



# Whistleblower Policy

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# 1. Introduction

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## 1.1 Background

The Whistleblower Policy (“the Policy”) is a supplement to the Code of Conduct and Ethics Policy (“the Code”). The Code and the Policy describe the behaviours we expect Employees to demonstrate as representatives and ambassadors of our Company. The Company’s reputation for honesty and integrity is reflected in the way it conducts business, including in the integrity of its financial reporting.

Home Capital Group Inc. and its subsidiaries (“the Company”) cultivate a culture where Employees, can report any wrongdoing or misconduct which they in good faith suspect or believe may be occurring at the Company, without fear of retaliation. Even if Employees only in good faith suspect alleged wrongdoing or misconduct, they are obligated to report it immediately. By doing so, they help the Company manage its reputational risk and any personal risk to themselves.

The Policy guides Employees through all aspects of the Whistleblower program, including the reporting of suspected or actual, unlawful or inappropriate misconduct relating to material financial accounting, internal accounting controls, auditing matters, compliance requirements and breaches of the Code (collectively, “Business Misconduct”).

This Policy and the Code are provided to all Employees upon hire and are also available on the Home Trust intranet and the Home Capital Group Inc. external website. Employees are required to review and attest to their understanding of this Policy annually as part of their annual attestation of the Code.

## 1.2 Purpose

The Whistleblower Policy is designed to provide assurance that Business Misconduct or other wrongdoing is reported, and that Employees and external parties have a confidential channel to raise concerns for review and investigation. The Policy also protects the whistleblower from retaliation for disclosures made in good faith.

## 1.3 Scope

This Policy applies to all Employees (as defined in section 2. Definitions) of the Company.

# 2. Definitions

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**Breach** - An instance of non-compliance with a compliance requirement that has a risk rating of High or Very High as defined in the Issues Management Methodology.

**Employees** – The Company’s directors, officers, executives, full-time employees, part-time employees, temporary employees and contractors.

**Compliance Requirements** - An applicable law, regulation, guideline, undertaking to regulatory authority or provision, section, subsection, order, term, condition or internal policy and procedure that requires the Company to do (or that prohibits the Company from doing): certain things or, to act or conduct its affairs in a particular manner or prohibits it from doing so.

**People Leaders** – Anyone who has employees reporting to them.

**Policies** – in this Policy, includes company guidelines, procedures and practices.

**Retaliation** – An action that has a negative impact or ramification against an individual who has reported a concern.

**Wrongdoing** –The act of doing something illegally or dishonestly or that is a Breach, including a breach of the Company’s: legislative obligations, voluntary codes of conduct or public commitments, or internal policies or procedures.

**Senior Management** – Any Vice-President or Senior Vice-President, Executive Vice President, General Counsel & Corporate Secretary, Treasurer, Internal Audit, Chief Risk Officer, Chief Compliance Officer & Chief Anti-Money Laundering Officer, Chief Financial Officer or, President & Chief Executive Officer.

## 3. Risk Appetite

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### 3.1 Enterprise Key Principles

1. We maintain adequate capital and liquidity at all times.
2. We only take risks that are transparent, manageable and fit our business strategy.
3. We do not expose the Company to any significant single loss events on any individual transaction or acquisition.
4. We do not take risks that are expected to result in significant volatility in earnings or shareholder returns.
5. We conduct business with honesty, integrity, respect and high ethical standards.
6. We strive to protect the Company’s reputation at all times, with all key stakeholders.
7. We adopt a risk-based approach for identifying, assessing, managing, mitigating and monitoring risk that meets regulatory requirements and expectations.
8. We do not tolerate business activities that are not supported by appropriate processes and internal controls that are designed to detect, deter and prevent activity associated with financial crime. We do not maintain relationships with persons or entities believed to be engaged in illegal or illicit activities.
9. We incorporate risk and compliance measures into performance and reward measurement programs.

## 4. Policy Requirements

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### 4.1 Types of Concerns

The following are some of the concerns that could trigger a whistleblowing report under this Policy:

#### 4.1.1 Financial Reporting Concerns

Financial accounting, internal accounting controls and auditing matters, including those involving the circumvention or attempted circumvention of internal accounting controls or that would otherwise constitute a violation of Home Trust’s accounting policies. For example, falsification or destruction of business or financial records; misrepresentation or suppression of financial information; non-adherence to internal financial policies or controls; and auditor independence concerns.

#### 4.1.2 Suspected Fraudulent Activity

Examples include theft, defalcation and corrupt practices, including giving or receiving bribes or other unlawful or improper payments or benefits.

#### 4.1.3 Breach of the Code and other Compliance Requirements

Any potential breach of the Code, Compliance requirements and other internal controls. For example, insider trading; conflicts of interest; short selling; market manipulation; non-adherence to internal compliance policies; illegal, deceptive, or anti-competitive sales practices; and manipulation of rates.

#### 4.1.4 Breach of the Trust and Loan Companies Act, Bank Act

Any potential breach of the Company's obligations under the Trust and Loan Companies Act, the Bank Act, Voluntary Codes of Conduct or Public Commitments. For example: failure to disclose prescribed information related to interest, cost of borrowing, fees, and charges; aggressive debt collection practices; failure of to obtain express consent for credit limit increases; failure to meet commitments under the Company's Seniors Code.

#### 4.1.5 Retaliation or Retribution against Individuals Reporting Concerns

Retaliation against Employees who report misconduct related to any of the concerns listed above in good faith and in accordance with this Policy. For example, any statement, conduct or action that involves terminating, suspending, demoting, disciplining, suspending, harassing, intimidating, coercing or discriminating against the employee who reported the concern.

### 4.2 Obligation to Report Concerns

All Employees have an obligation to report real or perceived concerns.

The Company has a process to encourage Employees to report concerns that contravene, or that the Employees believes in good faith contravene, the Company's Code or situations where wrongdoing is suspected. Employees are required to report concerns as soon as they become aware of them and include as many facts and as much detailed information as possible.

If the Employee reports a concern in good faith, but it cannot be validated through a review, no disciplinary action will be taken against the reporting Employee. If, however, an allegation is made frivolously, maliciously, to conceal the reporting Employee's own actions or for personal gain, disciplinary action may be taken against the Employee up to and including termination of employment for cause. Intentionally or recklessly accusing an individual of wrongdoing, which the Employee knows, or reasonably ought to know, is false, is a serious matter and will be subject to disciplinary action.

#### 4.2.1 Making an Anonymous Report

This Policy encourages Employees to self-identify that they are the person making the report under this Policy wherever possible. Concerns expressed anonymously have less of an impact, but they will be considered based on a number of factors including the seriousness of the issues raised, the credibility of the concern, and the likelihood of confirming the allegation through credible sources and / or documentary evidence.

### 4.3 Acknowledgement of a Report

Every reported incident will be acknowledged within twenty-four hours of receipt (factoring in weekends and public holidays) with the exception of anonymous reports.

## 4.4 Review and Investigation of Concerns Reported

The Company will commence a review and, where considered appropriate, an investigation of all received concerns, regardless of the channel through which it was received. All concerns received will be documented and tracked until such time as the investigation is closed.

At a minimum, the Employee who reported the concern will be advised of the status of the review and, if undertaken, investigation. This includes that the review/investigation has been concluded, and, where possible, the steps that were taken to resolve or prevent future occurrences, while respecting the privacy of all those involved.

## 4.5 Confidentiality

Unless compelled by judicial or other legal process to reveal the identity of the Employee who reports a concern under this Policy, the individual's identity, or any information that could be reasonably expected to reveal their identity, will remain confidential. Efforts to ascertain the identity of any person or group who makes a report will not be tolerated.

If compelled to disclose the identity of the Employee who reports a concern under this Policy, the Company will make all reasonable efforts to inform the Employee of the disclosure.

If the Employee's identity is revealed to a government agency, body or law enforcement, those parties may exchange such information with each other for the purposes related to an investigation.

## 4.6 Protection from Retaliation

The Company shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who acting in good faith:

- Makes an allegation of wrongdoing or reports a concern under this Policy, and who provides assistance to management or any other person or group, including any governmental, regulatory or law enforcement body, investigating the concern
- Refuses, or states their intention to refuse, to participate in an act of wrongdoing
- Does, or states an intention of doing, anything to prevent an act of wrongdoing

Anyone who retaliates in any way will be subject to disciplinary action up to and including termination of employment for cause.

# 5. Methods for Reporting Concerns

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Employees can use any of the following methods to report a concern.

## 5.1 Use the Code of Conduct and Whistleblower Hotline

The hotline has two channels; one is online, and one is a third-party phone service.

- **Internal online form**

Intended for the reporting of suggestions and concerns related to:

- Code of Business Conduct and Ethics
- Privacy
- Internal Fraud

- Finance and Accounting (Whistleblower)
- Discrimination and Harassment

Employees who use this method and wish to remain anonymous will not receive follow-up on their concerns.

- **Third party hotline – call toll-free: 1-877-746-2490**

The external channel is independently managed by a third party and offers individuals the choice to report anonymously. The service provider does not record calls, use call display or trace calls. Employees submitting a report may request follow-up for which the third party will provide a report number that the employee can use the next time they call the hotline. Individuals outside of the organization can also raise concerns through the Whistleblower Hotline.

## 5.2 Contact Human Resources

Employees may contact the Senior Vice President, Human Resources, to report their concern. Human Resources will review and escalate any concerns, as well as protect the reputation of the Company.

## 5.3 Contact Chair of Audit and Conduct Review Committee

If an employee is not comfortable raising their concern through one of the options above, or if their concern specifically relates to the following parties:

- President and Chief Executive Officer (CEO),
- Senior Vice-President, Human Resources (SVP, HR)
- Senior Vice-President, Chief Compliance Officer & Chief Anti Money Laundering Officer (CCO & CAMLO),

they may contact the Chair of the Audit and Conduct Review Committee.

## 5.4 Contact External Parties

If an employee is not comfortable raising their concern through one of the options above, they may directly contact the following parties:

- Commissioner of the Financial Consumer Agency of Canada via Canada.ca (fcac-acfc.gc.ca); or
- Office of the Superintendent of Financial Institutions (Superintendent) via: information@osfi-bsif.gc.ca; or
- Local law enforcement

# 6. Roles and Responsibilities

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## 6.1 Introduction

This section sets out the responsibilities for Employees, People Leaders, Senior Management, Human Resources and the Board to support the Whistleblower Policy, but it is not meant to be exhaustive.

## 6.2 Employees

Employees are expected to:

- Ensure their understanding and compliance with the Whistleblower Policy, the Code and any policies, guidelines and procedures that support the Whistleblower Policy.
- Identify and immediately report any suspected or known Wrongdoing.
- Complete annual training and attestation with respect to the Policy, the Code and any supporting policies and procedures.

## 6.3 People Leaders and Senior Management

People Leaders and Senior Management are expected to:

- Ensure that all of their direct reports understand and comply with the Policy and the Code.
- Ensure that all annual training (and attestations) are completed within the required timeframe.
- Encourage an environment of open communication and high ethical standards.
- Be familiar with the laws and regulatory requirements that apply to the Company and relevant business processes.

## 6.4 SVP, HR, CCO & CAMLO and General Counsel and Corporate Secretary

These executives are expected to:

- Commence a review / investigation of all concerns received, regardless of the channel through which it was received (the CCO & CAMLO is responsible for independently reviewing / investigating all concerns received that relate to the HR team members).
- Document, track, investigate and report the concerns. In order to thoroughly investigate the concern, ensure that as much information as possible has been gathered.
  - Specifically, document, track, investigate and report concerns regarding Code breaches.
- Maintain records related to all reports of wrongdoing that are received and investigated
- Engage subject matter experts as required to satisfactorily investigate the concern raised.
- Where the report of wrongdoing relates to a suspected breach of a consumer provision, engage the VP, Business Conduct to determine if a consumer provision breach took place, and if so, whether the breach is reportable to the FCAC.
  - If the breach is reportable to the FCAC, the report should identify that Company became aware of the breach through a whistleblower report.
- Provide timely notification to the Chair of the Audit and Conduct Review Committee of all Whistleblower complaints.
- Track all concerns raised and report to the Executive Committee on a monthly basis, the Audit and Conduct Review Committee and Board of Directors quarterly, or on an as-needed basis.

- Ensure the approved Whistleblower Policy is posted by Human Resources on the Home Capital Group Inc. website and internal website following approval from the Board.
- Ensure that the transmission of information to a government agency, body or law enforcement in connection with an investigation is subject to appropriate security safeguards to protect the identity of any whistleblower.

## 6.5 Chair of the Audit and Conduct Review Committee and the Board of Directors

The Board of Directors has the ultimate responsibility for the Policy. The Board of Directors has delegated its responsibilities to the Audit and Conduct Review Committee.

The Chair of the Audit and Conduct Review Committee is responsible for:

- Ensuring that any concern reported under the Whistleblower Policy is received and reviewed.
- Ensuring that proper reviews / investigations are completed, and that appropriate corrective action has been taken.
- Ensuring that any concerns received regarding the CEO, SVP, HR and CCO & CAMLO are immediately communicated to the Chair of the Board.
- Ensuring that the appropriate parties are engaged to complete the review / investigation of any concerns raised regarding the CEO, SVP, HR and CCO & CAMLO.
- Provide for adequate financial, technical and human resources to effectively handle concerns raised.

Annually, every Board member must review the Whistleblower Policy and attest to their compliance with the Policy.

## 6.6 Ombudsman

The Ombudsman is expected to direct any external concerns received that fall under this Policy to the Senior Vice-President, Human Resources, the Senior Vice-President, Chief Compliance and Chief Anti-Money Laundering Officer or the Chair of the Audit and Conduct Review Committee.

# 7. Monitoring and Reporting

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## 7.1 Policy Monitoring

The completion of training and attestations related to the Whistleblower Policy are monitored by Human Resources.

## 7.2 Policy Reporting

### 7.2.1 Reporting Internal Concerns

Internal concerns reported through the Whistleblower program are reported according to the following table:

Involved Parties	Reported by	Reported to
<b>Any parties except HR team members, President &amp; CEO or CCO &amp; CAMLO</b>	Senior Vice-President, Human Resources	Chair of Audit and Conduct Review Committee
<b>Member of HR team</b>	CCO & CAMLO	Chair of Audit and Conduct Review Committee
<b>President and Chief Executive Officer, SVP, HR or CCO CAMLO</b>	Chair of Audit and Conduct Review Committee	Chair of the Board

### 7.2.2 External Reports

If a concern comes from an external source through the Ombudsman and the General Counsel and Corporate Secretary, the concern will be directed to the Senior Vice-President, Human Resources, the Senior Vice-President, Chief Compliance and Chief Anti-Money Laundering Officer or the Chair of the Audit and Conduct Review Committee.

## 8. Review and Approval

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The Whistleblower Policy is subject to review at least on a biennial basis.

The Executive Committee reviews and recommends the Policy for approval to the Audit and Conduct Review Committee, which reviews, approves and recommends the Policy for approval to the Board of Directors.

There are no exceptions granted for this Policy.

Non-compliance with the Policy should be reported to the SVP, HR, immediately for remedial action. Significant instances of non-compliance are reported to the Audit and Conduct Review Committee.

## 9. Relevant Regulatory Requirements

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Relevant legislative and regulatory requirements include the Canadian Criminal Code, AMF (Quebec) Whistleblower program and the Ontario Securities Act. These provisions are intended to ensure that appropriate mechanisms are in place to protect employees from any form of whistleblower reprisal.

## 10. Effective Date

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Compliance with this Policy is to take effect immediately following approval by the Board of Directors.

## 11. Related Documents

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This Policy should be read in relation to the following documents:

- Acceptable Use Policy
- Anti-Fraud Policy
- Code of Conduct and Ethics Policy
- Information Security Policy
- Privacy Policy
- Occupational Health and Safety Guideline
- Records Management Policy
- Reporting a Whistleblower Concern Document
- Trading Policy
- Workplace Violence Policy

## 12. Confidentiality

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This policy is available to the public through the Home Capital Group Inc. website.