LAURENTIAN BANK

Management Proxy Circular

Notice of Annual Meeting of Shareholders

April 9, 2024

YOUR VOTE MATTERS.
Please read this Management Proxy Circular and vote.

laurentianbank.ca

Michael T. Boychuk
Chair of the Board of Directors

Dear fellow shareholders,

Having served as a member of the Board for the past 10 years, it is my honour and privilege as the Chair of Laurentian Bank's Board of Directors to invite you to join us at the Bank's 2024 annual meeting of the shareholders to be held on April 9, 2024. This meeting is our opportunity to come together to communicate with you about the last year, our current initiatives, to hear your opinions and answer your questions.

Throughout the 2023 fiscal year, the Bank has made notable progress on key milestones as we executed against our current strategic plan, notably: launching an online account opening solution allowing us to welcome many new customers from across Canada, making progress on our Environmental, Social and Governance (ESG) strategy, maintaining Net Promoter Scores (NPS) above 50 in Commercial Banking, including "excellent ratings" in real estate and equipment financing, and a "world-class" rating in inventory financing; and, increasing our employee engagement rate by 3 percentage points to 80% – achieving our target a year ahead of schedule – demonstrating the progress being made in improving and evolving the Bank's culture and workplace practices.

As the year progressed, the macroeconomic environment became increasingly challenging. High inflation and rising interest rates created ripple effects across the global financial sector, which led to increasing uncertainty. Notwithstanding these pressures, Laurentian Bank remains well capitalized and continues to weather these challenges from a position of strength given our solid capital and liquidity positions.

Having completed two years of the Bank's strategic plan, coupled with a changing macroeconomic environment and evolving customer expectations, the Board and Executive Management felt it was prudent to embark on a thorough review of the Bank's strategic options to determine the best path forward to maximize shareholder and stakeholder value. In mid-September, the Board – with the support of Executive Management – concluded that the best path forward to drive shareholder value was to accelerate the Bank's existing strategic plan with an increased focus on efficiency and simplification.

In late September, a scheduled upgrade of the Bank's mainframe caused a severe outage of our banking services, including our online banking platform, LBC*Direct*. The customer impact was significant, and the inconvenience this caused was, in a word, unacceptable. On behalf of the Board, we apologize for this unfortunate occurrence and we commit to rebuilding the trust of our valued customers. We have also put in place corrective measures to the best of our ability to prevent this type of event from occurring again.

In October 2023, we were proud to appoint Éric Provost as President and Chief Executive Officer. Since his first day in the role, Éric has worked diligently on re-focusing the organization on our core businesses, improving the customer experience and more importantly in simplifying the Bank. Éric has deep roots in banking both inside and outside of Québec and is fully supported by a seasoned and experienced Executive Management Team. As we look ahead to 2024, the Board remains fully committed to guiding and supporting a talented and dedicated executive team led by Éric as they revamp the Bank's strategic plan to set us up for future success.

Our Board underwent some change over the last year, activating succession plans including the Chair level. The Board will continue to ensure that we have the skill sets needed to navigate change and to position the Bank for continued good governance and Board succession planning, with a focus on a variety of different skills and diversity. We thank Michael Mueller, my predecessor, for his committed and dedicated service to the Bank over the last five years, and we also extend our thanks to Susan Wolburgh Jenah for more than 9 years of service and Michelle R. Savoy for her 12 years of service on the Bank's Board. We are pleased to propose for election three new directors who we believe will bring valuable perspectives to the Board, Professor Johanne Brunet, Mr. Jamey Hubbs and Mr. Paul Stinis.

In closing, I would like to sincerely thank the following: my fellow Board members for their commitment to the Bank; our customers, for your continued trust and for standing by us during these recent events; our shareholders, for your patience and ongoing support of the Bank; and our employees, for your hard work, dedication, professionalism and, in particular, for your ability to prioritize our customers during our recent challenges.

The Board and I look forward to continuing to hear feedback from you at the annual meeting.

Sincerely,

Laurentian Bank

Michael Boychuk
Chair of the Board of Directors

Laurentian Bank of Canada

Notice of Annual Meeting of shareholders.

When

Tuesday, April 9, 2024
9:30 a.m. (Eastern Time)

Where

Virtually
Via Live Webcast Online at:
https://web.lumiagm.com/443045511
Meeting ID Number: 443-045-511
Meeting Password: laurentian2024

In person
LUMI
1250 René-Lévesque Blvd W., suite 3610
Montréal QC, H3B 4W8

Business of the Annual Meeting

At the meeting, shareholders will be asked to:

I. receive the Bank's consolidated financial statements for the year ended October 31, 2023 and the auditor's report thereon;

II. appoint the Bank's auditor;

III. elect directors;

IV. vote on our approach to executive compensation;

V. vote on shareholder proposals; and

VI. consider any other business as may be properly brought before the Annual Meeting.

This Circular includes information related to the above matters in the *Business of the Annual Meeting*. Holders of common shares of Laurentian Bank of Canada, as at the close of business on February 9, 2024 (the **Record Date**), are entitled to receive notice of, attend and vote at the Annual Meeting. There were 43,734,280 common shares of the Bank outstanding on the Record Date.

Electronic copies of the Circular and the Annual Report, which includes the consolidated financial statements and MD&A for the year ended October 31, 2023 (collectively the **Meeting Materials**) can be found on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations/annual-reports, and on SEDAR+ at www.sedarplus.ca.

Your vote matters.

Please read this Circular and vote your shares.

You have received this Circular because you are a shareholder of Laurentian Bank as of the Record Date and are eligible to vote at the Annual Meeting. It is important that you read the Circular carefully and vote your shares. Detailed voting instructions are provided under the heading *How do I vote?* in the *Voting and Attendance Questions and Answers* section of this Circular. Unless you intend to vote in-person or virtually at the Annual Meeting, please vote as early as possible by proxy. Your vote must be received by the Bank's transfer agent, Computershare Trust Company of Canada (**Computershare**) by 5:00 p.m. (Eastern Time) on April 5, 2024.

For more information about how to attend, ask questions and vote at the meeting, see the *Voting and Attendance Questions and Answers* section of this Circular. You may also contact Computershare at 1-800-564-6253 or service@computershare.com or Kingsdale at 1-888-518-1561 toll-free in North America (+1 437-561-5017 for text and calls outside of North America) or by email at contactus@kingsdaleadvisors.com.

By order of the Board,

Bindu Cudjoe
Executive Vice President, Chief Legal Officer and Corporate Secretary
February 9, 2024

Glossary.

Terms and abbreviations used in the Management Proxy Circular:

Annual Information Form or AIF	The Bank's Annual Information Form dated December 6, 2023	**IFRS**	International Financial Reporting Standards
Annual Meeting	The Annual Meeting of shareholders taking place on April 9, 2024	**Kingsdale**	Kingsdale Advisors, the Bank's strategic shareholder advisor and proxy solicitation agent
Annual Report	The Bank's 2023 Annual Report dated December 6, 2023	**Laurentian Bank, Bank, LBC, we, our, and us**	Laurentian Bank of Canada and, where applicable, the Bank's subsidiaries
***Bank Act* (Canada)**	*Bank Act*, SC 1991, c 46 (as amended) and all applicable rules and regulations	**LTI**	Long-Term Incentive
BIPOC	The Black, Indigenous and people of colour community	**LTIP**	Long-Term Incentive Program
Board	The Board of Directors of the Bank	**MD&A**	Management Discussion and Analysis
CEO	Chief Executive Officer	**MÉDAC**	*Mouvement d'éducation et de défense des actionnaires*, a shareholder of the Bank whose offices are located at 82 Sherbrooke Street West, Montréal, Québec, H2X 1X3
CFO	Chief Financial Officer		
Chair	Chair of the Board or Chair of a committee of the Board	**Meeting Materials**	The Management Proxy Circular and the Bank's 2023 Annual Report, containing the consolidated financial statements of the Bank and MD&A for the year ended October 31, 2023
Circular	This Management Proxy Circular		
CLO	Chief Legal Officer	**NEO**	Named Executive Officer
Computershare	Computershare Trust Company of Canada, the Bank's transfer agent	**OSFI**	Office of the Superintendent of Financial Institutions
COO	Chief Operating Officer	**PCAF**	Partnership for Carbon Accounting Financials – an initiative enabling collaboration among the world's financial institutions to develop standardized methods for measuring and disclosing carbon emissions from their financing and investment activities
CPAB	Canadian Public Accountability Board		
CRO	Chief Risk Officer		
DDSUP	The Bank's Director DSU Plan adopted on October 5, 2010	**PSU**	Performance Share Unit
DPSU	Deferred Performance Share Unit	**Record Date**	The close of business on February 9, 2024
DRSU	Deferred Restricted Share Unit	**ROE**	Return on equity
DSU	Deferred Share Units	**RSU**	Restricted Share Unit
E&S	Environmental and Social	**SEDAR+**	System for Electronic Document Analysis and Retrieval
ED&I	Equity, Diversity, and Inclusion	**shareholder, you and your**	Holders of common shares of the Bank
ESG	Environmental, Social, and Governance	**shares**	Common shares of the Bank
EVP	Executive Vice President	**STI**	Short-Term Incentive
EY	EY, the Bank's auditor for the 2023 fiscal year	**STIP**	Short-Term Incentive Program
GAAP	Generally accepted accounting principles	**SVP**	Senior Vice President
GC Committee	Governance and Compliance Committee of the Board	**TCFD**	Taskforce on Climate-Related Financial Disclosures
GHG	Greenhouse Gas	**TSR**	Total Shareholder Return
HRCG Committee	Human Resources and Corporate Governance Committee of the Board	**TSX**	Toronto Stock Exchange
HR Committee	Human Resources Committee of the Board	**VP**	Vice President

Management Proxy Circular.

This Circular contains important information about the Annual Meeting, the Board, executive compensation and corporate governance. The Circular details the items that will be covered and voted on at the Annual Meeting, along with voting instructions. **You are encouraged to read it in detail and exercise your vote.**

What information does this Circular contain?

This Circular is dated as of February 9, 2024 and, unless otherwise indicated, information is presented as at that date.

All dollar amounts are in Canadian dollars, unless stated otherwise. Any references to websites are for your information only. The information they contain are not part of this Circular. All website addresses are intended to be inactive, textual references only.

For more information.

Financial information is provided in the Bank's consolidated annual financial statements and MD&A for its most recently completed financial year.

The **Annual Information Form**, the **MD&A**, and the **Annual Report** referenced in this Circular are available on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations/annual-reports and on SEDAR+ at www.sedarplus.ca.

These websites also provide additional information about the Bank.

Notice-and-Access.

In accordance with Canadian securities laws and pursuant to an exemption received from OSFI, the Bank is using **notice-and-access** for delivery of the Meeting Materials, which allows the Bank to post electronic versions of the Meeting Materials online, rather than mailing paper copies to shareholders. The notice-and-access mechanism provides quicker access to the Meeting Materials while contributing to environmental protection. For any question about this process, you may contact Computershare at 1-800-564-6253 or service@computershare.com.

For paper copies of the Meeting Materials.

You may request paper copies of the Meeting Materials or any document available on SEDAR+ referred to in this Circular to be mailed to you at no cost. Requests may be made by shareholders up to one year from the date the Circular was filed on SEDAR+ by contacting Computershare at 1-800-564-6253 or service@computershare.com or by contacting the Bank's Corporate Secretariat's Office at corporate_secretariat@lbcfg.ca or by mail at the Bank's head office located at 1360 René-Lévesque Boulevard West, Suite 600, Montréal, Québec, H3G 0E5. 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. You should therefore keep the initial form sent to you in order to vote.

To request a paper copy, please follow the instructions below.

Before the meeting - Paper copy to be sent within 3 business days of receiving your request	
Registered Shareholder You are a registered shareholder if your shares are registered in your name. Call 1-866-962-0498 (North America), toll-free or 514-982-8716 (International). Enter your 15-digit Control Number as indicated on your voting instruction form or form of proxy to identify yourself.	**Beneficial or Non-registered Shareholder** You are a beneficial or non-registered shareholder if your shares are registered in the name of an intermediary such as a bank, trust company, investment dealer, clearing agency, or other institution. Most shareholders are non-registered holders. Call 1-877-907-7643 (North America), toll-free and enter your 16-digit Control Number (located on the front of your voting instruction form) to identify yourself. Or call 303-562-9305 (International in English) or 303-562-9306 (International in French).

After the meeting - Paper copy to be sent within 10 calendar days of receiving your request
To obtain paper copies of the Meeting Materials after the meeting date, please contact the Bank's Corporate Secretariat's Office at corporate_secretariat@lbcfg.ca or the Bank's Investor Relations Department at investor.relations@lbcfg.ca.

Meeting Materials are available in French and English. To receive a paper copy prior to the voting deadline and the date of the meeting, requests should be received as soon as possible and no later than March 29, 2024 by 5:00 p.m. (Eastern Time), to allow sufficient time to receive and review such materials and return the form of proxy or voting instruction form within the prescribed time. Postal delays could cause you to receive the Meeting Materials after the voting deadline and after the date of the meeting.

Meeting Materials can also be found on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations or on SEDAR+ at www.sedarplus.ca.

Sign up for eDelivery

To receive by email the Meeting Materials and the Bank's other continuous disclosure documents, including the annual financial statements and interim reports, please sign up for eDelivery which provides quicker access to documents while contributing to environmental protection:

- Beneficial (or non-registered) shareholders may go to www.proxyvote.com, use the Control Number provided on their voting instruction form and click on *Go Paperless* to enroll.
- Registered shareholders who hold share certificates or receive statements from a direct registration system may go to www.investorcentre.com and click on *Receive Documents Electronically* to enroll.

01 Annual Meeting of Shareholders.

1.1 Voting and Attendance Questions and Answers.

In this section you will find important information about voting and attendance at the Annual Meeting, including for appointing proxyholders to vote on your behalf.

For any additional information, please contact Computershare at 1-866-586-7635 (Canada/U.S.) or 514-982-7555 (International), including if you are not sure whether you are a registered shareholder or beneficial (non-registered) shareholder.

For technical and logistical issues related to virtual attendance, please visit https://web.lumiagm.com/443045511, and click on *Technical support / Soutien technique*.

In which language will the Annual Meeting be conducted?

The Annual Meeting will be conducted equally in both French and English languages, with translation available in real time so that the Meeting can easily and freely be listened to, in its entirety, in the participant's language of choice, whether participating online or in-person. In addition, Meeting Materials are available in French and English and all shareholders are encouraged to ask questions and vote in the language of their choice.

How does the Bank solicit proxies?

The Bank's management solicits proxies for the purpose of the Bank's Annual Meeting, which will be held on April 9, 2024 or any adjournment thereof.

Solicitation of proxies is made primarily by mail, but you may also be contacted by telephone. The Bank has retained Kingsdale to assist us in soliciting proxies at a cost of approximately $35,000 plus out-of-pocket expenses. All solicitation costs are borne by the Bank.

In addition, the Bank may also use the Broadridge QuickVote™ service to help beneficial or non-registered shareholders vote their shares. Beneficial (non-registered) shareholders may be contacted by Kingsdale by phone to obtain voting instructions. Broadridge then tabulates the results of the instructions received and provides the appropriate instructions respecting the shares to be represented at the meeting.

Who can vote?

If you own common shares of the Bank on the day of the Record Date (February 9, 2024), you or your duly appointed proxyholder are entitled to receive notice of and vote those common shares at the meeting. On the Record Date, 43,734,280 common shares of the Bank were outstanding.

The Bank's common shares cannot be voted if they are beneficially owned by:

- the government of Canada or any of its agencies;
- the government of a province or any of its agencies;
- the government of a foreign country, any political subdivision of a foreign country or any of its agencies; or
- a person who has acquired more than 10% of any class of the Bank's common shares without Minister of Finance approval.

In addition, no person or entity may cast votes in respect of any common shares beneficially owned by the person, or by any entity controlled by that person, that represent, in the aggregate, more than 20% of the eligible votes.

The Bank's directors and officers are not aware of any person or company that beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to any of the Bank's common shares.

It should be noted that the *Bank Act* (Canada) contains provisions which, under certain circumstances, restrict the exercise in person or by proxy of voting rights attached to the Bank's common shares.

Is my vote confidential?

Yes. To protect the confidential nature of voting, the votes exercised by registered shareholders are received and compiled for the meeting by Computershare, while the votes cast by beneficial (non-registered) shareholders are compiled and submitted by intermediaries to Computershare.

Computershare will only provide individual voting information to the Bank when a shareholder clearly intends to express a personal opinion to the Board or the Bank management, or if Computershare is legally required to provide this information.

How does voting work?

Each common share held on the Record Date entitles its registered holder to one vote. Unless otherwise provided, a simple majority (more than 50%) of the votes cast at the meeting, in person or by proxy, will decide any matter submitted to a vote.

Shareholders are encouraged to vote prior to the meeting. Detailed voting instructions for registered and beneficial (non-registered) shareholders are set forth in the following sections.

If you choose to vote in advance of the meeting by proxy, your vote must be received by Computershare no later than 5:00 p.m. (Eastern Time) on April 5, 2024 or if the meeting is adjourned or postponed, by 5:00 p.m. (Eastern Time) on the second-last business day before the date of the reconvened meeting. The time limit for the deposit of proxies may be waived or extended by the meeting Chair at their discretion and without notice.

How do I appoint a proxyholder?

You may appoint a proxyholder to represent you at the meeting and to exercise your voting rights there.

The individuals proposed as proxyholders on the form of proxy or voting instruction form are directors of the Bank. Subject to the restrictions described under the heading *Who can vote?*, **a registered shareholder can choose another person or company, including a person who is not a shareholder, as their proxyholder to vote their shares by entering the name of the desired representative in the blank space on the form. Beneficial or non-registered shareholders wishing to vote must first appoint themselves as proxyholders.**

The instrument appointing a proxyholder must be in writing and must be signed by the shareholder or by legal counsel authorized in writing by the shareholder. If the registered or beneficial (non-registered) 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 (non-registered) shareholder. A representative is not required to be a shareholder of the Bank to act as a proxyholder.

If the proxyholder is attending virtually, you must also register the proxyholder with Computershare at www.computershare.com/laurentianbank and provide the proxyholder's contact information by 5:00 p.m. (Eastern Time) on April 5, 2024, so that Computershare may provide the proxyholder with a username via email after the proxy voting deadline has passed. **Failure to register the proxyholder with Computershare will mean the proxyholder will be unable to vote online.**

If the proxyholder is attending in person, they will need to check in at the registration desk when they arrive at the Annual Meeting.

How will my shares be voted by my proxyholder?

Your proxyholder must follow your voting instructions, but you may also choose to have your proxyholder decide for you on how to vote your shares. Your proxyholder has **discretionary authority with respect to voting on any matter on which no instructions have been specified, any amendment or variation to matters stated in the business items of the Notice of Meeting, and any other matter which may properly come before the meeting**.

Unless you instruct them otherwise, the proxyholders proposed on the enclosed form of proxy intend to vote as follows:

FOR:

- the election of each director nominee;

- the appointment of EY as the Bank's auditor;
- the adoption of a resolution, on an advisory basis, regarding the approach to NEO compensation;
- the Bank's management proposals in general; and

AGAINST:

- the shareholder proposals.

How do I vote?

You can vote in advance of the meeting by proxy or at the Annual Meeting either online or in-person. How you vote depends on whether you are a registered or a beneficial (non-registered) shareholder. Please follow the instructions below.

You are a Registered Shareholder if your shares are registered in your name. You will require a 15-digit Control Number (located on the front of your form of proxy) to identify yourself.

You are a Beneficial (non-registered) Shareholder if your shares are registered in the name of an intermediary such as a bank, trust company, investment dealer, clearing agency, or other institution. Most of the Bank's shareholders are non-registered holders. You will require a 16-digit Control Number (located on the front of your voting instruction form) to identify yourself.

If you are a Bank employee and hold shares purchased through the Employee Share Purchase Plan, you will have received a voting instruction form in your notice package and should follow the instructions provided for Beneficial (non-registered) Shareholders below.

Vote by proxy in advance of the Annual Meeting.			
Registered Shareholder		**Beneficial (non-registered) Shareholder**	
Provide your instructions in one of these ways:		Provide your instructions in one of these ways:	
	Visit www.investorvote.com and enter the 15-digit Control Number (located on the front of your form of proxy).		Visit www.proxyvote.com and enter the 16-digit Control Number (located on the front of your voting instruction form).
	Call 1-866-732-VOTE (8683) Toll Free and follow the instructions.		Canada: Call 1-800-474-7493 (English) or 1-800-474-7501 (French) U.S.: Call 1-800-454-8683.
	Complete your form of proxy and return it by mail in the prepaid envelope provided.		Complete your voting instruction form and return it by mail in the prepaid envelope provided.
Computershare must receive your form of proxy or you must have voted by telephone or internet by no later than 5:00 p.m. (Eastern Time) on April 5, 2024.		**Most intermediaries allow you to send your instructions as noted above, but some may have their own process so make sure you follow the instructions on the form.** Your intermediary must receive your voting instructions in enough time to act on them by 5:00 p.m. (Eastern Time) on April 5, 2024.	

If you have any questions or need assistance voting, please contact Kingsdale at 1-888-518-1561 (toll free in North America) or 1-437-561-5017 (text and call enabled outside North America) or by email at contactus@kingsdaleadvisors.com.

Can I change my mind and revoke my proxy?

If you are a registered shareholder and have voted by proxy, you may revoke your proxy by submitting a new form of proxy with a later date, or by submitting new voting instructions by telephone or on the internet, with the contact information you originally voted with. If you are a beneficial (non-registered) shareholder, you may revoke your proxy or voting instructions by contacting your intermediary immediately.

Any new instructions will only take effect if received by Computershare no later than 5:00 p.m. (Eastern Time) on April 5, 2024, or if the meeting is adjourned or postponed, by 5:00 p.m. (Eastern Time) on the second-last business day before the date of the reconvened meeting.

If you follow the process for attending and voting online described below, voting at the Annual Meeting online will revoke your previous proxy.

Vote at the Annual Meeting.	
Registered Shareholder	**Beneficial (non-registered) Shareholder**
Do not complete or return your form of proxy as you will be attending and voting at the Annual Meeting. **To vote online** - Follow the instructions under the heading *How do I attend the meeting?* in this section of the Circular to participate, vote and ask questions online at the Annual Meeting. **To vote in person** - Please bring your form of proxy with you to the Annual Meeting and register with Computershare when you arrive. You have to be connected to the internet at all times to be able to vote virtually at the Annual Meeting - it's your responsibility to make sure you stay connected for the entire meeting. More information about online participation in the Bank's Annual Meeting is detailed in the Bank's Virtual AGM User Guide which is available on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations.	Insert your name in the space provided for appointing a proxyholder and sign and return the voting instruction form as instructed by your intermediary. Register yourself as proxyholder with Computershare by following the instructions under the heading *How do I appoint a proxyholder?* in this section of the Circular. **Do not complete the instructions section of the voting instruction form** as you will be attending and voting at the Annual Meeting. If no space is provided for you to insert your name on the form, please contact your intermediary. **Beneficial (non-registered) shareholders who have not duly appointed and registered themselves as proxyholder will not be able to vote during the meeting.** **To vote online** - Follow the instructions under the heading *How do I attend the meeting?* in this section of the Circular to participate, vote and ask questions at the meeting. **To vote in person** - Please register with Computershare when you arrive at the Annual Meeting.

How can I ask questions?

Shareholders and duly appointed proxyholders may submit questions during the Annual Meeting in person when a question period is opened or if attending virtually, by using the *Ask a Question* field provided in the web portal. Questions may also be submitted in advance of the Annual Meeting by email at corporate_secretariat@lbcfg.ca.

Questions may be submitted at any point in advance of, or during, the Meeting but must be submitted prior to the commencement of voting on the matter to which they relate.

Subject to the Code of Procedure of the meeting available on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations/calendar-of-events, all questions relating to a matter subject to a vote at the Meeting will be addressed prior to the closing of voting on such matter.

Following termination of the formal business of the Meeting, the Bank will address any appropriate general questions received from shareholders and duly appointed proxyholders regarding the Bank.

In order to facilitate a respectful and effective Meeting, only questions of general interest to all shareholders will be answered. If your question is related to an individual matter, please contact the Bank's Investor Relations department by sending an email to: investor.relations@lbcfg.ca.

Any questions pertinent to the Meeting that cannot be answered during the Meeting will be posted online and answered at www.laurentianbank.ca/en/about-us/investor-relations.

How do I attend the meeting?

The Annual Meeting will be held in a hybrid format to allow participation virtually or in-person.

Any changes or restrictions to the meeting format will be made available on the Bank's website at www.laurentianbank.ca/en/about-us/investor-relations.

Join us virtually

Registered Shareholder

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

1. Log in at https://web.lumiagm.com/443045511 at least 15 minutes before the Annual Meeting starts
2. Click on **I have a login**
3. Enter your 15-digit control number (which is your user name) and the password: **laurentian2024**

It is important to be connected to the internet at all times during the Annual Meeting in order to vote.

If you log online and accept the terms and conditions, you will be revoking any and all previously submitted proxies. If you do not wish to revoke your previously submitted proxy, do not accept the terms and conditions once you log in, in which case you will enter the Annual Meeting as a guest and will not be able to vote online.

Attend virtually as a guest

Guests can attend the Annual Meeting online, but will not be able to vote or ask questions.

To attend online as a guest, please follow the instructions below:

Log in at https://web.lumiagm.com/443045511 at least 15 minutes before the meeting starts

2. Click **I am a guest** and complete the online form.

Beneficial (Non-registered) Shareholder

Beneficial (non-registered) shareholders wishing to vote and ask questions at the meeting must first appoint themselves as proxyholder AND register with Computershare by following the instructions under the heading *How do I appoint a proxyholder?* in this section of the Circular.

Once duly appointed as proxyholder, you will receive a 15-digit control number by email from Computershare, which is your user name to participate in the meeting.

You can then participate, vote and ask questions online by following the instructions below:

1. Log in at https://web.lumiagm.com/443045511 at least 15 minutes before the Annual Meeting starts
2. Click on **I have a login**
3. Enter your 15-digit control number (which is your user name) and the password: **laurentian2024**

Beneficial (non-registered) shareholders who do not appoint and register themselves as proxyholder can only attend the Annual Meeting online as a guest.

Need help? For information with respect to technical and logistical issues related to virtual attendance, please visit https://web.lumiagm.com/443045511, and click on *Technical support / Soutien technique* or send an email to support-ca@lumiglobal.com.

The recording of the Annual Meeting will be available in the *Investor Relations* section of our website under the *Presentations and Events* tab following the meeting for approximately one year from the date of the Annual Meeting. Any other recording of the meeting is strictly prohibited.

Join us in person

If you are a registered shareholder or a proxyholder (including non-registered (beneficial) shareholders who have appointed themselves as proxyholder), you will be able to attend the meeting in person by checking in at the LUMI registration desk.

Only registered shareholders, non-registered (beneficial) shareholders and duly appointed proxyholders will be granted access to the in-person meeting. Other guests may attend virtually as described above under *Attending virtually as a guest*.

1.2 Business of the Meeting.

The business to be conducted at the Annual Meeting is set forth in the Notice of Meeting and in this Circular. We will follow the agenda of Annual Meeting as set out in the Circular.

I. Receive Financial Statements

The Bank's consolidated financial statements for the fiscal year ended October 31, 2023 and the auditor's report thereon are included in the Annual Report mailed to shareholders on January 11, 2024. The consolidated financial statements were prepared in accordance with IFRS, including the accounting requirements specified by OSFI.

II. Appoint the Bank's Auditor

During the 2023 fiscal year, the Bank initiated a tender process in relation to the appointment of the Bank's external auditor. The selection committee included two members of the Audit Committee and the selection criteria considered quality aspects such as the quality of the team, the understanding of the Bank, the audit approach, the industry capabilities and the overall system of quality control. Based on the results of this rigorous process, the Board recommended that EY be reappointed as the Bank's auditor for the 2024 fiscal year.

The Board recommends voting FOR EY as the Bank's auditor.

Auditor Independence

EY is subject to all applicable laws and regulations, including the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*, which establish clear guidance concerning independence. A number of mechanisms strengthen auditor independence, without impeding audit quality and efficiency, including:

1. **Audit Partner Rotation:** The rotation and the number of audit partners involved in the engagement mitigate the risk of over familiarity and self-interest, and promotes objectivity. The lead engagement and concurring partners are subject to a seven-year rotation requirement, followed by a five-year period of absence from the consolidated audit. Engagement time for the lead partner and concurring partners includes time previously served in these roles. The rotation of a new lead engagement partner was effective on November 1, 2020 for the audit of the financial year ending October 31, 2021. The rotation of a new concurring engagement partner was effective on November 1, 2021 for the audit of the financial year ending October 31, 2022. In addition, there is another audit partner involved in the engagement, that started in that role for the audit of the financial year ended October 31, 2021. Finally, other partners are involved in specialized areas of the audit. A new tax partner started her involvement for the financial year ended October 31, 2022 and a new partner responsible for reviewing the models used for the allowance for credit losses started in the financial year ended October 31, 2023.
2. **Oversight from Regulators (CPAB)**: Heightened oversight by the regulators has resulted in increased audit quality. Inspection results are considered by the Audit Committee in its assessment of the auditor.
3. **Regular Assessments**: Annual assessments of the auditor are conducted by the Audit Committee to ensure namely the ongoing quality, independence and effectiveness of the auditor. In addition, the Audit Committee and the Board undertake a comprehensive assessment of the auditor every 5 years, with the last assessment having been conducted in 2023. Included in this assessment was a determination relating to threats of institutional familiarity that could impact the independence of the auditor and prevent the engagement team from exercising appropriate professional skepticism.
4. **Ongoing oversight by the Audit Committee**: The Audit Committee plays a critical role in overseeing auditor independence and audit quality. Responsibilities include:

- Oversight of the external audit and financial reporting process, including the appointment, compensation and work of the auditors
- Pre-approval of all services provided by the external auditor of the Bank
- Ongoing interaction with the external auditor on matters important to the Bank

The above allows the Audit Committee to determine whether the auditor is meeting the needs of the Audit Committee as the Bank evolves.

The Audit Committee holds regular meetings with the external auditor in the absence of Management and receives annual confirmation of the external auditor's independence. The Board and the Audit Committee are confident in the Bank's current processes and controls which ensure auditor independence and protect the quality of audit results.

Auditor's Fees

The following table presents the fees billed by EY for the fiscal years ended October 31, 2023 and 2022.

	2023 ($)	2022 ($)
Audit fees — These include all fees of EY for the audit of the annual consolidated financial statements, examination of the interim financial statements and the statutory audits of financial statements of subsidiaries. Audit fees also include consultations concerning financial accounting and reporting, submissions related to prospectus and other offering documents and translation services related to audited financial statements and prospectuses.	3,282,318	3,241,700
Fees for audit-related services — These include all fees of EY for certification services and other related services traditionally carried out by the independent auditor, which are mainly services related to the production of reports concerning the effectiveness of internal controls for contractual or commercial purposes, specified procedures related to various trusts and other entities required in the context of securitization of mortgage loans receivables, limited assurance procedures on the Bank's ESG report and translation fees for services other than for audited financial statements and prospectuses.	719,615	399,575
Fees for tax services — These include all fees of EY for tax-related advice other than the time devoted to the audit or review of income taxes related to financial statements.	131,007	61,270
Other fees — In 2023 these include translation services of documents other than consolidated financial statements and management discussions & analysis.	9,400	14,350
Total	**4,142,340**	**3,716,895**

During the 2023 fiscal year, the Audit Committee also reviewed the Bank's policy regarding the pre-approval of services that may be rendered by the Bank's external auditor. This policy is described in the Bank's AIF.

III. Elect Directors

There are 11 directors to be elected by the shareholders to hold office until the close of the next annual meeting of shareholders, or until the election or appointment of their successors.

The director nominees are presented starting on page 12 of this Circular.

The Board recommends voting FOR each director nominee.

Voting for the election of the directors is conducted on an individual basis. The Board has adopted a **Majority voting Policy**, which applies to all uncontested elections, under which a director nominee standing for election or re-election must immediately tender their resignation if not elected by at least a majority of the votes (50% +1) cast at any meeting for the election of directors at which a quorum is present. Within

90 days of the vote, the Board must determine whether or not to accept the resignation, at a meeting at which the director in question is not present, and is required to accept the resignation absent exceptional circumstances. Such resignation is effective as soon as the Board accepts it. Following such a decision, the Bank will promptly issue a news release that shall be transmitted to the TSX, stating the decision of the Board and the reasons for the decision.

IV. Advisory Vote on our Approach to Executive Compensation

Shareholder input is a key aspect of the Bank's engagement process, which includes inviting you to attend each annual meeting to have your say on the Bank's approach to executive compensation. Please review the *Compensation Discussion and Analysis* section at page 45 of this Circular, where we describe the Bank's approach to compensation and explain how it fosters a culture of performance resulting in the creation of long-term shareholder value. For comments or questions about the Bank's approach to executive compensation, please contact the Chair of the Board by email at michael.boychuk@lbcfg.ca.

The Board recommends voting FOR the following advisory resolution:

> "**IT WAS RESOLVED**, in an advisory capacity and without limiting the role and responsibility of the Board of Directors, that shareholders accept the approach to named executive officer compensation disclosed in the Bank's Management Proxy Circular delivered in advance of the 2024 annual meeting of shareholders of the Bank."

This vote is on an advisory basis only and does not bind the Board. The Board will take the results of the vote into account during future compensation planning. If a significant number of shares represented at the meeting are voted against the advisory resolution, the Chair will oversee a process to review and consider shareholders' specific concerns.

The result of the vote on this resolution will be announced at the end of the meeting at the same time as the voting results on all other items on the agenda. We were pleased that in 2023, 89% of shareholder votes were in favour of the Bank's approach to executive officer compensation.

V. Vote on the Shareholder Proposals

The Bank received 8 proposals from MÉDAC. **After discussions with the Bank, MÉDAC has agreed to submit 3 of their proposals to a vote.** The Bank has agreed to include all of the proposals in the Circular, with 3 of the proposals being voted upon as part of the formal business of the meeting. The text of all 8 proposals and the Board's responses to them are included in the **Schedule** at page 79 of this Circular.

Shareholders wishing to have a proposal included in the Bank's next management proxy circular must send the text of such proposal to the Corporate Secretariat of the Bank not later than November 11, 2024 at 5:00 p.m. (Eastern Time).

VI. Other Business

The directors and officers of the Bank are not aware of any other matter which might be submitted at the Annual Meeting.

1.3 Director Nominees

The number of directors to be elected at the Annual Meeting is 11. The GC Committee has recommended the following individuals for election as directors of the Bank to serve until the end of the Bank's next annual meeting of shareholders.

All nominees have formally established their qualifications, eligibility and willingness to serve on the Board.

This section provides information on the nominees for election as directors, including their expertise, committee memberships, attendance, other board memberships and voting results from last year's elections. The profiles also include a summary of their shareholdings and compensation.

It is the intention of the persons proposed as proxyholders on the enclosed form of proxy to vote FOR the election of the proposed nominees named herein, unless specifically instructed on the form of proxy to withhold such vote with respect to one, several or all of the nominees.

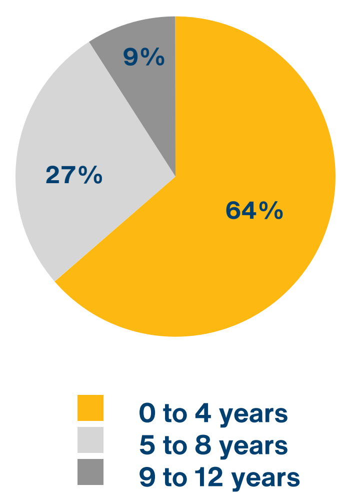
Language Proficiency of director nominees **100% English** **55% French** **9% Other**	**36%** **of director nominees are women**	**81%** **of director nominees were appointed over the last 5 years**	**91%** **Except for the President and CEO, all director nominees are independent**	**18%** **of director nominees identify as members of a racialized group**

Tenure of director nominees

The Board takes a balanced approach to membership renewal based on skills and experience in relation to the needs of the Bank, the contribution of each director and the Board's evaluation process. The presence of more experienced directors and their related institutional expertise on the Board adds value benefiting both the Bank and its shareholders, while new directors bring a fresh perspective to Board deliberations. More information is provided in the *Succession Planning and Term Limits* section of this Circular.

The adjacent chart illustrates tenure among director nominees.

The average tenure of director nominees is 3.14 years.



The following tables provide detailed information on each director nominee, including their expertise, committee memberships, meeting attendance, public board memberships and voting results for last year's elections, as applicable. The profiles also include a summary of their Bank shareholdings, as well as the value of total compensation earned by each director in the 2023 fiscal year. **As at February 9, 2024, all independent directors but Johanne Brunet, Laurent Desmangles, Jamey Hubbs and Paul Stinis exceeded target minimum ownership requirement — Please see page 20 of this Circular for more information.**

Sonia Baxendale

Toronto, ON Canada

Age: 61

Director since August 31, 2016

Independent

2023 vote:

93.85% FOR

2023 attendance: 100%

Board of Directors: 100%

Risk Management Committee (Chair): 100%

Governance & Compliance Committee (Chair): 100%

HRCG Committee: 100%

Sonia Baxendale is President and CEO of the Global Risk Institute. Prior to this, she was President, CIBC Retail Banking and Wealth Management and Senior Executive Vice President. She held various other leadership roles at CIBC, including Senior Executive Vice President, CIBC Wealth Management; Executive Vice President, Asset Management, Card Products and Collections; Executive Vice President, Global Private Banking & Investment Management Services; and Managing Director, CIBC Wood Gundy. Prior to CIBC, she held progressively senior positions with Amex Bank of Canada and Saatchi & Saatchi Compton Hayhurst. She holds a B.A. degree from the University of Toronto and the ICD.D designation from the Institute of Corporate Directors.

Public company board tenures:
- The Bank N.T. Butterfield & Son Limited (NYSE & BSE) (2020 to date)
- RSA Insurance Groups plc (2019 to 2021)

Current tenures on other boards:
- Foresters Financial
- The Hospital for Sick Kids Foundation
- Sick Kids Trustee Board

Equity ownership as at: February 9, 2024

Common shares		6,253
DSUs		21,854
Total Shares/DSUs		28,107
Share value	$	26.49
Total value	$	744,554
Requirements shares/DSUs		5,797

Total compensation received during 2023 fiscal year: $180,000

Andrea Bolger

Toronto, ON Canada

Age: 65

Director since August 28, 2019

Independent

2023 vote:

97.28% FOR

2023 attendance: 100%

Board of Directors: 100%

Risk Management Committee (Chair): 100%

HRCG Committee: 100%

Human Resources Committee: 100%

Andrea Bolger is a corporate director with deep experience in strategic business leadership, enterprise-wide risk management and governance practices. She is a former senior executive of the Royal Bank of Canada, where she served in a variety of senior executive positions mainly in commercial banking and risk management. She holds a Bachelor of Commerce, Honours Finance, from Carleton University and a Masters of Business Administration from Concordia University. She also holds the ICD.D designation from the Institute of Corporate Directors at the Rotman Business School of the University of Toronto.

Public company board tenures:
- Sagen MI Canada Inc. (2016 to 2021)

Current tenures on other boards:
- Teranet Inc.
- Embark Student Corp
- The Equitable Life Insurance Company of Canada

Equity ownership as at: February 9, 2024

Common shares		4,100
DSUs		13,620
Total Shares/DSUs		17,720
Share value	$	26.49
Total value	$	469,403
Requirements shares/DSUs		7,431

Total compensation received during 2023 fiscal year: $201,783

Michael T. Boychuk, FCPA

Baie d'Urfé, QC
Canada

Age: 68

Director since
August 31, 2013

Independent

2023 vote:
94.55% FOR

2023 attendance: 100%

Board of Directors: 100%

Audit Committee (Chair): 100%

Risk Management Committee: 100%

Human Resources Committee: 100%

Michael T. Boychuk is a corporate director and Chair of the Board with extensive experience in accounting, finance and financial services. He is a CPA and a Fellow of the Ordre des comptables professionnels agréés du Québec. Before retiring, he was President of Bimcor Inc., the pension fund investment manager for the Bell Canada group of companies. From 1999 to 2009, Mr. Boychuk was Senior Vice President and Treasurer of BCE Inc./ Bell Canada. He holds a Bachelor of Commerce degree in Finance and Accounting from McGill University.

Public company board tenures:
- Telesat Canada (U.S. S.E.C) (2015 to date)
- GDI Integrated Facility Services Inc. (2015 to date)

Current tenures on other boards:
- Telesat Holdings Inc.
- Telesat Interco Inc.
- Telesat LLP
- The Cadillac Fairview Corporation Limited
- Finchley Pharmaceuticals

Equity ownership as at: February 9, 2024

Common shares		1,421
DSUs		29,201
Total Shares/DSUs		30,622
Share value	$	26.49
Total value	$	811,177
Requirements shares/DSUs		5,380

Total compensation received during 2023 fiscal year: $210,000

Johanne Brunet

Montréal, QC
Canada

Age: 72

Director since
February 6, 2024

Independent

2023 vote: N/A

2023 attendance: N/A

Board of Directors: N/A

Johanne Brunet is a Professor of Marketing at HEC Montréal. Her interests and research have focussed on managing creativity in complex environments, innovation, global economies, international marketing, and business planning. Prof. Brunet serves on a number of major boards including as Chair of the Société des alcools du Québec (SAQ). She is a Member of the Order of Chartered Professional Accountants of Quebec (CPA), holds a PhD in Industrial and Business Studies from the University of Warwick, England, and a Masters in Business Administration from HEC Montréal. She also earned the University Certification in Corporate Governance, designation from Laval University.

Public company board tenures:
- None

Current tenures on other boards:
- Société des alcool (SAQ)
- Société québecoise du cannabis (SQDC)
- Groupe Therrien Couture Joli-Coeur
- Théâtre du Rideau Vert
- Letenda

Equity ownership as at: February 9, 2024

Common shares		—
DSUs		—
Total Shares/DSUs		—
Share value	$	26.49
Total value	$	—
Requirements shares/DSUs		15,969

Total compensation received during 2023 fiscal year: N/A

Laurent Desmangles

New York, NY
United States

Age: 56

Director since
April 11, 2023

Independent

2023 vote: 98.88%
FOR

2023 attendance: 100%

Board of Directors: 100%

Risk Management Committee: 100%

Governance & Compliance Committee: 100%

Laurent Desmangles is an accomplished advisor with a global perspective and deep experience helping banks with corporate strategy, large-scale transformation, digital/analytics innovation and change management, while achieving lasting impacts on customers and improving profitability. In addition to his role as limited partner and advisor to Nyca Partners and Demopolis Equity Partners, he is a senior advisor at Boston Consulting Group where he held several leadership roles, including Managing Director and Senior Partner and led the Retail Banking segment for North America. He holds a B.Eng degree from McGill University and an MBA from Ivey Business School at Western University.

Public company board tenures:
- Fifth Third Bancorp (2023 to date)

Current tenures on other boards:
- International Rescue Committee
- Let's Get Ready
- Teach For America NY
- Tyfone Inc.

Equity ownership as at: February 9, 2024

Common shares		—
DSUs		2,968
Total Shares/DSUs		2,968
Share value	$	26.49
Total value	$	78,622
Requirements shares/DSUs		13,174

Total compensation received during 2023 fiscal year: $111,990

Suzanne Gouin

Hampstead, QC
Canada

Age: 68

Director since
April 6, 2021

Independent

2023 vote:
94.03% FOR

2023 attendance: 100%

- Board of Directors: 100%
- Risk Management Committee: 100%
- HRCG Committee: 100%
- Human Resources Committee: 100%

Suzanne Gouin is an accomplished director who focuses on business transformation, digital implementation, governance and human capital. She has held senior management positions in the private and public sectors, including acting as President and Chief Executive Officer of TV5 Québec-Canada. A graduate of Concordia University, she holds an MBA from the Ivey Business School at the University of Western Ontario and is certified with the Institute of Corporate Directors. Ms. Gouin received the Order of Merit of the French Republic.

Public company board tenures:
- None

Current tenures on other boards:
- Canada Revenue Agency
- Just for Laughs Inc.
- Foundation of Greater Montreal

Equity ownership as at: February 9, 2024

Common shares		1,000
DSUs		11,841
Total Shares/DSUs		12,841
Share value	$	26.49
Total value	$	340,158
Requirements shares/DSUs		8,140

Total compensation received during 2023 fiscal year: $155,000

Jamey Hubbs

Collingwood, ON
Canada

Age: 64

Director since
February 6, 2024

Independent

2023 vote: N/A

2023 attendance: N/A

- Board of Directors: N/A

Jamey Hubbs is a corporate director with extensive experience in banking, capital markets, prudential regulation, and risk management. Before retiring, Jamey held senior roles at the Office of the Superintendent of Financial Institutions with his last roles as Vice Superintendent overseeing the responses to the risk environment and Assistant Superintendent for the Deposit-taking Supervision Sector. He was a board member of the Canada Deposit Insurance Corporation. He served as Executive Vice President, Co-Head of Global Markets for HSBC Securities Canada. He is currently Vice-Chair of the Global Risk Institute and a Senior Fellow of the CD Howe Institute. Jamey holds a BA, from the University of Waterloo, a master's Certificate in Project Management from Schulich School of Business and the ICD.D. designation from the Institute of Corporate Directors

Public company board tenures:
- None

Current tenures on other boards:
- Global Risk Institute
- FLIP Foundation

Equity ownership as at: February 9, 2024

Common shares		—
DSUs		—
Total Shares/DSUs		—
Share value	$	26.49
Total value	$	—
Requirements shares/DSUs		15,969

Total compensation received during 2023 fiscal year: N/A

David Mowat

West Vancouver, BC
Canada

Age: 68

Director since
August 28, 2019

Independent

2023 vote:
97.09% FOR

2023 attendance: 100%

- Board of Directors: 100%
- Audit Committee: 100%
- HRCG Committee (Chair): 100%
- Human Resources Committee (Chair): 100%

David Mowat is a corporate director with extensive experience in banking and business leadership. He was President and CEO of ATB Financial and CEO of Vancouver City Savings Credit Union. He holds a Bachelor of Commerce degree from the University of British Columbia and the ICD.D designation from the Institute of Corporate Directors. He also received an Honorary Bachelor of Business Administration from the Southern Alberta Institute of Technology, and an Honorary Doctorate of Laws from the University of Alberta. In 2014, he was selected by Alberta Venture Magazine as Alberta's Business Person of the Year.

Public company board tenures:
- Telus Corporation (2016 to date)

Current tenures on other boards:
- TELUS Communications inc.
- LIAH Holdings Ltd.
- Edmonton International Airport

Equity ownership as at: February 9, 2024

Common shares		9,640
DSUs		11,326
Total Shares/DSUs		20,966
Share value	$	26.49
Total value	$	555,389
Requirements shares/DSUs		7,431

Total compensation received during 2023 fiscal year: $180,000

Éric Provost

Candiac, QC Canada

Age: 49

Director since October 1, 2023

Non-Independent

2023 vote: N/A

2023 attendance: 100%

Board of Directors: 100%

Éric Provost has been at Laurentian Bank for over a decade. Most recently, he served as Group Head of Personal and Commercial Banking. He is now the President and CEO of the Bank.

Prior to joining Laurentian Bank in 2012, Éric spent 12 years at a leading commercial lender where he held various senior management positions including Chief Marketing Officer, Vice President – Commercial, Manufacturing sector for Eastern Canada, as well as Vice President, Commercial Excellence.

Éric holds Bachelor's and Master's degrees in Applied Finance from Université du Québec à Montréal. He is also accredited as a Chartered Financial Analyst (CFA).

Public company board tenures:
- None

Current tenures on other boards:
- B2B Bank, B2B Trustco, Laurentian Trust of Canada Inc. and LBC Trust, subsidiaries of Laurentian Bank of Canada
- Fondation Tel-Jeunes

Equity ownership as at: February 9, 2024

The minimum share ownership requirements for Mr. Provost are described in the *Ownership Requirement* section of this Circular.

Total compensation received during 2023 fiscal year: Mr. Provost does not receive any compensation as a director.

Paul Stinis

Westmount, QC Canada

Age: 65

Director since February 6, 2024

Independent

2023 vote: N/A

2023 attendance: N/A

Board of Directors: N/A

Paul Stinis is currently Vice-Chair of the Board for Hydro-Québec and will complete his term on August 2024 after having commenced in April 2015. Mr. Stinis is an accomplished corporate director with extensive experience in accounting and finance, capital markets, investment management, risk management and project management. Mr. Stinis was previously Senior Vice President and Corporate Treasurer of BCE Inc. and Bell Canada as well as President of Bimcor Inc., the pension fund asset manager for the BCE group of companies. Mr. Stinis also worked in the international emerging market communication sectors as a finance executive, the Canadian banking industry, and in the Canadian oil and gas industry as a professional engineer. Mr. Stinis holds a Bachelor in Engineering from McGill University and a Masters in Business Administration from Concordia University.

Public company board tenures:
- None

Current tenures on other boards:
- Hydro-Québec
- McGill University Pension Committee

Equity ownership as at: February 9, 2024

Common shares		—
DSUs		—
Total Shares/DSUs		—
Share value	$	26.49
Total value	$	—
Requirements shares/DSUs		15,969

Total compensation received during 2023 fiscal year: N/A

Nicholas Zelenczuk, FCPA

Toronto, ON Canada

Age: 68

Director since May 28, 2020

Independent

2023 vote: 97.03% FOR

2023 attendance: 100%

Board of Directors: 100%

Audit Committee (Chair): 100%

Risk Management Committee: 100%

Nicholas Zelenczuk is a corporate director with extensive experience in banking, capital markets, corporate strategy, and investment and risk management. He has served in CEO, CFO, COO and executive positions for leading companies including the Canada Pension Plan Investment Board, BCE Inc, CIBC Wood Gundy, Citibank and Deutsche Bank (Canadian branch). He also worked at KPMG as a partner in risk consulting. He earned a CPA designation and is fellow of CPA Ontario. He holds the ICD.D designation from the Institute of Corporate Directors.

Public company board tenures:
- None

Current tenures on other boards:
- Teine Energy Ltd
- Wilton Re Ltd
- Healthcare of Ontario Pension Plan
- CarbonX

Equity ownership as at: February 9, 2024

Common shares		5,000
DSUs		15,077
Total Shares/DSUs		20,077
Share value	$	26.49
Total value	$	531,840
Requirements shares/DSUs		10,543

Total compensation received during 2023 fiscal year: $155,000

Competencies and Expertise

To ensure optimal composition of the Board and benefit from complementarity of director skill set, the GC Committee has established a comprehensive and diversified **matrix of skills and experience**. The GC Committee takes this matrix into account to evaluate each director, for Board succession and renewal purposes, to identify gaps to enhance the Board's effectiveness.

The matrix is reviewed and updated on an annual basis based on a self-assessment whereby each director and nominee is asked to rate their experience and background. This data is then compiled into the matrix and reviewed by the GC Committee.

When filling a seat on the Board, the GC Committee determines the sought-after profile and applies certain selection criteria, namely expertise, independence, diversity, tenure and membership on other boards. Proposed nominees are interviewed by the Chair and other directors of the Bank, and also meet with the President and CEO.

The Directors proposed by the Bank have a diverse set of skills and experience to allow the Board to perform its oversight functions, have informed opinions on topics relevant to the Bank and effectively advise on important strategic decisions.

All proposed Directors have expertise in leadership from their roles as senior executives in public companies or organizations of significant size or complexity. They also have expertise in developing, implementing and delivering strategic business objectives within those organizations.

In 2023, the Board conducted an orderly implementation of its succession plan for a number of chair roles on the Board, including for the Risk Management Committee and the Audit Committee, and the appointment of a Chair for the newly formed GC Committee.

Further on October 1, 2023, the Board enacted its succession plan for the Chair of the Board in appointing Mr. Boychuk as the new Chair of the Board following the resignation of the former Chair of the Board for health reasons.

The following chart illustrates the key areas of competency and expertise of each Director nominee related to the business of the Bank and good governance of the Board.

	Sonia Baxendale	Andrea Bolger	Michael T. Boychuk	Johanne Brunet	Laurent Desmangles	Suzanne Gouin	Jamey Hubbs	David Mowat	Éric Provost	Paul Stinis	Nicholas Zelenczuk
Environmental, Social & Governance	●		●	●	●	●	●	●	●	●	
Accounting, Audit & Finance		●	●	●		●		●	●	●	●
Risk Management & Risk Governance	●	●	●	●		●	●	●	●	●	●
Talent Management & Compensation	●	●		●	●	●	●	●	●		●
Information Technology & Digital Strategy	●	●	●	●	●	●	●	●	●	●	●
Legal & Regulatory		●				●	●			●	
Financial Services	●	●	●		●		●	●	●	●	●
Retail & Consumer	●	●	●	●	●			●			
Capital Markets, Investment Banking, M&A		●	●				●		●	●	●
Public & Government Relations	●			●		●	●			●	
Other Board Experience & Governance	●	●	●	●	●	●	●	●		●	●
Operational Excellence	●		●	●	●	●		●	●	●	●

	Sonia Baxendale	Andrea Bolger	Michael T. Boychuk	Johanne Brunet	Laurent Desmangles	Suzanne Gouin	Jamey Hubbs	David Mowat	Éric Provost	Paul Stinis	Nicholas Zelenczuk
Business Transformation	●	●	●	●	●	●	●	●	●	●	●
English	●	●	●	●	●	●	●	●	●	●	●
French			●	●	●	●			●	●	
Other Language(s)					●						

Compensation of Directors

Compensation Structure

Through its GC Committee, the Board ensures that director compensation is adequate and competitive. The GC Committee is responsible for reviewing director compensation and recommending to the Board the amount and structure of director compensation.

The compensation structure is designed to attract and retain qualified directors and to compensate them appropriately for the time and effort they devote to overseeing the effective operation of the Bank. It is also designed to be consistent with the interests of shareholders and to reflect best practices. The GC Committee has the authority to engage consultants or advisors as it deems appropriate.

The GC Committee reviews director compensation on a biennial basis. The structure of director compensation was last modified on August 1, 2021, following a review by the Board's independent advisor Hexarem of market competitive board compensation practices at similarly sized Quebec-based companies from all industries and at similarly sized Canadian companies from the financial services sector. This assessment took into account the risks, responsibilities, workload, time commitment, and the skills required of the Board in light of the evolving complexity of the Bank's business and increased regulatory oversight and scrutiny.

Per annum fixed compensation for all directors	$140,000 (including at least 60% in deferred stock units)
Per annum fixed compensation for the Chair of the Board	$190,000 (including at least 60% in deferred stock units)
Per annum fixed compensation for the Chair of a permanent committee	$25,000 (including at least 60% in deferred stock units)
Per annum fixed compensation per committee on which a director sits, with the exception of the Chair of the Board	$7,500 (including at least 60% in deferred stock units)

Directors receive no other fees for attending Board or committee meetings, but they are entitled to the reimbursement of hotel and travel expenses upon presentation of supporting documentation when attending meetings in person.

Directors who are officers of the Bank are not entitled to receive any compensation as directors. Directors who are not officers are not eligible to participate in the Bank's stock option plan or in any other incentive compensation program of the Bank, except for participation in the Bank's Director Deferred Stock Unit (DSU) plan.

Compensation in the Form of DSUs

DSUs are units which individual value is equivalent to the value of a common share of the Bank and is adjusted for events affecting the security (e.g. stock split, exchange of shares, etc.).

Each director receives at least 60% of their annual compensation from the Bank in the form of DSUs. The purpose of DSUs is to promote a greater alignment of long-term interest between directors and shareholders of the Bank by linking a portion of annual director compensation to the future value of the Bank's common shares and to enhance the Bank's ability to attract and retain talented individuals to serve as directors.

A director may elect to receive all or part of their compensation in cash and/or DSUs provided at least 60% is received in the form of DSUs. The value of such shares is determined on the basis of the market price at the time of payment to the director. The election may be changed at any time and takes effect on the next quarterly compensation payment date. As for the DSUs, the number of units awarded is established in accordance with the plan. Directors may elect to receive DSUs on an annual basis.

DSUs cannot be converted until a director leaves the Board, at which time they are paid either in cash or in common shares purchased on the open market, but not later than December 31 of the year following the year of the director's departure from the Board. The number of DSUs awarded is established by dividing the amount payable to the director by the average market price of the Bank's common shares during the period defined in the DSU plan. DSUs also entitle their holders to an amount equal to dividend payments on common shares of the Bank, which amount is paid in the form of additional DSUs. This plan has been in force since February 1, 2000.

Following the election of an American citizen to the Board, we engaged Norton Rose Fulbright to review the Bank's Director DSU Plan adopted on October 5, 2010 (DDSUP) and as amended by resolutions from time to time, with a view to implement certain changes and to modernize its language. The amendments mainly incorporated previously approved modifications to the DDSUP, added provisions to enable directors who are citizens or permanent residents of the United States of America to participate in the DDSUP and ensure appropriate tax treatment, to enable directors to redeem their DSUs in two calendars once their mandate as director is complete and to add provisions to address a change of control from a Canadian and U.S. perspective and reconcile the rules applicable in each jurisdiction.

Directors' Compensation Table

The following table presents a summary of the compensation provided to each director who was not an officer of the Bank during the last fiscal year and the total of DSUs owned by each director as at October 31, 2023:

				Portion of Total Compensation Allocated to Cash and Shares/ DSUs (Note 3)			
	Board retainers ($)	**Committee retainers ($)**	**Total Compensation ($)**	**Paid in Cash ($)**	**Paid in Shares/DSUs ($)**	**Total DSUs**	**Market or payout value of Total DSUs ($)**
Sonia Baxendale	140,000	40,000	180,000	21,630	158,370	4,137	109,589
Andrea Bolger	140,000	61,783	201,783	80,713	121,070	3,781	100,159
Michael T. Boychuk	140,000	70,000	210,000	84,000	126,000	4,664	123,549
Laurent Desmangles (Note 1)	101,153	10,837	111,990	44,296	67,195	2,032	53,828
Suzanne Gouin	140,000	15,000	155,000	0	155,000	4,940	130,861
David Mowat	140,000	40,000	180,000	72,000	108,000	3,599	95,338
Michael Mueller (Note 2)	330,000	30,000	360,000	0	360,000	12,007	318,065

				Portion of Total Compensation Allocated to Cash and Shares/ DSUs (Note 3)			
	Board retainers ($)	Committee retainers ($)	Total Compensation ($)	Paid in Cash ($)	Paid in Shares/DSUs ($)	Total DSUs	Market or payout value of Total DSUs ($)
Michelle R. Savoy	140,000	15,000	155,000	31,020	123,980	4,244	112,424
Susan Wolburgh Jenah	140,000	15,000	155,000	31,000	124,000	4,770	126,357
Nicholas Zelenczuk	140,000	15,000	155,000	0	155,000	5,126	135,788

Note 1: Mr. Desmangles was elected as a director on April 11, 2023. The Board approved compensation on the basis of 60% DSUs and 40% cash to be awarded to Mr. Desmangles until he meets the applicable shareholder ownership requirements

Note 2: Mr. Mueller ceased to be director on October 1, 2023.

Note 3: Unless otherwise determined by the Board, directors are required to receive all compensation in the form of DSUs until they achieve the minimum share ownership threshold. As at February 9, 2024, all independent directors but Johanne Brunet, Laurent Desmangles, Jamey Hubbs and Paul Stinis exceeded the target minimum ownership requirement.

Ownership Requirements

Rules on share ownership were adopted on May 1, 2016. Each director must hold at least 3 times their fixed compensation, including director retainer and additional Chair of the Board retainer, in the form of shares and/or DSUs of the Bank within 5 years of being nominated to the Board. The minimum holding is based on the closing price of the common shares of the Bank on the TSX as at October 31, 2015 or the date of their appointment or election to the Board.

The number of shares and/or DSUs held by each director nominee is included in their respective biographies, under the *Director Nominees* section at page 12 of this Circular. Éric Provost is subject to minimum share ownership requirements as President and CEO of the Bank.

As at February 9, 2024, all non-employee directors but Johanne Brunet, Laurent Desmangles, Jamey Hubbs and Paul Stinis exceeded the target minimum ownership requirement. In accordance with the Board's requirements, Laurent Desmangles has until April 11, 2028 and Johanne Brunet, Jamey Hubbs and Paul Stinis have until February 6, 2029 to achieve the share ownership threshold.

02 Corporate Governance.

2.1 The Bank's Approach to Governance.

A strong governance framework is essential to protecting the rights and interests of the Bank's stakeholders, empowering employees and achieving success today and into the future. The Bank's purpose forms the foundation for all that we do, including shaping and informing our governance practices:

We believe we can change banking for the better. By seeing beyond numbers to bring hopes and dreams to life. Better begins when everyone feels like they belong and has the chance to thrive.

The policies, practices and relationships forming the Bank's governance framework allow us to balance stakeholder interests, effectively manage risk and conduct our business responsibly. Governance practices will continue to evolve over time, in line with the changing scope of the Bank's business and operations, as well as emerging best practices.

At the core of the Bank's governance framework are Board and corporate policies, guidelines, Board and committee mandates, and key position descriptions, all of which are used to further define the expectations, responsibilities and accountabilities of the Board, management and employees of the Bank. Select core governance policies and practices are described more fully below.

Key governance highlights and initiatives from 2023 are described in the committee reports, below, and include the following:

- **Environmental, Social and Governance (ESG) and Climate** - The Bank established an internal governance model and program management structure to drive the Bank's ESG and climate strategies and initiatives forward. ESG and climate oversight was formalized in the mandates of the Board and each of its committees and the Bank's President & CEO and Board member, Éric Provost, serves as the Bank's ESG Champion.

- **Stakeholder Engagement** - During the past year, engagement has continued to be a priority for the Board. The Chairs of the Board, the HR Committee and GC Committee held a number of direct meetings to gain feedback from shareholders and other stakeholders on the Bank's activities and progress against its strategic plan, executive compensation, Board diversity and renewal, environmental, social and governance matters and cybersecurity.

- **Executive Compensation** - The Bank's executive compensation packages have evolved and are aligned with the values of the Bank's shareholders. ED&I and ESG targets have been added to all leaders' scorecards so that we can measure and track the Bank's success in building up the Bank's diverse team and delivering on ESG objectives.

- **Cybersecurity** - As the Bank refined its approach to cybersecurity, key priorities were identified and various dimensions of cybersecurity were addressed during the Risk Management Committee meetings in addition to the recurrent updates and reports provided to the Board on this topic.

- **Mainframe Outage**- Following the Bank's mainframe outage, the Board and the Risk Management Committee has put a renewed focus on successfully implementing the roadmap to modernize the Bank's mainframe ecosystem and improving resiliency, while reducing risk.

2.2 Our Commitment to Equity, Diversity and Inclusion.

Board Diversity

The Bank is committed to fostering and supporting ED&I at all levels of the organization and specifically sees Board diversity as an essential measurement in assessing progress in this area. The Board's commitment to ED&I is highlighted in the Board Governance Policy available on the Laurentian Bank website.

The Board recognizes and embraces the benefits of having a diverse complement of directors and has made a commitment to achieving diversity at the Board level and to ensuring that the Board operates in a manner that is aligned with the Bank's ED&I objectives.

A diverse Board, operating within an equitable and inclusive culture drives innovation and growth, promotes the inclusion of different perspectives and ideas, mitigates against group think, and improves oversight, decision-making and governance.

As part of the Board's commitment to ED&I, the GC Committee considers the merit of potential candidates based on a balance of skills, abilities, personal qualities, and professional experience in the context of the nomination process. This assessment includes diversity considerations such as race, ethnicity, age, gender identity or expression, sex, sexual orientation, religious beliefs, language, disability, and life experiences as well as regional and industry experience, and their knowledge and expertise in ED&I.

In furtherance of Board diversity, the Bank has established the following specific targets:

- To maintain a Board composition in which at least 45% of the directors are cis women, trans, Two Spirit, or nonbinary people; and
- To maintain a Board composition in which at least 15% of the directors self-identify as a member of an equity-deserving group beyond cis women.

Any list of candidates presented to the GC Committee in every search for new directors must include diverse candidates and diversity is strongly considered in making final nomination decisions.

In addition, the GC Committee seeks to achieve and maintain diversity in membership of the Board's Committees and in Board leadership roles and considers diversity when assigning Chair roles for the Board and its Committees.

Finally, the Board participates in ED&I training and learning opportunities.

Employee Diversity

The Bank believes that ED&I efforts contribute to a culture of performance and enhance decision-making at all levels of the organization. We want to enable an inclusive and equitable culture that reflects and respects the diversity of our employees, our customers, and our communities. To accelerate our work in this area, the Bank named its first Chief Inclusion and Equity Officer in December 2022. In 2023, the Bank established an Inclusion Leadership Council, an executive-level committee with the mandate of providing strategic guidance and driving collective accountability for equity, diversity and inclusion across the organization.

To ensure that ED&I is prioritized, the diversity of the Bank's workforce is included in the performance objectives of the Bank's leaders. In addition, ED&I learning opportunities are provided to employees across the organization.

The Bank monitors the diversity of its workforce on an ongoing basis and proactively sources diverse talent to ensure the widest available pool of qualified candidates as part of the recruiting and hiring process. In our recruiting efforts, including when making executive appointments, the Bank seeks out individuals from equity-deserving groups, including but not limited to women, individuals from racialized groups, Indigenous persons and persons with disabilities. Candidates are assessed on a balance of skills, experience, knowledge and with consideration to the benefits of having diverse teams. The HR Committee receives regular reports from management regarding the diversity of the Bank's employees.

As of October 31, 2023, employees identifying as being part of a racialized group represent 38% of the Bank's workforce, 30% of management-level positions (below Vice President level), 19% of positions at an Assistant Vice President level and above and 15% of Vice President and above positions. The Bank has set a target of having at least 18% of its leaders at a Vice President and above level being from a racialized group by the end of financial year 2024.

As of October 31, 2023, women make up 55% of the Bank's workforce, hold 47% of management-level positions (below the Vice President level), 34% of positions at an Assistant Vice President and above level and 39% of Vice President and above positions. The Bank has set a target of having at least 40% of its leaders at an Assistant Vice President and above level being women by the end of financial year 2024.

2.3 Environmental, Social and Governance Matters.

Our disciplined and principled approach to corporate governance serves as the cornerstone for our efforts to foster trust and safeguard the interests of shareholders while maintaining the confidence of our employees, customers, and communities in which we serve. We continued to make good progress on our ESG management and disclosures in 2023, showing continued improvement in our score issued by Sustainalytics and maintaining a "Low Risk" categorization.

Our Board of Directors takes an active role in the Bank's ESG and climate initiatives and each of the Board's committee mandates include oversight of ESG. ESG and climate are treated as part of the Board's core responsibilities and ESG and climate issues are considered at every Board meeting to ensure alignment across the Bank.

The Board is responsible for defining the corporate purpose of the Bank and for overseeing the Bank's strategy and management of risk, including risks related to ESG and climate developments. Board Committee members provide oversight and guidance on the execution of specific components of the ESG and climate strategies based on their mandates.

Key ESG highlights for the 2023 fiscal year are the following:

Environmental

- Updated the mandate of our internal TCFD Taskforce to include oversight of regulatory-related elements of climate governance, risk, strategy, and disclosures, in addition to our current voluntary TCFD participation
- Established a Greenhouse Gas (GHG) Inventory Management Plan to improve processes and controls over Scope 1 & 2 GHG emissions calculations and set targets
- Calculated and disclosed an estimate of our residential mortgages Scope 3 financed emissions using the Partnership for Carbon Accounting Financials (PCAF) methodology, in addition to Corporate Real Estate Scope 3 financed emissions, which we are disclosing for the second year in a row
- In partnership with Québec Net Positif, continue to support a collaborative initiative to help Quebec small and medium-sized enterprises (SMEs) implement climate actions and make successful transitions to thrive in a low-carbon, sustainable economy
- Through our corporate office floor decommissioning initiative, clothing, electronics and excess office supplies were donated to charitable organizations and/or processed through e-waste facilities
- As part of our "Path to Paperless" initiative, stopped printing approximately 40,000 pages of reports per month and ramped up efforts to encourage customers to transition to e-statements
- Our internal Green Teams Challenge engaged teams of employees across the organization to develop low-cost ideas to reduce the Bank's environmental footprint.

Social

- Added Chief Inclusion and Equity Officer responsibilities to our Chief Legal Officer's duties and established an Inclusion Leadership Council

- Signed the Women in Capital Markets' Parental Leave Pledge, allowing fathers, same-sex partners, and parents adopting a child under one year of age to benefit from a top-up of their salary paid by the Bank during their leave
- Completed a bank-wide Human Rights baseline project
- Launched our fourth Employee Resource Group with a focus on Newcomers to Canada and their allies
- Held a variety of corporate-wide employee events throughout the year to create meaningful moments of team work and collaboration
- Launched our third annual Voice of the Employee survey which saw an 85% participation rate and a 3-percentage point increase in our overall engagement score to 80%
- Provided resources, coordinated various initiatives, and hosted activities aimed at supporting employee mental health and wellness
- Continue to offer a hybrid work model which provides flexibility for our employees
- Through our "Giving Beyond Numbers" corporate giving and community engagement program, the Bank donated more than $770,000 to non-profits and charities.

Governance

- Fulfilled commitment to broaden diversity of Board composition
- Women comprised 55% of our independent Board members[1]
- Embedded Environmental Social Risk Management (ESRM) criteria into Third Party Risk Management due diligence evaluation
- Continued to engage with peers and regulators on regulatory and voluntary disclosure standards
- Performed an internal audit health check on ESG and ESRM processes
- Launched two new mandatory training modules for all employees: ESG 101 and Truth and Reconciliation

Director Expertise on ESG

A number of the Bank's directors have occupied, or presently occupy, positions within governmental, para-governmental and commercial organizations or have other relevant experience that enables them to evaluate and discern issues related to corporate social responsibility, sustainability and ESG issues. Environmental, Social and Governance expertise has been included in the Bank's matrix of competencies and expertise to ensure that this area is properly accounted for among current and prospective directors.

Refer to the biographies at page 12 of this Circular under the section *Director Nominees,* and the matrix under the section *Competencies and Expertise* at page 17 of this Circular.

2.4 Cybersecurity.

The Board has a focussed interest in managing cybersecurity risk, recognizing the pivotal role in safeguarding sensitive information and ensuring the resilience of the Bank's operations. The Board understands that the associated risks extend beyond the technical aspects, emphasizing the need for comprehensive strategies to mitigate cyber threats, thereby fostering a proactive approach to cybersecurity within the organization. In December 2022, the Board received an overview and provided its support for the refreshed technology strategy Ambition 2025, which re-emphasized cybersecurity as a key technology enabler. In this light, the Bank continued its significant investment in the cyber security transformation program established in the prior year with a focus on 5 key priorities areas: (1) education and awareness, (2) data protection, (3) identity and access management, (4) vulnerability management, and (5) incident response.

On a quarterly basis, the Risk Management Committee receives an update on the status of technology risks, including cybersecurity. In Q2 of this year, the Board also received an overview of the key technology capabilities and risks, demonstrating progress across cybersecurity, platform health, and data over the past

[1] This value is as of October 31, 2023.

two years. While there is more work to do, the Risk Management Committee supported further investment in these three key areas.

2.5 Mainframe Outage.

On September 24, 2023, an unexpected mainframe outage occurred during a planned update of the mainframe at the Bank. The outage led to an interruption of many banking services, although services such as ATM withdrawals (with certain limitations) as well as credit card and debit card transactions remained available to customers. No breach in cybersecurity was detected and all customer data and financial information remained secure throughout the outage.

In the days and hours following the outage, the Bank's technical teams and third-party providers worked on resolving the systems issues and restoring unavailable services. A series of unforeseen subsequent incidents progressively occurred in the days following the initial outage arising from the roll-back of the unsuccessful mainframe update, which unexpectedly impacted the course and timing of the restoration efforts.

By September 28, 2023, most banking services were restored, including the online banking platform LBC*Direct,* with all functionalities being reinstated shortly thereafter.

On October 1, 2023, Éric Provost was appointed as the Bank's new President and Chief Executive Officer. He announced that his immediate priority was to rebuild trust with the Bank's customers and address the impacts of a mainframe outage. Mr. Provost implemented and delivered on a three-part action plan to (1) ensure that the Bank fully resolved any outstanding issues related to the outage as soon as possible; (2) significantly enhance communications with customers to ensure they are provided with timely updates on the full restoration of the Bank's services; and (3) launch a comprehensive review of the factors that led to the outage.

Mr. Provost also announced that the Bank had reversed monthly service fees for September 2023 and did not charge monthly service fees for October 2023. Our customer service team worked closely with customers to reimburse them for any losses arising from the outage.

Following the outage, the Executive Management team immediately commenced a cross-functional and comprehensive review to understand and remediate the factors that led to the outage, including bringing in external advisors to support the analysis. Following the review, the Bank has deployed a multi-phased approach to create a roadmap for upgrading the mainframe, working closely with key external and internal partners, to enable modernization of the mainframe ecosystem and improving resiliency, while reducing risk.

The Board and the Risk Management Committee have been regularly engaged throughout the review process and have been key stakeholders in the development of the new roadmap, providing effective challenge and oversight of the planning process.

The Bank conducted its annual evaluation of the Bank's disclosure controls and procedures and internal control over financial reporting, see page 64 of the Annual Report for more information. In addition, the Bank, specifically considered the impact of the outage on disclosure controls and procedures and whether there was any impact on financial reporting, engaging its Internal Audit function, the Chair of the Audit Committee and EY in the review. The Bank concluded that there was no material weakness in the operation of the internal controls over financial reporting and that the annual financial statements for October 31, 2023, do not contain any material misstatements.

2.6 About the Board.

Role and Mandate of the Board and its Chair

The Board is responsible for oversight of the business and affairs of the Bank, including the Bank's strategic planning and direction, identifying the principal risks of the business and ensuring the implementation of systems to manage risk, succession planning and creating a culture of integrity throughout the organization. The Board discharges its responsibilities directly and through the committees of the Board: the Audit Committee, the Risk Management Committee, the Human Resources Committee and the Governance and Compliance Committee. The former two committees, prior to 2023, existed as a single committee called the Human Resources and Corporate Governance Committee.

The Board and each committee of the Board operate under a formal mandate setting out purpose, organization, duties, and responsibilities. Each mandate is reviewed, and if necessary, updated on an annual or more frequent basis. In addition, a comprehensive list of directors' obligations under the *Bank Act* (Canada), OSFI Guidelines, and Canadian securities laws has been documented and cross-referenced against the mandates of the Board and each of its committees to ensure that the Board fulfills all of its obligations. Mandates for the Board, Chair of the Board and Committee Chairs and each committee are available in the *Corporate Governance* section of the Bank's website at www.laurentianbank.ca/en/about_lbc/my_bank/governance.html.

The Chair of the Board is responsible for the management, development and effective performance of the Board and provides leadership in every aspect of the Board's mandate. The relationships between the Board, Management, shareholders and other stakeholders are critical to the Board's ability to fulfill its responsibilities. The Chair, as the Board's presiding member, ensures that these relationships are effective, efficient and further the best interests of the Bank.

In fulfilling its responsibilities, the Board delegates day-to-day management and authority to Management, while reserving the ability to review management decisions and exercise final judgment on any matter. In August 2023, the Board amended its Board Governance Policy, which sets out the responsibility of the Board for the stewardship of the business of the Bank. The Board Governance Policy provides shareholders and other stakeholders with a clear vision of the Board's governance policies and practices and can be found on the Bank's website. The Board is subject to the *Code of Conduct* adopted in 2023, Board and committee mandates, position descriptions for key Management roles, and various policies, including those relating to ED&I, majority voting and membership on other boards, with respect to the Board's internal governance.

Size of the Board

The number of nominees proposed for election at the meeting has been set at 11 for this year. Pursuant to the Bank's by-laws, the Board shall consist of no fewer than 7 and no more than 13 directors.

The Board believes that it is an appropriate size to generate open and engaging discussions, to ensure the committees have the right combination of skills, to allocate responsibilities appropriately and to facilitate Board renewal.

Directors are elected for a term of one year. Between annual shareholder meetings, the Board may appoint additional directors, within the limits allowed by the *Bank Act* (Canada) and the Bank's by-laws. The GC Committee reviews annually the size of the Board and recommends changes in size and composition to the Board when appropriate.

Composition of the Board

The GC Committee considers and decides what skills and competencies the Board requires and assesses the skills of current Board members to identify and recommend suitable candidates. Additional information about Board competencies is described under the *Competencies and Expertise* section at page 17 of this Circular.

Any shareholder who wishes to recommend a candidate to be considered by the GC Committee may submit the candidate's name and biographical information, including background, qualifications and experience to the Chair of the GC Committee. In addition, the *Bank Act* (Canada) provides a formal process for shareholders, holding in aggregate 5% of the Bank's shares, to nominate director candidates in the Bank's Circular.

Key Position Descriptions

In addition to the mandates described above, the Board has developed a written position description for the President and CEO which can be found in the *Other Related Documents* section of the Bank's website at www.laurentianbank.ca/en/about_lbc/my_bank/other_related_documents.html, and which is incorporated by reference into this Circular.

The President and CEO is responsible for directing and overseeing the effective management and operations of the Bank, within the authority delegated by the Board, and in compliance with applicable laws and regulations.

The Board has developed position descriptions for other key oversight functions of the Bank, including the Chief Financial Officer, Chief Risk Officer, Chief Human Resources Officer, Chief Compliance Officer, Chief Anti-Money Laundering Officer, Chief Privacy Officer, Chief Internal Auditor, Chief Information and Technology Officer, Chief Legal Officer and Treasurer.

Conduct and Culture

The Board champions the highest standards of ethical conduct to ensure that the Bank operates with integrity and in full compliance with all applicable laws and regulations, to maintain the trust of the Bank's customers, shareholders, investors, employees and the community. Together with the executive team, the Board sets the tone at the top and is responsible for fostering an open and transparent culture that is aligned with the Bank's values. Accordingly, the Board has adopted a *Code of Conduct,* which is available on the Bank's website under the section *Our ESG Policies* at the following link www.laurentianbank.ca/en/about-us/our-company/esg-policies.

This code was reviewed during the year to ensure it remains rooted in the Bank's values, appropriately outline the Bank's expectations for ethical behaviour and is aligned with evolving best practices. All officers, employees and directors must confirm that they have received, complied and will continue to comply with the *Code of Conduct* on an annual basis.

The Board acts in accordance with the *Code of Conduct* which is overseen by the GC Committee. The GC Committee receives regular reports from the executive team with respect to the *Code of Conduct*.

To ensure ethical and independent decision-making by the Board, the *Code of Conduct* provides general guidelines on conflicts of interest and related obligations in the event that a conflict should arise. On an annual basis, directors agree, in writing, to comply with the Bank’s conflict of interest standards. They must avoid all real, potential or apparent conflict of interest situations with the Bank. Where conflicts of interest arise, directors must, as soon as possible and in accordance with applicable legislation, disclose the nature and extent of the conflict in writing or by requesting to have it entered in the minutes of the meeting. They are required to recuse themselves from any discussions and refrain from voting on the matter relating to the conflict, barring certain exceptions provided for by applicable legislation. To ensure full disclosure, the Corporate Secretariat regularly receives confirmation from the directors as to whether or not any conflicts of interest exist.

The Board has a *Policy on Background Checks of Directors and Officers* under which the Bank conducts background and reference checks for all director nominees, prior to initial election and at least every 5 years thereafter in accordance with guidelines issued by OSFI. The Bank conducts periodic assessments to identify changes in status within professional organizations, records of criminal convictions and regulatory or civil proceedings, current or potential conflicts of interest, as well as the financial situation of each director.

The Board also has a policy on related party transactions. In the event a director or executive officer has a material interest in any transaction or agreement considered by the Board or any Board committee, such interest must be declared and recorded in the minutes of the meeting, and the director or executive officer must vacate the meeting while the transaction or agreement is being discussed. The GC Committee is responsible for ensuring related party transactions are disclosed and reviewed in accordance with *Bank Act* (Canada) requirements.

Director Independence

Director independence from management is essential to effective oversight of the Bank's business and affairs. It is the Board's practice to recruit independent directors, and to assess any proposed nominee’s relationships with the Bank or its subsidiaries before proposing the nominee as a new director. The Board determines the independence of each director by collecting and assessing the following information:

- directors' responses to an annual questionnaire;
- biographical information of directors;
- internal records on each director and entities affiliated with directors and the Bank; and
- results of background checks.

Of the 11 directors nominated for election, the Board has determined that 10 directors are independent, as that term is defined in National Instrument 52-110 - *Audit Committees* (**NI 52-110**). Only Éric Provost is not independent resulting from his position as President and CEO of the Bank.

The Board has also established procedures to enable it to function independently of management. The Board's independent Chair allows the Board to operate autonomously of management and provides leadership to the independent directors. In addition, all committees of the Board are comprised only of independent directors.

To facilitate an open and candid discussion among independent directors, a portion of every Board and committee meeting, including special meetings, is reserved for independent directors to meet *in camera* without management or non-independent directors present. As a result, *in camera* sessions are held at every Board and committee meetings without management, including special meetings.

Outside Board Memberships and Board Interlocks

The Board and the Bank are sensitive to the number of boards of directors and committees on which its directors sit and monitors those outside boards to determine if there are circumstances that would impact a director's ability to exercise independent or impartial judgment with respect to the Bank's affairs and to ensure that each director has enough time to fulfill their commitments to the Bank's Board.

The GC Committee, in assessing director nominees considers other commitments of the proposed directors. Directors must devote sufficient time and energy to effectively discharge their duties to the Bank and the Board. The Board Chair will take each director's participation and active involvement at Board and Committee meetings into account when evaluating their performance. Board members are expected to attend all Board meetings and meetings of committees of the Board on which they serve. Each director's attendance at, and preparation for, Board and committee meetings is considered by the GC Committee when recommending director nominees. The Board held 6 regular meetings and 8 special meetings during the 2023 fiscal year. During each meeting, the independent directors met in camera in the absence of management.

The Bank limits the number of directors that may sit on the same board of another reporting issuer to 2, unless the prior consent of the Chair of the Board is obtained. Currently, none of the director nominees sit on the same board of another reporting issuer.

Orientation and Director Education

The Board has a formal orientation process to help new Board members understand their role, the Bank's strategic orientation and positioning in the market, and the Board's areas of focus. Directors:

- receive foundational information about the Bank, including its organizational structure, its constating documents, Board and committee mandates, all Board governance policies and frameworks and applicable Bank policies;
- participate in an orientation program designed to familiarize them with the Bank and their obligations and responsibilities as directors; and
- meet with the Board Chair, the Bank's President and CEO and various executive officers and leaders of oversight functions to understand the Bank's business, strategy, operations, initiatives, and risk management framework.

Directors have access to all Board and Committee materials and a virtual resource centre. Directors are encouraged in their first year to participate in all committee meetings to promote the development of their knowledge of the Bank's affairs.

All directors receive presentations during regularly scheduled Board and committee meetings to enhance their understanding of key aspects of the Bank's business as well as risks and opportunities affecting the industry. All members of the Board participate in a full-day training session annually for the opportunity to go deeper and explore topics of interest to the Board.

Annually, directors evaluate the quality of the training and provide input on developing future programs. This approach provides the Board with the opportunity to proactively address any knowledge gaps and allows the Bank to provide more focused and valuable sessions.

Directors are encouraged to participate in relevant courses, seminars and other continuing education programs offered by external providers including the Institute of Corporate Directors and the Global Risk Institute. The Bank and all of its directors are members of the Institute of Corporate Directors and the Bank pays the cost of this subscription. During the year, directors participated in continuing education activities offered by the Institute of Corporate Directors, the Global Risk Institute and other organizations, on topics such as strategy, governance, climate risk, cybersecurity and other matters.

Succession Planning and Term Limits

Developing leaders is at the core of the Bank’s talent review process and the HR Committee facilitates conversations about strengths, opportunities for improvement, and career advancement for key leadership positions. The HR Committee also addresses gaps and risks to ensure successors have a high quality and measurable short- and long-term development plan, with critical experiences identified, to close development gaps and support advancement.

The HR Committee oversees the Bank’s succession planning process for key leadership positions while the Board approves, based on recommendation by the HR Committee, the succession planning process for the President and CEO.

As part of this process, the HR Committee, through an annual readiness assessment, identifies individuals who can be appointed to key roles in case of emergency, who are ready immediately or who will be ready in a short period of time, ranging from 1-2 years and up to 5 years. Furthermore, diversity is an important factor considered in the succession planning process in order to foster innovation and drive performance.

In 2023, the Board also focused on Board succession planning as a component of its Board renewal initiatives. For certain key roles the Board may also form a special committee to conduct recruitment.

To achieve an appropriate balance and allow the Board to properly conduct succession planning, independent directors may serve on the Board for a term not to exceed 12 years. The tenure of the Chair of a Committee of the Board, in such a role, shall not exceed 8 years. The Board does not prescribe the age of retirement of directors.

The GC Committee reviews annually the number of directors on the Board and the duration of their tenure, to strike the right balance between experience, continuity and fresh perspectives and to ensure a renewal rate that is in line with the Bank's needs.

In 2023, the Board conducted an orderly implementation of its succession plan for a number of chair roles on the Board, including for the Risk Management Committee and the Audit Committee, and the appointment of a Chair for the newly formed GC Committee.

Further on October 1, 2023, the Board enacted its succession plan for the Chair of the Board in appointing Mr. Boychuk as the new Chair of the Board following the resignation of the former Chair of the Board for health reasons.

Annual Evaluation

The composition, skill set and performance of the Board, its committees and Chairs are assessed on an annual basis using the Board skills matrix and through self-assessment process administered by the Chair of the GC Committee, in conjunction with the Chair of the Board.

The Board has a formal evaluation process which consists of the following:

- Board members provide an assessment about the operations of the Board and its members;

- the Board Chair and the GC Chair meets with all Board members to discuss the effectiveness assessments; and
- the GC Committee Chair reports to the GC Committee and to the entire Board with respect to the conclusions of the assessment process and makes recommendations on potential improvements.

2.7 Board Committee Reports.

Prior to March 1, 2023, the Bank had three committees - the HRCG Committee, the Audit Committee and the Risk Management Committee. On March 1, 2023, the Board of Directors created a new committee, the GC Committee, and changed the name of the HRCG Committee to the HR Committee and amended its mandate. These four committees are each composed exclusively of independent directors. Committee members meet regularly *in camera*, in the absence of Management. Members also regularly meet *in camera* with the officers in charge of oversight functions (Chief Human Resources Officer, Chief Financial Officer, Chief Risk Officer, Chief Internal Auditor, Chief Compliance Officer, and Chief Anti-Money Laundering Officer, amongst others). The Board may create special committees in performing its duties, and delegate responsibilities to them as it deems appropriate. Under the *Bank Act* (Canada), the Bank's Board of Directors is required to have an Audit Committee, a Conduct Review Committee and a committee reviewing consumer protection matters. The mandate of the Board's GC Committee includes the responsibilities that must be discharged by the Conduct Review Committee and the committee reviewing consumer protection matters.

The following reports describe the activities and accomplishments of each of the Board's committees for the most recently completed fiscal year.

The following report covers the period from November 1, 2022 to March 1, 2023:

Human Resources and Corporate Governance Committee Report

Members

David Mowat, **Chair**
Sonia Baxendale
Andrea Bolger
Suzanne Gouin
Michelle Savoy
Susan Wolburgh Jenah

100% attendance in 2023

2 regular meetings
0 special meeting

100% independent

within the meaning of NI 52-110.

The HRCG Committee is responsible for overseeing the administration of the Bank's equity compensation plans, assists in the discharge of the Board's responsibilities relating to the compensation of certain of the Bank's executives, reviews and makes recommendations on director and executive compensation, including the compensation package of the Chief Executive Officer, and is responsible for approving the Bank's report on executive compensation, as required by applicable securities laws. The HRCG Committee oversees key culture and human resources strategies, including employee engagement, employee health and well-being, equity, and diversity and inclusion. It also serves as the Board's nominating committee and oversees the Board assessment process.

Moreover, the HRCG Committee is responsible for developing the Bank's approach to corporate governance issues and is charged with enhancing the Bank's governance. As part of its mandate, the HRCG Committee reviews and evaluates the Bank's governance practices against the standards set by OSFI and other regulatory authorities, as well as Canadian best practices in order to continue to meet the Board's objectives. The HRCG Committee regularly reports to the Board to ensure that important governance matters are considered and emerging best practices, where appropriate, adopted. It also ensures that the Bank's strategies and organizational culture integrate environmental, social and governance principles.

The mandate of the HRCG Committee also includes reviewing the size and overall composition of the Board with a view to assisting the Board in determining whether it is appropriate to undertake a program to increase or decrease the number of directors of the Bank, reviewing proposed new nominees to the Board and reviewing and assessing, on a periodic basis, the performance and contribution of the directors of the Bank.

Human Resources

- Reviewed and approved the Bank's Clawback Policy.
- Reviewed and approved the Bank's RACI Chart for Incentive Compensation Approval Requirement.
- Reviewed and determined, in conjunction with the Risk Management Committee, that the Bank's current compensation programs continue to be aligned with the Bank's Risk Appetite Framework, the Financial Stability Board's Principles for Sound Compensation Practices, and OSFI's requirements.
- Reviewed the compensation of each member of Executive Management, received the reports of an

independent compensation consultant to the Committee, and made recommendations to the Board.

- Reviewed annual performance information and reported to the Board its conclusions on variable pay compensation for Executive Management, including individual performance and retention awards.
- Reviewed and made recommendations to the Board for approval of the short-term incentive awards in respect of fiscal 2023.
- Reviewed and made recommendations to the Board for approval of long-term incentive awards, including option and restricted share units pursuant to the Bank's long-term incentive plans.

Pension Plan

- Administered and reviewed the Bank's Master Trust and Pension Plan Performance Report.

Corporate Governance

- The Committee received reports on shareholder engagement activities and outreach.
- Oversaw the Board self-assessment process administered by an external advisor, to evaluate the effectiveness of the Board of Directors, the committees and their members.
- Reviewed the Board Committee structure, new and revised committee mandates and committee membership.
- Reviewed the updates made to recent regulatory and governance changes and recommended to the Board changes to the Bank's governance practices.
- Reviewed and recommended to the Board the approval of HRCG Committee mandate.
- The Committee Received the 2022 Board Games.
- The Committee Received the Kingsdale Report for 2022 AGM.
- The Committee received the Inclusion & Equity Strategy and 3-Year Plan.

David Mowat, Chair of the Human Resources and Corporate Governance Committee

The following reports cover the period from November 1, 2022 to October 31, 2023.

Audit Committee Report

Members

Nicholas Zelenczuk, FCPA, **Chair**

Sonia Baxendale

David Mowat

Susan Wolburgh Jenah

100% attendance in 2023

6 regular meetings

0 special meeting

100% independent

Within the meaning of NI 52-110

100% financially literate

Each member can read and understand a set of financial statements that are comparable in scope and complexity to our financial statements, which is consistent with the meaning set out in NI 52-110.

The Audit Committee is primarily responsible for overseeing the integrity of the Bank's financial reporting, compliance, standards for ethical behaviour, internal control functions as well as the work of the Bank's internal and external auditor. In addition, the Audit Committee is also responsible for overseeing the climate-change related disclosure as part of the Bank's financial reporting of ESG matters, the qualifications and independence of the external auditor and the work of the Bank's financial management and external auditor in these areas.

The Audit Committee reviews and recommends to the Board for approval, the Bank's annual and interim consolidated financial statements and related management's discussion and analysis and selected disclosure documents, including information pertaining to the Audit Committee contained in the Bank's AIF and any other financial information required by regulatory authorities, in each case, before they are released to the public or filed with the appropriate regulators.

In accordance with NI 52-110, the Audit Committee ensures that there are procedures in place for the receipt, retention and treatment of complaints received by the Bank regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. In this regard, the Bank has established a Whistleblower Policy outlining such confidential reporting process.

The members of the Audit Committee met on a quarterly basis with the officers with oversight functions (Internal Audit and Chief Financial Officer) and with the External Auditor in the absence of management. The members of the Committee also met in camera in the absence of management at all meetings.

External Auditor

- Supervised a tender process initiated in January 2023 in relation to the engagement of the Bank's external auditor for the 2024 fiscal year. Based on the results of this rigorous process, the Board recommended that EY be reappointed as the Bank's auditor for the 2024 fiscal year.
- Monitored the Bank's external auditor's engagement throughout the year.
- Reviewed and approved the 2023 Audit Plan as well as detailed information regarding key audit and accounting issues pertaining to the annual audit, and their quarterly reports pertaining to the review engagements.
- Performed the annual assessment of the external auditor, including audit quality considerations, auditor independence, fees, objectivity and professional skepticism. Also performed the annual assessment of the quality of the engagement team provided by the external auditor and the CPAB inspection findings. Based on its evaluation, the Audit Committee recommended to the Board of Directors the appointment of the external auditor.
- Reviewed and recommended for approval by the Board the *Policy on Continuous Disclosure* and the *Policy on Public Disclosure of Risk Information*.
- Reviewed the Policy on Approval of Services Provided by External Auditors. Further details on the auditor's fees for the last fiscal year can be found under the section Appoint the Bank's Auditor of this Circular.

Internal Audit Function

- Reviewed and approved the mandate and audit plan of the Internal Audit function and ensured the sufficiency of its resources. It also examined the main findings, recommendations and follow-ups related to the audit Plan, as well as the internal auditor's opinion on internal controls.
- Met on a quarterly basis with the Bank's internal auditor, including in the absence of management, to discuss all aspects of its mandate and any related issues.
- Reviewed the independence and performance of the Chief Internal Auditor and the Internal Audit function for 2023 and the Internal Audit function's budget for fiscal 2023, including staffing complement.

- Reviewed and approved the 2023 Internal Audit Charter.

Financial Information

- In accordance with its mandate and the Bank's Financial Information Disclosure Policy, the Audit Committee reviewed, and recommended for approval by the Board, the Bank's Consolidated Financial Statements prepared in accordance with IFRS and related MD&A, financial releases, and the AIF.
- Reviewed and approved the mandate of the CFO and assessed the role's effectiveness.
- Reviewed the mandate and position description of the Corporate Treasurer.
- Reviewed, and recommended for approval by the Board, earnings releases on quarterly and annual results.
- Reviewed the annual financial statements of the subsidiaries regulated by OSFI.
- Reviewed and approved the financial statements of the Bank's various pension plans.
- Reviewed the loans which exceed ½ of 1% of the regulatory capital of the Bank, where a loss to the Bank has occurred.
- Reviewed and recommended for approval by the Board an increase of the quarterly dividend on the common shares, the new Covered Bond Program, the Limited Recourse Capital Notes issuance and the payment of coupons on the Limited Recourse Capital Notes.
- Reviewed and approved the Audit Committee's revised mandate.
- Reviewed and recommended to the Board the approval of the Bank's revised Disclosure Policy.

Internal Controls

- Ensured that management had implemented and maintained appropriate internal control procedures, including internal control over financial reporting. During the year, the Audit Committee reviewed management's progress toward its assessment that internal control over financial reporting was effective and received management's report each quarter and for the year ended October 31, 2023.
- Reviewed a letter of certification from management covering all of the Bank's operations for the fiscal year ended October 31, 2023 and for each of the quarters of fiscal 2023.
- Closely assisted management to understand whether the mainframe outage had an impact on the effectiveness of the disclosure controls and procedures and the internal controls over financial reporting, concluding that the annual financial statements for October 31, 2023 do not contain any material misstatements.

Regulatory Authorities

- On an ongoing basis, the Audit Committee ensured that proper consideration was given to the recommendations and questions raised by the regulatory authorities, including reports on significant legislative and regulatory developments, significant litigation, compliance with banking law and regulatory matters, material transactions with related parties, and the Bank's whistleblowing regime.
- Reviewed reports from management regarding the Bank's regulatory capital ratios.
- Reviewed reports from the Chief Internal Auditor on the handling of complaints, investigations and comments about suspicious accounting and audit-related activities.
- The Audit Committee, along with the other members of the Board, met with representatives of OSFI in the absence of management.

Nicholas Zelenczuk, FCPA, Chair of the Audit Committee

Governance and Compliance Committee Report

Members

Sonia Baxendale, **Chair**

Laurent Desmangles

Michelle R. Savoy

Susan Wolburgh Jenah

100% attendance in 2023

3 regular meetings

1 special meeting

100% independent

within the meaning of NI 52-110.

The GC Committee is responsible for developing the Bank's approach to corporate governance issues and is charged with enhancing the Bank's governance. As part of its mandate, the GC Committee reviews and evaluates the Bank's governance practices against the standards set by OSFI and other regulatory authorities, as well as Canadian best practices in order to continue to meet the Board's objectives. The GC Committee regularly reports to the Board to ensure that important governance matters are considered and emerging best practices, where appropriate, adopted. It also ensures that the Bank's strategies and organizational culture integrate environmental, social and governance principles.

The mandate of the GC Committee also includes reviewing the size and overall composition of the Board with a view to assisting the Board in determining whether it is appropriate to undertake a program to increase or decrease the number of directors of the Bank, reviewing proposed new nominees to the Board and reviewing and assessing, on a periodic basis, the performance and contribution of the directors of the Bank.

Under the *Bank Act* (Canada), the Board is required to have a Conduct Review Committee. The mandate of the Board's GC Committee includes the responsibilities that must be discharged by the Conduct Review Committee. The GC Committee is responsible for oversight of transactions with related parties, which refers to transactions between the Bank and its directors and senior officers as defined under the *Bank Act* (Canada). The GC Committee has established procedures to ensure that the any related party transactions are conducted under terms and conditions that are at least as favourable to the Bank as market terms and conditions and otherwise carried out in accordance with requirements under the *Bank Act* (Canada).

The GC Committee is responsible for overseeing legal, ethics and regulatory compliance risk management activities, such as, but not limited to, Regulatory Compliance, Privacy, Consumer Protection, Anti-Money Laundering and Terrorist Financing, Sanctions, Anti-Bribery and Anti-Corruption.

The members of the Committee met on a quarterly basis with the officers charged with oversight functions (CLO, CCO and CAMLO) to discuss all aspects of their respective mandates and related issues. The members of the Committee also met *in camera* in the absence of management at all meetings, including special meetings.

Corporate Governance

- The Chair met with shareholders, shareholder advocacy groups and advisors to discuss the Bank's compensation program and practices.
- The Committee received reports on shareholder engagement activities and outreach.
- Reviewed the compliance reports on background checks on directors and senior management, as required by OSFI's E-17 Guideline.
- Oversaw the Board self-assessment process, to evaluate the effectiveness of the Board of Directors, the committees and their members. Further information on this process can be found in the *Annual Evaluation* section at page 30 of this Circular.
- Monitored the preparation of this Circular.
- Reviewed the composition of the Board and each of its Committees, taking into consideration the current strengths, skills and experience on the Board, the planned retirement of Board members and the strategic direction of the Bank, and in consultation with the Chair of the Board, made recommendations relating to Board and Committee renewal, including the selection of director nominees, as is more fully described in the *Director nominees* and *Composition of the Board* sections at page 12 and 27 of this Circular.
- Reviewed the updates made to recent regulatory and governance changes and recommended to the Board changes to the Bank's governance practices.
- Reviewed and recommended to the Board for approval the *Board Governance Policy and the Governance Documents Policy*.
- Reviewed and recommended to the Board the approval of Board and Committees mandates, including the addition of environmental and social responsibility to Committee mandates.

- Reviewed and recommended to the Board for approval the mandates for the Board Chair, the President and CEO, the COO, and the CLO.
- Reviewed and recommended to the Board the approval of the Board conflict management process.
- Recommended to the Board changes to the Bank's governance practices
- Reviewed and recommended to the Board the approval of the revised DDSUP.

Oversight of Legal, Ethics, Privacy, Regulatory Compliance and Anti-Money Laundering Functions

- Reviewed the CLO's report, including material litigation and oversight of the ethics program and whistleblower complaints.
- Reviewed regular reports about the progress and remediation of the Regulatory Compliance Management program (including the financial consumer protection program and the privacy program) and AML and anti-terrorist financing program.
- Reviewed and approved or recommended to the Board for approval the *Regulatory Compliance Management Policy,* the *Anti-Money Laundering and Anti-Terrorist Financing Policy,* the *Anti-Bribery and Anti-Corruption Policy, the Sanctions Policy* and the *Privacy Polic*y.
- Reviewed the Bank's Compliance, Privacy, Anti-Money Laundering and Anti-Terrorist Financing activities periodically to make sure they are accorded the necessary organizational importance and resources, degree of independence and visibility.
- Reviewed and approved the mandates for the CLO, CCO, CAMLO and the CPO.
- Reviewed the annual reports of the CCO and the CAMLO, providing input into the assessment of each officer's effectiveness and performance and compensation.
- Recommending the approval of the budget and resources for the Regulatory Compliance Management program and AML and anti-terrorist financing program.
- Held *in camera* meetings with each of the CLO, CCO and CAMLO.

Conduct Review

- Reviewed the decisions of the Bank's Conduct Review Committee to fulfill the Board's reasonability.

Sonia Baxendale, Chair of the Governance and Compliance Committee

Human Resources Committee Report

Members

David Mowat, **Chair**
Andrea Bolger
Suzanne Gouin

100% attendance in 2023

3 regular meetings
0 special meeting

100% independent

within the meaning of NI 52-110.

The HR Committee is responsible for overseeing the administration of the Bank's equity compensation plans, assists in the discharge of the Board's responsibilities relating to the compensation of certain of the Bank's executives, reviews and makes recommendations on director and executive compensation, including the compensation package of the Chief Executive Officer, and is responsible for approving the Bank's report on executive compensation, as required by applicable securities laws. The HR Committee oversees key culture and human resources strategies, including employee engagement, employee health and well-being, equity, and diversity and inclusion. It also serves as the Board's nominating committee and oversees the Board assessment process.

The members of the Committee met on a quarterly basis with the officers charged with oversight functions (President and CEO, and COO) to discuss all aspects of their respective mandates and related issues. The members of the Committee also met *in camera* in the absence of management at all meetings, including special meetings.

Human Resources

- Reviewed and approved the Bank's Compensation Policy, executive compensation practices and program design to continue to retain and attract talent, the main provisions of which are presented in the *Executive Compensation* section at page 42 of this Circular.
- Reviewed and determined, in conjunction with the Risk Management Committee, that the Bank's current compensation programs continue to be aligned with the Bank's Risk Appetite Framework, the Financial Stability Board's Principles for Sound Compensation Practices, and OSFI's requirements.
- Reviewed and recommended changes to the organizational structure of the Bank to the Board.
- Reviewed and approved the mandates for key executive roles including control function heads.
- Reviewed the compensation of each member of Executive Management, received the reports of an independent compensation consultant to the Committee, and made recommendations to the Board.
- Reviewed annual performance information and reported to the Board its conclusions on variable pay compensation for Executive Management, including individual performance and retention awards.
- Reviewed and approved an updated Change of Control and Clawback policies, to support the Bank's strategic initiatives and plans.
- Reviewed and made recommendations to the Board for approval of long-term incentive awards, including option and restricted share units pursuant to the Bank's long-term incentive plans.
- Reviewed and made recommendations to the Board for approval of the new vacation and flex days policy applicable for Executive Management.
- Reviewed and made recommendation to the Board for approval of a special incentive payment to executives who were playing a key role in the Bank's strategic review.
- Approved the employee salary budget for 2024.
- Reviewed together with the Board the talent management report and succession plan.
- Recommended enhancements to the Bank's disclosure as described in the *Executive Compensation* section at page 42 of this Circular, in accordance with industry and corporate governance best practices.

Pension Plan

- Administered and reviewed the Bank's pension plans, including performance of such plans.
- Reviewed and approved a strategy for further de-risking the Bank's pension plans by increasing significantly the weight of the liability-driven investment strategy.

David Mowat, Chair of the Human Resources Committee

Risk Management Committee Report

Members

Andrea Bolger, **Chair**

Laurent Desmangles

Suzanne Gouin

Michelle R. Savoy

Nicholas Zelenczuk

100% attendance in 2023

5 regular meetings

2 special meetings

100% independent

within the meaning of NI 52-110.

The Risk Management Committee is primarily responsible for risk oversight and advising executive management on highly sensitive matters and strategic issues as they relate to the Bank's risk appetite framework.

This committee is also responsible for identifying the Bank's principal risks and ensuring the implementation of systems capable of managing them appropriately. It approves material frameworks, plans and policies and ensures the integrity and effectiveness of internal controls and systems. In addition, the Risk Management Committee oversees regulatory risk management and ensures the Bank's Management has established appropriate mechanisms for compliance with various laws and regulations including requirements under the *Bank Act* (Canada).

As part of its oversight of enterprise-wide risk, the Risk Management Committee is also responsible for overseeing the identification of new and emerging risks, including those associated with environmental and social issues.

The Risk Management Committee is responsible for oversight of transactions with related parties, which refers to transactions between the Bank and its directors and senior officers as defined under the *Bank Act* (Canada). The Risk Management Committee has established procedures to ensure that any related party transactions are conducted under terms and conditions that are at least as favourable to the Bank as market terms and conditions and otherwise carried out in accordance with requirements under the *Bank Act* (Canada).

The committee met on a quarterly basis with the officers charged with oversight functions in the absence of management to discuss all aspects of their respective mandates and related issues. The members of the Committee also met *in camera* in the absence of management at all meetings, including special meetings if any.

Risk Oversight

- Oversaw market risk exposures.
- Oversaw aggregate credit profile and appetite.
- Reviewed and approved the Bank's significant financial and non-financial risks.
- Reviewed and approved significant industry, market and portfolio risks and limits.
- Reviewed quarterly risk reports on the Bank's risk profile, and discussed the top and emerging risks.
- Dedicated significant time to oversee technology, cybersecurity, climate change and operational risks.
- Had specific meetings on the Technology risk and the overall roadmap to enhance our risk posture.
- Met with executives to discuss risk considerations, exposures and commercial initiatives relative to their strategies and plans.
- Received regular updates on the regulation regarding capital and liquidity risk governance, including the implementation of the new capital rules (Basel III).
- Monitored the implementation of the advanced internal rating-based approach.
- Received the Client Complaints Appeal Office annual report (formerly the Ombudsman).
- Reviewed the Bank's resolution and recovery plans and received reporting on recovery plan testing.
- Reviewed changes to the insurance program, including cybersecurity.
- Reviewed quarterly reports on litigation matters.
- Reviewed the Capital Adequacy report (ICAAP) and recommended capital targets to the full Board.
- Reviewed and approved the Bank's stress test results.
- Reviewed and approved the committee's mandate.
- Approved mandates for the CRO, Chief Information Technology Officer and Head of Operations.

Risk Appetite Framework

- Reviewed the enterprise risk appetite framework and its alignment with the Bank's strategic plan, and recommended this, along with an enterprise-wide risk management framework, to the Board for approval.
- Reviewed significant risk management frameworks, including with respect to cybersecurity.
- Reviewed and approved the Bank's recovery plan.
- Reviewed the IT Governance Framework and the IT Security Plan.
- Received reports from the Chief Internal Audit as well as reports on related party transactions.
- Reviewed and recommended to the full Board target operating levels for Capital Ratios consistent with the business strategy and risk appetite.
- Reviewed and approved the assumptions used for capital stress-testing scenarios.

Risk Culture

- Received updates on evolving regulatory expectations surrounding risk culture.
- Reviewed the Bank's risk culture initiatives including strengthening business compliance capability, oversight of reputational risk, third party supplier risk, and evolving the Bank's culture.
- Received reports on OSFI's findings and recommendations and monitored management's resolutions actions including providing advice on strategy.

Compensation Risk

- Coordinated with the HR Committee in the review of key elements respecting the Bank's executive compensation program, including plan design, targets, metrics and potential payouts; risks associated with executive compensation, incentive plans, business performance factors and incentive awards.
- Concluded with the CRO that no adjustment was required as risks were within the Bank's appetite.

Oversight of Risk Functions

- Reviewed regular reports about the regulatory compliance program and AML and anti-terrorist financing programs as part of CRO reporting.
- Reviewed the mandates of the CRO, and provided input on the CRO's effectiveness, performance and compensation.

Andrea Bolger, Chair of the Risk Management Committee

2.8 Engaging with Shareholders and Other Stakeholders.

The Board and management recognize the importance of timely and meaningful feedback from shareholders and other stakeholders. Accordingly, we facilitate open and constructive communication and regularly review the Bank's engagement strategies for alignment with best practices. The Bank communicates externally through various channels, including the Bank's Annual Report, Management Proxy Circular, AIF, ESG Report, news releases, website, and meetings. The Bank's quarterly earnings call is open to all and is broadcast live. In addition, the Bank's website provides extensive information about the Board, its mandate, the Board committees and their charters, as well as information about the Bank's directors.

Feedback from institutional shareholders comes from one-on-one or group meetings, and by email or telephone from retail shareholders, in addition to regular informal interactions on specific questions between the Bank's Investor Relations Team and shareholders. During the past year, engagement has been a priority for the Board. The Chairs of the Board, HR Committee and GC Committee held a number of shareholder engagement meetings to gain feedback from shareholders on the Bank's governance practices and ways to improve them. The Bank's outreach initiatives helped the Bank to understand common areas of concern, the majority of which have been addressed through enhanced disclosure. More information is provided in the *Executive Compensation* section at page 42 of this Circular.

The Board is committed to being responsive to shareholder concerns and taking meaningful and appropriate actions in response. We believe the Bank's approach reflects best practices in shareholder engagement. To communicate directly with the Board, we encourage shareholders to contact the Bank by email to the Bank's Corporate Secretary at corporate_secretariat@lbcfg.ca, directly to the Chair of the Board at michael.boychuk@lbcfg.ca, or by mail at 1360 René-Lévesque Boulevard West, Suite 600, Montréal, Québec, H3G 0E5.

2.9 Disclosure Policy.

During the year the Board reviewed and updated the Bank's Continuous Disclosure Policy which describes its policies and procedures relating to the treatment and dissemination of material information. The Continuous Disclosure Policy designates certain employees as authorized spokespersons of the Bank and establishes disclosure guidelines for how the Bank will make timely, accurate, factual, and balanced disclosure of material information so as to keep its investors and other interested parties fully and equally informed about the Bank's operations. The Continuous Disclosure Policy also includes various procedures designed to maintain the confidentiality of material information prior to its proper release; to avoid selective disclosure and information leaks; and to ensure that timely and accurate information is provided by the consolidated subsidiaries of the Bank to senior management of the Bank for inclusion in the Bank's statutory disclosure documents. The Board and, as applicable, the Audit Committee and GC Committee, approve the statutory disclosure documents prior to their distribution to shareholders.

2.10 Trading in Bank Securities.

As a reporting issuer in Canada, the Bank and its directors, officers and employees are governed by securities laws and regulations relating to the treatment of material non-public information and the trading of the Bank's securities. In 2023, the Board amended its Policy on Trading by Insiders and Prohibited Transactions on Bank Securities with respect to the trading of Bank securities. The objectives of this policy is to inform the Bank's insiders and employees of their obligations and responsibilities with respect to transactions involving the Bank's securities as well as to establish certain internal rules regarding such transactions and the use of material non-public information with respect to the Bank. The policy includes provisions with respect to insider reporting requirements and the treatment of non-public material information, and rules governing transactions and prohibited transactions.

2.11 Advisory Vote on Executive Compensation.

Shareholders are asked to vote annually on a resolution concerning the Bank's approach to NEOs' compensation. This resolution is on an advisory basis only and does not bind the Board. However, the Board takes the results of the vote into account during its deliberations on further modifications to policies, procedures and decisions concerning the compensation of NEOs. If a significant number of shareholders vote against the resolution, the Board will consult shareholders in order to gain a better understanding of their concerns and positions.

We were pleased that in 2023, 89% of shareholder votes were in favour of the Bank's approach to executive compensation.

03 Executive Compensation.

3.1 A word from the Chair of the HR Committee.

David Mowat, Independent Director

Dear fellow shareholders,

As the Chair of the Human Resources Committee of Laurentian Bank, I am pleased to highlight some of the work that has been done over the past year.

In 2023 we experienced a number of uncertainties, including ongoing macroeconomic challenges, the review of the Bank's strategic options and a number of senior leadership changes. In this context, our priorities have been retaining key talent and ensuring continuity within the Bank.

Ensuring Alignment with Stakeholders' Interests for the Strategic Review

Having completed two years of our strategic plan, coupled with a changing macroeconomic environment and evolving customer expectations, our Board and Executive Management felt it was prudent to embark on a review of our strategic options to determine the best path forward for the Bank to maximize shareholder and stakeholder value. Throughout the review process, we evaluated a range of options, including the sale of the whole bank, divestment of certain businesses, as well as accelerating our already proven strategic plan.

Based on that review, the Board, with the support of Executive Management, unanimously concluded that the best path forward was to embark on an accelerated evolution of our current strategic plan with an increased focus on efficiency and simplification.

The role of the HR Committee in this strategic review was to ensure that the interests of management and shareholders were aligned. As is regular market practice, and in-line with recommendations from the Bank's external executive compensation firm, an incentive pool was established at the outset of the strategic review process to retain key talent. The group of individuals eligible for these payments were critical to the review and the ongoing operations of the Bank, performing both duties at the same time throughout the review period.

Supporting Leadership Changes

Our ongoing leadership succession planning proved invaluable and relevant this year. This robust exercise was not only key in identifying successors with the necessary skills, it immediately started the process of identifying others to take on new roles in the future.

The Board had previously identified Éric Provost as a President & CEO successor, and he was appointed on October 1, 2023. Éric's immediate focus has been on building his team, with succession as a priority. We are committed to fully supporting Éric in refreshing the Bank's strategic plan and putting in place a strong executive leadership team to execute on that plan.

Updating Total Rewards' Policies and Benchmarking our Practices

Over 2022 and 2023, the HR Committee and Executive Management undertook a holistic review of the Bank's executive compensation, starting with the compensation philosophy. The compensation philosophy is designed to reward results and desired behaviours. The strategy is to instill a performance-oriented culture that attracts and retains leaders who deliver value for our customers, which in turn creates value for shareholders.

In 2023, we reviewed and approved updated *Change of Control and Clawback* policies, to support our strategic initiatives and plans.

Also, in order to support the strategic plan and align with the industry's best practices, a benchmarking exercise was conducted on our short-term and long-term incentive programs.

Advancing Equity, Diversity & Inclusion (ED&I) Initiatives

We continue to enrich our ED&I journey with initiatives that have included a bank-wide Human Rights baseline and the launch of our fourth Employee Resource Group with a focus on newcomers to Canada. Other key highlights include the addition of a designated Chief Inclusion and Equity Officer and signing on to the Women in Capital Markets' Parental Leave Pledge.

ED&I objectives continue to be included in each of the leaders' scorecards to reinforce the importance of attaining our 5-year targets for women and BIPOC representation in both executive and student positions.

Additional details on ED&I are provided under the section *Our Commitment to Equity, Diversity and Inclusion* of at page 22 this Circular.

Conclusion

On behalf of my fellow Board members, I would like to thank the employees at Laurentian Bank for their dedication to our customers and for their resiliency. Through all the challenges faced last year, one of the key highlights of 2023 is the increase of 3 percentage points in employee engagement and a decrease in turnover.

On behalf of the HR Committee and the Board, I encourage reading the compensation discussion and analysis in the following pages of this Circular and invite you to vote on the Bank's approach to executive compensation at this year's Annual Meeting.

Sincerely,

David Mowat, Chair of the HR Committee

3.2 Compensation Discussion and Analysis.

Our executive compensation program is designed to attract, retain, and reward an experienced team of executive officers responsible for the execution of strategic objectives, driving sustainable growth and creating long-term value for shareholders.

This section of the Circular presents a discussion of our approach to compensation including information about the compensation practices, market research, policies, and methods used in determining compensation, and detailed information regarding the structure and awards for the NEOs of the Bank:

- **Éric Provost**, President and CEO
- **Yvan Deschamps**, Chief Financial Officer
- **Sébastien Bélair**, Chief Operating Officer
- **William Mason**, EVP and Chief Risk Officer
- **Kelsey Gunderson**, EVP, Capital Markets
- **Rania Llewellyn**, Former President and CEO

3.3 Compensation Governance.

The Board is responsible for overseeing compensation principles, policies, programs and decisions. The HR Committee, which is comprised of independent directors, supports the Board in this work with the advice of external independent compensation advisors, as needed. Namely, the HR Committee:

- Reviews and recommends for Board approval an *Executive Compensation Policy* which establishes a framework for the Bank's compensation practices;
- Approves all elements related to compensation, including individual and financial objective setting, incentive programs design, long-term incentive grants and pension & benefits programs;
- Comments on the performance evaluations and provides recommendations to the Board for the members of the executive committee, which reports directly to the Bank's President and CEO; and
- Approves the disclosure of executive compensation.

More information on the mandate of the HR Committee is provided in the *Corporate Governance* section at page 21 of this Circular.

Management supports the HR Committee in its oversight of executive compensation by developing compensation policies, practices and programs to support the Bank's needs and regulatory requirements. The CHRO advises the President and CEO and the HR Committee on compensation recommendations for executives. In addition, the President and CEO and the CHRO attend meetings of the HR Committee but do not have the right to vote on any matter. Other senior officers may also attend for parts of a meeting for presentation purposes. No executive officer, including the President and CEO, is present when decisions regarding compensation are made.

HR Committee

The Board recognizes the importance of appointing individuals to the HR Committee who have the necessary background and the competencies to fulfill the committee's obligations with respect to executive compensation and risk management. Members of the HR Committee have been selected to ensure the committee has the knowledge, skills, and experience required to make informed inquiries and decisions on the suitability of compensation policies and practices. All members of the HR Committee have significant expertise in executive compensation and human resources gained as senior leaders and directors of other organizations. This experience includes the following:

Talent Management & Compensation Experience with compensation, pension and benefit programs (in particular, executive compensation)	**3 of 3**
Risk Management & Risk Governance Knowledge and experience with internal risk controls, risk assessments and reporting	**3 of 3**
Executive Leadership Experience as a senior executive/officer of a public company or major organization	**3 of 3**

All members of the HR Committee are independent. Additional information regarding the HR Committee members standing for election as directors is provided in the *Director Nominees* and *Board Committee Reports* sections at page 12 and 31 of this Circular.

The HR Committee adheres to various governance best practices to ensure the effective oversight of the Bank's compensation framework, including holding *in camera* sessions in the absence of management during each meeting, including special meetings.

Independent Advice

External advisors are regularly retained to provide an external perspective relating to compensation plan best practices, design and governance and to analyze and compare the target compensation of the Bank's executives and directors against an appropriately constituted reference group. Since 2017, the HR Committee has retained Hexarem, which has extensive executive compensation expertise, to provide independent advice with respect to the Bank's compensation practices. In May 2023, the HR Committee retained Hugessen for their compensation expertise related to the strategic review of the Bank. All decisions and actions taken by the HR Committee and Board have been based on numerous factors and circumstances, which may, but do not necessarily, reflect the information or advice obtained from its advisors. Informations regarding the fees paid to the HR Committee's independent advisors are disclosed below.

Advisor	Executive Compensation-Related Fees ($)		All Other Fees ($)	
	2023	2022	2023	2022
Hexarem	44,394	57,349	—	—
Hugessen	173,616	—	—	—

Summary of Compensation Policies and Practices

The Bank strives to inspire and engage employees to work as One team, instill a performance-oriented culture and create an equitable, diverse and inclusive environment where everyone belongs. We want that culture to be reflected in our executive compensation, to attract and retain leaders who are ready to deliver for our clients and create value for shareholders. We want to tie strategy, core values and purpose to our compensation framework, which must:

- Be effective to attract, and retain desired calibre of talent in a highly competitive market
  - Pay-for-performance is a key component of the compensation design. To compete for talent and to recognize the evolution of the Bank, target total compensation will be positioned at the median of the market, with the flexibility to pay above the median for critical talent and high performers.
- Be resilient, which acknowledges the current transformation objectives
  - The compensation framework promotes sound risk-taking, supported by the Compensation Committee (CEO, CHRO, VP Total Rewards, HR Committee members, external consultants) which annually reviews the executive compensation program, to ensure reasonableness, sustainability and alignment with best practices, good governance and alignment with the Bank's talent and strategic ambitions.

- Retain focus on enterprise operational / financial results as One Team
  - We want the compensation framework to drive execution and contribute successfully to our growth, while encouraging team work.
- Align pay outcomes with behaviours and ESG priorities
  - To attract and retain the desired calibre of talent, we provide a market-based and competitive total compensation package that rewards leaders who demonstrate behaviours aligned with our core values and purpose.
- Provide relatively higher risk / reward profile of overall compensation package to align with new strategy
  - The Bank aims to provide relatively higher leverage and differentiation, based on results and desired behaviours. To deliver on our strategic plan, short to medium term results are critical to support the long-term vision.

Every year, the HR Committee, in conjunction with the Risk Management Committee, considers the risks associated with the Bank's compensation policies, programs and practices in the course of reviewing and recommending to the Board the compensation of the NEOs. Our approach to compensation incorporates features designed to mitigate risk without diminishing the incentive nature of compensation, and encourages and rewards prudent business judgment and appropriate risk taking over the long term. Examples of such risk mitigation strategies include the use of long-term incentives which vest only upon the achievement of performance-based and time-based criteria, executive share ownership and hold guidelines and anti-hedging and clawback provisions, all of which ensure alignment with shareholder interests over the long term.

The Bank's approach aligns compensation practices with performance and reinforces a strategy-driven and risk-controlled approach:

What we do

- Provide shareholders with an opportunity to vote on an advisory *Say on Pay* resolution regarding the Bank's approach to executive compensation;
- Oversee the calculation of short- and long-term variable compensation based on complementary financial and non-financial metrics;
- Align the Bank's compensation programs with its corporate strategy through short- and long-term strategic goals;
- Ensure that a significant proportion of compensation is conditional on the performance of the Bank and the individual;
- Assess target compensation for executive officers with reference to an appropriate and representative peer group;
- Review the information on organizations used in the Bank's peer group for benchmarking purposes;
- Retain an independent compensation advisor to obtain necessary information about trends and best practices on compensation policies and programs;
- Tie a majority of senior executives' compensation to shareholders' return;
- Defer a substantial portion of incentives for employees whose actions may have a material impact on the Bank's risk profile to ensure they are accountable for decisions that may entail greater long-term risk;
- Link the vesting of long-term incentive awards to the achievement post-grant of long-term performance goals, with the result that approximately 70% of NEO and 75% of CEO target total direct compensation is at risk;
- Require substantial minimum share ownership at the senior executive level, and for the President and CEO extending ownership requirements for 12 months following retirement, reinforcing alignment with shareholders;
- Include relative and absolute performance vesting conditions in the design of the PSUs;
- Require the Bank's President and CEO to hold stock option gains, net of taxes, in shares for a minimum of 12 months following retirement;

- Test compensation awards for appropriate alignment between pay and performance under several outcome scenarios;
- Allow deferred vesting of share units until after retirement;
- Include clawback provisions in the Bank's compensation plans that allow the Bank to recoup incentive compensation payments;
- Subject equity incentives to a *double trigger* which means that vesting periods may only be accelerated if an executive is terminated without cause within 24 months after a change of control; and
- Cap annual incentive payouts and PSU payouts.

What we don't do

- Guarantee bonuses;
- Allow for the repricing or backdating of stock options;
- Have single-trigger change of control benefits;
- Permit hedging or pledging of equity holdings;
- Provide severance protection in excess of 24 months of pay;
- Have excessive perquisites; or
- Excessively dilute shareholders' equity through long-term incentive programs.

Compensation Peer Group and Benchmarking

In the 2022 fiscal year, as part of our review of the executive compensation framework, the Bank completed a thorough review of its compensation benchmarking process, including data sources and market references.

As a publicly-traded, mid-sized bank in Canada, the Bank does not have one single robust sample of companies that matches its industry, size and scope of operations.

Recent past recruitment experience of executive roles indicated various talent markets, including financial services (banking, insurance, diversified financial services and financial technology), the large Canadian banks, and broader general industry organizations for corporate function roles. To review the competitiveness of executive compensation levels, several market references were collected and reviewed, intended to represent:

- Financial services in Canada;
- Size-adjusted data from the large Canadian banks; and
- General industry in Canada.

Financial services

The financial services sample (**Select Financial Services**) for the President & CEO and for the CFO roles was comprised of publicly-traded organizations, with market data collected from public filings – this is a modified sample of the group used in the past to benchmark executive pay.

Considerations when reviewing the universe of potential peer companies:

Company Structure	Industry, Size and Scope	Other Considerations
Canadian headquarters Publicly traded; and / or Large subsidiaries in Canada of global banking organizations	Select Financial Services industries including banking, specialized finance, life and health insurance, and diversified financial services Similar assets and market capitalization as the Bank (generally 1/3x to 3x)	Available disclosure of executive compensation data Peer companies included in the samples used for the Bank by ISS and Glass Lewis Peers of peer companies

As of 2022, the Financial Services peer companies are Canadian Western Bank, Equitable Group, Home Capital Group, HSBC Bank Canada, iA Financial Corporation, National Bank of Canada, TMX Group Limited and Element Fleet Management.

Market data for the financial services sample (**Broader Financial Services**) for other NEOs were collected from Korn Ferry's compensation database in Canada (Korn Ferry Pay).

Large Canadian banks

Over the past few years, the Bank's talent pool has evolved from smaller financial services companies to the larger Canadian banks, with over 70% of new executives coming from the large Canadian banks.

When comparing to the large Canadian banks, benchmark matches were level adjusted to reflect the size and scope of executive roles at the Bank. The President & CEO compensation was compared to size-adjusted Group Heads of personal and commercial banking (from public filings) and all executives at the EVP level. All other NEOs were compared to executives at the EVP and SVP levels.

General industry

Market data was collected for a broad sample of organizations in Canada participating in Korn Ferry Pay. Details of the various market references:

	Select Financial Services	Large Canadian Banks	Broader Financial Services	General Industry
Source	Public Filings	Public Filings and Korn Ferry Pay	Korn Ferry Pay	Korn Ferry Pay
Screening criteria	Publicly traded	Large five Canadian banks	Banking, insurance and Broader Financial services Revenues greater than $500 million	All industries Revenues greater than $500 million
Sample size and peer group companies	8 companies: ▪ Canadian Western Bank ▪ Element Fleet Management ▪ Equitable Group ▪ Home Capital Group ▪ HSBC Bank Canada ▪ iA Financial Corporation ▪ National Bank of Canada ▪ TMX Group Limited	5 companies: ▪ Bank of Montreal ▪ The Bank of Nova Scotia ▪ Canadian Imperial Bank of Commerce ▪ Royal Bank of Canada ▪ The Toronto-Dominion Bank	Participating organizations in Korn Ferry Pay in Canada who meet the above screening criteria	
Benchmark matches				
President & CEO	CEO roles	Average-Size-adjusted Group Heads of personal & commercial banking and EVP level	--	--
CFO	CFO roles	Average of EVP and SVP levels	Roles within a similar range of Hay Points to the LBC roles	
Other NEOs	--	Average of EVP and SVP levels	Roles within a similar range of Hay Points to the LBC roles	

3.4 Named Executive Officer Compensation.

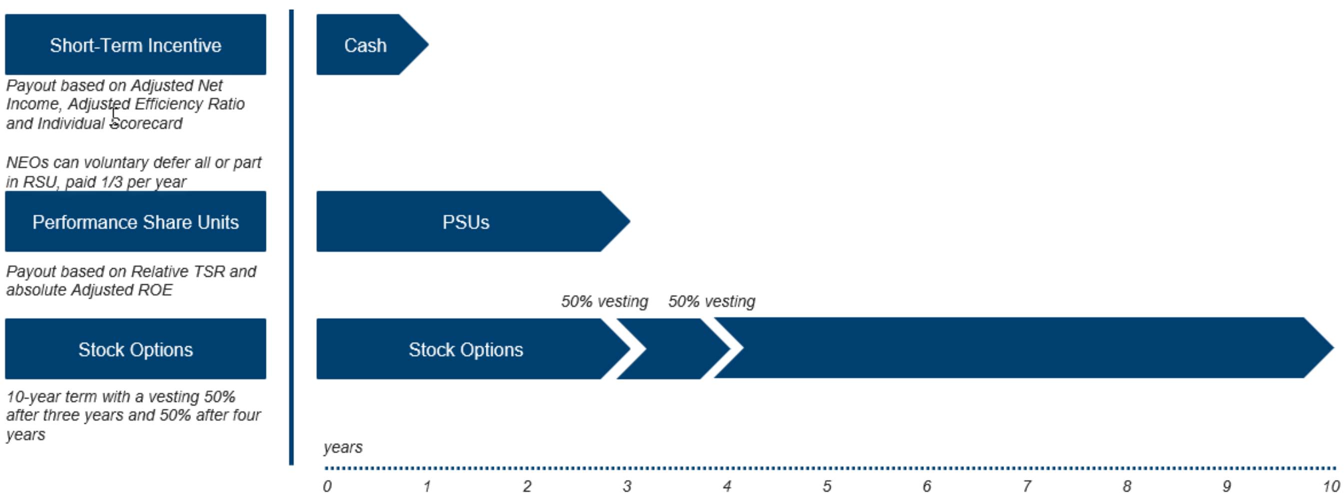
The Bank's target total direct compensation for NEOs, including the President and CEO, is comprised of the following:

- Base salary;
- Short-term incentives (STI);
- Performance Share Units (PSUs); and
- Stock options.

The target total direct compensation of the Bank's President and CEO consists of a mix of 25% fixed and 75% at-risk compensation. For other NEOs, the pay mix consists of 30% fixed and 70% at-risk compensation.

The NEO incentive compensation program is designed to align pay with the interests of shareholders with an emphasis on long-term value creation. Short-term incentives link annual pay to a Financial Performance Factor, based on the Bank's adjusted net income and the Bank's adjusted efficiency ratio relative to their respective target for the year, and an Individual Performance Factor based on the achievement of individual goals.

In fiscal 2023, the Bank's PSUs, which represent 70% of the long-term incentives granted to NEOs, are at risk over 3 years. Half of PSU vesting is based on relative TSR against the XFN Financials Index Fund TSR. The other half of PSU vesting is based on adjusted ROE relative to the Bank's budget. Stock options represent 30% of the long-term incentive value granted to NEOs. The stock options vest 50% after 3 years and 50% after 4 years and tie realized NEO pay to shareholder return for up to 10 years.



Base Salary

The base salary provides NEOs with a base level of earnings throughout the year; and is determined based on the following criteria:

- Performance and individual contribution;
- Responsibility level; and
- Demonstrated skills and experience.

NEOs salaries are reviewed annually by the HR Committee, based on the criteria listed above and considering the President and CEO's recommendations.

Short-Term Incentive (STI)

The main purpose of the STI plan is to reward individuals for achievement of individual performance objectives as well as the Bank's financial objectives that occurred during the year.

In fiscal 2023, the payout under the program was calculated as follows:

STI Target		Financial Performance Factor		Individual Performance Factor		Short-Term Incentive Compensation Payout
	x	*Between 0% and 150%*	x	*Between 0% and 150%*	=	*Between 0% and 225%*

Short-Term Incentive Target

The STI targets are based on market practices and are represented as a percentage of base salary.

	Base Salary for STI calculation	2023 STI Target
Éric Provost	$448,180	100%
Yvan Deschamps	$425,000	80%
Sébastien Bélair	$425,000	80%
William Mason	$380,000	70%
Kelsey Gunderson	$360,000	70%

NEOs can voluntarily defer part or all of the STI into RSUs payable at a rate of one third per year.

Financial Performance Factor

The Financial Performance Factor is based on the financial target established by the Board at the beginning of the fiscal year and is designed to align awards with the Bank's performance objectives to support the Bank's strategic priorities. For fiscal 2023, an additional financial metric, the adjusted efficiency ratio, has been introduced to better align the Bank's incentive and strategic plans. Having more than one financial metric is also better aligned with market practices. Consequently, the Financial Performance Factor is based at 60% on the Bank's adjusted net income (adjusted net income after taxes and before dividends) and at 40% on the Bank's adjusted efficiency ratio.

For each measure, performance is evaluated. If both overarching hurdles are not achieved, no STI awards are paid, unless the Board applies its discretionary power.

The performance levels that applied for fiscal 2023 and the corresponding Financial Performance Factor for incentive compensation purposes are summarized in the following table:

	Adjusted Net Income [1] ($ millions)	Adjusted Efficiency Ratio [1]	Financial Performance Factor
Overarching Hurdle	< 143	< 74.75%	0%
Between Hurdle and Threshold	Between 143 and 191	Between 74.75% and 71.25%	20%
Threshold	191	71.25%	50%
Target	239	67.75%	100%
Over-perform	251	67.00%	120%
Maximum	263	66.00%	150%

(1) Linear interpolation between levels, above the threshold. Adjusted Net Income and adjusted efficiency ratio are non-GAAP financial measures and do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. The most directly comparable financial measures that are disclosed in the primary financial statements of the Bank to which these measures relate are respectively the net income and the efficiency ratio. See the section entitled *Non-GAAP Financial and Other Measures*, starting on page 18 of the 2023 Annual Report, including the MD&A for the year ended October 31, 2023, which pages are incorporated by reference herein. The MD&A is available on SEDAR+ at sedarplus.ca.

2023 Results

Adjusted net income was $208.3 million for fiscal 2023, down 12% from last year. Adjusted efficiency was 69.9% for fiscal 2023. These results were driven by a volatile macroeconomic environment, the major upheaval in the U.S. banking sector and the mainframe outage that occurred in September, which unfortunately impacted our Personal Banking customers and some of our Commercial customers.

As per the 2023 STI Financial Performance Factor target, the adjusted net income and the adjusted efficiency ratio for fiscal year 2023 triggered a combined factor at 68.6% of target (i.e. weighted average of 68.1% and 69.3% respectively). No discretionary adjustment was made by the HR Committee.

Individual Performance Factor

The Bank sees performance management as a crucial exercise and a key factor in the execution of the Bank's strategic plan. The HR Committee reserves the right to take into consideration other elements when assessing an executive's performance.

Individual performance assessment is based on a balanced scorecard that takes our 4 strategic pillars into account:

Performance Pillars	
Drive Shareholder Value	Ensure our strategic foundation is strong, take the right actions to position ourselves well for future growth and deliver on our targets. Exercise efficient decision making to earn and increase profits. Enhance our cost discipline across the organization to achieve savings and improve our overall efficiency.
Customer Focus	Become a customer-first organization in everything we do and enhance customer experience, service and retention to provide long-term sustainable value. Drive customer engagement and growth across all our business lines.
Strengthen the Core	Simplify our processes and create an environment that is capable of quicker decision-making, with an innovative mindset and nimble implementation of customer centric change. Achieve operational efficiencies while cultivating a robust risk management culture. Execute on our Technology Roadmap by continuing to introduce a modern technology architecture to enhance the customer experience, promoting cyber and data security, while building up strategic capabilities in-house.
Culture and Leadership	Create an engaged workforce and empower our employees to work collaboratively as One Bank and One Team.

ESG performance objectives are included in each of the strategic pillars for all NEOs. ESG performance is included in performance evaluation and impacts compensation. In 2023, ESG performance objectives included:

- Continue the integration of ESG roadmap initiatives
- Continue the execution of the TCFD roadmap to improve the Bank's ESG scores
- Maintain a “low” ESG risk rating on Sustainalytics
- Foster a strong employee engagement through visible and inspirational leadership
    - Increase bank-wide employee engagement
    - Reduce bank-wide turnover
- Drive ongoing culture change through renewed purpose, Core Values and One Team approach to create enterprise-wide accountability
- Build diverse teams where everyone feels like they belong and implement ED&I targets
    - Increasing the percentage of women in leadership positions
    - Increasing the percentage of BIPOC community members in leadership positions
    - Meet specific targets for the recruitment from BIPOC communities

Please see section *Performance and Total Direct Compensation of NEOs* at page 63 for more details about the individual performance.

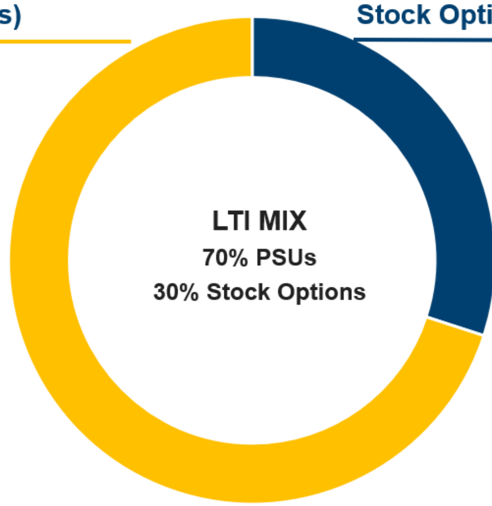
Long-Term Incentives (LTI)

The Bank's LTI program is comprised of PSUs and Stock Options and ensures alignment between executives' pay and the interests of shareholders with an emphasis on long-term value creation. The program is aligned with Canadian banking sector practices and sound governance standards. The HR Committee does not consider LTI the executive currently holds when determining new awards.

In the work leading to the approval of the LTI mix, the HR Committee and the Board reviewed pay-performance projections and sensitivity analyses. They were satisfied that the LTI mix ties NEO pay to shareholder return closely and appropriately over the long term.

Performance Share Units (PSUs)

- Vesting based on two performance metrics: Relative TSR and absolute adjusted ROE
- Payout capped at 150%
- Non-dilutive and settled in cash after three years if performance warrants
- Change of control provisions:
    - Double triggered acceleration
    - Based on actual performance upon termination
- Subject to clawback provisions



Stock Options

- Annual burn rate is capped at 1% of outstanding shares
- Vesting 50% after three years and 50% after four years
- 12-month post-exercise holding period for the CEO
- No financial assistance provided to participants for exercising the stock options
- Double triggered acceleration in case of a change of control
- Subject to clawback provisions

Performance Share Units (PSUs)

	Base Salary at the time of grant	2023 PSUs Target (% of salary) (70% of LTIP Mix)	2023 PSUs Target ($) (70% of LTIP Mix)
Éric Provost [1]	$375,000	112.0%	$420,000
Yvan Deschamps	$360,000	112.0%	$403,200
Sébastien Bélair	$330,000	112.0%	$369,600
William Mason	$380,000	112.0%	$425,600
Kelsey Gunderson	$360,000	112.0%	$403,200
Rania Llewellyn	$800,000	147.0%	$1,176,000

[1] Éric Provost was Executive Vice President at the time of grant.

PSUs vest on the third anniversary of the grant. Upon vesting, the number of PSUs is adjusted based on the Bank's performance. Since 2023, the payout has been between 50% and 150% of the number of units granted. The performance measures are:

- Three-year Total Shareholder Return (**TSR**) average compared with the Banks' performance comparator group. The performance comparator group is defined as the XFN - S&P/TSX Capped Financials Index Fund, which is comprised of Canadian financial sector issuers listed on the Toronto Stock Exchange; and
- Three-year adjusted Return on Equity (**ROE**) average compared with the target set as part of the strategic plan.

Each performance measure is equally weighted and worth 50% of the PSUs performance vesting calculation.

For the PSUs granted in 2020 that vested in December 2023, the Bank has recorded a three-year TSR below the XFN - S&P/TSX Capped Financials Index Fund, resulting in a factor of 84.6% of target.

For the second component, the Bank has recorded an average adjusted ROE of 8.43% compared to a target of 7.0%, resulting in a factor of 150%.

The combined performance-based factor was 117.3% of target, which is based on the following targets established at the time of grant:

PSU Metric	Weight	Minimum	Target	Maximum
Relative TSR	50%	3-year average is 33% below index	3-year average is equal to index	3-year average is 17% above index
Adjusted ROE (1)	50%	3-year average adjusted ROE is equal to 4.2%	3-year average adjusted ROE is equal to 7.0%	3-year average adjusted ROE is equal to 8.4%

(1) Adjusted ROE is a non-GAAP ratio and does not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. Adjusted ratio is defined as adjusted net income available to common shareholders as a percentage of average common shareholders' equity. The most directly comparable financial measures that are disclosed in the primary financial statements of the Bank to which this measure relates are net income available to common shareholders and shareholders' equity. See the section entitled *Non-GAAP Financial and Other Measures*, starting on page 18 of the 2023 Annual Report, including the MD&A for the year ended October 31, 2023, which pages are incorporated by reference herein. The MD&A is available on SEDAR+ at sedarplus.ca.

This resulting performance-based vesting factor is well aligned with shareholder experience over the past 3 years and confirms the alignment between executives' pay and the interests of shareholders.

Prior performance vesting factors for PSUs that vested in December 2022 and 2021 were 72% and 58% of target respectively.

NEOs must choose to either participate in the PSU or the Deferred PSU (DPSU) version of the program, unless the minimum share ownership requirement has not been reached within 5 years. Please refer to section *Minimum Share Ownership Level Requirements* for more details.

- Under the PSU program, the payout is made on the vesting date, which is three years after the grant;
- Under the DPSU program, and provided the three-year vesting period is completed, the payout is subject to the performance factor and made at the time the executive leaves the Bank.

Stock Option Plan

The Stock Option Plan supports the deployment of the Bank's strategic plan, enables the Bank to better attract, retain and engage its executive workforce, and aligns the Bank's compensation offering with Canadian banking sector practices.

Stock options with no initial intrinsic value increase compensation risk for the Bank's senior executives. Furthermore, stock options lengthen the temporal horizon of the Bank's approach to executive compensation, with shareholder alignment over up to 10 years.

Stock Option Plan Features

Burn rate	The Bank has adopted a target to limit the annual burn rate to no more than 1.00% of outstanding shares.
Vesting provisions	The Board of Directors or, if the Board of Directors so decides by resolution, the HR Committee, may, in its sole discretion, determine the vesting provisions of the Stock Option Plan. It is currently intended that stock options granted will vest 50% after three years and the remaining 50% after four years.
Term	The option term will be determined, at the time of granting the particular option, by the Board of Directors or, as the case may be, the HR Committee, provided that such term shall not exceed 10 years.
Black-out period	In the event the expiration date of an option falls within a black-out period or within nine (9) trading days following the black-out period, such expiration date will be automatically extended to the tenth (10th) trading day after the end of the black-out period.
Performance criteria	Although the Board of Directors or the HR Committee, as the case may be, have the discretion to include performance criteria in the vesting provisions, stock options are not currently intended to be performance-based. However, since fiscal 2019, 70% of participant's LTI is composed of non-dilutive at-risk PSUs based on relative TSR and absolute adjusted ROE.
Exercise price	Stock options cannot be granted below the market value of the Bank's share at the date of grant, such market value corresponding to the volume-weighted average price of the Bank's share on the TSX for the five (5) trading days preceding the date of grant. The price so determined will be rounded up to the next highest cent.
Financial assistance	The Bank does not provide for company loans to participants.
Cashless exercise	Under the Stock Option Plan, a participant may, in exercising his or her options, provide for payment of the underlying shares by way of selling, at the prevailing market price of the shares on the TSX at the time of such sale, the necessary number of shares issuable upon the exercise of his or her option, in order to pay the applicable exercise price with the resulting proceeds.
Individual grant limits	▪ The aggregate number of shares reserved for issuance at any time to any one participant should not exceed 5% of the issued and outstanding shares. ▪ The aggregate number of shares issued to any one insider within any one-year period should not exceed 5% of the issued and outstanding shares. ▪ The aggregate number of shares issued to insiders within any one-year period and issuable to insiders at any time under the Plan or any other proposed or established Share Compensation Arrangement should in each case not exceed 10% of the issued and outstanding shares.

Post settlement share holding requirement	The President and CEO must hold, after the exercise of stock options, Bank's shares with a value at least equal to the net aftertax gain resulting from the exercise of vested stock options, for a period of at least 12 months or, if longer, until the applicable share ownership requirements have been met.
Change in control provisions	Unless otherwise determined by the Board of Directors, in the event of a change in control, each option that is not converted into or substituted by an alternative award of the successor entity will be accelerated to become exercisable immediately prior to such change in control event. The Stock Option Plan contains double trigger provisions for the acceleration of vesting only in case of termination without cause or resignation for good reason within twenty-four (24) months after the change in control. Accordingly, each exercisable option or alternative award would remain exercisable for a period of ninety (90) calendar days from the date of termination or resignation for good reason (but not later than the end of the option term); and each non-exercisable option or alternative award would become exercisable upon such termination or resignation for good reason and would remain exercisable for a period of ninety (90) calendar days from the date of termination or resignation for good reason (but not later than the end of the option term). Any option or alternative award shall expire thereafter.
Participation	Officers, senior executives and other employees of the Bank or its subsidiaries are eligible participants, however non-employee directors do not participate in the Stock Option Plan.
Equity clawback provisions	The Stock Option Plan is subject to the Bank's clawback policy.
Assignability	Stock options are not assignable nor transferable by participants, whether voluntarily or by operation of law, except by will or by the laws of succession.
Repricing history	The Bank has no repricing history.
Cessation	Unless determined otherwise by the Board of Directors, options granted under the Stock Option Plan will expire at the earlier of the option's expiry date and: (i) ninety (90) days after the participant's resignation. Any unvested option at the time the participant ceases to be an employee of the Bank will be forfeited and cancelled; (ii) on the date the participant was informed by the Bank that his or her services are no longer required where such termination occurs for cause. Any option or unexercised part thereof will be forfeited and cancelled on such date; (iii) ninety (90) days after the end of the notice period following the date on which the participant was informed by the Bank that his or her services are no longer required where such termination occurs without cause. Any unvested option after the end of the notice period will be forfeited and cancelled; (iv) one (1) year after the participant's death. Any option or unexercised part thereof may be exercised by the legal representatives of the participant's estate; and (v) five (5) years after a participant's retirement, including for options that become vested over such period of five (5) years, subject to relevant non-competition, non-solicitation and confidentiality provisions, as provided in Section 7.5.5 of the Stock Option Plan, which is available on the Bank's SEDAR+ profile at www.sedarplus.ca. Should a participant breach any of the non-competition, non-solicitation or confidentiality provisions, any unexercised vested options would be forfeited and the participant's unvested options would expire immediately. In the event a participant's employment is terminated by reason of injury or disability, any option granted to the participant may be exercised as the rights to exercise accrue.

Amendment provisions	Amendment provisions are aligned with market best practices and sound governance. The Board of Directors has the discretion to make amendments to the Stock Option Plan at any time without having to obtain shareholder approval, including, but not limited, to the following changes: ▪ Amendments of a "housekeeping nature"; ▪ Changes to the vesting provisions of any option; ▪ Changing the termination provisions of an option, which does not entail an extension beyond the original expiry date, except for extensions related to a black-out period; and ▪ Any adjustment to shares subject to outstanding options, for example in case of a subdivision, consolidation, reclassification, reorganization or other change of shares subject to the Stock Option Plan. The Stock Option Plan also provides that shareholder approval must be obtained for the following changes (in addition to any matters that may require shareholder approval under the rules and policies of TSX): ▪ Any change to the maximum number of shares issuable from treasury under the Stock Option Plan; ▪ Any reduction in the exercise price of granted shares or any cancellation of an option and substitution by a new option with a reduced price; ▪ Any extension of the option term beyond the original expiry date, except for extensions related to a black-out period; ▪ Extending the eligibility to the Stock Option Plan to non-employee directors; ▪ Allowing that options granted be transferable or assignable, other than by will or by the laws of succession; ▪ Any increase to the maximum number of shares issuable to insiders as a group or individually in a one (1) year period under the Stock Option Plan or any other proposed or established Share Compensation Arrangement, as defined in the Stock Option Plan; and ▪ Any amendment to the amendment provisions.

The 2023 annual stock option grants were allocated as follows:

	Number of Stock Options Granted in Fiscal 2023	2023 Stock Option Value Target (% of Salary) (30% of LTIP Mix)	2023 Stock Option Value at Grant Date ($) (30% of LTIP Mix)
Éric Provost[1]	32,432	48.00%	$180,000
Yvan Deschamps	31,135	48.00%	$172,800
Sébastien Bélair	28,540	48.00%	$158,400
William Mason	32,864	48.00%	$182,400
Kelsey Gunderson	31,135	48.00%	$172,800
Rania Llewellyn	90,810	63.00%	$504,000

[1] Éric Provost was Executive Vice President at the time of grant

The following table outlines the Burn Rate, the Dilution and the Overhang for the past 3 years as of October 31, 2023, calculated using the TSX prescribed methodology.

	Plan	2023 (Note 1)	2022 (Note 1)	2021
Burn Rate Total number of stock options granted in a fiscal year, divided by the weighted average number of shares outstanding at the time of grants for the fiscal year	Stock Option Plan	1.0%	0.8%	0.7%
	Old Stock Option Purchase Plan	—%	—%	—%
Dilution Total number of stock options issued but not exercised, divided by the total number of issued and outstanding shares at the end of the fiscal year	Stock Option Plan	2.9%	2.7%	2.1%
	Old Stock Option Purchase Plan	0.1%	0.1%	0.2%
Overhang Total number of stock options available to be issued, plus all stock options outstanding that have not yet been exercised, divided by the total number of issued and outstanding shares at the end of the fiscal year	Stock Option Plan	7.7%	7.8%	3.8%
	Old Stock Option Purchase Plan	0.2%	0.2%	0.3%

Note 1: The 2022 and 2023 overhang include the additional Common Shares reserved for issuance under the Stock Option Plan approved at the 2022 annual meeting of shareholders.

The following table provides information with respect to compensation programs under which the Bank's equity securities are authorized for issuance under the old Stock Option Purchase Plan and the Stock Options Plan for the Executives of the Laurentian Bank of Canada and its Subsidiaries:

	Number of Securities to be issued upon Exercise of Outstanding Options, Warrants and Rights as at October 31, 2023 (Note 1)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights as at October 31, 2023 ($)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities reflected in the first column) as at October 31, 2023	Percentage of securities available for grant relative to the number of issued and outstanding securities, as at October 31, 2023
Old Stock Option Purchase Plan for the Officers of the Laurentian Bank of Canada and its Subsidiaries	43,785	38.97	53,279	0.1%
Stock Option Plan for the Officers of the Laurentian Bank of Canada and its Subsidiaries	1,279,128	37.00	2,089,291	4.8%

Note 1: Including Ms. Llewellyn's sign-on stock options grant.

Pension Plans

Pension plans are funded and are financed by the Bank and are non-contributory for the participants.

Defined contribution pension plans (new membership as of October 2020)

All NEOs hired on or after October 2020 participate in a basic defined contribution pension plan - the *Senior Executive Defined Contribution Basic Plan* (the **Officers' DC Plan**) - and in a supplemental defined contribution pension plan - the *Senior Executive Defined Contribution Supplemental Plan* (the **Supplemental DC Plan** and together with the Officers' DC Plan, the **DC Plans**). Under the Officers' DC plan, contributions are accumulated, up to the maximum amount permitted by law and the supplemental DC plan covers all contributions granted in excess thereof, if applicable.

Under the DC Plans, participants are entitled to employer contributions equal to 15% of the annual base salary with immediate vesting.

Defined benefit pension plans (closed to new membership as of October 2020)

The NEOs who were already participating in the Defined benefit pension plans when they were closed to new entry in October 2020 continue to participate in a basic defined benefit pension plan - the *Pension Plan for the Senior Officers of the Laurentian Bank of Canada and Participating Subsidiaries* (the **Officers' DB Plan**) - and in a supplemental defined benefit pension plan - the *Supplemental Pension Plan for Members of the Executive Management of the Laurentian Bank of Canada and Participating Subsidiaries* (the **Supplemental DB Plan** and together with the Officers' DB Plan, the **DB Plans**). Under the Officers' DB plan, a pension is payable, up to the maximum amount permitted by law and the supplemental DB plan covers all pensions granted in excess thereof, if applicable.

Under DB Plans, participants are entitled to receive a pension for each year of participation equal to 2% of their average compensation, being the average base salary for their most highly compensated five consecutive years of service. This pension is payable for the life of the participant and is not integrated with benefits payable by the Quebec Pension Plan and the Canada Pension Plan. Normal retirement age is set at age 65. However, participants may take an early retirement starting at age 53 with an applicable pension reduction of 5% per year before age 60.

The participants of the DB Plans may also elect to participate in the flexible component of the Officers' DB plan through optional ancillary contributions. These contributions enhance the benefit paid under the basic component of the Officers' DB Plan. Upon retirement, the officer may, among other options, use the accumulated amounts to reduce the early retirement reduction or for pension indexing. Participation is optional and the Bank does not contribute to this component.

Benefit Plans and Perquisites

The benefit program for the NEOs includes life, medical, dental and disability insurance and a healthcare spending account. In addition, NEOs are entitled to an annual medical exam and an annual cash allowance, less applicable deductions.

Minimum Share Ownership Level Requirements

To foster long-term engagement of executives, the HR Committee adopted minimum share ownership level requirements. These requirements are currently as follows:

Executive Level	Minimum Requirement
President and CEO	5x base salary
Executive Vice Presidents (including all NEOs)	2x base salary

The President and CEO must also maintain the minimum share ownership level requirement for at least one year after termination or retirement from the Bank. The HR Committee believes this requirement further aligns the Bank's compensation program with long-term shareholder interests and market best practices. The share ownership level attained by each NEO is evaluated annually based on the Bank's common shares on October 31. The following shares and share units are included in the share ownership calculation:

- Common shares;
- RSUs; and
- PSUs.

Executives have 5 years as of their hire or promotion to reach the minimum share ownership requirement. If the minimum share ownership requirement has not been reached after 5 years, executives must participate in the deferred version of the PSU program until the requirement is met.

Risk Analysis

In adopting compensation practices and setting executive compensation, the HR Committee, with the help of the Risk Management Committee, evaluates the risks associated with the Bank's compensation policies and practices. The mandates of the HR Committee and the Risk Management Committee provide for an annual analysis of risks associated with the various compensation programs which is prepared under the supervision of the Executive Vice President and Chief Risk Officer. A risk assessment methodology, in line with the Financial Stability Board principles for Sound Compensation Practices, was developed to assess the risks associated with the Bank's compensation programs.

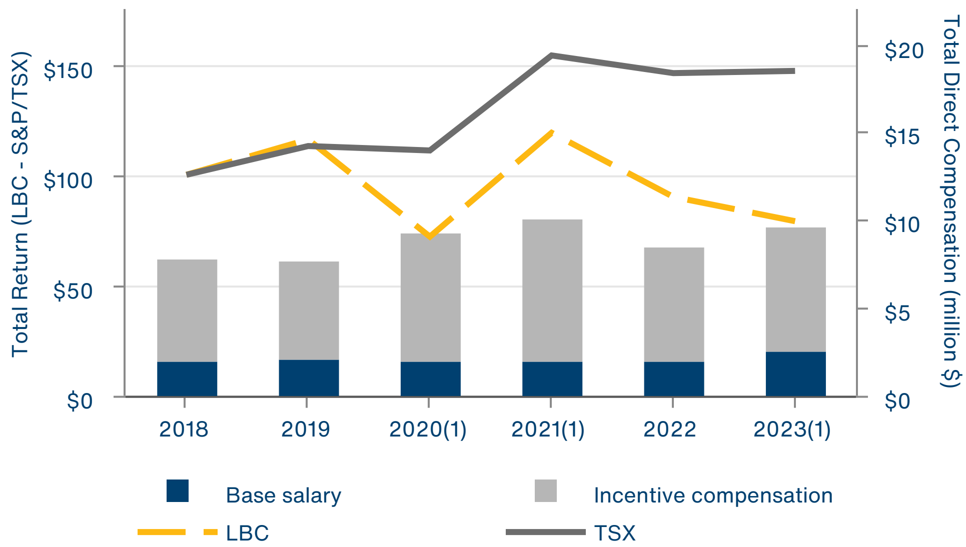
The last such analysis was conducted in December 2023. As a result of this assessment, the HR Committee deemed the level of risk associated with the various compensation programs to be satisfactory.

Hedging

The *Bank Act* (Canada), the Bank's *Policy on Trading by Insiders and Prohibited Transactions in Bank Securities*, and the Bank's *Code of Conduct* prohibit directors, officers, employees and service providers of the Bank and its subsidiaries to directly or indirectly sell Bank securities that they do not own or that they have not fully paid up (commonly referred to as *Short Selling*), as well as to directly or indirectly buy or sell a put or call option on Bank securities. Furthermore, directors, officers, employees and service providers of the Bank and its subsidiaries are prohibited under our *Policy on Trading by Insiders and Prohibited Transactions in Bank Securities* from directly or indirectly entering into any type of agreement or arrangement with respect to Bank securities or Bank-related financial instruments for the purpose of hedging or offsetting a decrease in the value thereof, or otherwise altering their economic exposure to the Bank.

Performance Graph and Trend Analysis

The following graph represents the comparison between the Bank's cumulative total shareholder return for $100 invested in the Bank's common shares on October 31, 2018, assuming reinvestment of dividends, and the cumulative total return of the Toronto Stock Exchange's S&P/TSX Composite Index for the last 5 fiscal years. The graph also sets out the total direct compensation paid to NEOs for the last 5 fiscal years.



	2018	2019	2020[(1)]	2021[(1)]	2022	2023[(1)]
Base Salary ($ millions)	$2.0	$2.2	$2.1	$2.1	$2.1	$2.6
Incentive Compensation ($ millions)	$5.9	$5.5	$7.3	$8.1	$6.5	$7.1
Total Direct Compensation ($ millions)	$7.9	$7.7	$9.3	$10.2	$8.6	$9.7
TSR - Laurentian Bank of Canada [(2)]	$100	$116	$72	$119	$90	$79
TSR - S&P/TSX Composite Index [(2)]	$100	$113	$111	$154	$146	$147
Adjusted Net Income ($ millions)	$241.6	$193.2	$138.2	$211.2	$237.1	$208.3
Ratio Total Direct Compensation over Adjusted Net Income	3.3%	4.0%	6.8%	4.8%	3.6%	4.7%

Note 1: 2020, 2021 and 2023 Total Direct Compensation includes six NEOs.
Note 2: Total amount returned by an investment to the investor. In other words, it is the share price appreciation and dividends paid over the period.

Trend Analysis

During the period covered by the graph, the data shows that the level of Total Direct Compensation received by NEOs remained stable from 2018 to 2019, increased in 2020 and 2021 due to the addition of a sixth NEO, decreased in 2022 and increased again in 2023 due again to the addition of a sixth NEO. In 2023, the ratio of Total Direct Compensation over Adjusted Net Income has increased compared to 2022 due to the addition of the sixth NEO, but is still lower than 2021 and 2020. Total Direct Compensation is also positively correlated with the Bank's shareholder return and with the Bank's adjusted net income. The HR Committee, through performance management and incentive plan design, monitors and ensures that compensation and performance are aligned.

Effectiveness of the Compensation Program Over Time

The following table shows the Bank's strong track record of aligning the President and CEO's pay with total shareholder return over the long term. The table compares the value as at December 31, 2023 of the direct compensation awarded to the Bank's President and CEO over the last 5 fiscal years with the value of annual investments in the Bank's equity over the same time periods. On average, the value of $100 invested by a shareholder is greater than the value of $100 awarded to the President and CEO. The table further indicates that, on average, the realized and realizable value of $100 awarded to the President and CEO since fiscal 2019 stands below the $100 target as of December 31, 2023.

The current value of the President and CEO awards as at December 31, 2023 for the fiscal years noted is the sum of:

01. Realized pay received by the President and CEO, which represents the sum of base salary, paid short-term incentives, paid share units and exercised stock options.

02. Potential realizable pay, which represents the sum of non-vested share units, deferred vested share units and in-the-money value of unexercised stock options.

Year	CEO	Value on December 31, 2023 ($ millions) Total Direct Compensation Awarded	A Realized Pay	B Realizable Pay	A+B=C Current Value	Value of $100 Period	To CEO [1] ($)	To Shareholders [2] ($)
2019	François Desjardins	2.82	2.23	—	2.23	10/31/2018 to 12/31/2023	79	88
2020	François Desjardins	2.20	1.50	—	1.50	10/31/2019 to 12/31/2023	59	76
2020	Rania Llewellyn	2.30	1.18	—	1.18	10/31/2020 to 12/31/2023	92	123
2021	Rania Llewellyn	3.68	2.28	1.12	3.39	10/31/2021 to 12/31/2023	82	74
2022	Rania Llewellyn	3.38	1.98	0.80	2.78	10/31/2022 to 12/31/2023	80	98
2023	Rania Llewellyn	2.46	0.78	1.06	1.84			
2023	Éric Provost	1.74	1.14	0.38	1.52	**Five-year Average**	**78**	**92**

Note: Mr. Provost was appointed on October 1, 2023. Ms. Llewellyn was removed as President and CEO on October 1, 2023 and terminated on October 30, 2023. Mr. Desjardins retired from the Bank on June 30, 2020.

[1] Value of the compensation measured on December 31, 2023 for each $100 of total direct compensation during the fiscal year indicated.

[2] Cumulative value of $100 invested in the Bank's shares of the period indicated, assuming reinvestment of dividends.

Performance and Total Direct Compensation of NEOs

Éric Provost — President and CEO

Éric Provost has been at Laurentian Bank for over a decade. On October 1, 2023, he was promoted to President and CEO from Group Head of Personal and Commercial Banking. Prior to these roles, Éric led the Bank's successful Commercial Banking business line.

Éric has a proven track record of delivering world-class customer service. Under his leadership, one of the Bank's Commercial Banking specialties has achieved a "world-class" Net Promoter Score (NPS) rating, and two others are ranked "excellent." This is a direct result of the Commercial Banking team's close proximity to their customers and their unparalleled proactive approach; they put customers at the centre of all organizational decisions and ensure they have the right expertise, products, and solutions to offer best-in-class service for their customers.

With over 25 years of experience in the financial sector, Éric has a proven track record of profitable growth, excellence in customer service, as well as successful acquisitions (including the Bank's acquisition of CIT's Canadian Equipment Financing in 2016 and Northpoint Commercial Finance in 2017).

Prior to joining Laurentian Bank in 2012, Éric spent 12 years at a leading commercial lender where he held various senior management positions.

Aside from his professional activities, Éric is actively involved in his community and is devoted to the well-being of young people. Since 2014, he has been an active volunteer with Fondation Tel-Jeunes (currently serving as a Board Member), a Quebec-based charity that provides free and confidential 24/7 support services to young people and parents.

Éric holds Bachelor's and Master's degrees in Applied Finance from Université du Québec à Montréal. He is also accredited as a Chartered Financial Analyst (CFA).

Languages: French, English

In 2023, Éric Provost's individual performance was evaluated by the HR Committee based on a pre-determined scorecard summarized below:

In his first month as President and CEO, Éric delivered the following achievements:

- Launched a three-part action plan to regain trust with customers following an outage of the Bank's mainframe.
- Made a number of executive appointments and organizational changes to heighten the Bank's focus on customers.
- Launched an end-to-end review of all products and projects to simplify processes and better meet customer needs.

As Executive Vice President, Head of Commercial Banking, Éric delivered the following achievements:

- Successfully led the Commercial Banking business line to achieve its mandate as the Bank's growth engine, while maintaining rigorous cost discipline.
- Maintained a profitable commercial loan portfolio despite the increasingly challenging macroeconomic conditions.
- Sustained the Bank's geographic diversification target, with 22% of commercial assets in the U.S. as of October 31, 2023.
- Improved Commercial Banking's already "excellent" Net Promoter Score (NPS).
- Improved already high employee engagement rate which is also above the industry benchmark.
- Contributed to the improvement of the Bank's ESG strategy by supporting Quebec school bus operators in their transition to electric vehicles, through the growth of the Bank's daycare specialization (+20% in 2023), and by supporting Quebec small and medium-sized enterprises (SMEs) in their transition to a low-carbon and sustainable economy through a partnership with Quebec Net Positive.

2023 Compensation Highlights			
Compensation Elements	**2023 Target ($)**	**2023 Actual ($)**	**2022 Actual ($)**
Base Salary	400,479	400,479	345,690
Short-Term Incentive			
Paid in Cash [1]	400,479	742,427	432,136
Deferred in RSUs	—	—	—
Long-Term Incentive			
Share-Based Awards	420,000	420,000	344,663
Option-Based Awards	180,000	180,000	147,713
Total Direct Compensation	1,400,958	1,742,906	1,270,202

[1] Includes the Short-Term Incentive Plan payout and nomination bonus.

Share Ownership Guidelines		
Share Ownership Requirement (multiple of base salary)	5x	
Components [1]	Ownership (#)	Ownership ($)
Total Share Units	**43,285**	**1,099,457**
Vested PSUs and/or DPSUs	8,154	207,101
Vested RSUs and/or DRSUs	1,396	35,470
Unvested PSUs and/or DPSUs	28,836	732,444
Unvested RSUs and/or DRSUs	4,899	124,442
Common Shares	**4,038**	**102,555**
Total of Common Shares and Share Units [2]	**47,323**	**1,202,012**
Share Ownership (multiple of base salary)	1.72	
Attainment [3]	In progress	

[1] Includes non-vested PSUs and/or DPSUs, calculated at target.

[2] The share ownership level is evaluated as at October 31, 2023, based on the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40).

[3] Share Ownership requirements must be attained by October 1, 2028.

Yvan Deschamps, CPA — Chief Financial Officer

Yvan Deschamps is Chief Financial Officer. In this capacity, he is responsible for activities related to finance, accounting, treasury, taxation, investor relations and corporate development.

Mr. Deschamps joined the Bank in 2016 as Vice President, Corporate Development where he was responsible for evaluating M&A projects as part of the Bank's strategic plan as well as overseeing investor relations. He then served as Senior Vice President, Finance, Accounting and Corporate Development gradually on-boarding additional responsibilities as part of a transition to his current role. Yvan's 25+ year career spans the banking and financial sectors; media and telecommunications industries; pension funds and private equity; and aerospace and defense industries. He is recognized for his business acumen, negotiating skills and leadership in managing multi-disciplinary teams.

Mr. Deschamps holds a Bachelor of Business Administration and an M.Sc. Finance from the University of Sherbrooke. He is also a Certified Professional Accountant (CPA).

Languages: French, English

In 2023, Yvan Deschamps's individual performance was evaluated by the HR Committee based on a pre-determined scorecard summarized below:

- In an environment of complex economic uncertainty, maintained strong regulatory capital ratios, diversified sources of funding, a high level of liquidity, and a prudent and disciplined approach to credit risk
- As Chair of the Bank's internal TCFD Taskforce, played a leadership role in the advancement of the Bank's ESG strategy and launch of its second-annual ESG and TCFD Reports, contributing to meaningful enhancements in the Bank's external ESG ratings
- By putting emphasis on the Finance employees' work-life experience, the Finance team's engagement score improved by 14% in the annual engagement survey, contributing to the Bank's increased results
- Progressed work on modernizing the Finance function with a clear vision and roadmap to simplify Finance's operations and processes
- Conducted a request for proposals for the Bank's external auditor for 2024 and confirmed the recommendation of the audit firm and conditions of the agreement
- Finance played a critical role in the strategic decision-making and financial analysis as part of the Bank's strategic review and the ongoing refresh of its current strategic plan

2023 Compensation Highlights

Compensation Elements	2023 Target ($)	2023 Actual ($)	2022 Actual ($)
Base Salary	363,410	363,410	326,552
Short-Term Incentive			
Paid in Cash	340,000	326,536	182,647
Deferred in RSUs	—	—	182,647
Strategic Review Payout (1)	—	380,000	—
Long-Term Incentive			
Share-Based Award (2)	403,200	503,200	328,755
Option-Based Awards	172,800	172,800	140,895
Total Direct Compensation	1,279,410	1,745,946	1,161,496

(1) Special bonus for the work completed for the strategic review.

(2) Includes special Restricted Share Units awards of $100,000 in 2023.

Share Ownership Guidelines

Share Ownership Requirement (multiple of base salary)	2x	
Components (1)	Ownership (#)	Ownership ($)
Total Share Units	**64,209**	**1,630,882**
Vested PSUs and/or DPSUs	6,177	156,896
Vested RSUs and/or DRSUs	25,360	644,132
Unvested PSUs and/or DPSUs	26,993	685,610
Unvested RSUs and/or DRSUs	5,679	144,244
Common Shares	**1,858**	**47,190**
Total of Common Shares and Share Units (2)	**66,067**	**1,678,072**
Share Ownership (multiple of base salary)	3.95	
Attainment	Yes	

(1) Includes non-vested PSUs and/or DPSUs, calculated at target.

(2) The share ownership level is evaluated as at October 31, 2023, based on the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40).

Sébastien Bélair — Chief Operating Officer

Sébastien Bélair was appointed Chief Operating Officer on October 12, 2023. In this capacity, he is responsible for activities related to human resources, operations, procurement, vendor management, product and digital development. His mandate is to reinforce centricity, proximity and accountability to our customers by improving end-to-end customer experience from product development to service delivery.

Mr. Bélair joined Laurentian Bank on February 4, 2021, as Executive Vice President and Chief Human Resources Officer, a position he held until his nomination as Executive Vice President and Chief Administrative Officer on September 14, 2023.

Over his 30-year career in banking, Mr. Bélair served in a number of senior leadership roles, including as Senior Vice President Retail Banking Operations and Transformation at a leading Canadian financial institution. He has developed an in-depth knowledge of several sectors of activity, having worked in retail banking, call centres, operations, relationship management, transformation and human resources. He has a proven track record of driving results by mobilizing teams, finding innovative solutions and promoting diversity in the workplace.

Mr. Bélair holds a Bachelor of Business Administration from HEC Montréal and an MBA from Queen's University.

Languages: French, English

In 2023, Sébastien Bélair's individual performance was evaluated by the HR Committee based on a pre-determined scorecard summarized below:

- Contributed to redefining Laurentian Bank's Employee Experience by reviewing Total Rewards Programs
- Successfully reduced complexity in Pension Plan administration by revisiting plans and investment strategies
- Implemented new ways of working (collaborative tools) and rolled out Hybrid Work Model to improve efficiency and reduce cost
- Drove higher employee satisfaction and engagement by 6% since 2021 to reach a new level of 80% in Engagement rate for Laurentian Bank
- Laurentian Bank was named by Forbes as one of Canada's Best Employers in 2023
- Successfully led the Human Resource team and revamped Payroll processes and reduced complexity and cost
- Supported Executive Committee in major projects and events related to the strategic review of the Bank
- Supported the new CEO transition and execution of succession plan for key leadership roles
- Took the lead during the IT outage with the Crisis Management team to ensure resolution and supported post-mortem findings and action plans

2023 Compensation Highlights

Compensation Elements	2023 Target ($)	2023 Actual ($)	2022 Actual ($)
Base Salary	335,690	335,690	300,000
Short-Term Incentive			
Paid in Cash	340,000	279,888	344,858
Deferred in RSUs	—	—	—
Strategic Review Payout [(1)]	—	165,000	—
Long-Term Incentive			
Share-Based Awards	369,600	369,600	318,150
Option-Based Awards	158,400	158,400	136,350
Total Direct Compensation	1,203,690	1,308,578	1,099,358

(1) Special bonus for the work completed for the strategic review.

Share Ownership Guidelines

Share Ownership Requirement (multiple of base salary)	2x	
Components [(1)]	Ownership (#)	Ownership ($)
Total Share Units	**28,119**	**714,217**
Vested PSUs and/or DPSUs	—	—
Vested RSUs and/or DRSUs	—	—
Unvested PSUs and/or DPSUs	20,863	529,908
Unvested RSUs and/or DRSUs	7,256	184,309
Common Shares	**1,449**	**36,808**
Total of Common Shares and Share Units [(2)]	**29,568**	**751,025**
Share Ownership (multiple of base salary)	1.77	
Attainment [(3)]	In progress	

(1) Includes non-vested PSUs and/or DPSUs, calculated at target.

(2) The share ownership level is evaluated as at October 31, 2023, based on the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40).

(3) Share Ownership requirements must be attained by October 12,

William Mason — EVP and CRO

William Mason is responsible for overseeing risk management and credit management.

Prior to joining the Bank, he held the position of Managing Director, Bank Supervision with OSFI. He also spent more than 30 years with financial institutions in various senior management roles including asset liability management, risk management, treasury and capital markets.

He holds a Bachelor and a Master of Science degrees in Mathematics and Statistics from University of Toronto and an MBA in Finance and Accounting from Cornell University.

Languages: French, English

In 2023, William Mason's individual performance was evaluated by the HR Committee based on a pre-determined scorecard summarized below:

- Oversaw credit, market, and operational risk management, including enterprise risk management and risk appetite frameworks.
- Oversaw the enhancement of new capital management standards for the Bank including Basel III revised.
- Oversaw the implementation of Basel III Project with a satisfactory conclusion.
- Continued to enhance oversight of non-financial risks including the cyber risk and operational risk profile.
- Oversaw the bank's risk portfolio to ensure sound business activities and risk management strategies.
- Continued to facilitate effective credit origination through strong adjudication, prudent loss reserving and credit portfolio management.
- Continued to enhance risk reporting and increase analytical capabilities for portfolio and capital management.
- Maintained focus on regulatory remediation, clearing 80% of audit and OSFI material issues.
- Supported the implementation of ESG initiatives around the E&S Risk Management.
- Continued to drive efficiencies through simplification by further streamlining internal processes and increasing automation

2023 Compensation Highlights

Compensation Elements	2023 Target ($)	2023 Actual ($)	2022 Actual ($)
Base Salary	380,000	380,000	380,000
Short-Term Incentive			
Paid in Cash	266,000	182,476	398,240
Deferred in RSUs	—	—	—
Long-Term Incentive			
Share-Based Awards (1)	425,600	485,600	414,960
Option-Based Awards	182,400	182,400	177,840
Total Direct Compensation	1,254,000	1,230,476	1,371,040

(1) Includes a special Restricted Share Units award of $60,000 in 2023.

Share Ownership Guidelines

Share Ownership Requirement (multiple of base salary)	2x	
Components (1)	Ownership (#)	Ownership ($)
Total Share Units	**73,144**	**1,857,851**
Vested PSUs and/or DPSUs	57,603	1,463,113
Vested RSUs and/or DRSUs	6,782	172,263
Unvested PSUs and/or DPSUs	—	—
Unvested RSUs and/or DRSUs	8,759	222,475
Common Shares	**908**	**23,054**
Total of Common Shares and Share Units (2)	**74,052**	**1,880,905**
Share Ownership (multiple of base salary)	4.70	
Attainment	Yes	

(1) Includes non-vested PSUs and/or DPSUs, calculated at target.

(2) The share ownership level is evaluated as at October 31, 2023, based on the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40).

Kelsey Gunderson — EVP, Capital Markets

Kelsey Gunderson is Executive Vice President, Capital Markets and President and Chief Executive Officer of Laurentian Bank Securities. He is responsible for all the Group's capital markets activities.

With 28 years of experience in the financial industry, Mr. Gunderson has held various management positions with major financial institutions and brokerage firms in Canada and the United States. He has developed a strategic vision and extensive expertise in capital markets and with institutional clients. He joined the organization in 2019.

Mr. Gunderson holds a Bachelor of Science from the University of British Columbia and an MBA from McMaster University, School of Business.

Languages: English

In 2023, Kelsey Gunderson's individual performance was evaluated by the HR Committee based on a pre-determined scorecard summarized below:

- Delivered solid risk-adjusted Revenues in the context of a highly volatile Capital Markets environment.
- Accelerated the Bank's efforts in the ESG space, in particular by increasing LBS activity in the green bond market.
- Amplified the Bank One Team approach by promoting connectivity between the Capital Markets Division and other sectors of the Bank. Namely, completed the creation of a Real Estate Banking Franchise in alignment with Commercial Banking and expanded coverage of top tier commercial clients from 50% to 75%.
- Supported enterprise cost savings of $6 million through planned cost optimization initiatives.
- Executed a significant "right sizing" of the capital markets franchise in order to reduce costs and better align the business with the bank.
- Maintained Employee Engagement Scores year over year, including Manager Effectiveness
- Achieved 3 new Corporate bond syndicate positions, including several Green Bond issuances
- Improved syndicate position in most major syndicates, including a 6% (.5 bps) increase with CMHC
- Successfully passed all internal and external audits.

2023 Compensation Highlights

Compensation Elements	2023 Target ($)	2023 Actual ($)	2022 Actual ($)
Base Salary	358,314	358,314	350,000
Short-Term Incentive			
Paid in Cash	252,000	172,872	327,828
Deferred in RSUs	—	—	—
Long-Term Incentive			
Share-Based Awards [1]	403,200	503,200	571,175
Option-Based Awards	172,800	172,800	159,075
Total Direct Compensation	1,186,314	1,207,186	1,408,078

(1) Includes special Restricted Share Units awards of $100,000 in 2023 and $200,000 in 2022.

Share Ownership Guidelines

Share Ownership Requirement (multiple of base salary)	2x	
Components [1]	Ownership (#)	Ownership ($)
Total Share Units	**61,610**	**1,564,893**
Vested PSUs and/or DPSUs	7,092	180,146
Vested RSUs and/or DRSUs	390	9,899
Unvested PSUs and/or DPSUs	38,367	974,510
Unvested RSUs and/or DRSUs	15,761	400,338
Common Shares	**8,627**	**219,129**
Total of Common Shares and Share Units [2]	**70,237**	**1,784,022**
Share Ownership (multiple of base salary)	4.96	
Attainment	Yes	

(1) Includes non-vested PSUs and/or DPSUs, calculated at target.

(2) The share ownership level is evaluated as at October 31, 2023, based on the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40).

3.5 Summary Compensation Table.

The following table sets forth a summary of the compensation paid, made payable, awarded, granted, given or otherwise provided to the NEOs for the last 3 fiscal years.

Name and Principal Position	Year	Salary ($)	Share-Based Awards ($) (Note 1)	Option-Base Awards ($) (Note 2)	Non-Equity Incentive Plan Compensation ($) Annual Incentive Plans (Note 3)	Pension Value ($) (Note 4)	All Other Compensation ($) (Note 5)	Total Compensation ($)
Éric Provost President and Chief Executive Officer (Note 6)	2023	400,479	420,000	180,000	742,427	860,000	35,100	2,638,006
	2022	345,690	344,663	147,713	432,136	246,000	33,500	1,549,702
	2021	314,713	282,655	59,852	475,313	111,000	26,200	1,269,733
Yvan Deschamps Chief Financial Officer	2023	363,410	503,200	172,800	706,536	225,000	36,200	2,007,146
	2022	326,552	328,755	140,895	365,294	126,000	34,500	1,321,996
	2021	284,680	191,403	50,744	453,375	215,000	107,300	1,302,502
Sébastien Bélair Chief Operating Officer (Note 7)	2023	335,690	369,600	158,400	444,888	50,353	36,700	1,395,631
	2022	300,000	318,150	136,350	344,858	45,000	30,100	1,174,458
	2021	225,000	685,000	—	351,000	33,750	30,000	1,324,750
William Mason Executive Vice President and Chief Risk Officer	2023	380,000	485,600	182,400	182,476	110,000	39,800	1,380,276
	2022	380,000	414,960	177,840	398,240	130,000	39,600	1,540,640
	2021	380,000	614,960	177,840	456,000	135,000	39,600	1,803,400
Kelsey Gunderson Executive Vice President, Capital Markets	2023	358,314	503,200	172,800	172,872	53,747	35,200	1,296,133
	2022	350,000	571,175	159,075	327,828	52,500	34,900	1,495,478
	2021	350,000	571,175	159,075	511,875	52,500	32,600	1,677,225
Rania Llewellyn Former President and Chief Executive Officer (Note 8)	2023	780,077	1,176,000	504,000	—	195,019	45,000	2,700,096
	2022	700,000	980,000	420,000	1,283,800	175,000	47,500	3,606,300
	2021	700,000	980,000	420,000	1,575,000	175,000	40,200	3,890,200

Note 1: These amounts represent the grant date fair value of the following awards:

The grant date fair value of the RSUs and PSUs is equal to the number of units granted multiplied by the share price. The share price is the arithmetic average of the daily volume weighted average trading price of the shares of the Bank on the Toronto Stock Exchange during the ten (10) trading days preceding the window for insider's opening following the publication of the annual financial results.

In fiscal year 2023, an additional $100,000 was granted in RSUs to Mr. Deschamps and Mr. Gunderson. An additional $60,000 was granted in RSUs to Mr. Mason.

In fiscal year 2022, an additional $200,000 was granted in RSUs to Mr. Gunderson.

In fiscal year 2021, an additional $143,000 was granted in RSUs to Mr. Provost. An additional $200,000 was granted in RSUs to Mr. Mason and Mr. Gunderson and an additional $73,000 was granted in RSUs to Mr. Deschamps.

A sign-on RSU grant of $685,000 was granted to Mr. Bélair in fiscal year 2021. The vesting schedule of the RSU grant is 1/3 per year, over three years in December 2021, December 2022 and December 2023.

Note 2: The amounts for each NEO represent awards made under the Stock Option Plan using the Black-Scholes model to value stock option awards for compensation purposes. For fiscal 2023, the estimated compensation value was 16.82% of the grant price ($32.99), using an expected 8-year term, a dividend yield of 5.70% and a volatility of 23%.

Note 3: Amounts of the annual STI awards paid under the Bank's Short-Term Incentive plan, nomination bonus and/or special bonus for the work accomplished related to the strategic review, if applicable.

Note 4: Amounts corresponding to compensatory changes, including annual cost of retirement benefits and effect of changes of base salary, plan changes or grants of years of credited service, as detailed in the *Defined Benefit Plans Table* and in the *Defined Contribution Plans Table*.

Note 5: A retention bonus of $75,000 was paid in 2021 and a retention bonus of $400,000 and $700,000 will be paid in April 2024 and 2025 respectively to Mr. Deschamps. A retention bonus of $235,824 will be paid in November 2024 and 2025 to Mr. Bélair.

Note 6: Mr. Provost was promoted to Group Head, Personal and Commercial Banking in September 2023 and to President and CEO on October 1, 2023.

Note 7: Mr. Bélair was hired in February 2021 as EVP, Chief Human Resources Officer, promoted to EVP, Chief Administration Officer on September 14, 2023 and promoted on October 9, 2023 to EVP, Chief Operating Officer.

Note 8: Ms. Llewellyn was removed as President and CEO on October 1, 2023 and terminated on October 30, 2023. As of the date of the Circular, the amount of the termination payment remains unresolved.

3.6 Incentive Plan Awards.

Outstanding Option-Based Awards

The following table sets forth the option-based awards outstanding for each NEO at the end of the last fiscal year on October 31, 2023, including awards granted prior to the last completed fiscal year.

	Option-Based Awards				
	Option Grant Date	Securities Underlying Unexercised Options (#)	Option Exercise Price ($) (Note 1)	Option Expiration Date	Value of Unexercised In-the-Money Options ($) (Note 2)
Éric Provost	2018-12-04	10,461	38.97	2028-12-04	—
	2019-12-13	11,000	43.68	2029-12-13	—
	2020-12-14	12,290	33.13	2030-12-14	—
	2021-12-20	24,618	40.26	2031-12-20	—
	2022-12-21	32,432	32.99	2032-12-21	—
Yvan Deschamps	2018-12-04	7,054	38.97	2028-12-04	—
	2019-12-13	7,345	43.68	2029-12-13	—
	2020-12-14	10,420	33.13	2030-12-14	—
	2021-12-20	23,482	40.26	2031-12-20	—
	2022-12-21	31,135	32.99	2032-12-21	—
Sébastien Bélair	2021-12-20	22,725	40.26	2031-12-20	—
	2022-12-21	28,540	32.99	2032-12-21	—
William Mason	2018-12-04	33,056	38.97	2028-12-04	—
	2019-12-13	33,746	43.68	2029-12-13	—
	2020-12-14	36,517	33.13	2030-12-14	—
	2021-12-20	29,640	40.26	2031-12-20	—
	2022-12-21	32,864	32.99	2032-12-21	—
Kelsey Gunderson	2019-12-13	30,185	43.68	2029-12-13	—
	2020-12-14	32,664	33.13	2030-12-14	—
	2021-12-20	26,512	40.26	2031-12-20	—
	2022-12-21	31,135	32.99	2032-12-21	—
Rania Llewellyn	2020-10-30	154,004	33.13	2026-01-28	—
	2020-12-14	86,242	33.13	2026-01-28	—
	2021-12-20	35,000	40.26	2026-01-28	—

Note 1: Volume-weighted average price of a Share on the TSX for the five Trading Days preceding the Date of Grant.

Note 2: The value of unexercised in-the-money options equals the difference between the grant price of the options and the closing price of the Bank's common shares on the TSX on October 31, 2023 ($25.40). This includes options that have not yet vested or cannot be exercised because they are subject to price condition hurdles that have not been reached.

Outstanding Share-Based Awards

The following table sets forth the share-based awards outstanding for each NEO at the end of the last fiscal year on October 31, 2023, including awards granted prior to the last completed fiscal year.

	Share-Based Awards (Note 1)		
	Shares or Units of Shares not Vested (#)	**Market or Payout Value of Share-Based Awards not Vested ($) (Note 2)**	**Market or Payout Value of Vested Share-Based Awards (Not Paid Out or Distributed) ($) (Note 2)**
Éric Provost	33,735	436,505	242,571
Yvan Deschamps	32,672	427,833	801,028
Sébastien Bélair	28,119	333,475	—
William Mason	8,759	222,475	1,161,567
Kelsey Gunderson	54,128	941,950	190,045
Rania Llewellyn	—	—	1,924,592

Note 1: RSU and PSU awards including dividend equivalents. The value of these grants is calculated on the basis of the minimal payment provided by the program.

Note 2: Value based on the closing price of the Bank's common shares on the Toronto Stock Exchange on October 31, 2023 ($25.40).

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the value of all option-based and share-based awards for each NEO that vested during the fiscal year, as well as the amount of the annual bonuses earned during the fiscal year.

Name	**Option-Based Awards - Value Vested During the Year ($) (Note 1)**	**Share-Based Awards - Value Vested During the Year ($) (Note 2)**	**Non-Equity Incentive Plan Compensation - Value Earned During the Year ($)**
Éric Provost	—	196,624	742,427
Yvan Deschamps	—	113,100	706,536
Sébastien Bélair	—	228,337	441,888
William Mason	—	249,508	182,476
Kelsey Gunderson	—	223,181	172,872
Rania Llewellyn	—	2,509,650	—

Note 1: Option-based awards include the total value of stock options that vested during fiscal year including 50% of the options granted on December 4, 2018 and December 13, 2019. The value equals the number of options that vested times the difference between the grant price of the options ($38.97 and $43.68, respectively) and the closing share price on the TSX on the vesting date ($32.42 and $33.73, respectively).

Note 2: These amounts represent the aggregate value realized upon vesting of RSUs and PSUs on the vesting date occurring during the fiscal year. During the fiscal year, the RSUs and PSUs granted in December 2019 became vested. The value is based on the share price at the time of vesting ($32.71). For Ms. Llewellyn, RSUs and PSUs previously unvested became vested as of her termination on October 30, 2023 (share price at termination of $25.77 for the current estimation).

3.7 Pension Plan Benefits.

Defined Benefit Plans Table

The following table sets out the years of participation in the plans as at October 31, 2023 for each participating NEO, annual benefits payable, and changes in the present value of defined benefit obligations from October 31, 2022 to October 31, 2023, including compensatory and non-compensatory changes concerning their participation in the plans for fiscal year 2023.

Name	Number of Years of Credited Service (#)		Annual Benefits Payable ($)		Opening Present Value of Defined Benefit Obligation ($) (Note 3)	Compensatory Change ($) (Note 4)	Non-Compensatory Change ($) (Note 5)	Closing Present Value of Defined Benefit Obligation ($) (Note 3)
	Officers' Plan	Suppl. Plan	At Year-End (Note 1)	At Age 65 (Note 2)				
Éric Provost	11.0	11.0	71,000	170,000	751,000	860,000	(25,000)	1,586,000
Yvan Deschamps	7.5	7.5	44,000	111,000	507,000	225,000	(2,000)	730,000
William Mason	5.4	5.4	41,000	74,000	485,000	110,000	(12,000)	583,000

Note 1: These amounts represent deferred payments accumulated as at October 31, 2023 and payable under the plans assuming retirement at age 60.

Note 2: These amounts represent projected pensions that would be payable under the plans assuming retirement at age 65.

Note 3: The present value of the defined benefit obligation represents the actualized value of the retirement benefit for the years of participation as at October 31, 2022 or October 31, 2023, as the case may be. This value was calculated using the same assumptions as for the Bank's financial statements, using a discount rate of 5.25% and 5.54% (5.20% and 5.54% for the supplemental pension plan) for the fiscal years ending October 31, 2022 and October 31, 2023 respectively. Furthermore, a compensation increase rate of 2.75% was used for the fiscal years ending October 31, 2022 and 2023. The assumptions used are outlined in Note 19 to the Consolidated Financial Statements found in the Annual Report.

Note 4: The variation attributable to compensation elements include the annual cost of retirement benefits and the effect of changes of base salary, plan changes or grants of years of credited service. The amount appearing in this column may also be found in the *Pension Value* column of the *Summary Compensation Table* above.

Note 5: The variation attributable to non-compensation elements includes amounts attributable to interest on the present value of the opening balance of the accrued defined benefit obligation, actuarial gains and losses (other than those associated with compensation) and changes in actuarial assumptions.

Defined Contribution Plans Table

The table below sets out the accumulated value in the plans as at October 31, 2023 for each participating NEO, including compensatory changes concerning their participation in the plans for the fiscal year 2023.

Name	Accumulated value at start of year ($)	Compensatory Change $) (Note 1)	Accumulated value as of October 31, 2023 ($)
Sébastien Bélair	71,100	50,353	124,700
Kelsey Gunderson	92,000	53,747	151,300
Rania Llewellyn	314,100	195,019	529,400

Note 1: Compensatory change represents the employer contribution to the defined contribution pension plans on behalf of the NEOs.

3.8 Termination and Change of Control Benefits.

Conditions Applicable in Case of Termination and Change of Control

The following table sets out the effect of certain events of termination on the different components of the NEOs' compensation.

Retirement	
Base salary	Termination of salary.
Short-term incentive compensation	The annual bonus for the current year is paid, prorated to the number of months worked in the year.
Restricted share units (RSUs) and performance share units (PSUs)	Vesting of the share units continues after retirement. Payment is made at the end of the vesting period. Vested deferred share units are payable between the retirement date and December 31 of the year following the year of retirement. Unvested deferred share units are payable between the vesting date and December 31 of the year following the year of retirement for units that would have been vested during that period. Otherwise, for other unvested deferred share units, payment is made at the end of the vesting period. The President and Chief Executive Officer is required to meet shareholding guidelines for one year after retirement.
Stock Options	Vesting of the stock options continues after retirement. All stock options may be exercised between the vesting date and five (5) years following the retirement date, but no later than the option term.
Pension plans	The rights to benefits stop accumulating. For the Defined Contributions plans, payment of the accrued value of the defined contribution plans. For the Defined Benefits plans, payment of a monthly pension or transfer of the pension value.
Benefit plans	Termination of all benefits.
Other obligations	Conditional on non-solicitation clauses (12 months for the President and CEO and 9 months for the other NEOs) as well as confidentiality clauses, as per employment agreement.
Termination without cause	
Base salary	The continuation for the President and Chief Executive Officer is equivalent to 24 months. For the other NEOs, continuation for one month per year of service with a minimum continuation of 12 months and a maximum of 24 months.
Short-term incentive compensation	The annual bonus for the current year is paid, prorated to the number of months worked in the year for all NEOs. In addition, a bonus payout for the severance period based on the three-year average annual bonus paid (if less than three years, payout at target).
RSUs and PSUs	Vesting of the share units continues after termination. Payment is made at the end of the vesting period. Vested deferred share units are payable between the termination date and December 31 of the year following the year of termination. Unvested deferred share units are payable between the vesting date and December 31 of the year following the year of termination for units that would have been vested during that period. Otherwise, for other unvested deferred share units, payment is made at the end of the vesting period.
Stock Options	The vested stock options at the end of the severance period may be exercised up to 90 days afterwards.
Pension plans	The rights to benefits cease to accumulate. For NEOs under Defined Benefit Plans, additional months of service equivalent to the severance period in the Supplementary Plan would be credited. For NEOs under Defined Contribution Plans, the Bank's contribution for the severance period is paid.
Benefit plans	Continuation of all benefits (except disability insurance) for the severance period or until other employment is obtained.
Other obligations	Perquisites allowance for the severance period is paid. Conditional on non-solicitation clauses (12 months for the President and CEO and 9 months for the other NEOs) as well as confidentiality clauses, as per employment agreement.
Resignation / Termination with cause	
Base salary	Termination of salary.
Short-term incentive compensation	No annual bonus paid.
RSUs and PSUs	Vested share units are paid on the applicable vesting date and vested deferred share units are paid upon termination. Unvested share units and unvested deferred share units are cancelled.
Stock Options	The vested stock options may be exercised within 90 days after termination.
Pension plans	The rights to benefits stop accumulating. For the Defined Contributions plans, payment of the accrued value of the defined contribution plans. For the Defined Benefits plans, payment of a monthly pension or transfer of the pension value.
Benefit plans	Termination of all benefits.

Termination in the 24 months following a change of control	
Base salary	The continuation for the President and Chief Executive Officer is equivalent to 24 months. For the other NEOs, continuation of salary for 18 months.
Short-term incentive compensation	Same as termination without cause.
RSUs and PSUs	Vested share units and vested deferred share units are paid upon termination. Unvested RSUs vest and are paid upon termination. Unvested PSUs are paid based on the actual performance upon termination.
Stock Options	All stock options remain or become exercisable upon termination for a period of ninety (90) days from the date of termination, but no later than the option term.
Pension plans	For NEOs under Defined Benefit Plans, the right to benefits continues to accumulate for the severance period. For NEOs under Defined Contribution Plans, the Bank's contribution for the severance period is paid.
Benefit plans	Same as termination without cause.
Other obligations	Same as termination without cause.

Summary Table of the Estimated Payments in Case of Termination and Change of Control

The following table sets out additional amounts, as per individual employment agreement, that would have been payable under each component of the compensation of the NEOs, assuming termination effective on October 31, 2023.

Name	Compensation Components	Termination Without Cause ($)	Termination in the 24 Months Following a Change of Control ($) (Note 4)
Éric Provost	Base salary	1,400,000	1,400,000
	Short-term incentive compensation	912,417	912,417
	RSU and PSU (Note 1)	856,886	856,886
	Stock Options	—	—
	Pension plans (Note 3)	—	—
	Benefit plans and perquisites	85,710	85,710
	Total	**3,255,013**	**3,255,013**
Yvan Deschamps	Base salary	425,000	637,500
	Short-term incentive compensation	381,735	572,603
	RSU and PSU (Note 1)	829,854	829,854
	Stock Options	—	—
	Pension plans (Note 3)	—	—
	Benefit plans and perquisites	32,855	49,283
	Total	**1,669,444**	**2,089,239**
Sébastien Bélair	Base salary	425,000	637,500
	Short-term incentive compensation	324,249	486,373
	RSU and PSU (Note 1)	714,216	714,216
	Stock Options	—	—
	Pension plans (Note 2)	63,750	95,625
	Benefit plans and perquisites	32,855	49,283
	Total	**1,560,070**	**1,982,997**

William Mason	Base salary	380,000	570,000
	Short-term incentive compensation	345,572	518,358
	RSU and PSU (Note 1)	—	—
	Stock Options	—	—
	Pension plans (Note 3)	107,000	90,000
	Benefit plans and perquisites	32,855	49,283
	Total	**865,427**	**1,227,641**
Kelsey Gunderson	Base salary	360,000	540,000
	Short-term incentive compensation	337,525	506,288
	RSU and PSU (Note 1)	1,374,848	1,374,848
	Stock Options	—	—
	Pension plans (Note 2)	54,000	81,000
	Benefit plans and perquisites	32,855	49,283
	Total	**2,159,228**	**2,551,418**

Note 1: Amounts payable with respect to non-vested rights not covered by the programs' retirement eligibility rules. For PSUs, the value is based on the target payout.

Note 2: As of October 31, 2023, this represents the incremental value of retirement benefits payable for termination without cause and termination in the 24 months following a change of control, in addition to the accumulated value presented in the *Defined Contributions Plans Table*.

Note 3: As of October 31, 2023, this represents the incremental value of retirement benefits payable for termination without cause and termination in the 24 months following a change of control, in addition to the closing present value of defined benefit obligation presented in the *Defined Benefit Plans Table*.

Note 4: NEOs must respect their non-solicitation obligations upon termination.

04 Other Information.

4.1 Indebtedness of Directors and Executive Officers.

The following table sets forth the aggregate indebtedness to the Bank or its subsidiaries of all existing and former executive officers, directors and employees of the Bank or its subsidiaries as at January 31, 2024. The amounts exclude routine indebtedness as described in Note 4 below.

Purpose	To the Bank or its Subsidiaries
Share Purchase	$—
Other	$236,096,132

The following table sets forth the indebtedness towards the Bank or its subsidiaries of each individual who is, or at any time during the Bank's most recently completed fiscal year was, a director or executive officer of the Bank, each proposed nominee for election as a director of the Bank and each associate of any such person, except for routine indebtedness as defined in securities legislation and indebtedness that has been entirely repaid at the date of this Circular. The amounts exclude routine indebtedness as described in Note 2 below.

Name and Position	Involvement of the Bank or Subsidiary	Largest Amount Outstanding ($) during Most Recently Completed Fiscal Year	Amount Outstanding ($) as at January 31, 2024
Sébastien Bélair Executive Vice President, Chief Operating Officer	Bank (lender)	1,243,875 (Note 1)	1,243,875
Yvan Deschamps Executive Vice President, Chief Financial Officer	Bank (lender)	775,000 (Note 2)	646,086
Éric Provost President and Chief Executive Officer	Bank (lender)	632,768 (Note 3)	202,659

Note 1: Mortgage loan and credit line on principal residence with a mix of fixed and variable rates.

Note 2: Mortgage loan on principal residence with fixed rates.

Note 3: Mortgage loan and credit line on principal residence with a mix of fixed and variable rates.

Note 4: Routine indebtedness includes:

- loans to any director or nominated director, executive officer, together with his or her associates, made on terms no more favourable than loans to employees generally, where the amount remaining unpaid has not exceeded $50,000 at any time in the last completed financial year;
- loans to full-time employees, fully secured against their residence and not exceeding their annual salary
- loans to those other than full-time employees, made on substantially the same terms available to other customers with comparable credit (including terms for interest rates and security rates), and involving no more than the usual risk of collectability, such routine indebtedness being limited to loans made in the ordinary course of business
- loans for purchases on usual trade terms, or for ordinary travel or expense advances, or
- similar reasons, with repayment arrangements according to the usual commercial practice.

4.2 Interest of Informed Persons in Material Transactions.

Since the beginning of the last completed fiscal year, the Bank did not make any transaction which materially affected it or one of its subsidiaries in which a proposed nominee for election as director, a director or officer of the Bank or one of its subsidiaries or their respective associates or affiliates, had a direct or indirect interest.

Normal Course Issuer Bid

In December 2021, the TSX accepted a notice of the Bank's intention to commence a normal course issuer bid for its common shares, which allowed the Bank to repurchase for cancellation up to 875,000 of its common shares, being approximately 2% of the total number of shares outstanding on December 1, 2021. Repurchases under the normal course issuer bid were authorized to commence on December 15, 2021 and the normal course issuer bid was to terminate upon 875,000 common shares being purchased, or upon the Bank providing an earlier notice of termination. The normal course issuer bid effectively terminated on December 14, 2022 and the total number of common shares purchased pursuant to the normal course issuer bid was 401,200. All common shares were purchased for cancellation. A copy of the Notice of Intention for the normal course issuer bid may be obtained without charge by contacting Bank's Corporate Secretariat's Office at corporate_secretariat@lbcfg.ca.

4.3 Code of Procedure.

A Code of Procedure governs the conduct of the annual meetings of shareholders of the Bank. It is a complement to the provisions of the *Bank Act* (Canada), including the regulations or guidelines thereunder, and to the Bank's General By-Laws. In case of conflict, the *Bank Act* (Canada) shall prevail. The Code of Procedure namely specifies shareholder rights and facilitate deliberations at the meeting. An integral version of the Code of Procedure is available on the Bank's website.

4.4 Minutes.

A copy of the minutes of the Bank's last annual meeting of shareholders held on **April 11, 2023** is also available on the Bank's website at: www.laurentianbank.ca/en/pdf/minutes-of-the-annual-meeting-of-shareholders-2023.pdf.

4.5 Directors' Approval.

The Board has approved the content of this Circular and the distribution thereof to each shareholder entitled to receive the Notice of Meeting, each director, the Bank's auditor and the appropriate regulatory authorities.

Bindu Cudjoe
Executive Vice President, Chief Legal Officer and Corporate Secretary
February 9 , 2024

SCHEDULE

Shareholder Proposals (Translation)

The Bank received 8 proposals from MÉDAC. **After discussions with the Bank, MÉDAC has agreed to submit 3 proposals to a vote.**

The proposals and their supporting statements represent the views of the shareholder submitting them. They are set out below (unedited, in *italics*) together with our responses as required by the *Bank Act* (Canada).

PROPOSAL 1. Incentive Compensation for all Employees with Respect to ESG Goals

It is proposed that the Board of Directors consider the opportunity to introduce a new incentive compensation model with the objective of tying a portion of the compensation of all employees to the performance of the organization against its key ESG goals.

Arguments

In April 2022, Mastercard's CEO, Michael Miebach, announced that the company is extending its incentive compensation model tied to ESG goals to all employees[1]. Referring to the implementation of such a program with members of senior management during the previous year, he mentioned that this compensation strategy had made it possible to meet and exceed the goals that were set, and added:

> *"Each and every one of us shares the responsibility to uphold our ESG commitments [...] That's why we're extending that model to our annual corporate score and all employees globally, taking our shared accountability and progress to the next level."*

Like him, we believe that the achievement of many ESG goals is not only the responsibility of senior management, but of all employees who, in their daily work, can contribute significantly to the achievement of the organization's priority objectives, to exceed them and to suggest innovative ways to achieve them more quickly. For Mastercard's CEO, this new compensation strategy that includes all employees has led him to accelerate the company's carbon-neutral timeline by a decade, to 2040 from 2050[2].

Position of the Bank

The global financial industry is increasingly recognizing the importance of sustainable and responsible business practices. Stakeholders, including customers, investors and regulators are scrutinizing the banks ESG performance. Aligning our compensation model with key ESG goals not only reflects our commitment to these principles but also positions us as a leader in this field. This is why, starting in 2022, the Bank recognized the importance of including ESG metrics in its annual objectives for its leader in senior positions. Further to that, this initiative was implemented and now encompasses the first five levels of management. Currently, this number represents about half of our senior managing personnel.

For 2024, the Bank will increase the affected population of targeted employees to all managing personnel, thus doubling the targeted population.

As agreed with MÉDAC, this proposal is not being submitted to a shareholder vote.

1 *Sharing accountability and success: Why we're linking employee compensation to ESG goals*, Michæl Miebach (PDG), Mastercard, 2022-04-19 https://www.mastercard.com/news/perspectives/2022/esg-goals-and-employee-compensation/

2 *Mastercard to link all employee bonuses to ESG goals*, Reuters, 2022-04-19 https://www.reuters.com/business/finance/mastercard-link-all-employee-bonuses-esg-goals-2022-04-19/

PROPOSAL 2. In-Person Annual Meetings of Shareholders

It is proposed that the annual meetings of the Bank be held in person, with virtual meetings as a complement, not as a substitute.

Arguments

Since 2020, when annual meetings began to be held virtually due to COVID-19 health restrictions, we have been critical of the conduct of these meetings[3].

OECD's Principles of Corporate Governance state that:

> *"[...] due care is required to ensure that remote meetings do not decrease the possibility for shareholders to engage with and ask questions to boards and management in comparison to physical meetings. Some jurisdictions have issued guidance to facilitate the conduct of remote meetings, including for handling shareholder questions, responses and their disclosure, with the objective of ensuring transparent consideration of questions by boards and management, including how questions are collected, combined, answered and disclosed. Such guidance may also address how to deal with technological disruptions that may impede virtual access to meetings."*[4]

Virtual meetings allow for gains that we readily recognize, but they shouldn't mean in-person meetings won't be held. We agree with Teachers[5] that annual shareholder meetings should be held in person, with virtual meetings being available as a complement (in a hybrid format, as all banks did in 2023), and not as a substitute for in-person meetings. It is understood that all shareholders must enjoy the same rights, regardless of their mode of participation, in person or remotely. This position is supported by several organizations, including the Canadian Coalition for Good Governance (CCGG)[6] and many large institutional investors.

Position of the Bank

While there are certain benefits to in-person meetings, embracing virtual meetings as a supplemental mode of interaction can offer numerous advantages. Firstly, virtual meetings provide a more inclusive platform, allowing participants from various geographical locations to attend without the constraints of travel. This inclusivity promotes a broader representation of stakeholders, fostering a more comprehensive exchange of ideas and perspectives. In contrast, relying solely on in-person meeting may inadvertently exclude individuals or groups who face challenges in attending due to travel restrictions, budgetary constraints, or other logistical issues. Secondly, the efficiency gains associated with virtual meetings cannot be overlooked. They eliminate the need for extensive travel and minimize the environmental impact associated with transportation and printing of materials such as slips, agendas and ballot papers, which are dematerialized and processed digitally, thus further reducing the environmental footprint.

Historically, outside of exceptional situations such as the COVID-19 pandemic, the Bank has not held an annual meeting in virtual mode only. The Bank does not intend, at this date, to hold annual meetings in virtual mode only.

A hybrid model that integrates both in-person and virtual elements allows for the best of both worlds. This approach not only future-proofs the annual meetings but also aligns with the modern trends in communication and collaboration.

As agreed with MÉDAC, this proposal is not being submitted to a shareholder vote.

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3 *Assemblées annuelles : dérive virtuelle*, le MÉDAC, 2023-05-09 https://medac.qc.ca/salle-de-presse/2098-aaa-virtuelles/

4 *Recommendation of the Council on Principles of Corporate Governance*, OECD Legal Instruments, OECD/LEGAL/0413, adopted on 2015-07-07, amended on 2023-06-07 https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0413

5 *Good Governance is Good Business —2023 Proxy Voting Guidelines*, Ontario Teachers' Pension Plan OTPP Proxy Voting Guidelines 2023 EN.pdf

6 *Virtual-only shareholder meetings are an unsatisfactory substitute for in-person shareholder meetings because they risk undermining the ability of shareholders to hold management accountable*, *Say no to virtual-only shareholder meetings – they let companies duck accountability*, Catherine McCall, *The Globe and Mail*, May 21, 2023 https://www.theglobeandmail.com/business/commentary/article-say-no-to-virtual-only-shareholder-meetings-they-let-companies-duck/

PROPOSAL 3. Officer Language Proficiency Disclosure

It is proposed that the language proficiency of the officers be disclosed in the Proxy Circular.

Arguments

In 2023, we filed a shareholder proposal requesting disclosure of the languages spoken by the directors of some twenty public companies. After discussions, almost all of these companies — including the Big 7 banks — agreed to disclose the information. This new proposal aims to disclose the same information about the officers, at least the "named executive officers[7]".

In recent years, several public controversies about language have tarnished the reputation of major public companies with respect to social responsibility and their interpretation of duties and obligations related to the inherent diversity of our societies. Language is at the heart of our democratic institutions and is a fundamental attribute of the community. Such controversies, harmful in every way, must be avoided. To this end, and for many other reasons, it is appropriate for all interested parties (stakeholders) to know, through formal and official disclosure, the languages that the officers are proficient in. For this purpose, "proficiency" obviously means a knowledge level sufficient for widespread use of the language in all aspects of personal and corporate life and for full and complete exercise of duties and functions with teams, shareholders and all parties.

Position of the Bank

The core values of the Bank include the strong belief that everyone belongs and as such, we value, respect and embrace diverse perspectives. This belief extends to our Executive Officers and it is true for all aspects of diversity, including language proficiency.

This year, the Bank included languages as part of the disclosures of each named executive officer.

We take this opportunity to reiterate our commitment to utilize and promote the French language in Quebec by ensuring that our employees, customers and shareholders can communicate with us, receive services or communications, and work, in French.

The Bank is proud of its deep 175 year old roots in Quebec and believes it has an important role to play in protecting and promoting the French language, which is a crucial element of its identity. As a Québec-based organization governed by a federal charter, the Bank is proud to voluntarily comply with the Charter of the French Language and other regulations applicable in Quebec, including those that pertain to language in the workplace and in our communications with our customers and shareholders. In an effort to promote meaningful dialogue with our shareholders, our Annual Meeting will continue to be conducted equally in French and English. Any portion of our meeting conducted in English is simultaneously translated into French, and vice versa. Our meetings can easily and freely be listened to, in their entirety, in the participant's language of choice. All Meeting Materials are available in French and English and shareholders are encouraged to ask questions and vote in the language of their choice.

As agreed with MÉDAC, this proposal is not being submitted to a shareholder vote.

[7] As defined, including but not limited to, in Regulation 51-102 respecting continuous disclosure obligations

PROPOSAL 4. Social Dividend and Better Value Distribution

It is proposed that the Board of Directors reflects on the creation of a social contribution to dedicate a percentage of earnings to the support of ESG causes, including environment and inequalities.

Arguments

Given the magnitude of the climate crisis and deepening inequalities, we propose the creation of a new kind of dividend to extend the distribution of some of the value created by the organization to projects with high social and environmental impact.

As shown by Crédit Mutuel (France) and MAIF (a mutual insurance fund for teachers in France)[8], sums thus released could be devoted to the ecological, climate and social transition. For example, it would make it possible to have stakes in businesses that, although they might not have an immediate profitability objective, have a positive impact on environment and inclusion, and thus invest in energy-efficient renovations or bicycle storage areas in cities, support customers and potential customers that are economically vulnerable and most exposed to climatic events, and grant interest-free loans that will bring energy-efficient renovations to low-income customers, for example.

Position of the Bank

Over the past several years, the integration of ESG values into every aspect of the Bank's operations and business lines has allowed us to deepen our contributions within the communities where we work and operate. Our ESG program is increasingly oriented towards giving to and partnering with charitable non-profit organizations.

For more details on the Bank's involvement in our communities, we invite you to read the annual ESG Report available on our website.

8 *Crédit Mutuel et la Maif vont allouer une part de leurs profits à des projets sociétaux*, ID Info durable, 2023-01-26 https://ww.linfodurable.fr/investir-durable/en-bref/climat-credit-mutuel-et-maif-vont-allouer-une-part-de-leurs-profits-36180

PROPOSAL 5. Reasonable Assurance of ESG Reports

It is proposed that the Board of Directors commits to filing, within the next three years, an ESG report backed by a reasonable assurance engagement, and not a limited assurance engagement or no assurance.

Arguments

Like many investors, we read the ESG reports of our Canadian banks with the expectation that they provide accurate, reliable, and complete information. While a number of banks rely on audit firms to provide limited assurance on the quality of their reporting, we believe it would be appropriate for the Bank to review the assurance level of its report in order to avoid increasingly common greenwashing allegations. According to a recent PWC report[9]: "In Canada, only 8% of companies in our analysis subject their sustainability reporting to the same level of reasonable assurance as their financial statements", and as per the authors of this report: "Limited assurance is a good first step. But it's only an interim measure in the eyes of regulators and investors. Our Global Investor Survey 2022 explored the factors that increase confidence in assessing the accuracy of an organization's sustainability reporting. Nearly three quarters (73%) of investors in Canadian companies say reasonable assurance helps. By contrast, only 46% feel the same way about limited assurance—underscoring the importance of preparing for reasonable assurance and producing investor-grade ESG reporting."

We believe that reasonable assurance every three years could reassure all stakeholders about the quality of the information disclosed.

> *"A practitioner can provide two types of assurance engagements: a reasonable assurance engagement or a limited assurance engagement.*
>
> *The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement, but is still planned to obtain a level of assurance that is, in the practitioner's professional judgment, meaningful."*[10]

Position of the Bank

In March of 2023, OSFI published the Guideline B-15 - Climate Risk Management introducing a reporting requirement for institutions in respect of their climate-related risks, and the mechanisms implemented to address such risks. Once Guideline B-15 becomes effective, the Bank, alongside all other Canadian financial institutions must adhere to this new guideline.

This guideline sets out principles in respect with the required disclosure of climate-related risks. The information needs to be relevant, specific and comprehensive, clear, balanced and understandable, reliable and verifiable, appropriate for the size of the institution in nature and complexity and disclosed consistently over time.

While transparency and responsible corporate practices are essential and at the core of our values, the current reporting framework, be it through limited assurance engagement, or no assurance is the best we can offer given the level of maturity of the required data. The availability of reliable and mature data can be inconsistent. Limited assurance recognizes the challenges in obtaining reliable data and strives to provide a level of assurance that is feasible under such circumstances. The ESG reporting standards and frameworks are evolving rapidly. A limited assurance engagement might be appropriate when standards are not yet fully matured, and the industry is still navigating the complexities of reporting.

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9 *Why Canadian Companies Need to Prepare for ESG Assurance*, PWC https://www.pwc.com/ca/fr/today-s-issues/environmental-social-and-governance/net-zero/preparing-for-esg-assurance.html

10 *Sustainability assurance alert: Third-party assurance over sustainability information*, CPA Canada https://www.cpacanada.ca/en/business-and-accounting-resources/audit-and-assurance/standards-other-than-cas/publications/sustainability-assurance-alert-third-party-assurance

PROPOSAL 6. Public Disclosure of Non-Confidential Information, Country-by-Country Reporting, Compensation Ratios, and Tax Havens

It is proposed that the Bank publicly disclose, on an annual basis, non-confidential information relating to its Country-by-Country Report, for the purpose of detailed and meaningful calculation of compensation ratios, including ratios broken down by territories, and for anti-tax havens efforts, in particular in terms of transparency.

Arguments

On several occasions over the years, the Bank has received shareholder proposals from MÉDAC — and now from Vancity — requesting the disclosure of the compensation ratio and the method used to calculate it. Despite the substantial number of votes received in support of these proposals, the Bank is still not disclosing its total compensation ratio, even though that disclosure has been mandatory for some time now in the US and several Canadian companies provide the information.

Of course, several arguments have been put forward against the disclosure of such a ratio. Also, despite the fact that the compensation ratio should be disclosed for all employees according to the Global Reporting Initiative Standards (GRI Standards)[11], the public disclosure of non-confidential information in the Action 13 Country-by-Country Reporting[12] of the OECD/G20 Inclusive Framework[13] on Base Erosion and Profit Shifting (BEPS)[14], an international initiative to which the Nation has acceded — would allow the calculation of meaningful compensation ratios that can allow a better interpretation of the total compensation ratio by enriching the description of the context.

Moreover, the public disclosure of such non-confidential information — as is the case in several other countries, including in Europe — would be an exercise in transparency, goodwill, and good faith that would directly feed prevention efforts related to tax evasion, tax avoidance, tax havens, and other legislation of convenience.

For all these reasons, the Bank must publicly disclose, on an annual basis, the non-confidential information of its Country-by-Country report.

Position of the Bank

The proposal to publicly disclose non-confidential information is a commendable initiative that aims to enhance transparency, accountability, and promote responsible corporate behavior.

However it is important to strike a balance between transparency and safeguarding confidential and strategic information critical for a bank's competitiveness and risk management. The suggestion to publicly disclose non-confidential information from our country-by-country report raises considerations related to our commitment to privacy, competitive positioning and risk management as we have a single business unit outside of Canada that operates in a single market.

Protecting the confidentiality of certain information is integral to maintaining our competitive edge and ensuring the security of this sensitive data. Publicly sharing detailed compensation ratios by territories and anti-tax haven efforts may expose proprietary information that could be leveraged by competitors.

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11 Disclosure 2-21, Annual total compensation ratio, *Full set of GRI Standards* — Report a) the ratio; b) the ratio of the percentage increase; and c) *the contextual information necessary to understand the data* https://www.globalreporting.org/pdf.ashx?id=22118

12 Action 13 — Country-by-Country Reporting https://www.oecd.org/tax/beps/beps-actions/action13/

13 Inclusive framework on Base Erosion and Profit Shifting https://www.oecd.org/tax/beps/

14 What is BEPS?, OECD https://www.oecd.org/tax/beps/about/

PROPOSAL 7. Auditor Appointment

It is proposed that the Board of Directors consider the service of other auditors, based on the length of existing mandates, given the number of shareholders who withhold their vote in this regard at the last annual meeting.

Arguments

Nearly half of the organizations we are closely following experienced, during their annual meeting, high levels of abstention votes on the topic of external auditor appointment. These votes did not single out one accounting firm in particular but a number of them, suggesting that shareholders are looking for a new vision when it comes to financial information accuracy and reliability, and auditor independence.

The goal of auditor rotation is to reduce threats to auditor independence, which are largely caused by familiarity gradually building over time. There is a concern that in the long run, the auditor becomes too close to the client. For example, auditor independence may be reduced when friendships are formed: the auditor may become too closely associated with the interests of the officers of the client company, the audit plan may become repetitive, or the auditor may be reluctant to make decisions that would suggest their previous decisions were wrong.

In short, the risks of familiarity with the client are likely to impair the auditor’s rigour, objectivity, and critical thinking. Do abstention votes on the topic of external auditor appointment reflect this opinion? We believe the vision of such a service must be renewed more frequently, to ensure auditors offer the best service at a competitive price, and to benefit from a new audit vision from a different auditor.

Position of the Bank

The proposal to consider the service of other auditors is a delicate balance between the prudent evaluation of the length of existing mandates to maintain the independence of the auditors, while making sure the auditors have sufficient knowledge and qualifications required to accomplish their duty. Recognizing the concerns raised by a significant portion of the shareholder base underscores the importance of reevaluating the audit services.

This is why during the 2023 fiscal year, the Bank initiated a tender process in relation to the appointment of the Bank's external auditor. The selection committee included two members of the Audit Committee and the selection criteria considered quality aspects such as the quality of the team, the understanding of the Bank, the audit approach, the industry capabilities and the overall system of quality control. Based on the results of this rigorous process, the Board recommended that EY be reappointed as the Bank's auditor for the 2024 fiscal year. More information on this process can be found on page 9 of this document.

As agreed with MÉDAC, this proposal is not being submitted to a shareholder vote.

PROPOSAL 8. Advisory Vote on Environmental Policies

It is proposed that the Bank hold an annual advisory vote on its environmental and climate objectives and action plan.

Arguments

According to an online survey conducted by *Léger Marketing* and the *Association for Canadian Studies* for *The Canadian Press* in October 2022, 70% of Canadians are worried or very worried about climate changes. The high percentage of votes received in favour of our shareholder proposal last year is a good reflection of this concern across the country. Also, this past vote surely reflects the concerns of the Bank's shareholder as to the extent of the actions that are taken in environmental matters. Forest fires and floods this past year do nothing to alleviate these concerns, and most likely heighten them.

A recent Oxfam Québec report[15] on the carbon footprint of Canadian banking books invites shareholders to be more demanding in terms of efforts being made on the topic. One of the observations in the report is worth noting:

> "Not only none of the major Canadian banks is committed, in the short or medium term, to withdrawing from the fossil fuel sector, but they all persist in presenting activities that are aimed at either decarbonizing the fossil fuel extraction, transformation or consumption processes or supporting the diversification of the portfolios of green assets of companies in the same sector, particularly in the fields of green technologies and renewable energies, as activities that support energy transition and sustainable finance."

The report even describes their initiatives as relatively unambitious:

> "For example, the total $850 billion Canadian dollars pledged by BMO, RBC, Scotia, CIBC and TD for the 2020-2030 period, while not negligible, will ultimately represent only two thirds of the assets they previously committed to fossil fuels between 2016 and 2020 alone, for a value exceeding $1,300 billion Canadian dollars."

We have little time left to clean up the environment and leave a livable home to future generations. Shareholders should be able to stimulate greater proactivity and express their opinion on the scope of the actions our organizations are contemplating for the coming years.

It should be noted that in France, a Say on Climate bill[16] could force all public companies to submit "climate and sustainability" strategies to shareholders every three years or in the event of a material change.

Position of the Bank

The Bank believes that accountability for environmental and climate action objectives and action plan should remain with the Board and management. These objectives need to be considered as a part of the Bank's broader strategy rather than as an isolated plan.

Environment and climate topics are not equally material to all financial institutions, and the size and scope of a bank needs to be considered as a part of the assessment of an action plan. There is not a single unified set of guidelines to determine what should be included in an environmental and climate action plan, and if that plan is appropriate for a given bank. As Laurentian is a smaller institution, and has committed to not directly finance the exploration, production or development of coal or oil and gas, the Bank's environment and climate plans may look very different than the Bank's peers.

The Bank's Executive Committee also acts as its ESG Steering Committee, with a mandate to provide strategic guidance on priorities and investments and make key decisions on ESG pillars. In addition, senior management has ESG objectives as part of their annual evaluation. This aligns with best practice for a successful ESG action plan and ensures these objectives are fully integrated into the strategies of each of the Bank's business lines.

15 Regard inédit sur l'empreinte carbone des portefeuilles bancaires canadiens, Hubert Rioux, Institut de recherche en économie contemporaine (IRÉC), 2022 https://oxfam.qc.ca/wp-content/uploads/2022-canada-banques-empreinte-carbone-rapport.pdf

16 Projet de loi relatif à l'industrie verte https://www.vie-publique.fr/loi/289323-industrie-verte-decarbonation-projet-de-loi

The Bank published its first ESG report in 2021, including TCFD aligned disclosures. Since then, this report has been produced annually prior to the AGM, giving investors more information on the Bank's approach and progress.

The Bank engages with a wide variety of stakeholders, including shareholders, on climate and ESG and values their input on these topics. The tools and methods that the Bank uses to engage with its stakeholders can be found in the Bank's Social Responsibility and ESG reports. In particular, as a part of the Bank's ESG materiality analysis, the Bank engaged directly with multiple shareholders and other stakeholders to provide them with an opportunity to share their perspective on ESG priorities for the Bank. As part of our ongoing commitment to climate progress, we will implement further means of engaging shareholders, such as a non-binding advisory vote, within the next five years.

As agreed with MÉDAC, this proposal is not being submitted to a shareholder vote.

Shareholder Information.

Corporate offices

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www.laurentianbank.ca

Corporate governance

The Bank's website provides information on our corporate governance practices, including our governance policies and our Board and committee mandates.

www.laurentianbank.ca/en/about_lbc/my_bank/governance.html

Transfer agent and registrar

Computershare Investor Services Inc.

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service@computershare.com

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Investors and analysts

Investors and analysts are invited to contact the Bank's Investor Relations Team.

investor.relations@lbcfg.ca

Media

Media may contact the Bank's Executive Office at:

media@lbcfg.ca

514-451-3201

Dividend reinvestment and share purchase plan

The Bank has a dividend reinvestment and share purchase plan for Canadian holders of its common and preferred shares under which they can acquire common shares of the Bank without paying commissions or administration fees. Participants acquire shares through the reinvestment of cash dividends paid on the shares they hold or through optional cash payments of a minimum amount of $500 per payment, up to an aggregate amount of $20,000 in each 12-month period ending October 31.

For more information, shareholders may contact Computershare at service@computershare.com or 1-800-564-6253.

To participate in the plan, the Bank’s non-registered shareholders must contact their financial institution or broker.

LAURENTIAN BANK