

# **Mandate of the Human Resources and Compensation Committees**

**Home Capital Group Inc.  
Home Trust Company  
Home Bank  
(collectively, the “Corporation”)**

The Human Resources and Compensation Committees (the “Committee”) are responsible for providing independent oversight of the Corporation’s human resources strategy, policies and programs as well as management of compensation related risk.

## **1. Human Resources Policies and Procedures**

- Provide challenge, advice and guidance on the principal human resources policies of the Corporation and annually review and recommend to the Boards of Directors (the “Board”) for approval, the Corporation’s code of conduct and ethics policy;
- Monitor and review changes to major regulatory requirements and market trends relating to compensation and compensation governance;
- Review employee engagement results and provide challenge, advice and guidance on management initiatives to enhance the Corporation’s culture and work environment;
- At least annually, review the mandate of the Committee;

## **2. Succession Planning and Organizational Structures**

- At least annually, provide challenge, advice and guidance on the succession plans for the Chief Executive Officer (“CEO”) and the senior leadership team of the Corporation;
- At least annually, consult with the Chairs of the Audit and Conduct Review Committees and the Risk and Capital Committees as well as the CEO to review and challenge the succession plans for the Chief Financial Officer, Chief Internal Auditor, Chief Compliance Officer/Chief Anti-Money Laundering Officer and Chief Risk Officer;
- Review and challenge the talent management practices of the Corporation to ensure the adequacy of plans and programs to assess and develop a succession pipeline for each senior management role and monitor the progress and development of the Corporation’s top talent in accordance with the Corporation’s succession plans;
- Periodically review the organizational structure of the senior leadership positions of the Corporation;

## **3. Compensation Policies and Programs of the Corporation**

- Provide challenge, advice and guidance on the compensation policies and programs of the Corporation and ensure alignment of compensation with the business objectives, operations and risks of the Corporation;

- At least annually, provide challenge, advice and guidance to management and, once satisfied, recommend to the Board for approval the design, payout and funding of the major compensation programs of the Corporation including incentive metrics and performance measures;
- Provide challenge, advice and guidance to management on the corporate scorecard, ensuring alignment between it and the scorecards of members of senior management;
- Provide challenge, advice and guidance to management, including a review of stress testing conducted, and, once satisfied, recommend to the Board for approval the terms and conditions of any new compensation plan and any material changes to the terms and conditions of any existing compensation plan;
- Satisfy itself that the CEO has a suitable process in place for the performance assessment of the Corporation's senior leadership team;
- Following a discussion of recommendations from the CEO, recommend to the Board for approval, the compensation of the Corporation's senior leadership team;
- Following a discussion of recommendations from the Chairs of the Audit and Conduct Review Committees and Risk and Capital Committees and the CEO, recommend to the Board for approval the compensation of each of the oversight function heads;
- Annually review and evaluate the qualifications and independence of any external consultants engaged to support the work of the Committee;
- Approve the Compensation Discussion and Analysis for inclusion in the Corporation's Management Information Circular;

#### **4. Compensation Risks & Governance**

- At least annually, hold a joint meeting with the Risk and Capital Committees and the CRO to review the major compensation programs of the Corporation to ensure that program design and awards align with sound risk management principles and practices;
- At least annually, review the Corporation's principal risks and ensure that the Corporation's compensation plans and policies do not promote excessive risk taking;
- Review and recommend to the Board for approval as appropriate, the equity ownership requirements applicable to executives of the Corporation and annually review the holdings of executives relative to such ownership requirements;

#### **5. Appointment, Assessment and Compensation of the CEO**

- Recommend to the independent members of the Board for approval, the appointment or dismissal of the CEO;
- Annually review and recommend to the Board for approval the mandate of the CEO;
- Annually recommend to the Board for approval, the performance targets, corporate and personal objectives relevant to the CEO's compensation;

- At least annually, lead the Board’s assessment of the performance of the CEO relative to his or her performance targets, corporate and personal objectives as well as integrity, ethics and “tone at the top”;
- Annually recommend to the Board for approval, the total compensation payable to the CEO based on the foregoing;

## **6. Diversity, Equity and Inclusion**

- Review reports from management on the Corporation’s recruiting, compensation, talent management and development practices to ensure that they align with and support the Corporation’s objectives with respect to diversity;

## **7. Shareholder Engagement**

- Review annual results of the shareholders’ “Say on Pay” vote and collaborate with management to address any shareholder concerns identified as a result of such review;
- Assess the effectiveness of the Corporation’s compensation disclosure, including measures for receiving feedback from stakeholders.