table summarizes total compensation received in, or in respect of, the financial years ended December 31, 2022, 2021 and 2020 for each NEO.

Name and Principal Position	Year	Base Salary ($)	Share-based Awards[1] ($)	Option-based Awards[2] ($)	Non-equity Incentive Plan Compensation Annual Incentive Plans ($)	Pension Value[3] ($)	All Other Compensation[4] ($)	Total Compensation ($)
Andrew Moor	2022	780,000	1,037,400	444,600	1,166,000	15,390	2,500	3,445,890
President and CEO	2021	725,000	663,000	663,000	1,128,000	14,605	2,500	3,196,105
	2020	725,000	598,125	598,125	927,000	13,915	2,500	2,864,665
Chadwick	2022	515,000	411,950	176,550	540,000	15,390	2,500	1,661,390
Westlake[5]	2021	500,000	231,750	231,750	540,000	10,961	1,923	1,516,385
Senior Vice	2020	76,923	865,000[8]	225,000	60,000	-	400,000[9]	1,626,923
President & CFO		-	-	-	-	-	-	-
Mahima Poddar	2022	375,000	354,200	151,800	383,000	15,390	2,500	1,281,890
Senior Vice	2021	360,000	168,750	168,750	332,000	14,605	2,500	1,046,605
President & Group Head, Personal Banking	2020	224,760	153,360	353,000[7]	200,000	13,915	83,337[6]	1,028,371
Ron Tratch	2022	380,000	290,472	124,488	320,000	15,390	2,500	1,132,850
Senior Vice	2021	369,000	161,500	161,500	320,000	14,605	2,500	1,029,105
President and Chief Risk Officer	2020	351,750	157,194	156,825	260,000	13,915	2,500	942,184
Darren Lorimer	2022	350,000	308,000	132,000	303,000	15,390	2,500	1,110,890
Senior Vice	2021	306,000	131,250	131,250	227,000	14,605	2,500	812,605
President & Group Head, Commercial Banking	2020	291,750	91,800	91,800	145,000	13,915	2,500	636,765

1. RSUs and PSUs (TPSUs in lieu of PSUs starting in 2023) were awarded in February 2023, February 2022, and March 2021 in recognition of the NEO's performance in 2022, 2021, and 2020, respectively. The grant date fair market value (FMV) of the RSUs/PSUs is based on the volume-weighted average trading price of EQB's common share on the TSX for the five days prior to February 28, 2023 of $67.12, February 17, 2022 of $75.72, and March 3, 2021 of $69.16, respectively.

2. The Black-Scholes option pricing model is used to determine both the value of stock options for compensation purposes and the accounting fair value.

   In February 2023, the assumptions used in determining the number of options to be granted were an exercise price of $67.47, a stock volatility of 31.074%, a dividend yield of 2.24%, an option term of 5.5 years, and an interest rate of 3.12%. The fair value of each option granted for compensation purposes for performance in 2022 was $18.01. The accounting fair value of each option granted for performance in 2022 was $17.92 for Messrs. Moor, Westlake and Tratch, and $13.44 for Mr. Lorimer and Ms. Poddar as a result of a 25% forfeiture assumption applied to options granted to them. The exercise price was equal to the FMV on the grant date.

   In February 2022, the assumptions used in determining the number of options to be granted were an exercise price of $73.40, a stock volatility of 30.404%, a dividend yield of 1.78%, an option term of 4.75 years, and an interest rate of 1.65%. The fair value of each option granted for compensation purposes for performance in 2021 was $17.36. The accounting fair value of each option granted for performance in 2021 was $17.91 for Messrs. Moor, Westlake and Tratch, and $13.43 for Mr. Lorimer and Ms.

Poddar as a result of a 25% forfeiture assumption applied to options granted to them. The exercise price was equal to the FMV on the grant date.

In February 2021, the assumptions used in determining the number of options to be granted were an exercise price of $53.29, a stock volatility of 35.088%, a dividend yield of 1.97%, an option term of 4.75 years, and an interest rate of 0.47%. The fair value of each option granted for compensation purposes for performance in 2020 was $13.26. The accounting fair value of each option granted for performance in 2020 was $17.21 for Messrs. Moor, Westlake and Tratch, and $25.81 for Mr. Lorimer and Ms. Poddar as a result of a 25% forfeiture assumption applied to options granted to them. The exercise price was equal to the FMV on the grant date.

3. Reflects the EQB's contribution to the NEO's DPSP.
4. The value of perquisites and benefits for each NEO did not exceed $50,000 and/or 10% of the total annual salary and bonus.
5. Mr. Westlake joined EQB effective November 2, 2020.
6. Ms. Poddar was on maternity leave from January 1, 2020 until April 6, 2020. During this time she did not earn base salary however did receive salary top up in the amount of $80,836.
7. Ms. Poddar was awarded a one-time grant in options in the amount of $200,000 in connection with her promotion in November 2020.
8. Mr. Westlake received a one-time RSU grant in the amount of $640,000 upon joining EQB.
9. Mr. Westlake received a sign-on bonus of $400,000 upon joining EQB.

Incentive Plan Awards

Outstanding Option and Share Awards

The following table includes LTI awards granted as at December 31, 2022:

- the value of unexercised in-the-money options equals the closing price of an EQB common share on the TSX on December 31, 2022 ($56.73) minus the exercise price of the option, multiplied by the number of outstanding options
- the value of unvested RSU and PSU awards on December 31, 2022 equals the closing price of an EQB common share on the TSX on December 31, 2022 ($56.73) multiplied by the number of units outstanding including dividend equivalents.

		Option-based Awards				Share-based Awards	
Name	**Grant Year**	**Number of securities underlying unexercised options**	**Option Exercise price ($)**	**Option expiration Date**	**Value of unexercised in-the-money options[2] ($)**	**Number of units that have not vested (#)**	**Market or payout value of share-based awards that have not vested[2] ($)**
Andrew Moor	2022	38,191	75.72	Feb 17, 2029	-	8,947	507,544
	2021	45,108	69.16	Mar 3, 2028	-	8,933	506,793
	2020	52,102	45.48	Mar 4, 2027	586,148	-	-
	2019	76,138	33.89	Mar 11, 2026	1,739,373	-	-
	2018	70,776	27.83	Mar 9, 2025	2,045,426	-	-
	2017	63,188	35.84	Feb 28, 2024	1,319,997	-	-
	2016	29,706	26.58	Mar 9, 2023	895,784	-	-
Chadwick Westlake[1]	2022	13,350	75.72	Feb 17, 2029	-	3,127	177,394
	2021	16,968	69.16	Mar 3, 2028	-	3,359	190,575
Mahima Poddar	2022	9,721	75.72	Feb 17, 2029	-	2,277	129,161
	2021	11,538	69.16	Mar 3, 2028	-	2,285	129,628
	2020	25,000	46.96	Nov 12, 2027	244,250	-	-
	2020	5,230	45.48	Mar 4, 2027	58,838	-	-
	2019	6,306	33.89	Mar 11, 2026	144,061	-	-
	2018	2,194	27.83	Mar 9, 2025	63,407	-	-
	2017	1,016	35.84	Feb 28, 2024	21,224	-	-
	2016	708	26.58	Mar 9, 2023	21,350	-	-
Ron Tratch	2022	9,303	75.72	Feb 17, 2029	-	2,178	123,596
	2021	11,826	69.16	Mar 3,2028	-	2,343	132,910
	2020	11,394	45.48	Mar 4,2027	128,183	-	-
	2019	14,752	33.89	Mar 11, 2026	337,009	-	-
	2018	14,492	27.83	Mar 9, 2025	418,819	-	-
	2017	12,118	35.84	Feb 28, 2024	253,145	-	-
	2016	17,334	26.58	Mar 9, 2023	522,707	-	-
Darren Lorimer	2022	7,560	75.72	Feb 17, 2029	-	1,772	100,523
	2021	6,924	69.16	Mar 3,2028	-	1,372	77,824
	2020	5,082	45.48	Mar 4,2027	57,173	-	-
	2019	6,544	33.89	Mar 11, 2026	149,498	-	-
	2018	6,784	27.83	Mar 9, 2025	196,058	-	-
	2017	5,764	35.84	Feb 28, 2024	120,410	-	-
	2016	6,944	26.58	Mar 9, 2023	209,396	-	-
						-	-

1. Mr. Westlake joined EQB on November 2, 2020
2. Based on closing price of EQB's common shares on the TSX on December 31, 2022 of $56.73

Incentive Plan Awards – value vested or earned

The following table shows for each NEO:

- the total value that would have been realized on vesting of options in 2022 if the options had been exercised on the vesting date:
- the value of share-based awards received on vesting in 2022
- the annual incentive compensation awards earned for 2022

	2022			2021		
Name	Option-based awards - value vested during the year[1] ($)	Annual incentive compensation - value earned during the year ($)[2]	Share-based awards - value vested during the year ($)[3]	Option-based awards - value vested during the year ($)	Annual incentive compensation - value earned during the year ($)	Share-based awards - value vested during the year ($)
Andrew Moor	2,038,818	1,166,000	782,832	2,226,966	1,128,000	1,454,417
Chadwick Westlake[4]	30,394	540,000	840,318	-	540,000	-
Mahima Poddar	208,055	383,000	80,637	328,472	332,000	110,362
Ron Tratch	419,003	320,000	222,687	445,774	320,000	348,834
Darren Lorimer	193,233	303,000	78,437	204,702	227,000	114,557

1. The value of options that vested in 2022 is based on the difference between the grant price of the options and the closing price of an EQB common shares on the TSX on the vesting date.
   If the closing price of EQB's common shares was below the exercise price, the option had no current value and is valued at $0.
2. These are the annual cash incentive awards for 2022. The table includes the full amount of the annual cash bonus.
3. The value of share-based awards that vested during 2022 includes dividend equivalents earned on these awards during the period. Share-based awards are valued using a 5-day volume-weighted average of an EQB common share on the TSX calculated as at December 15, 2022 for both RSU and PSU awards. At vesting, PSU awards received by each NEO paid out at 95%, reflecting EQB's TSR performance over the 35-month period ending November 30, 2022 relative to the TSR performance of the relevant peer group.
4. Mr. Westlake joined EQB on November 2, 2020.

Options exercised in 2022

Name	Grant Date	Number of options	Exercise Price ($)	Realized value[1] ($)
Andrew Moor	March 5, 2016	57,100	26.58	1,988,118
Chadwick Westlake[2]	-	-	-	-
Mahima Poddar	-	-	-	-
Ron Tratch	March 5, 2015	6,310	29.99	296,633
Darren Lorimer	November 23, 2015	6,000	27.66	173,031

1. Represents the difference between the fair market value of EQB common shares at the time of exercise and the exercise price of the options, excluding withholding taxes.
2. Mr. Westlake joined EQB on November 2, 2020.

Securities Authorized for Issuance under Equity Compensation Plans

Our Option Plan and TSU Plans are the only compensation plan that involves the issuance of equity securities.

Share Option Plan

The following table shows, as at March 15, 2023:

- shares to be issued when outstanding options are exercised; and
- the remaining number of shares available for issue under the Option Plan.

The Option Plan has been approved by the shareholders.

Plan Category	Securities to be issued upon exercise of outstanding options (3.5% of outstanding shares as at March 15, 2023)	Weighted-average price of outstanding options[1] ($)	Securities remaining for future issuance under equity compensation plans[2] (0.57% of outstanding shares as at March 15, 2023)
Equity compensation plans approved by security holders	1,335,296	$53.10	216,492

1. The weighted average remaining term of the outstanding options as at March 15, 2023 is 4.29 years.
2. The maximum number of common shares available for issuance under the Option Plan is 4,000,000.

Dilution, Overhang and Burn Rate

We monitor the outstanding number of options (dilution) and the number of options issued each year (burn rate). The following table outlines the Dilution, Overhang and Burn Rate for the Share Option Plan for the past three years as of December 31, 2022.

	2022	2021	2020
Dilution Total number of options outstanding divided by the weighted average number of common shares outstanding	3.55%	3.31%	3.67%
Overhang Total number of options available to grant plus options outstanding, divided by weighted average number of common shares outstanding	4.73%	5.18%	6.19%
Burn Rate Total number of options granted during the year divided by weighted average number of common shares outstanding for the year	0.73%	0.72%	0.71%

Share Option Plan

Issuance Limits

Eligibility	Executive Officers and eligible employees
Maximum number of shares issuable	4,000,000 shares, representing 10.6% of EQB's issued and outstanding common shares as at March 15, 2023
Currently issued	1,335,296 shares issuable upon exercise of outstanding options (representing 3.5% of issued and outstanding shares as at March 15, 2023)
Available for issue	216,492 shares remain available for issuance (representing 0.57% of EQB Inc.'s issued and outstanding shares as at March 15, 2023)
Other limits	The number of shares issuable to insiders at any time, or issued to insiders within any one-year period, pursuant to all security- based compensation arrangements, shall not exceed 10% of EQB Inc.'s outstanding shares. The maximum number of shares reserved for issue to any one insider cannot exceed 5% of the total number of issued and outstanding shares. As of March 15, 2023 the total number of options granted to an insider was 370,189 shares, representing 1% of the total number of shares outstanding.

Conditions

Maximum term	The Plan provides for a term of ten years. Since 2012, options have been granted for a term of seven years. Should the expiry date occur during a blackout period or within the ten business days immediately following such blackout period imposed by EQB, the expiry date will be extended for 10 business days after the last day of the blackout period.
Exercise price	Volume-weighted average trading price of the common shares for the five consecutive trading days immediately preceding the date of grant
Vesting and exercise of options	Vesting: four year ratable (25% per year commencing on the first anniversary of the grant date). Options must vest before they can be exercised. Options may be exercised in whole or in part before the expiration date set by the Board at the time of the grant.
Expiry of options	The earlier of: • The 7th anniversary of the date of grant, regardless of a participant's retirement date • The original expiry date and two years from date of a participant's death or becoming fully disabled In the event of termination with/without cause or resignation, options must be exercised within 30 days. All remaining options are then forfeited.
Financial assistance	None provided
Transfer/ assignment	Not assignable – they can only be transferred to a beneficiary or a legal representative if the participant dies
Change of control	All unvested options vest and become exercisable
Clawback	All or a portion of vested or unvested options held by any one of the Executive Officers may be forfeited or cancelled in the event of intentional fraud or willful misconduct by the respective Executive Officer
Plan Amendments	Shareholders must approve the following changes: • increase the maximum number or percentage of shares that may be reserved for issuance • reduce the exercise price of outstanding options or issue options at a lower exercise price to the same person • extend the term of an option beyond the expiry date (except where an expiry date would have fallen within a blackout period) • extend eligibility to participate in the Plan to non-employee directors • any amendments to the amendment provisions

	The Board can make the following amendments without shareholder approval: • changes of an administrative or housekeeping nature • changes to the terms, conditions and mechanics of grant, vesting, exercise and early expiry • any amendments designed to comply with applicable laws, tax or accounting regulations • addition of a cashless feature, payable in cash or securities, which provides for a full deduction in the number of underlying securities from the plan's reserve • any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the rules, regulations and policies of the TSX

TSU Plan

The following table shows, as at March 15, 2023:

- shares to be issued if awards redeemed in shares; and
- the remaining number of shares available for issue under the TSU Plan.

The TSU Plan has been approved by the shareholders. To date, only TPSUs have been awarded. For the purposes of the information in this section we assume TPSUs are redeemed in shares, not cash, and at a payout adjustment factor of 100%.

Plan Category	Securities to be issued upon exercise of outstanding TPSUs (0.1% of outstanding shares as at March 15, 2023)	Weighted-average price of outstanding TPSUs[1] ($)	Securities remaining for future issuance under equity compensation plans[2] (0.67% of outstanding shares as at March 15, 2023)
Equity compensation plans approved by security holders	**47,936**	$ **67.12**	**252,064**

1. The weighted average remaining term of the outstanding TPSUs as at March 15, 2023 is **9.97** years.
2. The maximum number of common shares available for issuance under the TSU Plan is 300,000.

Dilution, Overhang and Burn Rate

We monitor the outstanding number of options (dilution) and the number of options issued each year (burn rate). The following table outlines the Dilution, Overhang and Burn Rate for the TSU Plan for the past three years as of December 31, 2022.

	2022	2021	2020
Dilution Total number of TPSUs outstanding divided by the weighted average number of common shares outstanding	N/A	N/A	N/A
Overhang Total number of TPSUs available to grant plus TPSUs outstanding, divided by weighted average number of common shares outstanding	N/A	N/A	N/A
Burn Rate Total number of TPSUs options granted during the year divided by weighted average number of common shares outstanding for the year	N/A	N/A	N/A

TSU Plan

Issuance Limits

Eligibility	Executive Officers and eligible employees
Maximum number of shares issuable	• 300,000 shares, representing 0.8 % of EQB's issued and outstanding common shares as at March 15, 2023
Currently issued	• 47,936 shares issuable upon exercise of outstanding TPSUs (representing 0.1 % of issued and outstanding shares as at March 15, 2023)
Available for issue	• 252,064 shares remain available for issuance (representing 0.67 % of EQB Inc.'s issued and outstanding shares as at March 15, 2023)
Other limits	The number of shares issuable to insiders at any time, or issued to insiders within any one-year period, pursuant to all security-based compensation arrangements, shall not exceed 10% of EQB Inc.'s outstanding shares. The maximum number of shares reserved for issue to any one insider cannot exceed 5% of the total number of issued and outstanding shares. As of March 15, 2023 the total number of TPSUs granted to an insider was 15,456, representing 0.04 % of the total number of shares outstanding.

TPSU Conditions

Maximum term	The Plan provides for a maximum term of ten years.
Exercise price	Volume-weighted average trading price of the common shares for the five consecutive trading days immediately preceding the date of grant
Vesting and exercise of options	Vesting: 50% at the end of the third year from date of grant and 50% at the end of the fourth year from date of grant.
Expiry	The 10th anniversary of the date of grant.

Financial assistance	None provided
Transfer/ assignment	Not assignable – they can only be transferred to a beneficiary or a legal representative if the participant dies
Change of control	All unvested TPSUs vest
Clawback	All or a portion of vested or unvested TPSUs held by any one of the Executive Officers may be forfeited or cancelled in the event of intentional fraud or willful misconduct by the respective Executive Officer
Plan Amendments	Shareholders must approve the following changes: • increase the maximum number or percentage of shares that may be reserved for issuance • extend the term of an option beyond the expiry date (except where an expiry date would have fallen within a blackout period) • extend eligibility to participate in the TSU Plan to non-employee directors • any amendment to the limitations under the TSU Plan on the number of units that may be granted to any one person or category of persons • any amendments to the amendment provisions The Board can make the following amendments without shareholder approval: • changes of an administrative or housekeeping nature • changes to the terms, conditions and mechanics of grant, vesting, and early expiry • any amendments designed to comply with applicable laws, tax or accounting regulations • any amendment to the TSU Plan or any grant to permit conditional redemption • any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the rules, regulations and policies of the TSX

Benefits

The Bank provides its Executive Officers and all other employees comprehensive medical, dental, life, disability and accident insurance. Executive Officers also participate in an annual comprehensive fitness and medical assessment program.

The Bank does not have a pension plan for its Executive Officers or employees. All employees, including Executive Officers are eligible to participate in our Group Registered Retirement Savings Plan ("RRSP") and Deferred Profit Sharing Plan ("DPSP") (collectively the "Plan"). The Bank will make a maximum contribution to the DPSP equal in value to the greater of (i) 5.5% of an employee's annual base salary during the first five years of employment, (ii) 8% of the employee's base salary after five years of continued employment, and (iii) the Canada Revenue Agency mandated maximum. The Bank's contributions vest after two years of membership in the DPSP. In the event of termination within the initial two-year period of Plan membership, the Bank's contributions under the DPSP are returned to the company. The Bank does not provide any additional or supplemental pensions, retirement allowances or similar benefits to any Executive Officer.

All employees, including Executive Officers are also eligible to participate in the Employee Share Purchase Plan ("ESPP") which is generally available to all employees. Under the ESPP, the Bank contributes an amount equivalent to 50% of the employee's contribution up to a maximum of $2,500 per year.

Termination and Change of Control

Employment agreements are in place for all NEOs which set out the details relating to the provision of severance payments upon termination of employment and the consequent obligations of non-competition and non-solicitation. Other obligations arising under various scenarios pursuant to the terms and conditions of the Incentive Plans are described in the table below. Except where stated otherwise, (i) the salaries of each NEO will cease as of the date of termination, and (ii) each NEO is entitled to receive any accrued and outstanding base salary and amounts owing under the Bank's benefits program, including accrued vacation pay, up to the date of termination. The table below shows the amount each NEO is eligible to receive if their employment is terminated.

Termination for Cause

In the event of termination for cause, none of the NEOs are entitled to any further compensation following the date of termination. In addition, any unvested options are cancelled and any vested options are exercisable for 30 days from the date of termination. Vested TPSUs are eligible for redemption or surrender for cash for a period of 90 days from the date of termination. Unvested RSUs, PSUs and TPSUs, where as applicable, held by such NEO would be immediately forfeited and cancelled.

Termination without Cause

Severance	• Mr. Moor is entitled to salary continuance in an amount equal to his base salary plus the average performance bonus for the immediately preceding three years, for a period equal to the Severance Period (as defined below) or until re-employment. In the event of re-employment, or upon request, Mr. Moor is entitled to a lump sum payment of 50% of salary continuance for the balance of the Severance Period. The Severance Period is equal to 13 months on the fifth anniversary of employment and increases by one additional month on each anniversary of employment thereafter, to a maximum of 24 months. Mr. Moor's Severance Period is 23 months based on 15 years of completed employment. • Ms. Poddar and Messrs. Westlake and Lorimer are entitled to salary continuance in an amount equal to their base salary plus the average performance bonus for the preceding three years (or in the case of Mr. Westlake, total completed years of employment, whichever is less), for a period equal to the Severance Period (as defined below) or until re-employment. In the event of re-employment, each NEO is entitled to a lump sum payment of 50% of salary continuance for the balance of the Severance Period. The Severance Period is equal to 6 months until the third anniversary of employment, after such time the Severance Period shall increase by one month for each completed year of employment to a maximum of 18 months. Mr. Westlake's Severance Period is 7 months based on less than three years of completed employment. Ms. Poddar's Severance Period is 9 months based on 6 years of completed employment. Mr. Lorimer's Severance Period is 10 months based on 7 years of completed employment. • Mr. Tratch is entitled to salary continuance in an amount equal to his base salary plus the average performance bonus for the immediate preceding three years, for the earlier of the Severance Period (as defined above) or re-employment. In the event of re-employment, Mr. Tratch is entitled to a lump sum payment of 50% of salary continuance for the balance of the Severance Period. The Severance Period is equal to 12 months plus one additional month for each completed year of employment after the third anniversary to a maximum of 18 months. Mr. Tratch's Severance Period is at the maximum of 18 months based on 9 years of completed employment.
STI (performance bonus)	• If terminated prior to the end of any fiscal year, Mr. Moor is entitled to a payment equal to the average performance bonus earned for the immediately preceding three years, pro-rated to the number of days in that fiscal year to the date of termination. If terminated between January 1st and the Board meeting dealing with year-end matters in February of that same year, Mr. Moor will receive a full bonus for the preceding fiscal year. • Ms. Poddar, and Messrs. Westlake, Tratch and Lorimer are not entitled to any pro-rated performance bonus in the year of termination.
Options	• Mr. Moor's unvested options that would have vested in the fiscal year following the date of termination immediately vest and are exercisable for a period of 30 days from the date of termination. • For Ms. Poddar, and Messrs. Westlake, Tratch and Lorimer, all unvested options are cancelled upon termination and all vested options are exercisable for 30 days following termination.

RSUs	• In the event of termination without cause, all NEOs, except Mr. Moor, who is not awarded RSUs, are entitled to a pro rata number of RSUs based on the number of days during the vesting period prior to termination compared to the entire term of the vesting period. The balance of RSUs are forfeited and cancelled.
PSUs	• All NEOs are entitled to a pro rata number of PSUs based on the number of days during the vesting period prior to termination. The balance of PSUs are forfeited and cancelled. • The Board, having regard to the performance of EQB, shall determine the extent to which the performance payout criteria have been satisfied as of the date of termination and shall determine the performance payout percentage to be applied in respect of such PSU award at that time.
TPSUs	• TPSUs are treated in the same manner as PSUs, except that where some, but not all of the elements of the performance payout criteria are available as of the date of termination (either by themselves or as projections as provided in the TPSU Plan), the Board, having regard to the performance of EQB, shall determine the extent to which any remaining elements of the performance payout criteria have been satisfied as of the date of termination, which will determine the performance payout percentage to be applied in respect of such TPSU award at that time.
Other	• Mr. Moor is entitled to continued coverage under EQB's benefits program for the duration of the Severance Period or until re-employment, whichever is earlier. • Ms. Poddar, Messrs. Westlake, Tratch and Lorimer are entitled to continued coverage under EQB's benefits program during the notice period. • Mr. Moor is entitled to outplacement services for a period determined at the sole discretion of EQB. • Additionally, Mr. Moor is entitled to work as a non-executive Director and/or to work in a consulting capacity up to a total maximum gross revenue to him, or to an operating or consulting company he may own for this purpose, of $200,000 per annum without triggering any re-employment provision.

Change of Control[1]

Severance	• If termination occurs within 12 months of a change of control, Mr. Moor is entitled to a lump sum payment of 50% representing base salary in lieu of the Severance Period, plus a payment in respect of the average performance bonus paid in the three years immediately preceding the date upon which notice of termination is provided, prorated to the Severance Period. The Severance Period is equal to 13 months on the fifth anniversary of employment and increases by one additional month on each anniversary thereafter, to a maximum of 24 months. Mr. Moor's Severance Period is 23 months based on 15 years of completed employment. • If termination occurs within 12 months of a change of control, Ms. Poddar, Messrs. Westlake and Lorimer are each entitled to the same severance as they would be entitled to upon termination without cause (see previous page). • If termination occurs within 18 months of a change of control, Mr. Tratch is entitled to the same severance as he would be entitled to upon termination without cause (see previous page).
STI (performance bonus)	• If termination occurs within 12 months of a change of control and prior to the payment of the prior year's performance bonus, Mr. Moor is entitled to payment in respect of the full prior year performance bonus. In addition, he is entitled to a performance bonus in accordance with the STI Plan, prorated, for the period up to and including the date of termination. • No other NEO is entitled to any performance bonus following a change of control.

Options	• Under the Option Plan, all options vest and become exercisable.
RSUs	• If common shares of the successor corporation *are* listed on a recognized exchange: the number of RSUs attributed to a NEO will be adjusted by the Board, or the successor board, to preserve the economic position of the award of RSUs. All other terms and conditions of the Restricted Share Unit Plan applicable to RSUs continue to apply for the balance of the vesting period. Vesting is not accelerated. • If common shares of the successor corporation *are not* listed on a recognized stock exchange: the fair market value of each RSU attributed to the NEO will be deemed to be the value at which the change of control occurred and the value of the RSUs will be crystallized at such value. The Board, or the successor board, may resolve to (i) accelerate the vesting date, or (ii) retain the original vesting date in respect of up to one-half of the crystallized value. If employment is terminated following a change of control, the vesting period will be accelerated and a settlement payment made. • All NEOs, except Mr. Moor, are awarded RSUs.
PSUs	• PSUs are treated in the same manner as RSUs, except that, where the common shares of the successor corporation *are not* listed on a recognized stock exchange, the Board, having regard to the performance of the NEO and EQB, will also determine (i) the extent to which the performance payout criteria have been satisfied by the NEO as of the date of the change of control and (ii) the performance payout percentage to be applied in respect of such PSU award at that time.
TPSUs	• All TPSUs shall be deemed to vest immediately prior to the termination date at a performance payout percentage determined by the Board, in its discretion, provided that the Board shall in good faith take into account performance to the termination date.
Other	• If termination occurs within 12 months of a change of control all NEOs, except Mr. Tratch are entitled to continued coverage under the Bank's benefits program for the Severance Period. • If termination occurs within 18 months of a change of control, Mr. Tratch is entitled to the same benefits coverage as he would be entitled to upon termination without cause (see previous page).

1. "Change of Control" is defined as the occurrence, without the consent of the NEO in their personal capacity, of either of the following: (i) the acquisition by any person or group of persons, of beneficial ownership of EQB securities which, directly or following conversion or exercise thereof, would entitle the holder or holders thereof to cast more than 50% of the votes attaching to all EQB securities which may be cast to elect directors of EQB, other than the additional acquisition of securities by a person (including its affiliates) beneficially owning EQB securities on the date on which the employment agreement was executed, or (ii) the sale of all or substantially all of EQB's assets to another person.

Death

Severance	• Salary of a NEO immediately ceases as of the date of death.
STI (performance bonus)	• No NEO, other than Mr. Moor, is entitled to receive any amounts related to his performance bonus upon death. • Mr. Moor's estate/beneficiary is entitled to payment of any performance bonus, pro-rated to the number of days in that fiscal year up to the date of death.
Options	• Under the Option Plan, unvested options vest immediately upon death of the option holder and are exercisable until the earlier of (i) the expiry date of the option, and (ii) 24 months following the date of death.
RSUs	• Unvested RSUs vest immediately on date of death.

PSUs	• Unvested PSUs vest immediately on date of death. • The Board, having regard to EQB's performance, in its discretion, shall determine the extent to which the performance payout criteria have been satisfied as of the date of death and shall determine the performance payout percentage to be applied in respect of such PSU award at that time.
TPSUs	• Unvested TPSUs vest immediately on date of death. • The Board, taking into account performance to the participant to the date of death, shall determine the performance payout percentage of TPSUs, provided that if the relevant TPSU performance assessment period of a grant commenced less than one year prior to the NEOs date of death, those TPSUs shall be vested using a performance payout percentage of 100%.
Other	• No other benefits or payments are provided.

Resignation or Retirement[1]

Severance	• Mr. Moor may terminate his employment upon 60 days' prior written notice. This notice period may be waived by the Board at its sole discretion and, if waived, Mr. Moor is entitled to salary continuance only to the end of the 60-day period. • No NEO is entitled to any severance-related payments upon resignation or retirement.
STI (performance bonus)	• No NEO is entitled to any performance bonus upon resignation.
Options	• Upon retirement, options continue to vest and are exercisable until the expiry date of the option. • Upon resignation, vested options cease to be exercisable within 30 days after the date of resignation, after which all outstanding options are forfeited.
RSUs	• All NEOs, except Mr. Moor, are awarded RSUs. All RSUs are forfeited and cancelled upon resignation. • Upon retirement of a NEO who is awarded RSUs, unvested RSUs continue to vest per the terms of their award.
PSUs	• All unvested PSUs are forfeited and cancelled upon resignation. • Upon retirement, unvested PSUs continue to vest per the terms of their award.
TPSUs	• All unvested TPSUs are forfeited and cancelled upon resignation. • Upon retirement, unvested TPSUs continue to vest per the terms of their award.
Other	• In the event that the Board waives the 60-day notice period required of Mr. Moor to voluntarily terminate his employment, Mr. Moor is entitled to continued benefits coverage up to the end of the 60-day period. • In the event Mr. Moor resigns as a result of a material reduction in his status, powers or responsibilities, a reduction in his compensation, perquisites and benefits without his consent, or a failure to pay his base salary or performance bonus in accordance with his performance agreement ("Resignation with Good Reason"), Mr. Moor will be entitled to receive all such benefits and entitlements as if his employment was terminated without cause. • None of Ms. Poddar, Messrs. Westlake, Tratch or Lorimer are entitled to any other payments upon voluntary termination of employment.

1. A NEO is eligible for retirement under the Option Plan and Share Unit Plan, provided (i) the NEO is at least 60 years old, and (ii) the NEO's age plus years of service with the Company equals 65 years or more.

Termination and Change of Control Benefits

The following table shows the estimated incremental payments that would be paid to each NEO following the termination of their employment or upon a change of control, assuming the triggering event took place on December 31, 2022:

Event	Andrew Moor ($)	Chadwick Westlake ($)	Mahima Poddar ($)	Ron Tratch ($)	Darren Lorimer ($)
Termination with Cause					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-
Termination without Cause					
Severance	3,485,139	475,417	445,500	996,000	429,722
Bonus	1,038,333	-	-	-	-
Options	581,380	-	-	-	-
RSU/PSU	488,548	179,580	124,759	125,205	81,956
Other[3]	-	-	-	-	-
Change of Control					
Severance	3,485,139	475,417	445,500	996,000	429,722
Bonus	1,038,333	-	-	-	-
Options[2]	727,917	-	187,559	148,344	65,961
RSU/PSU	1,013,853	367,793	258,666	256,384	178,262
Other[3]	-	-	-	-	-
Death					
Severance	-	-	-	-	-
Bonus	1,038,333	-	-	-	-
Options	-	-	-	-	-
RSU/PSU	488,548	179,580	124,759	125,205	81,956
Other[3]	-	-	-	-	-
Resignation					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-
Retirement[4]					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[5]	-	-	-	-	-
RSU/PSU[5]	-	-	-	-	-
Other[3]	-	-	-	-	-

1. The value of the option is the difference between the closing price of an EQB common share on December 31, 2022 on the TSX ($56.73) and the exercise price of the option.
2. All unvested options vest and become immediately exercisable upon a change of control. The value of the options is the difference between the closing price of an EQB common share on December 31, 2022 on the TSX ($56.73) and the exercise price of the options.
3. Other incremental payments do not include payments required under the Bank's benefits program as such amounts are not determinable.
4. Mr. Moor is the only NEO that is Retirement Eligible as at December 31, 2022.
5. Awards of options and RSU/PSUs are not accelerated upon retirement as such no additional payment is due. Options and RSU/PSUs continue to vest in accordance with the terms of their grants and the terms of their plans.

Compensation of senior managers and other material risk takers

The tables below show the compensation awarded to employees who may have a material impact on EQB's risk exposure in the last two years in accordance with the Basel Committee on Banking Supervision's Pillar III disclosure requirements for remuneration. This disclosure covers all Vice-Presidents and above.

For the purposes of this disclosure, the Company classified nine individuals as "Senior Managers" during 2022. These include the NEOs, the CHRO, CTO, Treasurer and CCO. "Other Material Risk Takers" include Vice-Presidents, all Vice-Presidents of the Bank and the CEO of Bennington. For the year-ended December 31, 2022, the Company designated 28 individuals as Other Material Risk Takers.

The HR and Compensation Committee reviews the list of Senior Managers and Other Material Risk Takers to make sure it is complete.

Total Value of Compensation Awarded

Element of Compensation	Senior Managers				Other Material Risk Takers			
	2022		2021		2022		2021	
	Non-Deferred ($)	Deferred[1] ($)	Non-Deferred ($)	Deferred[1] ($)	Non-Deferred ($)	Deferred[1] ($)	Non-Deferred ($)	Deferred[1] ($)
Number of Employees	9		10		28		16	
Fixed Compensation								
Cash-based	3,591,468	-	3,545,694	-	7,045,086	-	4,151,685	-
Shares and Share-linked Instruments	-	-	-	-	-	-	-	-
Other	57,136	-	50,727	-	107,422	-	69,233	-
Total Fixed Compensation	3,648,604	-	3,596,421	-	7,152,509	-	4,220,919	-
Variable Compensation								
Cash-based	3,504,100	-	3,158,000	-	3,456,294	-	1,395,924	-
Shares and Share-linked Instruments	2,220,927	4,209,260	2,286,255	3,310,136	489,705	2,491,636	970,243	756,738
Other	137,028	-	140,582	-	326,606	-	192,500	-
Total Variable Compensation	5,862,055	4,209,260	5,584,837	3,310,136	4,272,606	2,491,636	2,558,667	756,738
Total Compensation	**9,510,660**	**4,209,260**	**9,181,258**	**3,310,136**	**11,425,115**	**2,491,636**	**6,779,585**	**756,738**

1. Deferred Compensation includes options, PSUs and RSUs granted in 2022 and 2021.

Other Compensation Paid

This table shows aggregate guaranteed incentive awards, sign-on awards, and severance payments to Senior Managers and Other Material Risk Takers in the past two years.

	Senior Managers				Other Material Risk Takers			
	2022		2021		2022		2021	
Element of Compensation	**Number of Employees**	**Amount ($)**	**Number**	**Amount ($)**	**Number of Employees**	**Amount ($)**	**Number**	**Amount ($)**
Sign-on Awards	-	-	-	-	1	50,000	1	5,000
Guaranteed Awards	-	-	-	-	-	-	-	-
Severance	-	-	-	-	1	433,005	2	736,850

Deferred Compensation

Deferred compensation is comprised of options, PSUs and RSUs. The following tables include deferred compensation that remained outstanding as at December 31, 2022 and 2021 and which had not expired, or been forfeited or cancelled. The table also includes previously deferred compensation that was paid out during 2022 and 2021. There was no clawback of any deferred compensation in either year nor was there any similar reversal or downward re-evaluation of outstanding awards.

	Senior Managers		Other Material Risk Takers	
Element of Compensation	**2022 ($)**	**2021 ($)**	**2022 ($)**	**2021 ($)**
Outstanding Deferred Compensation				
Vested[1]	9,127,217	14,083,766	2,359,120	3,562,976
Unvested[2]	3,751,477	9,140,387	1,641,283	2,891,626
Total Outstanding	12,878,694	23,224,153	4,000,403	6,454,602
Payouts during the year[3]	4,806,533	9,945,953	1,097,301	3,115,863

1. Outstanding vested compensation is comprised of options that were exercisable on December 31, 2022 and December 31, 2021, respectively, but that had not yet been exercised. Each outstanding option is valued at the closing price of an EQB common share on the TSX on December 31, 2022 and December 31, 2021 respectively, less the option's exercise price. The amount outstanding is lower in 2022 as the closing share price at the end of 2022 decreased to $56.73 as compared to $68.91 at the end of 2021.
2. Outstanding unvested compensation is comprised of outstanding options that were not exercisable on or before December 31, 2022 and December 31, 2021, respectively, in addition to RSUs and PSUs that had not vested by December 31, 2022 and December 31, 2021, respectively. Outstanding options are valued at the closing price of an EQB common share on the TSX as at December 31, 2022 and December 31, 2021 less the exercise price. Outstanding unvested RSUs and PSUs are valued at the volume-weighted average trading price of an EQB common share on the TSX for the five business days prior to December 31, 2022 and December 31, 2021, respectively, in addition to any dividend entitlement earned on such unvested RSUs and PSUs between the date that they were granted and December 31, 2022 and December 31, 2021, respectively. The amount outstanding is lower in 2022 as a result of a decrease in share price. The closing share price at the end of 2022 decreased to $56.73 (2021 - $68.91) and the weighted average share price of RSUs and PSUs decreased to $56.70 (2021 - $69.02).
3. Payouts during the year include the value of exercised options during the year, in addition to any RSUs and PSUs paid out in 2022 and 2021. For 2022 and 2021, stock option payouts are valued at the sale price of an EQB common share on TSX at the time of the exercise less the exercise price. The value of RSU and PSU payouts is calculated based on the volume-weighted average trading price of an EQB common share on the TSX for each of the five business days up to and including the vesting date, for the vested RSUs and PSUs in addition to any dividend entitlement that was earned on such RSU and PSU between the grant date and the vesting date. The payout for Senior Managers was lower in 2022as compared to 2021 and the payouts for Other Material Risk Takers were lower in 2022 as compared to 2021.

Other Information

Interest of certain persons in material transactions

There were no material interests, direct or indirect, of any informed person of EQB, any director nominee or any associate or affiliate of any informed person or director nominee in any transaction during 2022 or in any proposed transaction that has or would materially affect EQB.

Directors' and Officers' Insurance

EQB has purchased, at its expense, a liability insurance policy for our directors and officers which expires on May 31, 2023. This insurance covers each of them individually if there are situations where we are not able or permitted to indemnify them. The policy has a $40 million limit, and a deductible of $200,000 if the claim is indemnifiable by EQB. We pay an annual premium of $340,000.

Additional Information

Additional financial information is provided in our 2022 annual information form and the audited consolidated financial statements and MD&A. These documents are available on the equitablebank.ca and sedar.com websites.

Printed copies of the information referred to in this section and any document incorporated by reference are available at no charge by contacting our Investor Relations Department at (416) 515-7000 or at **investor_enquiry@eqbank.ca**.

Directors' Approval

Our Board has approved the content and mailing of this circular.

Vice-President and General Counsel
March 30, 2023

Schedule A: Board Mandate

This mandate provides terms of reference for the Board of Directors of EQB Inc. (“EQB”) and its wholly-owned subsidiary, Equitable Bank (the “Bank” and collectively “EQB”).

1. ROLE

The Board of Directors (the “Board”) is responsible for supervising the management of the business and affairs of EQB. In carrying out this responsibility the Board has, either directly or through its committees, the duties set out in the mandate.

2. ACCOUNTABILITIES AND RESPONSIBILITIES

Culture of Integrity

1. Set and reinforce the “tone at the top” and expect the highest level of personal and professional integrity from the President and Chief Executive Officer (“CEO”) and other executive officers, and ensure they foster a culture of integrity, effective risk management and ethical business conduct throughout EQB.
2. Understand, assess and oversee EQB’s corporate culture and how it is embedded across the organization and aligned with the business strategy.
3. Approve the principles and standards of ethical personal and business conduct in EQB’s Code of Conduct, and ensure there is a continuous, appropriate and effective process for ensuring adherence to the Code.

Strategic Planning

1. Adopt a strategic planning process and approve, on an annual basis, the strategic plan which takes into account, among other things, the opportunities and risks of the business and significant strategic initiatives presented by management, and ensure the alignment of the strategic plan with the Bank’s risk appetite, capital and liquidity levels, and the competitive and regulatory environment.
2. Oversee the implementation of the strategic plan and monitor senior management’s execution against the approved plan and risk appetite framework.
3. Oversee EQB’s strategic direction, organizational structure and succession planning of executive officers (including appointing, developing and monitoring executive officers).
4. Review and approve the capital and financials plans and monitor performance against the approved plans.
5. Review and approve all material transactions.
6. Oversee EQB’s environmental, social and governance (“ESG”) initiatives, risks and reporting through the Board committees.

Capital and Liquidity Oversight

1. Oversee EQB’s capital adequacy and management and approve the Capital Management Policy and internal capital targets, ensuring appropriate capital management strategies are in place.
2. Approve and oversee the implementation of liquidity and funding frameworks and policies and annually review and approve the liquidity and funding plan.
3. Approve and oversee the operating budgets.
4. Approve specific requests for capital expenditures beyond previously authorized limits.
5. Declare dividends, and review and approve capital transactions, including the issuance of debt and equity.

Risk Management and Internal Controls

1. Approve and oversee the implementation of EQB’s Risk Appetite Framework (RAF) and risk appetite statements.

2. Oversee EQB's risk profile and the identification, measurement, monitoring and control of the principal risks to which EQB is exposed, and satisfy itself that appropriate frameworks, policies, processes and practices are in place to effectively manage and control those risks. Obtain assurances from management that such frameworks and policies are being adhered to.
3. Oversee the promotion and maintenance of a strong risk culture that stresses effective risk management across the organization.
4. Ensure the Board receives accurate and timely information from senior management in order to effectively perform its duties.
5. Oversee EQB's crisis management and recovery plans in accordance with applicable law and regulations.
6. Approve EQB's internal control framework.
7. Oversee adherence to applicable regulatory, corporate and legal requirements, and the integrity and effectiveness of EQB's internal controls, including those for financial and non-financial reporting, management information systems, and receive reports on the effective design of these systems and reasonable assurance that they are operating effectively.
8. Perform such duties, approve certain matters and review reports as may be required under policies approved by the Board.

Oversight of Management

1. Oversee EQB's talent management strategy and satisfy itself that there are processes in place to identify, attract, evaluate and retain the right people to meet EQB's strategic ambitions.
2. Remove or replace the President and Chief Executive Officer, if required.
3. Approve the selection, appointment, mandate, objectives and compensation of the President and Chief Executive Officer and monitor progress against those objectives. The mandate shall outline the authority for the President and Chief Executive Officer to manage EQB's day-to-day activities within the framework established by the Board, including the power to appoint certain officers.
4. Approve the appointment of executive officers, including the heads of the control functions, and ensure they are qualified, competent and compensated in a manner that is consistent with appropriate prudential incentives.
5. Approve and oversee compensation policies and program to ensure alignment with EQB's business strategy, values and risk appetite.
6. Advise and counsel the President and Chief Executive Officer.
7. Ensure that an appropriate succession planning process is in place for the President and Chief Executive Officer and key executive officers.
8. Approve any significant changes to EQB's executive organizational structure.
9. Oversee EQB's oversight functions having regard to their independence and effectiveness.
10. Establish appropriate processes to periodically assess the assurances provided by management.

Governance

1. Oversees EQB's approach to corporate governance and review and approve EQB's corporate governance guidelines annually.
2. Establish appropriate structures, policies and procedures to enable the Board to function independently of management and, at least annually, determine the independence of each Board member.
3. On the recommendation of the Governance and Nominating Committee, appoint directors or recommend nominees for election to the Board at the Annual Meeting of Shareholders.
4. Establish Board committees, delegate appropriate responsibilities to those committees, and appoint a Chair for each Committee and as part of this process, review the structure and composition of the Board committees to ensure they provide sufficient oversight.
5. Oversee a formal orientation program for new directors and the ongoing education of all directors, and annually assess the performance of the Board, each of its Committees, Board and Committee Chairs and all directors. Periodically consider engaging an independent external advisor to assess or assist the Board in conducting such assessments.
6. Approve the selection, appointment and mandate of the Chair of the Board.
7. Establish expectations and responsibilities of directors to contribute effectively to Board operations.

8. Review and approve the adequacy and form of compensation for the independent directors at least every two years.
9. Oversee the board structure and governance activities of subsidiaries.

Communication and Public Disclosure

1. Approve material changes to EQB's disclosure policy, ensuring that it provides for timely, reliable and accurate disclosure to analysts, shareholders, and the general public.
2. Review and approve annual and quarterly financial statements of EQB and other public disclosure documents that require Board approval.
3. Ensure appropriate disclosure mechanisms, such as EQB's management information circular, annual report and the corporate website, provide instructions on how to communicate with the independent directors.

Regulators

1. Consider reports from management, as required, on material regulatory matters and developments in EQB's relationship with its regulators.
2. Review the results of Office of the Superintendent of Financial Institutions ("OSFI") supervisory reviews of the Bank and, meet with OSFI to discuss the results as required, and ensure OSFI is promptly notified of substantive issues affecting EQB, and oversee that OSFI is provided with prior notice of potential changes to Board membership and senior management.

3. COMPOSITION

1. The composition and organization of the Board, including the number, qualifications, number of meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings are as established by regulatory requirements, and EQB's by-laws.
2. Directors must have complementary knowledge, skills and expertise, including appropriate representation of financial industry and risk management skills, to enable them to positively contribute to the achievement of EQB's business objectives.

4. INDEPENDENCE

1. The Board shall establish independence standards for directors and at least annually, shall determine the independence of each director in accordance with these standards. A majority of the directors shall be independent in accordance with these standards.
2. The Board shall meet in the absence of management, and shall also meet in the absence of non-independent directors prior to and/or following the conclusion of regularly scheduled or unscheduled meetings.
3. The Board shall have unrestricted access to management and employees of EQB. The Board shall have the authority to retain and terminate independent legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the compensation of these advisors without consulting or obtaining the approval of any officer of EQB. EQB shall provide appropriate funding, as determined by the Board, for the services of these advisors.

5. SECRETARY

1. The Corporate Secretary or their designate shall act as Secretary at Board meetings. The Secretary shall record and maintain minutes of all meetings of the Board and subsequently present them to the Board for approval.

6. MEETINGS

1. The Board shall meet no less than four times each year as required by the *Bank Act* (Canada). To enable the Board to function independently of management, the independent members of the Board may conduct all or part

of any meeting in the absence of management, and shall include such a session on the agenda for each regularly scheduled meeting. For regularly scheduled meetings, an agenda and other documents for consideration are provided to all directors approximately one week in advance of each meeting.

2. Directors may participate in meetings in person or by telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other. A director participating by such means is deemed to be present at that meeting.
3. The Board may invite such persons as it may see fit to attend its meetings and to take part in discussions and considerations of the affairs of the Board.
4. Notice of Board meetings shall be sent to each director in writing or by telephone or electronic means, at least 24 hours before the date and time set for the meeting, at the director's contact information recorded with the Corporate Secretary. A director may in any way waive notice of a meeting of the Board and attendance at a meeting is a waiver notice of the meeting, except where a director attends for the express purpose of objecting to the transaction of any business on the ground that the meeting was not properly called. Any member of management shall also attend whenever requested to do so by the Chair of the Board.

* * * *

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

How to contact us

To communicate directly with the Independent directors

Corporate Secretary
Equitable Bank
Equitable Bank Tower
30 St. Clair Avenue West, Suite 700
Toronto, Ontario M4V 3A1
corporatesecretary@eqbank.ca

To communicate directly with the Chair of the Board

Chair of the Board
EQB Inc.
Equitable Bank Tower
30 St. Clair Avenue West, Suite 700
Toronto, Ontario M4V 3A1
corporatesecretary@eqbank.ca

For dividend information, change in share registration, lost share certificates, etc.

Computershare Investor Services Inc.
100 University Avenue, 8th Floor
Toronto, Ontario M5J 2Y1
service@computershare.com

For other shareholder inquiries

Investor Relations
Equitable Bank
Equitable Bank Tower
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Tel: 416.515.7000
investor_enquiry@eqbank.ca