EQUITABLE

CANADA'S CHALLENGER BANK™

Management Information Circular

Notice of Annual and Special Meeting of Shareholders
and Management Information Circular

May 15, 2019

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

Equitable Group Inc.

TSX.EQB | EQB.PR.C

Equitable Group Inc.

Notice of 2019 Annual and Special Meeting of Shareholders

When

Wednesday, May 15, 2019
10:00 a.m. (Eastern Time)

Where

Equitable Bank Tower
30 St. Clair Avenue West, 5th Floor
Toronto, Ontario

For the purposes of

1. receiving the Company's 2018 consolidated financial statements and the report of the auditors on those statements;
2. electing the directors of the Company for the ensuing year;
3. appointing KPMG LLP as auditors for the ensuing year and authorizing the directors to fix their remuneration;
4. considering and, if deemed advisable, approving an amendment to the Share Option Plan to increase the maximum number of common shares issuable thereunder to 2,000,000 common shares; and
5. considering any other business as may properly come before the meeting and any adjournment thereof.

Each item of business is described in the accompanying Management Information Circular.

Holders of common shares on March 26, 2019, the record date, are eligible to vote at the meeting. There were 16,631,861 common shares outstanding on the record date.

By order of the Board of Directors,

Michael Mignardi
Vice-President and General Counsel

April 4, 2019

YOUR VOTE IS IMPORTANT

You may vote at the Annual and Special Meeting of Shareholders (the "meeting") in person, online, by telephone, or by mail. Detailed voting instructions for registered and non-registered shareholders begin on page 5 of this Management Information Circular. If you cannot attend the meeting please complete and return your form of proxy of voting instruction form to vote your shares. Your vote must be received by our transfer agent, Computershare Investor Services Inc., by 10:00 a.m. (Eastern Time) on May 13, 2019.

We mailed you a copy of our 2018 consolidated financial statements and accompanying management's discussion and analysis, if you asked us to (in accordance with corporate and securities laws). You can find a copy of our financial statements on our website (www.equitablebank.ca), on SEDAR (www.sedar.com) and on Envision (www.envisionreports.com/EQGQ2019).

It is very important that you read the Circular carefully before exercising the voting rights attached to your common shares of the Company.

Dear Shareholders,

On behalf of the board of directors, management and employees of Equitable Group Inc. (Equitable), we invite you to attend our Annual and Special Meeting of Shareholders which will take place on Wednesday, May 15, 2019 at 10:00 a.m. (Eastern Time) at our head office in the Equitable Bank Tower, 30 St. Clair Avenue West, Toronto.

The items of business to be considered and voted upon by shareholders at this meeting are described in the Management Information Circular ("the "Circular"). Please take the time to review the information concerning these matters. The Circular also provides information on executive compensation and Equitable's governance practices. The contents of the Circular have been approved by the Board.

Your participation at this meeting is very important to us. We encourage you to vote by following the instructions in the form of proxy or voting instruction form. Following the formal portion of the meeting, management will review the Company's operational and financial performance for 2018, and provide an outlook on priorities for 2019 and beyond.

We thank you for your support and continued confidence in Equitable.

Sincerely,

David LeGresley
Chair, Board of Directors

Andrew Moor
President and Chief Executive Officer

Management Information Circular

All information in the 2019 Management Information Circular is as at April 4, 2019, unless indicated otherwise.

What's inside

In this document:

- *Bank* means Equitable Bank, the Company's wholly-owned subsidiary
- *Board or directors* means the Board of Directors
- *common shares or shares* mean Equitable's common shares
- *CSA* means Canadian Securities Administrators
- *circular* means Management Information Circular
- *Computershare* means Computershare Investor Services Inc.
- *DSUs* mean Deferred Share Units
- *ET* means Eastern Time
- *Equitable*, the *Company*, *we, us*, and *our* mean Equitable Group Inc.
- *financial statements* means the audited consolidated financial statements for the year ending December 31, 2018 and related management's discussion and analysis
- *HRC Committee* means the Human Resources and Compensation Committee
- *MD&A* means management's discussion and analysis
- *CEO* means President and Chief Executive Officer or President and CEO
- *TSX* means the Toronto Stock Exchange

Voting Information

Proxy Solicitation

This circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Annual and Special Meeting of Shareholders to be held at the time and place and for the purposes listed in the notice of the meeting accompanying this circular.

Management is soliciting your proxy for the meeting. It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally or by telephone. We pay all costs for soliciting proxies.

Notice and Access

This year, in compliance with CSA rules, we have decided to use Notice and Access to deliver the circular. Notice and Access allows for faster access to the circular, contributes to the protection of the environment by decreasing the large volume of paper documents generated by printing proxy-related materials, and helps to reduce high printing and postage costs.

Therefore, instead of receiving the circular by mail, we have posted the circular on Envision at www.envisionreports.com/EQGQ2019 and on SEDAR at www.sedar.com.

Both registered and non-registered (beneficial) shareholders will receive a Notice of Availability of Proxy Materials for the meeting together with either a form of proxy or a voting instruction form (the "Notice Package") informing them how to access the circular and how to obtain a printed copy. A paper copy of the Company's audited financial statements and related MD&A for the year ending December 31, 2018 will be mailed to those registered and non-registered shareholders who had previously requested a copy.

The Notice Package will be mailed directly to non-objecting beneficial shareholders of the Company's common shares with the assistance of Computershare Investor Services Inc. We do not intend to pay for intermediaries to forward to objecting beneficial shareholders under CSA rules. Accordingly, objecting beneficial shareholders will not receive the materials unless their intermediary assumes the costs of delivery.

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

You should access and review all information in the circular before voting.

Shareholders with questions about Notice and Access can call Computershare toll free at 1-866-964-0492 or by going to www.computershare.com/noticeandaccess.

How to obtain a paper copy of the circular

Shareholders may request to receive paper copies of the circular by mail at no cost for up to one year from the date the circular was filed on SEDAR. Requests for paper copies may be made using your Control Number as it appears on your enclosed form of proxy or voting instruction form. Please note that if you do request a paper copy, you will not receive another form of proxy or voting instruction form, so you should keep the original form sent to you in order to vote.

To request a paper copy before the meeting date, please follow the instructions below. A paper copy will be sent to you within three business days of receiving your request.

Shareholders with a 15 digit control number	**Shareholders with a 16 digit control number**
Toll Free, within North America: 1-866-962-0498 Outside of North America: (514) 982-8716	Toll Free, within North America: 1-877-907-7643 Outside of North America: (905) 507-5450
Enter your Control Number as indicated on your voting instruction form or form of proxy.	Enter your Control Number as indicated on your voting instruction form.

To obtain paper copies of the materials after the meeting date, please contact 1-866-407-0004. The circular will be sent to you within 10 calendar days of receiving your request.

To ensure you receive the materials in advance of the voting deadline and meeting date, all requests must be received no later than **May 3, 2019**.

Electronic delivery of materials

Electronic delivery is voluntary email notification sent to shareholders when documents such as our annual consolidated financial statements and this circular are available on our website. If you wish, you may elect to be notified by email when documentation is posted on our website.

The process to sign up is as follows:

Non-registered shareholders	Registered shareholders
Go to www.proxyvote.com using the control number found on your voting instruction form and follow the instructions.	Go to www.investorcentre.com, enter your Holder Account Number from your form of proxy and click on "Sign up for eDelivery".

Who can vote

You have the right to vote - one vote per share - if you held common shares at the close of business on March 26, 2019.

Quorum

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

Principal Holders of Voting Securities

We are authorized to issue an unlimited number of common shares. As of March 26, 2019, there were 16,631,861 common shares outstanding and eligible to be voted at the meeting. To the knowledge of our directors and officers, the following person and companies beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying 10% or more of the voting rights attached to all outstanding shares:

	Number of common shares	Percentage of outstanding common shares
Stephen Smith[1]	3,224,100	19.39%
Oakwest Corporation Limited[2]	2,000,000	12.03%
Beutel, Goodman & Company Ltd.[3]	1,701,670	10.23%

1. Stephen Smith beneficially owns, directly or indirectly, or exercises control or direction over these shares which were acquired for investment purposes.
2. Eric Beutel, a director of the Company, beneficially owns, or exercises control or direction over these shares as an officer and a director of Oakwest. These shares were acquired by Oakwest in the ordinary course of business and not with the purpose of influencing or changing the control of the Company.
3. Beutel, Goodman & Company Ltd. has disclaimed any beneficial ownership of these common shares but as an investment manager, it maintains exclusive power to exercise investment control or direction over such shares for its client accounts.

How to vote

How you vote depends on whether you are a registered or non-registered shareholder:

Beneficial (non-registered) Shareholder
Your common shares are registered in the name of an intermediary (for example, a bank, trust company, investment dealer, clearing agency, or other institution). Most of our shareholders are non-registered holders.

Registered Shareholder
Your shares are registered in your name.

Voting by Voting instruction form

Internet
Go to www.investorvote.com and follow the instructions.

Phone
Call 1-866-732-VOTE (8683) Toll Free and follow the instructions. You will need your Control Number located in the lower left corner of the proxy form.

Mail
Return the completed voting instruction form in the envelope provided.

If you vote by telephone or internet, do NOT complete or return the voting instruction form. **Your voting instructions must be entered by 10:00 a.m. (ET) on Monday May 13, 2019**.

Most intermediaries allow you to send your instructions as noted above but each has their own process so make sure you follow the instructions on the form. Your intermediary must receive your instructions in enough time to act on them before the May 13, 2019 deadline.

Voting by Form of proxy

Internet
Go to www.investorvote.com and follow the instructions.

Phone
Call 1-866-732-VOTE (8683) Toll Free and follow the instructions. You will need your Control Number located in the lower left corner of the proxy form.

Mail
Return the completed voting instruction form in the prepaid envelope provided.

Computershare must receive your proxy form or you must have voted by telephone or Internet **no later than 10:00 a.m. (ET) on Monday May 13, 2019.**

Voting at the meeting

Print your name in the space provided on the voting instruction form to appoint yourself as proxyholder and return the form as indicated therein. Check in with a Computershare representative when you arrive at the meeting. Do not submit your vote using your voting instruction form because your vote will be taken at the meeting.

By proxyholder

The voting instruction form allows you to appoint a proxyholder to represent you at the meeting and exercise your voting right there.

Voting at the meeting

Register with Computershare when you arrive at the meeting. Do not fill out the proxy form because you will be casting your vote at the meeting.

By proxyholder

The form of proxy allows you to appoint a proxyholder to represent you at the meeting and exercise your voting right there.

How your shares will be voted

On the form of proxy or voting instruction form you can indicate how you want your shares voted, or you can let your proxyholder decide for you. Your proxyholder must follow your voting instructions. If you have not specified your voting instructions on a particular matter, then your proxyholder can vote your shares as he or she sees fit on such matter.

Unless you provide contrary instructions, shares represented by proxies or voting instruction forms received by management will be voted as follows:

- **FOR** the election of our director nominees;
- **FOR** the appointment of KPMG LLP as our independent auditors; and
- **FOR** the amendment to the Share Option Plan to increase the maximum number of common shares issuable thereunder to 2,000,000 common shares.

If there are any amendments to the items of business in this circular or other items of business properly come before the meeting, your proxyholder will decide how to vote them.

As at the date of this circular, we are not aware of any amendment or other matter that will be brought before the meeting.

How do I change my vote?

If you are a **registered shareholder** and have voted by proxy, you may revoke your proxy by providing new voting instructions on a proxy form with a later date, or at a later time if you are voting by telephone or on the internet. Any new instructions, however, will only take effect if received by Computershare **no later than 10:00 a.m. (ET) on Monday, May 13, 2019,** or if the meeting is adjourned or postponed, by 10:00 a.m. on the second-last business day before the date of the reconvened meeting.

You may also revoke your proxy and vote in person at the meeting, or at any adjournment thereof, by delivering a notice to this effect signed by you or your authorized attorney to Andrew Moor, President and CEO, at the registered office of the Company, at any time up to 10:00 a.m. (ET) on Monday, May 13, 2019, or giving your notice to the Chair of the meeting before the meeting starts.

If you are a **non-registered shareholder,** you may revoke your proxy or voting instructions by contacting your intermediary.

Is my vote by proxy confidential?

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

How can I vote if I hold Employee shares?

If you are an Equitable employee and hold shares purchased through the Employee Share Purchase Plan you will have received a voting instruction form in your Notice Package. Please follow the instructions provided for non-registered shareholders on the previous page.

Questions?

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

BUSINESS OF THE MEETING

Financial Statements

Equitable's audited consolidated financial statements for the year ended December 31, 2018 and the report of the auditors thereon will be placed before the meeting. We mailed these financial statements to those registered and beneficial shareholders who requested to receive a copy. You will also find a copy of these financial statements filed on SEDAR (www.sedar.com), on Envision (www.envisionreports.com/EQGQ2019), and on our website (www.equitablebank.ca).

Election of Directors

The Board has fixed the number of directors at ten in accordance with the by-laws. At the meeting we will ask you to vote for the election of ten directors to serve on our board until the close of the next annual meeting or until their successors are elected or appointed. All nominees were elected at last year's annual meeting with the exception of Susan Ericksen who was appointed by the Board on November 8, 2018, and is standing for election for the first time.

The Board recommends you vote ***FOR*** each director nominee

You can read more about the nominated directors beginning on page 11.

Majority Voting for Directors

Our majority vote policy requires any nominated director who is not elected by at least a majority of votes cast (50% plus 1 vote) to tender his or her resignation to the Chair of the Board immediately following the meeting. Absent exceptional circumstances, the Board will accept the offer of resignation. There are very limited circumstances under which the Committee can, however, recommend retaining the director provided that active steps are taken to resolve the circumstances in the following year. The director offering to resign will not participate in the discussion. The Board shall issue, within 90 days of receiving the final voting results, a press release announcing the resignation of the director in question or its rationale for not accepting the resignation.

This policy applies only to uncontested elections (elections where the number of nominated directors is the same as the number of directors to be elected).

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

You will find a copy of this policy on our website.

Appointment of Auditors

KPMG LLP (KPMG) has served as our independent auditors since 2004.

In 2018 the Audit Committee completed a comprehensive tender process for the 2019 external audit engagement. After careful consideration and subject to the approval of our shareholders, the Audit Committee selected KPMG LLP based on the qualifications of the firm and the engagement team, service quality, and independence, to continue as our independent auditors. The Board has recommended the appointment of KPMG as our independent auditors until the close of the next annual meeting of shareholders.

The Board recommends you vote ***FOR*** KPMG LLP as our independent auditors at such remuneration as may be fixed by our directors

The Audit Committee negotiates the fees to be paid to the auditors. Management believes the fees negotiated in 2018 to be reasonable and comparable to fees charged by other auditors providing similar services. Last year, the vote was 98.97% *for* KPMG as our auditors.

Auditor service fees

Fees paid by Equitable to KPMG for the years ended December 31, 2018 and December 31, 2017 are listed in the table below. The Audit Committee can pre-approve all audit and permitted non-audit services (including the fees and conditions) as permitted within the scope of the policies and procedures approved by the committee.

Category	2018[1]	2017[1]
Audit Fees	$516,850	$471,000
Audit–related Fees	$90,000	$216,500
Tax Fees	$51,875	$22,500
Other Fees	$109,850	-
Total	**$768,575**	**$710,000**

1. Amounts exclude HST, CPAB fees, and disbursements

Audit Fees

Audit fees include amounts paid or accrued for professional services rendered by the auditors in connection with the audit of the Company's annual consolidated financial statements, the review of the Company's interim financial statements, and accounting advisory services related to the audited financial statements.

The increase of $45,850 in 2018 from 2017 is due to an increase in scope as a result of the Company's transition to IFRS 9 *Financial Instruments* that is mandatorily effective for annual periods beginning on or after January 1, 2018.

Audit-related Fees

Audit-related fees include amounts of $90,000 paid in 2018 and $90,000 paid in 2017 for a specified procedures report to support Equitable's participation in CMHC sponsored securitization programs. In 2017, the fees included $93,500 paid in respect of specified procedures reports to support Equitable's participation in non-CMHC securitization programs and $33,000 paid for advisory services rendered to assist the Company's transition to IFRS 9.

Tax Fees

Tax fees were paid for professional services primarily relating to reviews of the Company's corporate tax returns and commodity tax return. The increase of $29,375 is related to fees paid for the tax due diligence procedures performed in connection with the Company's acquisition activities.

Other Fees

Other fees paid in 2018 include amounts of $100,000 paid in connection with a review of the Company's mortgage lending processes and $9,850 related to the Company's acquisition activities.

Amendment to Share Option Plan to Increase the Number of Common Shares Issuable thereunder

We are recommending an amendment to our Share Option Plan (the "Option Plan") to increase the maximum number of common shares issuable under the Option Plan to 2,000,000 shares. Additional information about our Option Plan can be found beginning on page 54.

The purpose of the Option Plan is to align the interests of the officers and employees with the profitability, growth and future success of Equitable by providing eligible plan participants with the opportunity to acquire an ownership interest in Equitable. The Board believes that the granting of options is an important part of Equitable's overall compensation program.

At the annual and special meeting of shareholders held on May 15, 2012, shareholders approved the conversion of the Option Plan from a ten percent "rolling" Plan to a fixed number Plan with the maximum number of shares issuable pursuant to option grants fixed at 1,475,570 common shares. At the time of such conversion, there were 685,427 common shares issuable upon the exercise of outstanding options, with 774,293 shares available for future grants.

The Board recommends you vote ***FOR*** the amendment to the Option Plan to increase the maximum number of shares issuable under the Option Plan

Since 2012, the Company has evolved its option granting practices to enhance governance and align with best practices by:

- limiting eligibility for option awards;
- amending the long-term incentive plan to introduce Performance Share Units to replace a portion of executive officer option grants;
- introducing a clawback provision for intentional fraud or willful misconduct; and
- limiting the dilutive effect of the Option Plan by stabilizing the number of options granted.

As at March 15, 2019, there were 731,794 options outstanding and 6,771 shares available for issuance pursuant to future option grants. Shareholders are being asked to approve an increase in the maximum number of shares issuable under the Option Plan by 524,430 shares from 1,475,570 shares to 2,000,000 shares.

After giving effect to the proposed increase, the number of Equitable common shares available for issuance under the Option Plan (including to satisfy the exercise of currently outstanding options), after deducting shares previously issued pursuant to the exercise of options under the Option Plan, will be 1,262,995 shares.

The following table shows the number of common shares issuable on the exercise of outstanding options available for future awards under the Option Plan, both before and after the proposed amendment, based on the number of shares outstanding as at March 15, 2019.

	Common shares issuable on the exercise of outstanding options	Common shares available for future award grants	Maximum Common shares authorized for issuance under the Option Plan
Currently approved	731,794	6,771	1,475,570
Proposed increase	-	524,430	524,430
Total	731,794	531,201	2,000,000
% of outstanding common shares (non-diluted)	**4.4%**	**3.2%**	**7.6%**

On February 28, 2019, the Board approved an increase in the maximum number of shares issuable under the Option Plan to 2,000,000 shares, subject to obtaining shareholder and regulatory approval. If the proposed increase is not approved by the shareholders, the Option Plan would continue unamended. As a result, after granting the 6,771 options, we would be unable to make any further grants to eligible participants, including our Executive Officers, as a component of the long-term incentive program. This would require the Company to provide an alternate form of long-term incentive compensation. Those options currently issued and outstanding would not be affected.

On March 29, 2019, the TSX conditionally approved the increase subject to the resolution being approved by a majority of the votes cast by shareholders, in person or by proxy, at the meeting.

Shareholders will be asked to consider, and if deemed advisable, to approve with or without variation, the following resolution:

RESOLVED THAT:

1. The Company's Share Option Plan ("Option Plan") be and is hereby amended to confirm that the number of shares issuable under the Option Plan be increased by an additional 524,430 shares to 2,000,000.

2. Any officer of the Company be and is hereby authorized, for and on behalf of the Company, to do all such acts and things and to execute, or cause to be executed, all such further agreements, instruments, certificates and other documents as may be necessary or desirable to give effect to this resolution, the execution by such officer and delivery of such agreement, instrument, certificate or other document or the doing of any such other act or thing being conclusive evidence of such determination.

About the director nominees

There are ten nominated directors this year. The pages that follow tell you about the nominated directors' background, their qualifications, their committee memberships, meeting attendance and equity ownership, among other things.

Independence

Nine of the ten director nominees, including the Chair of the Board, are independent. Andrew Moor is not independent because he is Equitable's President and CEO.

Qualified and experienced

Our director nominees have the mix of qualifications, skills and experience necessary for proper oversight and effective decision-making. These include:

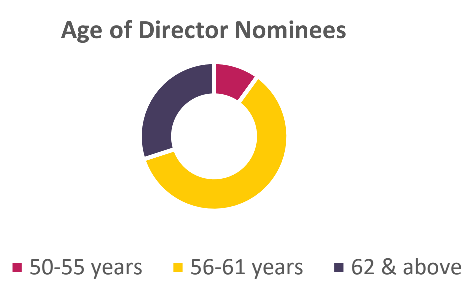
financial services industry knowledge	**risk management**	**human resources and compensation**
executive compensation	**finance and accounting**	**governance**

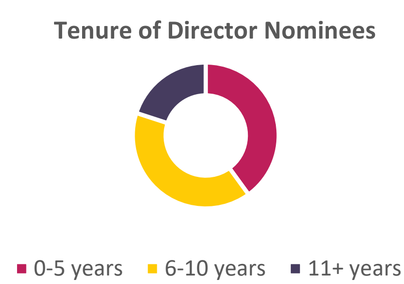
Diversity

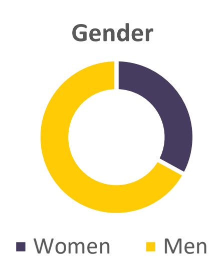
The Governance and Nominating Committee of the Board considers age, gender and years of service on Equitable's Board as part of its assessment of director candidates. The Board has an objective that women represent at least 30% of the Board's independent members. See page 29 for more about gender diversity.

The proposed Board has an average age of 60 and an average tenure of 7.8 years.

Board Profile







Director Profiles

Eric Beutel
Age 56
Toronto, Ontario
Director since 2004
2018 Voting result: 98.96% ***for***

Independent

Areas of expertise

- Accounting/Finance
- Real Estate
- Risk Management
- Governance

Eric Beutel is Vice-President of Oakwest Corporation Limited, a private investment holding company. He holds a Bachelor of Arts degree from York University and a Master of Business Administration degree from the University of Ottawa. Mr. Beutel has been a director of Equitable Bank since 1994.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	9 / 10	In-Touch Survey Systems Ltd. (2013 – present)
Audit	3 / 3	CHAR Technologies Ltd. (2014 - present)
Risk and Capital	4 / 4	
Credit Risk Sub-Committee (Chair)	26 / 26	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	28,700[1]	8,565	37,265	2,513,524	Yes	8.38x
2018	28,700[1]	6,987	35,687	1,915,678	Yes	9.12x

Michael Emory
Age 63
Toronto, Ontario
Director since 2014
2018 Voting result: 98.33% ***for***

Independent

Areas of expertise

- Governance
- Human Resources/Compensation
- Real Estate
- Risk Management
- Senior Executive
- Strategic Planning

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

Board / Committee Memberships[8]	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	Allied Properties REIT (2003 – present)
Governance & Nominating	5 / 6	
HR & Compensation	5 / 5	
Credit Risk Sub-Committee	26 / 26	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	1,600	3,205	4,805	324,097	Yes	1.08x
2018	1,600	2,261	3,861	207,258	Yes	1.09x

Susan Ericksen

Age 60
Denver, CO
Director since Nov 2018
2018 Voting result: N/A

Independent

Areas of expertise

- Technology
- Risk Management
- Strategic Planning
- Retail Banking
- Human Resources/Compensation
- Governance

Susan Ericksen is a Corporate Director. She has had a distinguished 35-year career with Fortune 500 companies, serving as a Chief Technology Officer for Fiserv, Inc., and most recently as a Managing Director, Global Technology Operations, at The Coca-Cola Company in Atlanta. Ms. Ericksen has also served as a Chief Information Officer or Chief Technology Officer at New York Life, Merrill Lynch Bank and Trust, Merrill Lynch Bank USA, CitiFinancial, and Citi Cards. Ms. Ericksen received her Master of Science degree in Computer Science from the University of Colorado and a Bachelor of Arts degree in Business Administration from Mount St. Mary's College, Los Angeles.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	4 / 4	None

Equity Ownership – Ms. Ericksen has until November 8, 2023 to meet the share ownership requirement

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	0[7]	536	536	36,153	On track	0.12x

Kishore Kapoor

Age 62
Toronto, Ontario
Director since 2016
2018 Voting result: 98.92% ***for***

Independent

Areas of expertise

- Governance
- Accounting/Finance
- Risk Management
- Senior Executive
- Strategic Planning

Kishore Kapoor is a Corporate Director. Until 2011 he was President of Wellington West Holdings Inc., the parent company of a number of subsidiaries that provided wealth management and corporate finance services to retail and institutional clientele in Canada. Previously he was Executive Vice-President of Corporate Development at Loring Ward International Inc. Mr. Kapoor co-founded Assante Corporation, previously one of the largest wealth management firms in Canada, and served as its Executive Vice-President, Corporate Development from 1994 until 2003. He currently serves as a Director and member of the Audit Committee of Richardson Financial Group Limited and GMP Capital Inc., a director and Chair of the Audit Committee of Richardson GMP, and a director of Morneau Shepell Inc. Mr. Kapoor has a Bachelor of Science degree from the University of Manitoba and is a Chartered Accountant and former tax partner with KPMG LLP.

Board / Committee Memberships[8]	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	GMP Capital Inc. (2018 – present)
Audit (Chair)	5 / 5	Morneau Shepell Inc. (2018 – present)
Risk and Capital	4 / 4	Manitoba Telecom Services Inc. (2006 – 2017)

Equity Ownership -- Mr. Kapoor has until November 10, 2021 to meet the share ownership requirement

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	1,425	2,598	4,023	271,351	On track	0.90x
2018	1,425	978	2,403	128,993	On track	0.73x

David LeGresley

Age 60
Toronto, Ontario
Director since 2011
2018 Voting result: 99.98% ***for***

Independent

Areas of expertise

- Capital Markets
- Financial Services
- Governance
- Human Resources/Compensation
- Mergers & Acquisitions
- Strategic Planning

David LeGresley is Chair of the Board of both the Company and the Bank. He is also a Corporate Director and currently serves as a Director and Chair of the Human Resources and Compensation Committee of Pembina Pipeline Corporation. Mr. LeGresley has over 30 years of experience in the financial services industry, including as a senior executive of National Bank Financial for 12 years in several positions including Head of Corporate and Investment Banking and most recently as Vice Chairman from 2006 to 2008. Mr. LeGresley received a Bachelor of Applied Science degree in Engineering from the University of Toronto and a Master of Business Administration degree from Harvard Business School. He is a member of the Institute of Corporate Directors with the ICD.D designation.

Board / Committee Memberships[8]	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	Pembina Pipeline Corp. (2010 – present)

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[6] Meets[5]	multiple of SOR
2019	18,000	10,452	28,452	1,919,087	Yes	3.20x
2018	18,000	8,003	26,003	1,395,841	Yes	2.92x

Lynn McDonald

Age 67
Toronto, Ontario
Director since 2011
2018 Voting result: 97.80% ***for***

Independent

Areas of expertise

- Accounting/Finance
- Financial Services
- Governance
- Human Resources/Compensation
- Risk Management

Lynn McDonald is a Corporate Director. She has nearly 25 years of corporate lending and corporate finance experience gained in progressively senior positions with the Canadian Imperial Bank of Commerce, including Managing Director, CIBC World Markets. Prior to joining CIBC she was Deputy Minister and Executive Director in the Office of the Premier and Cabinet Office for the Government of Ontario. Ms. McDonald is currently one of two independent directors of OHA Legacy Fund, a wholly-owned subsidiary of the Ontario Hospital Association. She served as Chair of the Board of Frontier College, a national literacy organization, where she also chaired the Finance and Audit Committee. Ms. McDonald is also a former Director of Bridgepoint Active Care Foundation where she was Chair of the Finance and Audit Committee, and a former Governor of Trent University where she was Chair of the Investment and Audit Committee. Ms. McDonald earned a Bachelor of Arts (Honours) degree in Economics from the University of Waterloo and is a member of the Institute of Corporate Directors.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	None
Audit	5 / 5	
HR & Compensation (Chair)	5 / 5	
Risk & Capital	4 / 4	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	4,050	5,965	10,015	675,512	Yes	2.25x
2018	4,050	4,718	8,768	470,666	Yes	2.24x

Andrew Moor
Age 58
Director since 2007
2018 Voting result: 99.21% ***for***

Non-independent

Areas of expertise

- Accounting/Finance
- Financial Services
- Governance
- Real Estate
- Strategic Planning

Andrew Moor has been President and Chief Executive Officer of the Company and the Bank since March 2007. Before joining Equitable he served as President and Chief Executive Officer of Invis Inc. from 2002 to 2007 and prior to that as President and Chief Financial Officer of SMED International Inc. Mr. Moor is currently a director and Chair of the Human Resources and Compensation Committee of Sleep Country Canada Holdings Inc. He also serves as a member of the Executive Committee of the Canadian Bankers' Association, as Chairman of the Trust Companies Association, and as a member of the Smith School of Business, Advisory Board at Queen's University. Mr. Moor holds an MBA from the University of British Columbia and a Bachelor of Science degree in Engineering from University College, London. He is a member of the Institute of Corporate Directors with the ICD.D designation.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	Sleep Country Canada Holdings (2015 – present)

Equity Ownership

Year	common shares	PSUs	Total common shares and PSUs	Total value of common shares and PSUs ($)	Share Ownership Requirement Meets[3]	Share Ownership Requirement multiple of SOR
2019	188,529	22,804	211,333	14,281,796	Yes	6.80x
2018	150,328	22,198	172,526	9,261,196	Yes	4.41x

Rowan Saunders
Age 54
Toronto, Ontario
Director since 2013
2018 Voting result: 99.98% ***for***

Independent

Areas of expertise

- Governance
- Risk Management
- Senior Executive
- Strategic Planning

Rowan Saunders has been President and Chief Executive Officer of Economical Mutual Insurance Company since November 2016. Previously he was President and Chief Executive Officer of Royal & Sun Alliance Insurance Company of Canada (RSA) for 12 years. Mr. Saunders has over 30 years of international P&C industry experience, holding progressive leadership roles in the areas of underwriting, marketing, sales and finance. He is a past Chairman and current member of the board of directors of the Insurance Bureau of Canada, and a past member of the Financial Services Commission of Ontario's CEO Advisory Committee. Mr. Saunders holds a Bachelor of Arts degree from York University as well as the Canadian Risk Management designation and is a Fellow of the Insurance Institute of Canada.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	None
Audit	5 / 5	
Governance & Nominating	6 / 6	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	Share Ownership Requirement[4] multiple of SOR
2019	2,000	4,430	6,430	433,704	Yes	1.45x
2018	2,000	2,974	4,974	267,004	Yes	1.27x

Vincenza Sera
Age 62
Toronto, Ontario
Director since 2013
2018 Voting result: 99.98% ***for***

Independent

Areas of expertise

- Accounting/Finance
- Financial Services
- Governance
- Real Estate

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

Board / Committee Memberships[8]	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	DREAM Industrial REIT (2012 – present)
Governance & Nominating (Chair)	6 / 6	DREAM Unlimited Corp. (2013 – present)
Risk & Capital	4 / 4	
Credit Risk Sub-Committee	25 / 26	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	2,000	3,930	5,930	399,979	Yes	1.33x
2018	2,000	2,974	4,974	267,004	Yes	1.27x

Michael Stramaglia
Age 59
Toronto, Ontario
Director since 2014
2018 Voting result: 99.98% ***for***

Independent

Areas of expertise

- Accounting/Finance
- Financial Services
- Governance
- Investment Management
- Risk Management
- Senior Executive

Michael Stramaglia is President and Founder of Matrisc Advisory Group, a risk management consulting firm. He is currently Executive in Residence at the Global Risk Institute and is a director of the Economical Insurance Group, Foresters Financial, and the Canadian subsidiaries of Munich Reinsurance Company of Canada. Mr. Stramaglia has over 30 years of financial services experience, including prior executive leadership roles where he served as Executive Vice-President and Chief Risk Officer for Sun Life Financial, Executive Vice-President and Chief Investment Officer for Clarica and as President and Chief Executive Officer of the Zurich Life Insurance Company of Canada. Mr. Stramaglia is a qualified actuary and Chartered Enterprise Risk Analyst. He received his Honours Bachelor of Mathematics degree from the University of Waterloo and is a member of the Institute of Corporate Directors with the ICD.D designation.

Board / Committee Memberships	2018 Attendance	Public company directorships (past five years)
Board	10 / 10	None
HR & Compensation	5 / 5	
Risk & Capital	4 / 4	

Equity Ownership

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Share Ownership Requirement[4] Meets[5]	multiple of SOR
2019	3,000	3,205	6,205	418,527	Yes	1.40x
2018	3,000	2,261	5,261	282,410	Yes	1.34x

1. Excludes the 2,000,000 common shares of the Company held by Oakwest of which Mr. Beutel is an officer, director and a shareholder. This number also excludes the 2,500 shares held by Benjamin Beutel Holdings Inc.
2. For 2019 and 2018, respectively, securities held were as at and valued at the closing price of common shares on the TSX on March 15, 2019 ($67.45) and March 31, 2018 ($53.68). Includes DSUs that accrue as dividend equivalents.
3. Andrew Moor meets the share ownership requirement for his position as President and CEO - see page 43.
4. Director share ownership requirement: March 31, 2018 - $210,000 / March 15, 2019 - $300,000.
5. Directors have five years from the date they joined the Board to meet the share ownership requirement.
6. Board Chair share ownership requirement: March 31, 2018 - $480,000 / March 15, 2019 – $600,000.
7. Susan Ericksen purchased 500 common shares on April 1, 2019 for US$24,681 (C$32,917 based on the April 1, 2019 exchange rate of 1.3337).
8. From time to time the Board forms committees on an ad hoc basis. In 2018, the Board formed such a committee consisting of Ms. Sera and Messrs. LeGresley, Emory and Kapoor to consider the Company's strategy and other related matters. Such committee is no longer in existence.

Meeting Attendance

During 2018 the Board held eight regularly scheduled meetings and two special meetings. Special meetings are called on shorter notice than regularly scheduled meetings, which are scheduled a year or more in advance.

Directors are expected to attend all regularly scheduled meetings of the Board and its committees, except where personal circumstances beyond the director's control prevent the director from doing so. Directors are also required to attend at least 75% of the combined total of Board and committee meetings and to attend the Company's annual meeting of shareholders.

The Risk and Capital Committee oversees the Credit Risk Sub-Committee ("CRSC"). The CRSC met 26 times in 2018. These meetings are generally convened with less than a week's notice for the purpose of adjudicating credit applications that exceed management authority.

The table below shows the number of Board and committee meetings held in 2018. Details about each director's meeting attendance can be found in the director profiles beginning on page 11.

2018 Attendance

	Number of Meetings	Attendance
Board	10	99%[1]
Audit Committee	5	100%
Governance and Nominating Committee	6	94%[2]
Human Resources and Compensation Committee	5	100%
Risk and Capital Committee	4	100%
Credit Risk Sub-Committee	26	98%
Total number of meetings	**46**	**99%**

1. Eric Beutel did not attend one board meeting in 2018 that was called on short notice due to a conflict of interest in the subject matter the Board was to review.
2. Michael Emory was unable to attend one Governance & Nominating Committee meeting due to an unintended conflict with a board meeting of the Company he is CEO of.

Director Compensation

Our director compensation program is intended to deliver an appropriate level of remuneration to enable Equitable to attract and retain qualified directors with a sufficient range of skills, expertise and experience to meeting the demanding responsibilities of Board members while aligning the interests of our directors with shareholder interests.

The Board approves the amount and form of director compensation upon the recommendation of the Governance and Nominating Committee. The Committee reviews director compensation every two years and makes recommendations for adjustments to the Board. In making its recommendations, the Committee reviews publicly available director compensation and compares Equitable's director compensation and structure to the peer group used for executive compensation purposes, as set out on page 45, and other Canadian publicly-traded companies of comparable size in different industries. The Committee also considers the risks, time commitment, workload, the complexity of issues, skills and experience required when reviewing director compensation.

Directors of the Company also serve as Directors of Equitable Bank, and Board and committee meetings of both entities run concurrently. Under the Bank's by-laws, the aggregate amount that Equitable may pay its directors in a financial year is $1,500,000.

Each non-executive director is also entitled to reimbursement for expenses incurred in the course of carrying out their duties as a director.

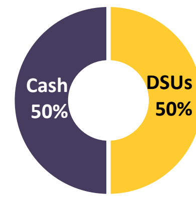
In February 2018, based on the recommendation of the Governance and Nominating Committee, the Board approved a new simplified flat fee structure which came into effect after the 2018 annual meeting. The flat fee structure is more reflective of the continuous nature of directors' contributions throughout the year (rather than a fee structure based on attendance at meetings).

The director's $100,000 annual retainer includes membership on two committees. The Committee Chairs continue to receive an additional retainer to recognize their additional responsibilities in these leadership roles. CRSC members receive an annual retainer. Additional retainers may also be paid for service on a special committee.

Program Elements

The table below shows our fee schedule for 2018. All non-executive directors, including the Chair, received half of their annual retainer in an annual DSU grant.

Mr. Moor does not receive fees for serving as a director because he is compensated in his role as President and CEO.



	Before May 15, 2018 ($)	After May 15, 2018 ($)
Annual retainer		
Chair of the Board (one half granted in DSUs)	160,000	200,000
All other directors (one half granted in DSUs)	70,000	100,000
Committee retainers		
Committee Chairs		
• Audit Committee	20,000	20,000
• Human Resources and Compensation Committee	15,000	15,000
• Governance and Nominating Committee	10,000	10,000
• Risk and Capital Committee	10,000	15,000
Committee member		
• Credit Risk Sub-Committee	N/A	5,000
Attendance fees		
• Board and Committee meetings more than 2 hours in duration	1,500	N/A
• Board and Committee meetings 2 hours or less	750	N/A
• Credit Risk Sub-Committee	750	N/A
• Annual Meeting of Shareholders	600	N/A

New for 2019

In November 2018, the Committee undertook a further benchmarking review of the annual Board Chair retainer and determined that the retainer continued to be below the median of both the peer and reference group used in the 2017 benchmarking review of director compensation. The Committee recommended and the Board approved a $20,000 increase in the annual Board Chair retainer to $220,000 to become effective following the annual and special meeting of shareholders in May 2019.

About DSUs

DSUs are notional units that have the same value as shares. DSUs vest immediately and accrue dividend equivalents when dividends are paid on common shares. DSUs are only redeemable after a director leaves the Board and are payable in cash on an after-tax basis. The redemption value of a DSU equals the market value of a common share at the date of redemption. The cash payment at redemption is calculated by multiplying the number of DSUs by the then current market value of an Equitable common share, pursuant to the terms of the DSU Plan. No redemption date may be later than December 15 of the calendar year following the calendar year in which the director retired from the Board.

In 2018, the DSU Plan was amended to allow directors to elect to receive all or a part of the cash portion of their annual retainer as well as any portion of their committee chair retainer, if applicable, in DSUs.

New directors will receive a pro-rated DSU grant based on the date they join the Board. Ms. Ericksen received a DSU grant value of $25,753 upon joining the Board on November 8, 2018.

2018 Director Compensation

	Fees Earned ($)[1]				Portion of cash retainer(s) taken as DSUs (%)	All Other Compensation ($)	Total ($)
	Annual Cash Retainer[2]	Share-based awards (DSUs)($)[3]	Committee Chair	Attendance Fees[4]			
Eric Beutel	47,500[5]	50,000	-	21,600	100	-	**119,100**
Johanne Brossard[6]	5,833	-	-	-	-	-	**5,833**
Michael Emory	47,500[5]	50,000	-	20,850	-	-	**118,350**
Susan Ericksen[7]	7,003	25,753	-	-	100	-	**32,756**
Kishore Kapoor	44,375	50,000	20,000	10,350	100	-	**124,725**
David LeGresley	92,500	100,000	-	-	50	-	**192,500**
Lynn McDonald	44,375	50,000	15,000	12,600	40	-	**121,975**
Rowan Saunders	44,375	50,000	-	12,600	100	-	**106,975**
Vincenza Sera	47,500[5]	50,000	10,000	21,600	-	-	**129,100**
Michael Stramaglia	44,375	50,000	13,125[8]	9,600	-	-	**117,100**
TOTAL	**425,670**	**475,753**	**60,000**	**109,200**	-	-	**1,068,414**

1. We only pay our non-executive directors.
2. Includes cash portion of annual director retainer and annual Board Chair retainer.
3. Includes annual DSU grant equal to half the annual director and Board Chair retainer.
4. Meeting fees payable until May 15, 2018.
5. Annual cash retainer includes retainer received as member of the Credit Risk Sub-Committee
6. Johanne Brossard resigned from the Board on February 27, 2018 and received a pro-rated amount of the cash portion of annual retainer.
7. Susan Ericksen was appointed to the Board effective November 8, 2018 and received a pro-rated DSU grant value and pro-rated amount of cash portion of annual retainer.
8. Represents the pro-rata portion of the Chair retainer for the Risk and Capital Committee received before May 15, 2018 ($10,000) and after May 15, 2018 ($15,000).

Director Share Ownership

Our share ownership requirement is intended to align directors' interests with the shareholders they represent. All non-executive directors are required to reach an equity ownership target equal to three times the annual director retainer within five years of joining the Board. The Chair of the Board is also required to hold shares and/or DSUs with a value of at least three times the total annual retainer for that position. All directors standing for election or re-election met or exceeded the ownership requirement other than Kishore Kapoor and Susan Ericksen who have until November 10, 2021 and November 8, 2023, respectively, to meet the requirement.

As President and CEO of Equitable, Andrew Moor has a share ownership requirement of 3x his base salary and he exceeds this requirement.

For purposes of determining compliance with this requirement, shares and DSUs are valued at the higher of acquisition cost or the closing price of the common shares on the TSX on March 15, 2019 ($67.45).

	Minimum share ownership requirement (before May 15, 2019)	Minimum share ownership requirement (after May 15, 2019)	Time to achieve
Chair of the Board	3x annual retainer (3 x $200,000 = $600,000)	3x annual retainer (3 x $220,000 = $660,000)	Within 5 years of initial appointment
Non-executive directors	3x annual retainer (3 x $100,000 = $300,000)	3x annual retainer (3 x $100,000 = $300,000)	Within 5 years of initial appointment

Share-based Awards

Below is a summary of share-based awards outstanding as at December 31, 2018 for each non-executive director. Information regarding share-based awards for Andrew Moor can be found on page 60.

	DSUs that have vested as at March 15, 2019 [1] (#)	Market value of DSUs not paid out or distributed as at March 15, 2019[2] ($)
Eric Beutel	8,565	577,709
Michael Emory	3,205	216,177
Susan Ericksen	536	36,356
Kishore Kapoor	2,598	175,235
David LeGresley	10,452	704,987
Lynn McDonald	5,965	402,339
Rowan Saunders	4,430	298,803
Vincenza Sera	3,930	265,078
Michael Stramaglia	3,205	216,177

1. Includes dividend equivalents credited to each director's account from the date of grant to March 15, 2019.
2. The closing price of Equitable's common shares on the TSX on March 15, 2019 was $67.45.

Restrictions on trading and hedging of Equitable securities

Directors are prohibited from, directly or indirectly:

- selling Equitable securities they do not own, have not paid for or have the right to own (engaging in a "short sale"),
- trading in put or call options in respect of the Company's shares,
- entering into any transaction that is designed to, or has the effect of, hedging or offsetting a decrease in the market value of equity securities granted as compensation or held directly or indirectly by the director, and
- entering into any brokerage arrangements which might result in a sale at a time when the director is not permitted to trade.

More Disclosure about our Directors

To our knowledge, as at the date of this Circular or within the last 10 years, no director nominee is or has:

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

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

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

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

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

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

GOVERNANCE PRACTICES

We are committed to high standards of governance and are constantly evolving our practices and pursuing greater transparency and integrity in everything we do.

Our board sets the tone at the top, promoting a strong culture of integrity and ethical behaviour throughout Equitable. Our governance policies and practices are consistent with the requirements of authorities that regulate Equitable, including OSFI, the Canadian Securities Administrators and the TSX.

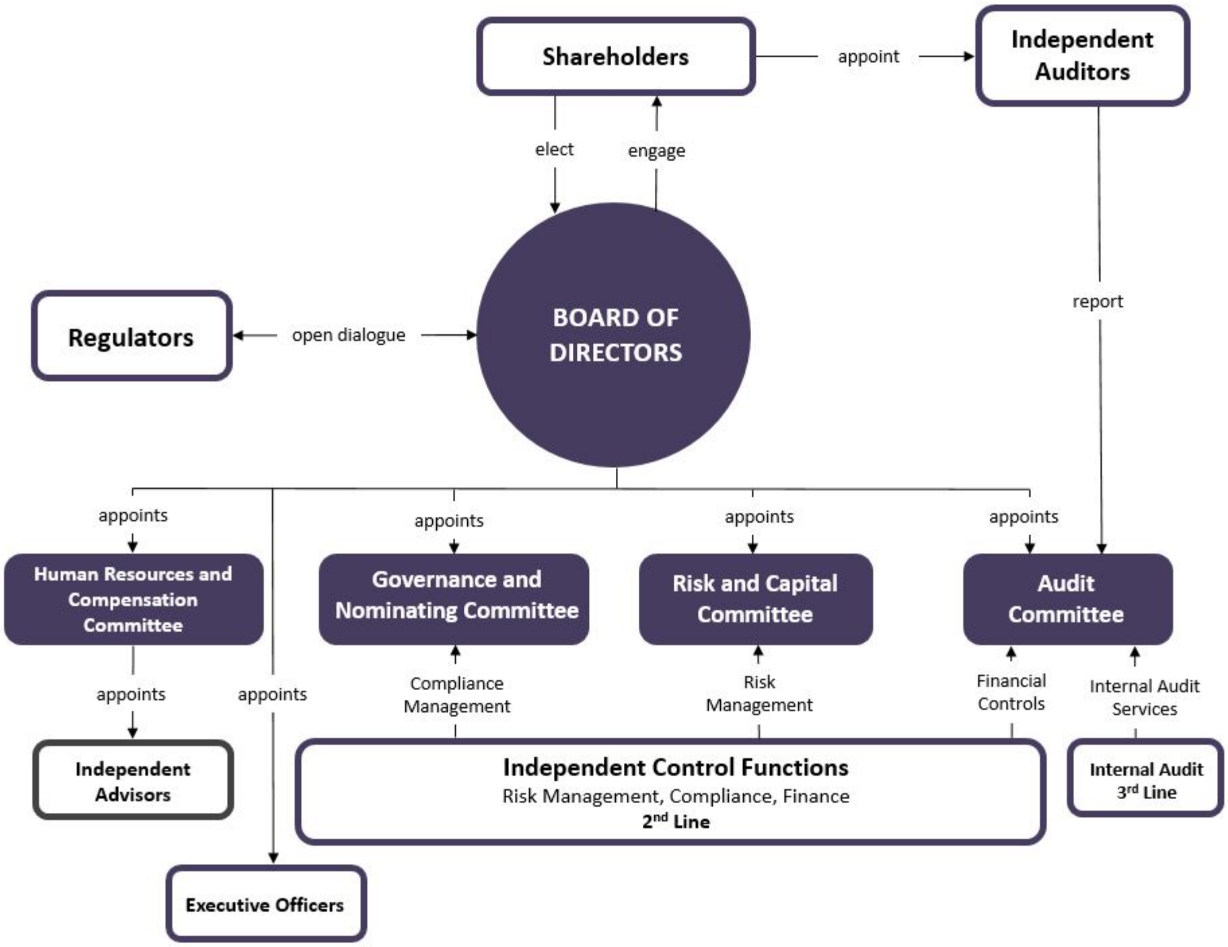
Key governance practices

Key elements of our governance practices are highlighted below:

✓	Separate Chair and CEO positions
✓	Fully independent board committees
✓	*In camera* sessions at each board and committee meeting
✓	Majority voting policy for the election of directors
✓	All directors required to certify compliance with our Code of Conduct annually
✓	Directors elected annually and individually
✓	Director retirement age
✓	Clawback provision for senior executives
✓	Share ownership requirements for directors
✓	Directors cannot hedge their Equitable securities
✓	Gender diversity policy for the Board
✓	Financial and risk management experience on every Board committee
✓	Formal annual board assessment process
✓	Board skills matrix used for director nominations and succession planning
✓	Meeting attendance requirements for directors

Our governance structure

Below are the fundamental relationships among the board, committees, management, shareholders and other stakeholders. Formal mandates are approved for the board, each committee, the Chair of the Board, Committee Chairs, and the control functions. These mandates set out the key responsibilities and accountabilities for each role.



Board Independence

The independence of our directors is determined annually by the Board on the recommendation of the Governance and Nominating Committee. The Board has adopted a director independence policy which incorporates the definition of "independence" from the CSA rules.

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

- director responses to an annual detailed questionnaire
- director biographical information questionnaires
- internal records and reports on relationships between directors, entities affiliated with directors and Equitable
- any material interest declared by a director in matters that may come before the Board.

90% of our nominated directors are independent

Andrew Moor is non-independent because of his position as Equitable's CEO.

The Board has affirmatively determined that nine of the ten directors standing for election are independent.

Other independence mechanisms

The Board has established other important governance policies and practices to enhance board independence.

Independent Advisors	Pursuant to their mandates, the Board and each of its committees may engage their own independent advisors.
Access to management	All independent directors have unrestricted access to management and employees of the Company
***In Camera* sessions**	The Board and each of its committees set aside time for *in camera* sessions at each of their meetings to facilitate open and candid discussion among non-executive directors without management present. *In camera* sessions of the non-executive directors are held before and/or after every regularly scheduled meeting. *In camera* sessions of the Board are presided over by the Chair of the Board. *In camera* sessions of the Board committees are presided over by the independent Committee Chairs.

Board interlocks and other board memberships

The Board has an interlock policy in place which states that no more than two of our directors should serve on the same company board or committee unless otherwise agreed by the Board.

The Governance and Nominating Committee reviews external board and committee memberships of all directors as part of its annual evaluation of director independence. Currently, there is one interlocking board membership among Equitable's directors:

Director	Company
Rowan Saunders[1] Michael Stramaglia	Economical Mutual Insurance Company

1. Rowan Saunders is President and CEO of Economical Mutual Insurance Company.

The Governance and Nominating Committee has considered this interlock and determined that it does not impair the ability of either director to exercise independent judgment as members of Equitable's Board.

The Board has also not adopted guidelines setting the specific number of other boards and committees on which a director may serve. The time commitment and expectations of our directors are, however, discussed with each director candidate by the Chair of the Board and the Chair of the Governance and Nominating Committee prior to the candidate agreeing to being nominated as a director, or on an ongoing basis thereafter where required. In addition, each director is required to notify the Chair of the Board, the Chair of the Governance and Nominating Committee and the Chief Executive Officer before accepting an invitation to join another Board.

The Governance and Nominating Committee annually reviews each director's memberships on the boards of all entities, including public and private companies, to determine that they do not interfere with their ability to act in our best interests. If a director declares an interest in any contract or transaction being considered at a meeting, the director is either not present during the discussion or does not vote on the matter.

Some of our directors sit on the boards of other public companies, the particulars of which are set out on pages 11 to 15 of the circular. None of the directors are considered to be "overboarded" as currently defined by the guidelines established by either Institutional Shareholder Services Inc. or Glass, Lewis & Co.

Board Structure

Role of the Chair of the Board

We have had a non-executive, independent Chair of the Board since the Company was formed in 2004. The Chair of the Board presides over all Board and shareholder meetings, and oversees the work of the Board committees. In carrying out his duties, the Chair of the Board:

David LeGresley has served as our independent Chair of the Board since May 14, 2014.

- provides leadership to the Board to ensure effective functioning of the Board;
- advises the CEO on major issues and serves as a liaison between the Board and senior management;
- participates in the recruitment and orientation of new directors;
- together with the Governance and Nominating Committee, conducts the Board's annual evaluation process;
- assists the HRC Committee in monitoring and evaluating the performance of the CEO;
- regularly attends Board committee meetings in a non-voting capacity;
- interacts with directors and senior management throughout the year; and
- meets with regulators, shareholders and other stakeholders on behalf of the Board.

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

Role of the Board

The Board's role is to set Equitable's strategic direction, oversee its management, risk management and operations, ensure compliance with legislation and regulations, and ensure its ongoing financial strength. The Board is also responsible for ensuring that principled and ethical corporate conduct is observed through appropriate governance and internal controls, and for ensuring the promotion of a strong corporate culture.

Specific responsibilities of the Board are set out in its mandate which is attached to this circular.

Strategic Planning

The Board oversees Equitable's strategic planning process, ensuring alignment with Equitable's risk appetite, and annually approves the strategic plan, which takes into account the opportunities and risks of the businesses. The Board also approves the annual financial plan, specific requests for major capital expenditures, and monitors adequate levels of capital and liquidity and the implementation of strategic initiatives. Strategy is discussed at each regularly scheduled Board meeting. Management reports regularly on our operational and financial performance.

The Board holds two meetings each year dedicated to strategy – one for strategic planning and the other for the Board to review and approve the Strategic Plan.

Risk Management

The Board is responsible for overseeing the identification and monitoring of the core risks to which Equitable is exposed and for satisfying itself that appropriate policies, procedures and practices are in place to effectively identify, monitor and manage them within our risk appetite framework. The Board delegates responsibility for the execution of certain areas of risk oversight to its Committees in order to ensure that they are treated with appropriate expertise, attention and diligence, with reporting to the Board in the ordinary course. The composition of the Risk and Capital Committee includes the Chairs of the other three Board committees.

Our Enterprise Risk Management Framework is designed to enhance the identification and mitigation of risk across the Company and to assist the Board and the Risk & Capital Committee with oversight responsibility for risk management

Each Committee assists the Board in its oversight of risk, as follows:

Audit Committee	• Oversees the quality and integrity of our financial reporting processes to mitigate our exposure to financial risk. • Oversees the quality and effectiveness of our internal controls and the independence of the internal audit function. • Oversees the qualifications, independence and performance of the external auditors.
Governance and Nominating Committee	• Oversees compliance with legal and regulatory requirements, governance policies and practices, and board succession. • Oversees the independence of the compliance function.
Human Resources and Compensation Committee	• Oversees material risks associated with compensation programs, and succession planning risk to senior executive team.
Risk and Capital Committee	• Oversees the Bank's core and emerging risks and implementation of controls to manage risks. • Promotes a strong risk culture. • Reviews the risk impact of our strategic plan and new business initiatives. • Reviews the Bank's risk profile against the approved risk appetite and has primary oversight for operational risk, business and strategic risk and reputational risk. • Oversees the risk management function and adherence to risk management policies.

See the "Risk Management" section starting on page 48 of our 2018 MD&A for a description of our core risks and the structures and processes in place to manage them.

Succession Planning

The Board is responsible for succession planning at the executive level, including the development of the CEO succession plan. The HRC Committee is mandated to assist the Board in this regard by ensuring that an appropriate succession planning process is in place for key management positions. The HRC Committee reviews changes to our organizational structure and its impact on executive roles. The Board encourages the CEO to provide opportunities for the Board to interact with Equitable's Executive Officers and high potential employees, both for succession planning and leadership development purposes and to provide the Board with a broader perspective and context on issues relevant to Equitable.

Internal Controls

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

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

Communication and Shareholder Engagement

Equitable has a Disclosure Control Policy that establishes guidelines for communicating with shareholders, analysts, and the public generally. The policy includes measures to avoid selective disclosure of material information, identifies designated Equitable spokespersons and establishes internal review processes for key public communications. Our Code of Conduct addresses Equitable's obligations for continuous and timely disclosure of material information and sets standards requiring directors, officers and employees trading Equitable shares to comply with applicable laws.

Equitable's disclosure controls and procedures are designed to ensure that material information concerning Equitable is made known to our CEO and CFO. We also have a Disclosure Control Committee whose members are the CEO, Chief Financial Officer ("CFO"), Chief Risk Officer, and the Vice-President and General Counsel. This Committee, which is chaired by the CFO, reviews all annual and quarterly filings and oversees the timely public release of material information about the Company. The Committee also reviews the design and implementation of procedures to support the financial reporting process and the certification of our financial reports by the CEO and CFO.

Shareholder Engagement

The table below outlines the key contacts and methods that shareholders can use to engage with Equitable and access important information:

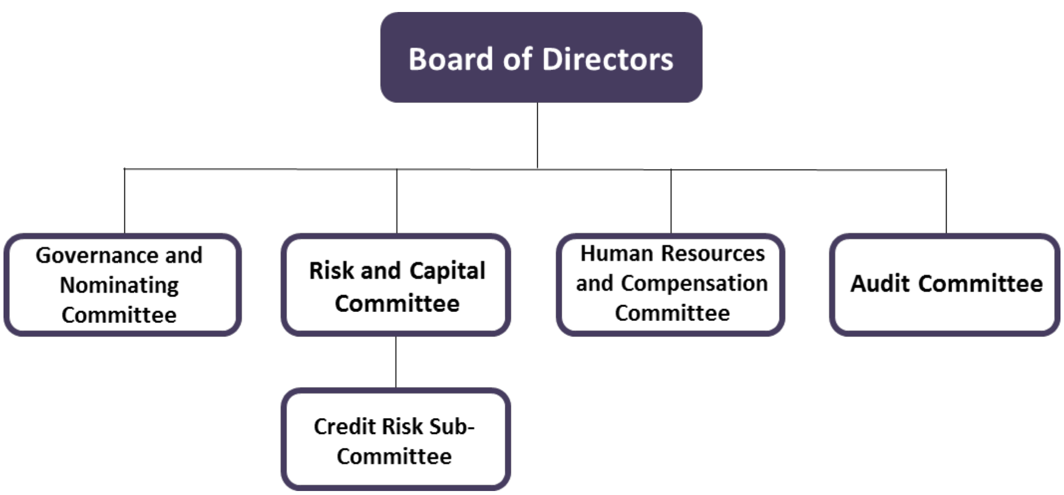
Board of Directors	Shareholders can: • Communicate with the independent directors as indicated above • Write to the Chair of the Board at the address provided above
Meetings, calls and discussions	The CEO and CFO meet regularly with financial analysts, the investment community and/or institutional and retail investors.
Broker-sponsored conferences	The CEO and CFO speak at industry investor conferences about public information on our business and operations.
Quarterly conference call and webcast	The CEO and CFO hold quarterly earnings calls with analysts to review our most recently released financial information and operating results. The calls are broadcast live and, for a period of 3 months after each call, are archived on our website in the Investor Relations section at www.equitablebank.ca.

We also periodically engage in dialogue with proxy advisory firms regarding Equitable's approach.

Board Committees

Four standing committees helps the Board carry out its duties and responsibilities:

- Audit Committee
- Governance and Nominating Committee
- Human Resources and Compensation Committee
- Risk and Capital Committee



The Governance and Nominating Committee annually reviews the composition of each Board committee and the designated Committee Chairs together with the Chair of the Board. Rotation of Committee members is based on continuity, balance, the need for fresh perspective and the utilization of each director's particular experience and expertise. Each Board committee is 100% independent and each director serves on a minimum of two committees. The Chair of the Board regularly attends all committee meetings in a non-voting capacity.

Each Board committee reviews its mandate annually and any changes are recommended for approval by the Board. At each regularly scheduled Board meeting, each Committee Chair reports to the Board on material matters considered by the Committee.

Each Board committee develops an annual workplan for the year that sets out its priorities and activities in its oversight of certain risks. A description of each committee's work can be found starting on page 33.

Mandates of the Board and each Board committee as well as position descriptions for the Board Chair, a Committee Chair and directors are posted in the corporate governance section of our website.

Committee Chairs

Each Committee Chair is an independent director with the requisite skills and experience necessary to oversee their committee's responsibilities.

Current Committee Composition

Each Board committee is composed entirely of non-executive directors:

Director	Audit	Governance & Nominating	Human Resources & Compensation	Risk & Capital	Credit Risk Sub-Committee
Eric Beutel	✓			✓	Chair
Michael Emory		✓	✓		✓
Susan Ericksen[1]		✓		✓	
Kishore Kapoor	Chair			✓	
David LeGresley					
Lynn McDonald	✓		Chair	✓	
Rowan Saunders	✓	✓			
Vincenza Sera		Chair		✓	✓
Michael Stramaglia			✓	Chair	

1. Susan Ericksen was appointed a member of the Governance and Nominating Committee and the Risk and Capital Committee on February 28, 2019.

Ethical Conduct

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

All employees and officers, as a condition of employment, and all directors, upon joining the Board, acknowledge in writing that they have read, understand and agree to comply with the Code. All directors, officers and employees are required to review and attest that they have complied with it annually. For the year ended December 31, 2018, the CEO and all members of the Board have confirmed their compliance with the Code. Equitable monitors compliance with the Code and the Chief Compliance Officer reports the results to the Governance and Nominating Committee of the Board each year.

Regular reporting on ethics and compliance assists the Board in monitoring adherence with the Code. Although waivers to the Code may be granted in exceptional circumstances with the approval of the Board, in fiscal 2018 there were no such waivers sought or granted.

We are committed to conducting ourselves at the highest standards of ethics and integrity at all times.

The Code is available on our website at www.equitablebank.ca and has been filed with securities regulators on www.sedar.com.

Whistleblower Program

The Whistleblower Program, including the Policy, helps to safeguard the integrity of Equitable's financial reporting and business activities and to support adherence with the Code of Conduct. It also provides assurances to Equitable's stakeholders in their reliance on the accuracy of our financial reporting. All directors, officers and employees are encouraged to ask questions or to immediately raise or report perceived or suspected concerns they may have without fear of retaliation. The Whistleblower Program provides multiple communication channels:

The Audit Committee receives regular updates on activities relating to the Hotline

- Speak to one's manager, another manager or Human Resources;
- Call, email or write a letter marked "Confidential – only to be opened by the addressee" to the Chief Compliance Officer and/or the Chair of the Audit Committee; and
- Use the confidential, and if desired, anonymous toll-free hotline or online reporting mechanisms (both of which are administered by an independent third party).

Whistleblower concerns include any serious concerns as it relates to inappropriate behaviours that could have an adverse impact on Equitable or its stakeholders, including matters involving: unethical behaviour, violations of the Code, breach of any Equitable policy or financial matters, such as fraud, deficiencies in internal controls or deviations from full and fair recording of expenses and liabilities. All credible allegations are investigated internally or by an independent external party, and appropriate action is taken. Significant concerns are raised with the Chair of the Audit Committee.

Insider Trading Policies

Under the Company's Insider Trading Policy, directors are prohibited, directly or indirectly, from:

- selling Equitable securities they do not own, have not paid for or have the right to own (engaging in a "short sale"),
- trading in put or call options in respect of the Company's shares,
- entering into any transaction that is designed to, or has the effect of, hedging or offsetting a decrease in the market value of equity securities granted as compensation or held directly or indirectly by the director, and
- entering into any brokerage arrangements which might result in a sale at a time when the director is not permitted to trade.

Conflicts of Interest

Directors seek to avoid situations where their interests might conflict with their duty to act in Equitable's best interest.

Directors have an ongoing obligation to disclose their business and personal relationships with Equitable and other companies they have relationships with. They must also promptly report a potential, perceived or actual conflict of interest to the Chair of the Governance and Nominating Committee and the Chair of the Board. Directors who have an actual or potential conflict of interest do not receive related Board of committee materials and are not present for any related discussions or decisions.

Directors may not be eligible to stand for election if they have a potential or actual conflict of interest that is incompatible with service as a director.

Expectations of our Directors

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

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

Composition of the Board, Nomination of Directors and Board Succession

The Governance and Nominating Committee is responsible for making recommendations to the Board regarding the size and composition of the Board and its Committees, taking into consideration legal requirements and scheduled director retirements, and for identifying and considering qualified candidates for nomination to the Board. It reviews the skills and competencies matrix regularly to ensure the Board has the right mix of skills, experience and diversity.

The Board is required to have a minimum of seven directors and a maximum of twelve directors. The exact size of the Board is set by the Board prior to each annual meeting of shareholders on the recommendation of the Governance and Nominating Committee. The Board size may be changed by the Board from time to time between annual meetings.

Skills and Experience

The Governance and Nominating Committee maintains a skills and competencies matrix outlining industry specific expertise, business experience and other skills considered necessary for the Board to carry out its mandate effectively. These areas of expertise are intended to dovetail with the general qualifications and attributes the Committee seeks in all Board members and candidates, such as high personal and professional ethics and integrity, practical wisdom, sound business judgment, and a willingness to devote the required amount of time to carry out the duties and responsibilities of board service.

The Committee reviews the skills matrix on a regular basis to ensure there is a sufficient range of skills, expertise and experience for the Board to meet its current and future needs, and Equitable's strategic priorities. The table below identifies the skills and experience of our director nominees:

Skills and Experience	Total	E. Beutel	M. Emory	S. Ericksen	K. Kapoor	D. LeGresley	L. McDonald	A. Moor	R. Saunders	V. Sera	M. Stramaglia
Governance Experience in board and governance practices of a public company or large organization	10	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CEO/Senior Executive Broad business experience as a senior executive of a public company or large organization	7		✓	✓	✓	✓		✓	✓		✓
Strategic Planning Experience in development and implementation of a strategic direction at a large organization	8		✓	✓	✓	✓	✓	✓	✓		✓
Risk Management Experience in risk management practices, internal risk controls, risk assessments and reporting; experience on a public company or regulated company board committee that oversees risk management	9	✓	✓	✓	✓	✓		✓	✓	✓	✓
Finance / Accounting Experience in financial accounting and reporting, corporate finance and internal financial/accounting controls, and International Financial Reporting Standards	8	✓	✓		✓	✓	✓	✓		✓	✓
Real Estate Experience in real estate development and in the real estate industry	6	✓	✓			✓		✓		✓	✓
Retail Banking Senior level experience in retail banking or in the online distribution of banking products and related technology issues	3			✓				✓			✓
Human Resources/Compensation Experience in succession planning, talent management and retention, compensation program design and structure (in particular executive compensation programs)	9		✓	✓	✓	✓	✓	✓	✓	✓	✓
Legal / Regulatory Training and/or experience in law and compliance for regulatory regimes	7		✓	✓	✓	✓		✓	✓		✓
Technology Experience in or oversight of technology and operations	3			✓				✓	✓		
Marketing/Branding Experience as a senior executive in sales and marketing strategies	3				✓			✓	✓		

Nominating new candidates

In identifying individuals qualified to become candidates the committee invites suggestions from other directors and may also retain an external search firm as necessary. Candidates are considered based on merit, having regard to the skills, experience, background, personal qualities and knowledge in order to contribute to the broad range of issues with which the Board routinely deals. The Governance and Nominating Committee is committed to ensuring that gender diversity remains a component of any director search and that a sufficient number of women candidates make up the list of candidates for director positions that become vacant.

Once potential, qualified candidates are identified, they meet with the Chair of the Board, the Chair of the Governance and Nominating Committee, the CEO and two other members of the Committee to discuss the Board's expectations of director contribution and commitment, as well as to obtain other relevant information required to evaluate the candidate. The Committee assesses the candidate's integrity and suitability by obtaining references, verifying his or her educational background, conducting background checks, and assessing any independence concerns, disclosure issues or potential conflicts. The Committee also takes into consideration possible conflicts, and the candidate's ability to devote sufficient time and commitment as a director. Upon completion of this process, the Committee will submit its recommendation to the Board for appointment, or for nomination for election by the shareholders.

Following the resignation of Johanne Brossard from the Board in early 2018, the Committee assessed the skills matrix and determined that experience in retail banking and technology was required to fill the vacancy. The Committee engaged an external search firm to commence a search for a qualified director candidate with explicit consideration given to gender diversity.

Through the process noted above, the Committee recommended and the Board approved the appointment of Susan Ericksen to the Board on November 8, 2018. Ms. Ericksen has extensive experience in technology and information security in large corporations, including those in the financial services industry. Ms. Ericksen's appointment to the Board resulted in the Board returning to its stated target that women represent at least 30% of its membership.

Nominating existing directors

In considering whether to recommend an existing director for re-nomination, the Governance and Nominating Committee reviews the Director's:

- continuing integrity and suitability;
- tenure on the board;
- attendance at regularly scheduled board and committee meetings;
- continued performance and ability to contribute effectively to the Board and its oversight responsibilities; and
- compliance with Equitable's Code of Conduct.

Board Diversity

Our Board is composed of qualified professionals who have the requisite financial acumen and risk management experience to fulfill the Board's mandate, serve on its four committees and supervise management. The current directors have a broad range of skills and experience which are highlighted in each director's profile in the section *Director Nominees.*

The Board acknowledges the value of diversity of all kinds in its composition as it believes diversity provides a broader range of perspectives and views in relation to the issues affecting Equitable, and promotes better corporate governance and decision-making.

Our written board gender diversity policy is contained within our corporate governance guidelines, available on our

The Board has adopted a written Gender Diversity Policy under which the Board has committed to ensuring that a minimum of 30% of its membership will be represented by women. The Governance and Nominating Committee considers the effectiveness of this policy on an ongoing basis as part of its assessment of board composition, potential director candidates and as part of its review of our corporate governance guidelines.

With the exception of the 2018 annual meeting, three women have been elected to Equitable's Board annually since 2013. With the appointment of Susan Ericksen to our Board on November 8, 2018, 30% of our nominated directors are women.

Mechanisms of Board Renewal

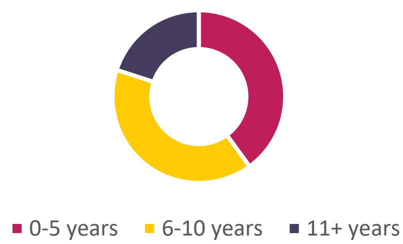
The Board has implemented two primary mechanisms of promoting board renewal: a retirement age and an annual evaluation process, each of which is described in detail below. The Board has not established formal director term limits as it believes they hold the disadvantage of losing the contributions of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, increasing their contribution to the Board as a whole.

Retirement and Years of Service

The Board is committed to having its membership balanced with the right mix of experience, skills and tenure. The Board has implemented a mandatory retirement age for directors whereby a non-executive director will not stand for re-election at the annual meeting of shareholders after reaching 72 years of age. The relatively short tenure of the majority of our independent directors has enabled the Board to strengthen expertise, promote diversity and maintain a fresh perspective.

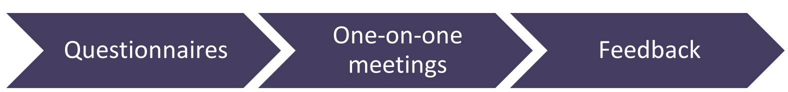
Director	Years of service on the Board at the date of the meeting
Eric Beutel	25 years
Michael Emory	5 years
Susan Ericksen	.5 years
Kishore Kapoor	2.5 years
David LeGresley	8 years
Lynn McDonald	8 years
Andrew Moor	12 years
Rowan Saunders	6 years
Vincenza Sera	6 years
Michael Stramaglia	5 years

Tenure of Director Nominees



Evaluation of the Board, Board committees, Directors and Chairs

The Governance and Nominating Committee, with input from the Chair of the Board, oversees the annual evaluation of the Board.



The evaluation process consists of questionnaires and one-on-one meetings between each Director and the Chair of the Board. The Board questionnaire is designed to solicit directors' views on how well they believe the Board and its committees, including their chairs, are performing, the Board Chair questionnaire is designed to obtain directors' views on their assessment of the Board Chair, and a peer review questionnaire which is designed to obtain directors' views on their assessment of other directors' performance, including their contributions and participation in board discussions and debate, knowledge, experience, demonstration of high ethical standards, independent judgment, communication and persuasion skills. The questionnaires include open-ended questions so Directors can elaborate on their responses and give candid feedback and constructive comments.

All questionnaires are completed electronically. The Chair of the Board receives the results of the Board evaluation and discusses the findings and any broad themes with the Board. Also from this evaluation, the Board's objectives for the following year are established. The Board's progress in meeting these objectives is monitored by the Governance and Nominating Committee.

The Chair of the Board also receives the results of the peer reviews. The Chair meets individually with each director to discuss the findings from the peer review, the Board evaluation, and any other issue which either may wish to raise. For those directors who are a Committee Chair, the Chair of the Board will also discuss their contribution and effectiveness in that position.

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

The findings from the 2018 evaluation confirmed that all directors and committees, and the Board as a whole effectively fulfilled their responsibilities. In addition, the Board's objectives for 2019 were established.

Director Orientation and Continuing Education

Orientation

New directors:

- meet with the Chair of the Board and Chair of the Governance and Nominating Committee to discuss the role of the Board, its committees, governance, board dynamics and culture;
- meet with the CEO and other executive officers, including the heads of the control functions to discuss our financial position, our key risks and risk management processes, the regulatory environment, and current issues facing our business;
- are matched with an experienced member of the Board;
- visit the individual business units to observe the business and develop a deeper understanding of the day-to-day operations;
- are encouraged to attend all Board committee meetings before they are elected or appointed to the Board and during their first year following their election or appointment; and
- receive access to our secure online board portal where they can view our by-laws, Board and committee mandates, board policies, Corporate Governance Guidelines, minutes and material from recent Board and committee meetings, annual reports, our Code of Conduct, director compensation and share ownership requirements, as well as Equitable's strategic plans and analyst reports.

Continuing Education

Directors must continuously advance their knowledge of Equitable's business and operations, and regulatory framework. To assist directors in understanding their responsibilities and furthering their knowledge of Equitable, directors receive.

- in-depth presentations provided by management on our business segments, regulatory changes and industry developments at Board and committee meetings
- timely access to comprehensive materials and relevant information prior to each Board and committee meeting
- presentations by external guest speakers that provide directors with updates on key topics including emerging industry and regulatory trends, the marketplace, the economic landscape, and other topics of specific interest
- educational materials and updates between board meetings on matters that affect our business

Directors identify their specific continuing education needs in discussions with management, during the annual board evaluation exercise, and in board and committee meetings. Committee Chairs can also determine the education sessions necessary for their members. In addition, Board dinners are scheduled along with regularly scheduled Board meetings to further our governance objectives by strengthening the collegial working relationships among directors and senior management. These dinner sessions are serve as further opportunities for Board business discussions.

Many of our directors are members of the Institute of Corporate Directors (ICD) and have access to ICD publications and events designed to foster director education. The Bank is also a member of the Global Risk Institute (GRI) which allows our Directors access to research material and enrol in GRI educational programs.

2018 Director education sessions

Date	Educational Session	Attended by
Q1 2018	AIRB; presentation by management	Board
Q2 2018	Liquidity and Market Risk management activities and IFRS 9; presentation by management	Audit Committee
	AIRB; presentation by management	Board
	EQ Bank Rebranding initiative; presentation by management	Board
	Diligent Boards – our online board portal; presentation by a Diligent representative	Board
Q3 2018	Executive compensation / governance trends; presentation by Willis Towers Watson	HRC Committee
	CEO succession planning; presentation by an external consultant	HRC Committee
	Cloud computing; presentation by an external expert	Board
	AIRB; presentation by management	Board
	Internal Controls over Financial Reporting; presentation by management	Audit Committee
Q4 2018	Investor Relations; presentation management	Audit Committee
	Workplace Harassment; presentation by an external expert	Board

In addition, the Chair of the Board and the Chair of the Governance and Nominating Committee attended an information session regarding OSFI's revised Corporate Governance Guideline.

BOARD COMMITTEE REPORTS

Report of the Audit Committee

Members		
Kishore Kapoor (Chair) Eric Beutel (since May 2018) Lynn McDonald Rowan Saunders	*100% independent and financially literate within the meaning of the CSA rules*	Number of meetings in 2018: 5

The Audit Committee is responsible for overseeing (i) the quality and integrity of our financial statements; (ii) the qualifications, independence and performance of the independent auditors; (iii) the effectiveness of our internal controls, including internal control over financial reporting and disclosure controls, and (iv) the finance and internal audit functions. You can access the full text of the Audit Committee's mandate at www.equitablebank.ca. More information relating to our Audit Committee can be found in our most recent Annual Information Form in the section entitled "Audit Committee".

The Committee meets at least once each quarter and reports on its activities to the Board. Activities are based on its mandate and annual workplan. At each quarterly meeting the Committee meets *in camera* without management present.

Responsibility	2018 Highlights
Financial Reporting, Internal Controls and Finance function	• received reports from the Chief Financial Officer related to the quarterly and annual financial performance and operating results relative to results in prior periods and to market expectations • reviewed and recommended for Board approval the public release and filing of the quarterly unaudited and annual audited consolidated financial statements, the related MD&A and earnings press releases, supplementary financial information, and the annual information form • discussed with management and KPMG throughout the year any changes to, or adoption of, significant estimates and areas of judgment regarding accounting principles and financial statement presentation • monitored the implementation and impact of IFRS 9 • oversaw the effectiveness of disclosure controls and procedures and internal controls over financial reporting • regularly met with the Chief Financial Officer without other management present, approved the mandate for the Chief Financial Officer and assessed his performance • approved the budget and resources of the Finance function • received the independent third party assessment of the Finance function • received reports on legal actions against the Bank • received management's report on the Bank's whistleblower program
Independent Auditor	• oversaw the work of the independent auditors • reviewed and approved the annual audit plan and monitored its execution • received written confirmation from KPMG of the firm's independence, including written disclosure of all relationships between KPMG and Equitable • initiated a Request for Proposal process for the appointment of the independent auditor for the 2019 fiscal year, which was led by Mr. Kapoor and Ms. McDonald. KPMG was selected after an extensive evaluation process based upon the qualifications and experience of the proposed audit team, quality of service provided, quality assurance process, and assurance of independence. The Committee recommended to the Board for recommending to the shareholders the appointment of the independent auditors • received updates on accounting and auditing developments, including the new auditing standards to enhance the auditors' report • reviewed and updated the external auditor oversight policy • reviewed the pre-approved services to be performed by the independent auditors each quarter • regularly met with the independent auditors without management present
Internal Audit function	• reviewed Internal Audit's three-year plan and the risk assessment scoring model to satisfy itself that the plan is appropriate and addresses the Bank's seven core risks over a measurable cycle • approved the annual audit schedule and monitored its execution • reviewed quarterly reports of internal audit activities, findings and recommendations, and emerging risks and received updates on key audit report follow-ups

Responsibility	2018 Highlights
	• regularly met with the Vice-President of Internal Audit, without management present • approved the mandate, budget and resources of the Internal Audit function • reviewed the performance, independence and objectivity of the Vice-President of Internal Audit

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2018.

Report of the Risk and Capital Committee

Members		
Michael Stramaglia (Chair) Eric Beutel Susan Ericksen (as of February 28, 2019) Kishore Kapoor Lynn McDonald Vincenza Sera	*100% independent*	Number of Meetings in 2018: 4

The Risk and Capital Committee is responsible for: (i) reviewing, on an enterprise-wide basis, the Bank's Core Risks (including credit risk, market risk and liquidity/funding risk) and assessing whether future trends and key emerging risks have been identified and are being adequately mitigated, monitored and reported; (ii) reviewing the Bank's risk appetite framework ("RAF") and the risk tolerance limits for each of its Core Risks established in the context of its risk appetite for these risks; (iii) approving various risk appetite statements in support of the RAF; and (iv) reviewing the Bank's actual risk profile against the approved risk appetite and assessing the Bank's policies, programs, procedures and controls in place to manage its core risks and monitor adherence to regulatory requirements for the Bank's Core Risks.

The Committee meets at least once each quarter and reports on its activities to the Board. At each meeting the Committee meets *in camera* without management present and separately *in camera* with the Chief Risk Officer.

Responsibility	2018 Highlights
Risk Management Activities	• reviewed and recommended for Board approval the Bank's risk appetite framework and its alignment with the strategic plan • reviewed and approved risk management policies, including risk appetite statements, measurements and targets • received regular reporting on the assessment of the Bank's risk profile against risk appetite and monitored the Bank's capital targets and ratios • reviewed the interim and annual reports from the Chief Risk Officer on his enterprise-wide view of the Bank's core risks and risk profile, including reviews of credit, market, liquidity, operational, enterprise risk stress testing and regulatory and internal capital risks • oversaw the further enhancement and development of the Bank's operational risk framework, including the introduction of an Operational Risk Appetite Statement and updates to the fraud risk management program • received regular status updates on the Bank's cybersecurity program, including updates on the evolving threat landscape, application security, threat detection and intelligence, and enhancements to controls, incident response and resiliency capabilities • reviewed various credit risk sensitivity analyses • reviewed emerging risk updates incorporated in the enterprise risk dashboards • reviewed enterprise-wide stress testing results • reviewed impaired loans and comprehensive reporting on the Bank's mortgage portfolio • reviewed liquidity risks and related activities and reviewed the results of the review by the Bank's regulator relating to the Bank's Treasury activities • reviewed reports from Internal Audit on the adequacy and effectiveness of controls • received updates on the Bank's AIRB initiative • reviewed the adequacy of the Bank's insurance coverage, including directors' and officers' liability insurance, and recommended renewal of the insurance program to the Board for approval • reviewed updates made to the Bank's recovery plan and report on testing activities • reviewed and adjusted the strategy for the Bank's securities portfolio

Responsibility	2018 Highlights
	• reviewed the CRO's assessment of the alignment of the compensation program and practices with the Financial Stability Board's Compensation Principles and sound risk management principles and practices
Risk Culture	• continued to focus on ensuring the Bank supports a culture which promotes accountability, escalating and promptly resolving issues, learnings from past experiences, and encourages open communication and transparency on all aspects of risk taking
Risk Function	• received the independent third party assessment of the Risk function • confirmed the independence and effectiveness of the Risk function, assessed the adequacy of resources available to fulfill its responsibilities and approved its annual budget • approved the mandate of the CRO and assessed his performance
Governance	• regularly met with the CRO without management present • received quarterly reports on credit applications approved pursuant to delegated credit approval limits • reviewed and approved the Committee's annual workplan

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2018.

Report of the Human Resources and Compensation Committee

Members Lynn McDonald (Chair) Michael Emory Michael Stramaglia	*100% independent*	Number of meetings in 2018: 5

The Human Resources and Compensation Committee is responsible for: (i) overseeing the design and operation of the compensation program to ensure alignment with the Company's strategy, risk appetite framework, and regulatory requirements; (ii) setting performance objectives for the CEO which are aligned with Equitable's strategy and regularly measuring his performance against these objectives; (iii) recommending compensation of the CEO for approval by the Board and approving compensation for the Executive Officers, in consultation with the independent compensation consultant; (iv) overseeing senior management succession planning, talent management and leadership development processes; and (v) reviewing an annual report on executive compensation for inclusion in the Company's Management Information Circular.

The Committee meets *in camera* without management present at each of its meetings and also meets with the executive compensation consultant.

Responsibility	2018 Highlights
CEO and Executive Compensation	• developed in conjunction with the Chair of the Board and the CEO, the CEO's 2018 performance objectives and 2018 corporate scorecard for approval by the Board • together with the Chair of the Board, assessed the CEO's performance against his objectives for the past fiscal year, review the assessment with the Board, and made compensation recommendations for approval by the independent Board members • reviewed and discussed with the independent compensation advisor trends in executive compensation and governance best practices • reviewed and approved the corporate scorecard multiplier for determining the STI payout • recommended grants under the Company's Share Option Plan and the Restricted Share Unit Plan (collectively, the Long-term Incentive Plans ("LTI Plans)) • monitored the alignment between executive pay and Equitable's strategy and financial performance, risk appetite and market practice • reviewed senior leadership changes and changes to the organizational structure • reviewed and recommended Board approval of amendments to the Company's LTI Plans to align the treatment of an employee's equity awards in various retirement and termination scenarios with market practice • reviewed the CEO's performance assessments of the Executive Officers and the head of Internal Audit, approved their compensation • reviewed share ownership requirements for the CEO, CFO and CRO • reviewed and approved the Compensation Discussion and Analysis section of this circular

Responsibility	2018 Highlights
Succession Planning, Talent Management and Leadership Development	• reviewed the ongoing evolution of the CEO succession plan and emergency succession plans for key Executive Officers • reviewed and discussed strategies for training, engaging and developing talent and gained greater visibility to the Bank's high performers • reviewed and discussed the results of the 2018 employee engagement survey and management action plans
Governance	• approved amendments to Human Resources policies • reviewed with the Chief Risk Officer the alignment of the compensation program with the Financial Stability Board's Compensation Principles and sound risk management practices • reviewed regulatory, governance and executive compensation trends and evolving practices • reviewed the Committee's mandate and annual workplan • regularly met with the Senior Vice-President of Human Resources without other management present

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2018.

Report of the Governance and Nominating Committee

Members		
Vincenza Sera (Chair) Eric Beutel (until May 15, 2018) Michael Emory Susan Ericksen (as of February 28, 2019) Rowan Saunders	*100% independent*	Number of meetings in 2018: 6

The Governance and Nominating Committee is responsible for: (i) identifying individuals qualified to become directors and recommending director nominees for election or re-election to the Board; (ii) developing a set of corporate governance guidelines, including a code of conduct; (iii) overseeing compensation arrangements for non-executive directors; (iv) overseeing the evaluation of the Board and Board Committees; (v) overseeing Equitable's compliance with legal and regulatory requirements and its related policies; and (viii) acting as the conduct review committee for the Bank and for any federally regulated subsidiary of the Bank that requires a conduct review committee.

The Committee meets *in camera* without management present at each of its meetings, also meets *in camera* with the Chief Compliance Officer (CCO), the Chief Anti-Money Laundering Officer (CAMLO) at each quarterly meeting, and with the Vice-President of Internal Audit annually.

Responsibility	2018 Highlights
Composition of the Board	• assessed the independence, shareholdings and attendance of each director and supervised the assessment of suitability of directors in accordance with applicable regulations • reviewed board composition, gender, age, tenure, skills and experience, and other board service prior to nominating all directors for election at the annual meeting of shareholders • reviewed the key skills and experience required on the board following the resignation of a director in early 2018, undertook a search for a new director, reviewed potential director candidates and recommended Susan Ericksen as a new director who was appointed to the Board in November 2018 • reviewed the orientation plan for Ms. Ericksen • reviewed the composition of the Board committees for balance in light of the vacancy that existed on the Board and recommended for Board approval the appointment of Eric Beutel to the Audit Committee • reviewed the existing board interlock and determined it did not impact the independence of the directors concerned • reviewed the emergency succession plan for the Chair of the Board
Board Evaluation	• oversaw the evaluation process for the board, board committee, peer effectiveness and Board Chair which consisted of detailed questionnaires (including an assessment of the Board's annual objectives), and individual interviews with the Board Chair. No material issues were raised as part

Responsibility	2018 Highlights
	of this evaluation. The Board Chair summarizes the priorities identified by each Director, discusses them with the Board, and are subsequently approved by the Board as the Board's objectives for the ensuing year • reviewed and recommended for Board approval the Board's 2018 objectives and monitored the Board's progress against these objectives
Governance Practices	• reviewed the findings from an independent review of the Bank's underwriting practices and monitored management's actions to address the recommendations made • reviewed and recommended for Board approval amendments to the Corporate Governance Guidelines • reviewed and recommended Board approval of the Code of Conduct and obtain assurances that the Company has processes in place to ensure adherence to the Code of Conduct
Director Compensation	• reviewed and recommended for Board approval amendments to the DSU Plan • reviewed and recommended for Board approval an increase to the annual retainer for the Chair of the Board
Regulatory Compliance	• approved the appointment of the new CCO • received regular updates from the CCO on regulatory compliance, and from the CAMLO on the design and operation of the Bank's anti-money laundering/anti-terrorist financing program • received reports on consumer protection initiatives and the new OSFI Corporate Governance Guideline • reviewed the annual report of the Vice-President of Internal Audit on the appropriateness of Compliance methodologies, policies and practices • approved the mandates for the CCO and the CAMLO • reviewed the organizational structure of the Compliance function and approved its budget and resources • reviewed internal audit reports relating to the adequacy and effectiveness of the Bank's procedures and controls to manage regulatory compliance risk • regularly met with the CCO and the CAMLO without other management present, approved their mandates, and assessed the performance of the CCO
Conduct Review	• approved and ratified certain related party transactions

The Committee is satisfied that it has fulfilled its mandate for the year ended December 31, 2018.

EXECUTIVE COMPENSATION

Letter to Shareholders

Dear Shareholder,

The Human Resources and Compensation Committee (the "HRC Committee") and the Board of Directors (the "Board") are committed to providing a clear and transparent description of our executive compensation framework, including our philosophy, approach to making decisions, and the compensation provided to our Named Executive Officers ("NEOs").

Our Approach to Executive Compensation

Equitable is committed to an executive compensation program that aligns with:

- Company performance
- Shareholder interests and long-term value creation
- Equitable's risk parameters, culture and values
- Comparable financial institutions

Annually the HRC Committee actively considers the appropriateness of implementing an advisory vote on executive compensation (Say on Pay). At this time, the HRC Committee feels sufficient feedback is received on the executive compensation framework and will continue to consider Say on Pay in future years.

2018 Company Performance

2018 was a strong year for the organization, as we achieved our annual objectives and made progress towards our longer-term business strategy. In 2018, the Company:

- Grew assets under management by 19%
- Was recognized as best alternative lender in five categories in the Mortgage Professionals 12th annual broker survey
- Launched a reverse mortgage product and refined our offering in response to market feedback
- Introduced a Cash Surrender Value (CSV) Line of Credit product, giving Canadians aged 50 and up another way to fund their retirement
- Began to fund specialty lenders operating in attractive markets, further diversifying our Commercial Lending operations
- Reached an agreement to acquire Bennington, a profitable and growing company servicing the brokered equipment leasing market in Canada
- Increased brokered GIC principal by $2.1 billion or 25% from a year ago
- Grew EQ Bank deposit balances to almost $2.2 billion, an increase of 34% from last year
- Launched EQ Bank GICs with the most consumer friendly purchase experience in Canada
- Incorporated Equitable Trust, a new trust company subsidiary and issuer of deposits, to pursue our business diversification strategy
- Sustained low loss levels, recording a provision for credit losses of $2.1 million or 1 bp of average loan balances, consistent with 2017 levels
- Continued to operate efficiently on both an absolute basis and relative to other financial institutions with a best in class Efficiency Ratio of 39.5%
- Increased book value per common share by 13% from 2017
- Declared annual common share dividends that were 14% higher than in 2017
- Received Canada's Best Employer Platinum Award for 2019 by AON Hewitt for the third consecutive year
- Achieved the following performance metrics: 14.1% return on equity (ROE), $9.67 earnings per share (EPS), 13.5% CET1 Ratio

Key 2018 Incentive Compensation Decisions

The HRC Committee and Board considered corporate and individual performance for 2018 compensation decisions, as well as relevant experience, internal equity, and competitiveness against the external market when setting both target and actual compensation levels.

Short-term incentive. Equitable had very good corporate performance in 2018:

- *Financial performance*: achieved a score of 1.10 based on strong financial results
- *Strategic goals*: upon HRC Committee review, achieved a score of +7%, given performance against strategic objectives
- *Overall score*: 1.17

Equitable's 5-year TSR is **25%,** above the TSX Capped Financials Index at 16% and the TSX Composite Index at 22%

Incorporating individual performance, STI awards for the five NEOs ranged from 126% to 140% of their target STI for the year.

Long-term incentive. In March 2019 (for 2018 compensation), Equitable granted stock options, Restricted Share Units ("RSUs") and Performance Share Units ("PSUs") in accordance with the Company's established policies. All NEOs, except the CEO, received a grant equal to their target award. The CEO, whose target award is set as a range, received a grant greater than the midpoint of this range. This was due in part to strong corporate performance, progress made towards longer-term goals and the alignment of future compensation outcomes to value creation. The aggregate grant value awarded to the five NEOs was $1.9 million, an increase in grant value of 13% compared to the previous year.

The Board and HRC Committee remain committed to a pay-for-performance philosophy and continue to assess the executive compensation framework regularly to ensure alignment with Equitable's short- and long-term business strategy, and risk parameters.

Lynn McDonald
Chair, HRC Committee

David LeGresley
Chair of the Board

COMPENSATION DISCUSSION AND ANALYSIS

The information provided in this section on Executive Compensation pertains to the Company and the Bank, a Schedule I Bank under the *Bank Act* (Canada), hereinafter jointly referred to as the "Company".

We outline our compensation program design, specifically with respect to the following NEOs in 2018:

NEO	Title
Andrew Moor	President & Chief Executive Officer ("CEO")
Tim Wilson	Senior Vice President & Chief Financial Officer ("CFO")
Ron Tratch	Senior Vice President & Chief Risk Officer ("CRO")
Dan Dickinson	Senior Vice President & Chief Digital Officer ("CDO")
Darren Lorimer	Senior Vice President, Commercial Lending ("SVP CL")

Executive Compensation Philosophy, Objective & Principles

Objective

Our compensation program is designed to attract, motivate and retain the necessary talent to meet the Company's corporate objectives.

Guiding Principles

The compensation program has been designed based on the following guiding principles:

COMPETITIVE	PAY FOR PERFORMANCE
• Compensation is regularly compared to similar positions in the Canadian market and/or Canadian financial services sector • HRC Committee considers individual performance, experience, internal equity and retention in its evaluation and decisions	• Significant portion of compensation provided through incentives tied to the success of the Company / individual • Pay "at risk" amount is reviewed to ensure it reflects the level / nature of the position, generally increasing with seniority
OPERATES WITHIN OUR RISK PARAMETERS	**ALIGNED WITH SHAREHOLDER INTERESTS**
• Compensation is regularly reviewed against the Office of the Superintendent of Financial Institution's ("OSFI") Corporate Governance Guideline and the Financial Stability Board ("FSB") Principles • CRO reviews the compensation programs to ensure alignment with the Company's risk appetite	• Executives receive a significant portion of their "at risk" compensation in long-term incentives, tied directly to share price • Half of the CEO's long-term incentives are comprised of PSUs, with performance vesting based on relative total shareholder return ("TSR")

Compensation Governance and Oversight

The Company's compensation governance structure consists of the Board of Directors, the HRC Committee, and its independent advisor, Willis Towers Watson. The Company has a Board-approved Compensation Policy ("Policy") which outlines the Company's compensation philosophy, principles and program guidelines that apply to all employees, including NEOs.

Board of Directors	• Ensures compensation program attracts, motivates and retains highly qualified critical employees • Ensures practices are aligned with the business strategy and are in compliance with the Principles for Sound Compensation Practices and Implementation Standards established by the FSB • Approves all equity compensation awards
NEOs	• SVP, Human Resources reports at least annually to the HRC Committee on the Policy effectiveness • CRO reports to the HRC Committee at least annually on the alignment of compensation programs with sound risk management principles and practices • Internal Audit reports periodic assessments of this Policy to the Audit and HRC Committees
HRC Committee **Independent Committee Members**: Lynn McDonald (Chair) Michael Emory Michael Stramaglia	• Assists the Board's oversight of the Company's compensation philosophy and structure • Reviews the Compensation Policy and applicable compensation programs • Reviews and recommends annual corporate and individual performance targets for the CEO to the Board and annually recommends CEO compensation to the Board following an evaluation of performance against targets • Reviews and approves total compensation of the NEOs, except for the CEO which is approved by the Board, and except for equity compensation awards which are approved by the Board • Assesses appropriateness of compensation relative to actual performance and business risks • Reviews the senior level organizational structure of the Company • Supports the Board in oversight of CEO succession planning and talent management • Reviews and monitors share ownership requirements for the CEO, CFO and CRO All members of the HRC Committee have the competencies to make decisions on the Company's compensation policies and practices. These competencies were gained from their experience in current or former leadership positions, in particular in their capacities as chief executive officers or senior officers at other major corporations or as members of boards of directors or through their educational background. For additional information about the HRC members see their individual director biographies found in the "Director Profiles" section of this circular. Members of the HRC Committee also sit on other Board committees which helps the HRC Committee make more informed decisions on the alignment of compensation policies and practices within the Bank as well as its alignment with sound risk management principles and practices. In 2018, the HRC Committee held five meetings, with management in attendance. At each meeting, the HRC Committee holds an *in camera* session without management present. No employee or executive, including the CEO, is present when his or her compensation is discussed.

Independent Advice

The HRC Committee has engaged Willis Towers Watson as an external independent compensation advisor since 2009. In 2018, the services provided by Willis Towers Watson to the HRC Committee included:

- Providing competitive market compensation data, as required
- Highlighting compensation and regulatory trends and market best practices
- Supporting the compensation cycle and year-end pay decisions
- Providing advice on peer pay practices and stock option valuations
- Reviewing the Compensation Discussion and Analysis section of the circular

The HRC Committee regularly meets with Willis Towers Watson without management present to discuss compensation related matters, ensuring responsible oversight of executive compensation. Decisions made by the HRC Committee are based on multiple sources and do not necessarily reflect advice received from Willis Towers Watson.

If any other consulting services are retained by Willis Towers Watson, the HRC Committee will be notified and must pre-approve the work and related fees before proceeding.

The table below shows the fees paid to Willis Towers Watson in 2017 and 2018, in respect of services provided to the HRC Committee:

Services Performed	Fees paid in 2018 ($)	Fees paid in 2017 ($)
Executive Compensation-related fees	122,531	122,229
All other fees	0	0

Compensation Decision Making Process

MANAGEMENT

Senior Vice-President, Human Resources
- Assess compensation levels and mix
- Manages performance assessment process

Chief Risk Officer
- Evaluates Company performance against risk appetite and stress tests incentive plans
- Together with the Risk & Capital Committee, assesses alignment of compensation with compensation philosophy, business objectives, and risk profile

Chief Executive Officer
- Assesses NEO performance and compensation

INDEPENDENT COMPENSATION CONSULTANT
- Research, analysis and advice on benchmarking best practices and emerging trends in executive compensation

HRC COMMITTEE
- Assesses CEO performance
- Approves NEO compensation / recommends CEO compensation to the Board

BOARD
- Approves design of incentive plans
- Approves Corporate Performance Scorecard
- Reviews and approves CEO compensation and targets
- Approves all equity awards

Compensation Risk Management Principles and Practices

Effective risk management is critical to our success and the achievement of our business objectives. Our compensation program is designed to ensure it does not incentivize excessive risk taking. The Board regularly reviews the program to ensure its effectiveness. The core risks faced by the Company are described on pages 48 through 61 of our MD&A for the year ended December 31, 2018. The Company seeks to align pay with our business strategy to drive performance, reward prudent management of a financial institution and protection of depositors, maximize long-term shareholder return, and attract and retain key talent, while considering risk appetite.

The HRC Committee has implemented a number of risk-mitigating features, including the following:

WHAT WE DO	WHAT WE DON'T DO
✓ Minimum share ownership requirements (CEO, CFO, CRO)	X Provide guaranteed, multi-year bonuses
✓ Clawback & Anti-Hedging Practices	X Repeat performance measures across incentive plans
✓ Code of Conduct	X Payout incentives if unwarranted by performance
✓ Significant percentage of "at risk" compensation	X Reprice or replace underwater stock options
✓ Capped incentive opportunities	X Implement single trigger voluntary change of control termination provisions for new executive contracts
✓ External independent advice	
✓ Competitive target positioning against peer group	X Benchmark ourselves against companies that are significantly larger than we are
✓ Assess / review risk and compliance accountabilities	X Include the value of unexercised option awards in determining ownership compliance
✓ HRC Committee and Board discretion of awards	

The performance goals for all employees, including executives, must incorporate the following:

- Understand the Company's risk and compliance management frameworks, policies, guidelines and practices
- Ensure all decisions take into account risk / compliance management considerations and adhere to the appropriate related policies
- Positively promote effective risk / compliance management culture in all daily operations and decisions
- Proactively approach compliance management and anticipate changes to compliance regulations
- Demonstrate awareness of risks and manage responsibilities in a manner consistent with the Company's Risk Appetite Framework

Clawback Provision

The compensation clawback provision is in effect if, in the opinion of the independent directors of the Board, the Company's financial results are restated due, in whole or in part, to intentional fraud or willful misconduct by the CEO, the CFO and/or the CRO. If a restatement occurs, the HRC Committee would review all incentive compensation awarded to these executives that is attributable to performance during the time period restated. Pursuant to this review, the Board will have the discretion to recoup all or a portion of incentive awards that have been awarded or are vested but not yet paid, and cancel unvested LTI awarded in the preceding 12 months that are in excess of the amount that would have been received by these executives under the restated financial statements.

Anti-Hedging Practices

Under the Company's trading policies, all employees and directors are prohibited from entering into any transaction that is designed to, or has the effect of, hedging or offsetting a decrease in the market value of their outstanding equity compensation awards or equity securities of the Company.

Share Ownership Requirements for Executive Officers

The Board strongly supports equity ownership by our employees. The Board approved share ownership requirements for the CEO, CFO and CRO as shown in the table below. These executives have five years from their date of appointment to achieve these levels. Personal shareholdings, RSUs and PSUs, whether vested or unvested, count towards the share ownership requirement. Share ownership status is calculated using the higher of acquisition cost and the market value as at the date of compliance, which is March 15, 2019.

	Share Ownership Requirement ($ & multiple of base salary)		Ownership Level ($ & multiple of base salary) (as at March 15, 2019)		Years to Meet Requirement
CEO	$2,100,000	3x	$14,281,796	20.4x	Met
CFO	$401,700	1x	$2,117,256	5.3x	Met
CRO	$335,000	1x	$445,710	1.3x	Met

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

Aligning Compensation with FSB Principles

The FSB Principles were designed to enhance the stability and soundness of financial institutions by protecting them against excessive risk taking. The Company believes that its approach to compensation aligns with OSFI's Corporate Governance Guideline and with the FSB Principles as outlined in the table below.

<table>
<tr><th></th><th>FSB Principles</th><th>Our Compensation Practices</th></tr>
<tr><td rowspan="3">Effective Governance of Compensation</td><td>The Board actively oversees the design and operation of the Company's compensation system</td><td>• The Board governs the Company's compensation philosophy and structure through the review and approval of the Compensation Policy and incentive plans
• The Board approves CEO compensation
• The HRC Committee:
  ◦ reviews the performance of the executive officers
  ◦ approves compensation for NEOs, excluding CEO
  ◦ makes determinations with respect to incentive compensation and criteria, and
  ◦ oversees the hiring, promotion and compensation of executive officers</td></tr>
<tr><td>The Board monitors and reviews the compensation system to ensure it operates as intended</td><td>• The HRC Committee monitors and reviews the compensation system to ensure alignment with risk management principles and practices, including the Compensation Philosophy, compensation program design, and incentive performance targets / outcomes / payouts
• The HRC Committee engages an independent compensation advisor to assist in the compensation program review, including the structure and level of compensation for NEOs</td></tr>
<tr><td>Staff engaged in financial and risk control must be independent, have appropriate authority, and be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the Company</td><td>• Compensation for employees in control functions, including risk, internal audit, compliance, and finance, is determined based on the Company's overall results and their individual performance and is independent of the specific businesses they support
• The CFO, Vice-President, Internal Audit, Chief Compliance Officer ("CCO") and the CRO meet in camera with the appropriate Board Committee (Audit, Risk and Capital, and/or Governance and Nominating) at each Committee meeting
• The Vice-President, Internal Audit reports directly to Chair of the Audit Committee
• The Audit Committee Chair recommends the Vice-President, Internal Audit's compensation</td></tr>
<tr><td rowspan="3">Effective Alignment of Compensation with Prudent Risk Taking</td><td>Compensation must be adjusted for all types of risk</td><td>• All incentive plans include a discretionary element which allows the HRC Committee to consider risk when making compensation determinations for NEOs
• Incentive threshold, target, and maximum performance levels are reviewed by the HRC Committee and are set considering multiple perspectives including historical performance, budget and strategic plan and external factors</td></tr>
<tr><td>Compensation outcomes must be symmetric with risk outcomes</td><td>• Performance-based incentives are based on qualitative and quantitative criteria
• Short-term incentives are based on pre-established thresholds, targets, and maximum percentages of base salary by employee level, with no minimums or guaranteed bonuses
• Performance-based incentive programs are stress tested to assess the impact of maximum bonus payouts on the Company's capital position
• Incentive compensation for all employees is subject to forfeiture if an employee resigns or is terminated for cause
• Incentive compensation for the CEO, CFO and CRO is subject to clawback and forfeiture in the event of a financial restatement resulting from intentional fraud or willful misconduct
• The CRO reviews the compensation programs to ensure alignment with the Company's risk appetite</td></tr>
<tr><td>Compensation payout schedules must be sensitive to the time horizon of risks</td><td>• Significant portion of a NEO's pay is in long-term incentives to ensure alignment of compensation with the risk time horizon and to enhance the focus on longer-term value
• Share ownership requirements for the CEO, CFO and CRO align interests with shareholders
• Employees are prohibited from engaging in any hedging transactions with respect to the Company's shares</td></tr>
</table>

FSB Principles	Our Compensation Practices
The mix of cash, equity and other forms of compensation must be consistent with risk alignment	• The portion of equity-based compensation increases with seniority • Having a significant portion of compensation subject to vesting and potential reduction or forfeiture at maturity allows the Committee to ensure that, over time, actual compensation paid is aligned with risk-adjusted performance

Competitive Benchmarking

Comparator Group

The competitive market for executive talent is drawn from businesses within financial services and broader general industry. It is challenging to determine one specific peer group for purposes of benchmarking the NEOs given our structure, size and scope as well as complexities associated with specific benchmarks. As such, the comparator group data is considered holistically in conjunction with other factors when making compensation decisions.

Screening Criteria. Companies within the same industry, across industries, and with which we compete for executive talent (e.g., other large banks but on a position-by-position scope-adjusted basis) are evaluated. The appropriate sample used to assess the competitiveness of pay varies based on role and where talent is recruited and lost. The peer group considers the following criteria:

INDUSTRY

Financial services excluding asset management organizations

GEOGRAPHY

Canadian companies

SIZE

½ to 2x Equitable's revenue, assets, and market capitalization

2018 Peer Group. Applying the selection criteria, the peer group used to benchmark compensation in 2018 included the following companies. There were no changes from the previous year:

Canadian Western Bank	Genworth MI Canada Inc.
The Co-operators Group Ltd.	Home Capital Group Inc.
Economical Mutual Insurance Co.	Laurentian Bank
First National Financial Corp.	

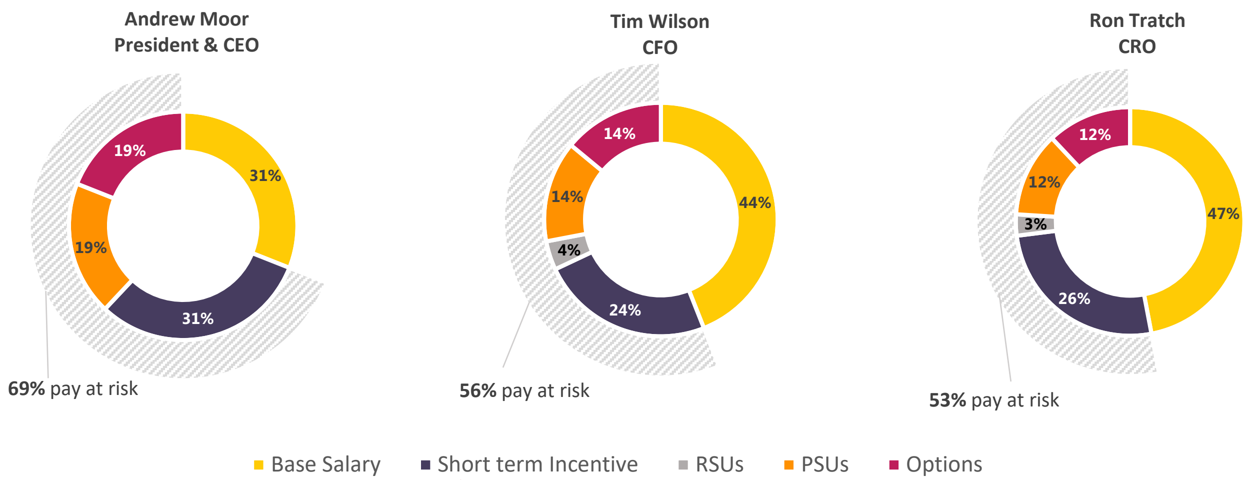
Overall the comparator group reflects the size, scope and business characteristics of Equitable, with the combination of revenue, assets and market capitalization positioned around the median of the peer group.

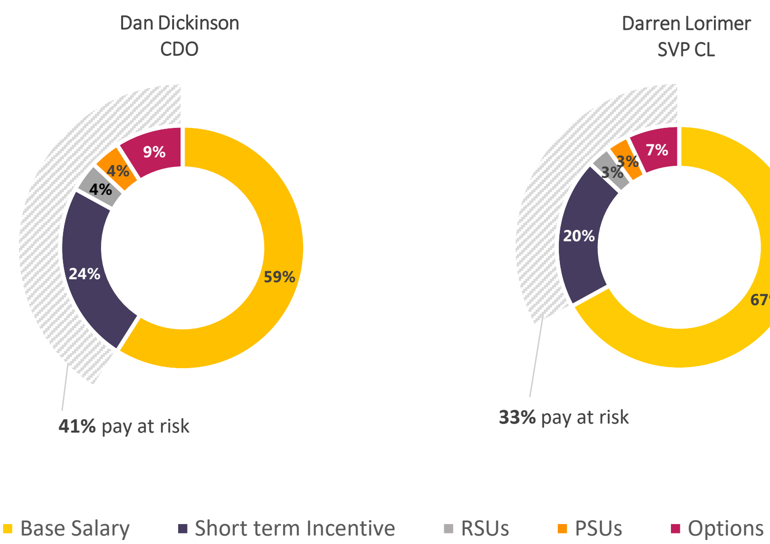
Secondary Reference. Equitable also reviews compensation survey data from Willis Towers Watson, reflecting a broader financial services industry sample. This information provides an additional point of validation when making compensation decisions.

Elements of Executive Compensation

		Element	Features / Objective	Performance Period	Form
Total Direct Compensation					
FIXED	SHORT-TERM	**Base Salary**	• Annually reviewed in accordance with contracts • Reviewed every two years for market competitiveness **Objective**: competitive compensation for skills and experience / attract and retain key top talent	1 year	Cash
AT RISK	SHORT-TERM	**Short-term Incentive**	• Corporate performance measures: return on equity (⅓), earnings per share (⅓), common equity tier 1 ratio (⅓) • Multiplier: +/- 20% based on strategic objectives • Individual performance scorecard **Objective**: reward achievement of specific goals	1 year	Cash
AT RISK	LONG-TERM	**Long-term Incentive:** **Restricted Share Units (“RSU”) & Performance Share Units (“PSUs”)** (awarded under the Restricted Share Unit Plan (“Share Unit Plan”))	• RSU payout based on Equitable’s share price; PSU payout based on share price and scaled according to TSR rank vs. a defined performance peer group **Objective**: align interests of executives and shareholders to create shareholder value / reward achievement of sustained long-term performance / attraction and retention	Vest at the end of 3 years (100%)	Cash
AT RISK	LONG-TERM	**Share Option Plan**	• Opportunity to purchase shares at a specified exercise price equal to fair market value of shares at date on which options are granted **Objective**: align interests of executives and shareholders to create shareholder value / reward achievement of sustained long-term performance / attraction and retention	Vest over 4 years (25% per year) / 7 year term	Options
Indirect Compensation					
		Health benefits **Group Registered Retirement Savings Plan (“RRSP”) & Deferred Profit Sharing Plan (“DPSP”)** **Employee Share Purchase Plan (“ESPP”)**	• Provide market competitive benefit program • Invest in employee health and well being • Promote responsible retirement planning and support funding for income at retirement • Consistent with the broad employee program	1 year	n/a

Target Total Direct Compensation Mix





Base Salary

Base salaries are set and reviewed annually with reference to the executive's level of accountability, competitive market data, internal pay relationships, individual role requirements, and the executive's proven capabilities as well as general market conditions and Company performance. Significant changes to an executive's mandate may also result in changes to base salary.

In 2017, Willis Towers Watson completed a review of the executive compensation levels for the CEO and senior executive roles. Results of the benchmarking analysis indicated that on average current compensation, including base salaries for select roles were positioned below the market median. To continue to reduce the gap to market, particularly for the CRO and CDO roles, salary increases were applied for 2018 and 2019.

2018 and 2019 Base Salary Decisions

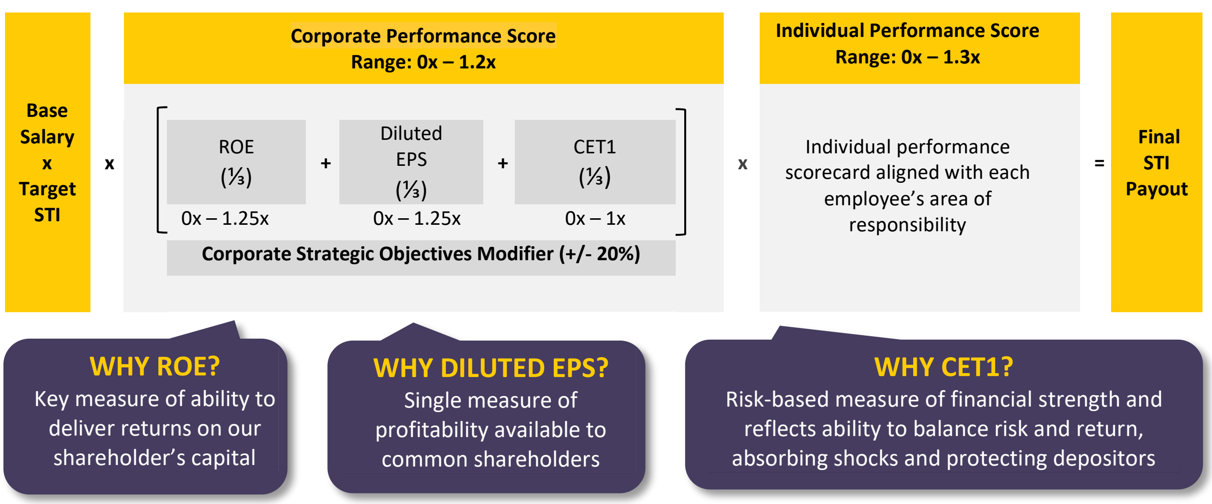
	2019	% Increase (2019 - 2018)	2018	% Increase (2018 - 2017)	2017
Andrew Moor	$700,000	-	$700,000	8.5%	$645,000
Tim Wilson	$401,700	3.0%	$390,000	9.4%	$356,400
Ron Tratch	$335,000	8.1%	$310,000	9.5%	$283,000
Dan Dickinson	$300,000	7.1%	$280,000	16.7%	$240,000
Darren Lorimer	$283,250	3.0%	$275,000	3.8%	$265,000

Short-Term Incentive

The Company provides a cash short-term incentive ("STI") to NEOs. The STI is designed to motivate staff to achieve annual corporate and individual performance targets that align with our business, financial and strategic objectives. The STI provides an objective and transparent approach to ensuring direct pay-for-performance alignment and aligns with best practices.

Corporate Performance. Each year, the Board approves the corporate financial performance measures to be included in the STI plan. It establishes threshold, target and maximum performance levels to align with payout opportunities. These targets are established in the context of the Company's business plans and operating environment.

The 2018 corporate financial performance measures were equally weighted:
- Diluted Earnings per Share ("Diluted EPS")
- Return on Equity ("ROE")
- the Bank's Common Equity Tier 1 ("CET1") ratio



The Corporate Performance Score is determined based on actual results for each metric and subject to modification by +/- 20% based on the HRC Committee's year-end assessment of performance against predetermined objectives ("Corporate Strategic Objectives Modifier").

The overall maximum Corporate Performance Score is capped at 1.4x (minimum = 0x), a level that would reflect a score of 1.2x for exceptional corporate financial performance plus an additional potential 20% for strategic objectives.

Individual Performance. The HRC Committee recommends individual performance targets for the CEO based on the Company's long-term business and strategic objectives to the Board for approval. The individual performance objectives for the remaining NEOs are reviewed and approved by the CEO in consultation with each NEO. Objectives vary based on respective roles and responsibilities.

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

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

The final STI payout for each employee is then based on a combination of the Corporate Performance Score for the year and the Individual Performance Score. Total final STI payouts are capped at 1.5x target STI.

Discretion

The HRC Committee believes that although financial performance is an important consideration in determining the STI award, strict adherence to mathematical formulas could lead to unintended results. Accordingly, the HRC Committee retains the discretion to adjust STI awards based on qualitative considerations, such as extenuating circumstances and/or events that may have arisen over the course of the year which impacted the executive's ability to meet or exceed his or her original objectives, any new objectives that were mutually agreed upon during the year, as well as modifications to individual, departmental and/or corporate deliverables. If circumstances warrant, the total amount of the STI award can be adjusted upwards to the maximum or downwards to zero.

Actual Performance

In accordance with its normal practice, the HRC Committee reviewed and approved performance targets and ranges for each of the annual incentive measures at the beginning of 2018.

In February 2019, the HRC Committee reviewed the Company's 2018 financial performance relative to the EPS, ROE and CET1 ratio targets approved by the Board, with performance results as follows:

Performance Factor	Target [1]	Actual	Corporate Performance Score
Earnings Per Share	$9.61	$9.67	1/3 weight x 1.14 score
Return on Equity	14.0%	14.1%	1/3 weight x 1.15 score
CET1 ratio	≥ 13%	13.5%	1/3 weight x 1.0 score
Strategic Objectives	Not disclosed due to competitive sensitivities	Not disclosed due to competitive sensitivities	+7%
		Total Corporate Performance Score	1.17x

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

STI Awards (% of base salary)

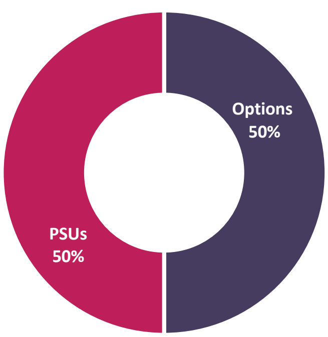
Based on the financial performance results and individual performance reviews conducted at the end of 2018, the HRC Committee approved all NEO STI awards, excluding that of the CEO. The HRC Committee also reviews the CEO's performance against objectives and recommends the CEO's STI award to the Board for approval.

	Threshold	Target	Maximum	2018 Actual
Andrew Moor	20%	**100%**	150%	139.8%
Tim Wilson	11%	**55%**	82.5%	73.1%
Ron Tratch	11%	**55%**	82.5%	74.2%
Dan Dickinson	5%	**40%**	60%	50.0%
Darren Lorimer	5%	**30%**	45%	40.4%

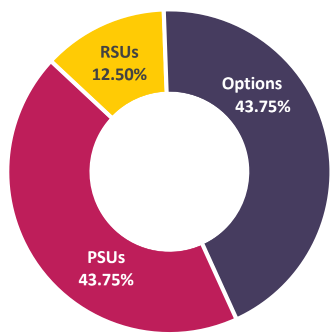
Long-Term Incentive

For 2018, LTI grants comprised the following mix of vehicles:

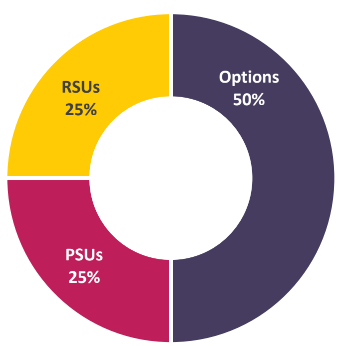
CEO



CFO and CRO



CDO and SVP CL



Objectives

- Align the interests of Management with shareholders
- Enhance ability to attract, motivate and retain instrumental executives
- Provide opportunity for Management to build economic stake in the Company

The HRC Committee considers the following to determine individual grants:

- Market competitiveness (based on periodic benchmarking)
- Position level of the executive
- Responsibilities associated with position level
- Retention considerations
- Internal equity

The HRC Committee submits its recommendation to the Board for approval.

Target LTI Awards (% of base salary)

Position	Target
CEO*	150%
CFO	80%
CRO	80%
CDO	50%
SVP CL	35%

*The range for annual LTI grants for the CEO is 125% - 175% of salary, depending on factors considered at time of grant.

Share Unit Plan

Each RSU and PSU represents one notional common share and earns notional dividends, which are re-invested into additional RSUs or PSUs, as the case may be, when cash dividends are paid on the Company's common shares.

The number of RSUs or PSUs granted is determined on the grant date by dividing the target award value by the previous five-day weighted average trading price of a common share. The RSU/PSU award granted in February 2019 to each NEO is as follows:

	Number Awarded (#)			Grant Date Fair Value[1] ($)	Award (% of base salary)
	RSUs	PSUs	Total		
Andrew Moor	-	8,263	**8,263**	559,984	80.0%
Tim Wilson	575	2,014	**2,589**	175,457	45.0%
Ron Tratch	457	1,601	**2,058**	139,471	45.0%
Dan Dickinson	516	516	**1,032**	69,939	25.0%
Darren Lorimer	355	355	**710**	48,117	17.5%

1. The grant date fair value shown for RSU and PSU awards is based on the volume-weighted average trading price of the common shares on the TSX for the five consecutive trading days prior to March 11, 2019 of $67.77.

RSU Vesting and Payout

RSU Vesting. At the end of three years ("cliff vest"), subject to continued employment.

RSU Payout. Cash (including the initial grant and additional RSUs acquired as dividend equivalents) based on the volume-weighted average trading price of the Company's common shares on the TSX for the five consecutive trading days immediately prior to and ending on the vesting date. Payments are made by December 31 of the year the units vest, and withholding taxes apply.

Payout of 2015 RSU Awards

RSUs awarded to NEOs in 2015 vested on December 15, 2018. The table below shows how we calculated RSU payouts made to NEOs in 2018.

	Number of RSUs Granted for 2015 (#)	Number of Notional Dividends Received (#)	Total RSUs (#)	Vesting Price[1] ($)	Payout Value on Vesting ($)
Andrew Moor	-	-	-	-	-
Tim Wilson	-	-	-	-	-
Ron Tratch	-	-	-	-	-
Dan Dickinson	224	9.88	233.88	62.85	14,698
Darren Lorimer	294	12.97	306.97	62.85	19,291

1. Based on the volume-weighted average trading price of the Company's common shares on the TSX for the five consecutive trading days immediately prior to December 15, 2018.

PSU Vesting and Payout

PSU Vesting. At the end of three years ("cliff vest"), subject to continued employment.

PSU Payout. The number of PSUs granted is adjusted at payout based on TSR relative to performance peers ("payout adjustment factor"). The payout is in cash (including those acquired as dividend equivalents) based on the volume-weighted average trading price of the Company's common shares on the TSX for the five consecutive trading days immediately prior to and ending on the vesting date. Payments are made by December 31st of the year the units vest, and withholding taxes apply. Detail of how PSU payout is calculated is provided below.

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

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

How We Calculate TSR and the Payout Adjustment Factor. TSR is calculated using the formula set out below. The Company's TSR is then ranked against that of its Performance Peers, determining the Payout Adjustment Factor to be used in PSU payout calculations.

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

1. Reinvested at time of receipt.

Performance Peer Group

- Bank of Montreal
- Canadian Imperial Bank of Commerce
- Canadian Western Bank
- Genworth MI Canada Inc.
- Home Capital Group Inc.
- Laurentian Bank
- National Bank of Canada
- Royal Bank of Canada
- The Bank of Nova Scotia
- The Toronto-Dominion Bank

WHY THESE COMPANIES?

Reflects regulated financial institutions in businesses subject to similar risks as Equitable's

Calculating Payout Adjustment Factor

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

Payout of 2015 PSU Awards

PSUs awarded to NEOs in 2015 vested on December 15th, 2018. The table below shows how we calculated PSU payouts made to NEOs in 2018. The Payout Adjustment Factor of 85% used in this calculation reflects Equitable's placement of 9th among its Performance Peer Group.

	Number of PSUs Granted for 2015 (#)	Number of Notional Dividends Received (#)	Total PSUs (#)	Payout Adjustment Factor (%)	Vesting Price[1] ($)	Payout Value on Vesting ($)
Andrew Moor	7,349	324.09	7,673.09	85	62.85	409,885
Tim Wilson	1,976	87.14	2,063.14	85	62.85	110,210
Ron Tratch	1,468	64.74	1,532.74	85	62.85	81,877
Dan Dickinson	224	9.88	233.88	85	62.85	12,493
Darren Lorimer	294	12.97	306.97	85	62.85	16,398

1. Based on the volume-weighted average trading price of the Company's common shares on the TSX for the five consecutive trading days immediately prior to December 15, 2018.

Amendments made to Share Unit Plan in 2018

In order to better align the Share Unit Plan with market best practices, the plan was amended in 2018 to (i) introduce certain definitions relating to retirement, and (ii) amend how RSUs and PSUs are treated under certain circumstances. The definition of Change of Control was also updated to reflect the language in the Option Plan. The revised Share Unit Plan came into effect November 8, 2018.

Under the amended plan, a Participant is "Retirement Eligible" where the Participant is at least 60 years old and where the Participant's age plus years of service with the Company equals 65 years or more. The concept of "Good Leaver" was also introduced to allow the Board the discretion to grant retirement treatment to Participants who are not Retirement Eligible.

The amended plan also changed how RSUs and PSUs are treated at the time a Participant retires, dies or becomes fully disabled. More specifically: (i) upon retirement, unvested RSUs and PSUs continue to vest in accordance with the terms of their award; and (ii) upon death or full disability, unvested RSUs and PSUs vest immediately.

Option Plan

The Option award for each NEO granted in February 2019 is as follows:

	Number Granted[1] (#)	Grant Date Fair Value[2] ($)	Award (% of base salary)
Andrew Moor	38,069	559,995	80.0%
Tim Wilson	9,279	136,494	35.0%
Ron Tratch	7,376	108,501	35.0%
Dan Dickinson	4,759	70,005	25.0%
Darren Lorimer	3,272	48,131	17.5%

1. The number of options granted is determined by dividing the target option award value by the estimated fair value of such Option.
2. The grant date fair value of $14.71 is calculated based on a Black-Scholes option pricing model, assuming a term of 7 years and vesting over 4 years.

Securities Authorized for Issuance under Equity Compensation Plans

The following table lists the number of common shares to be issued upon the exercise of outstanding options under the Option Plan, the weighted-average exercise price of the outstanding options, and the number of securities remaining for future issuance under the Option Plan as at March 15, 2019. The Option Plan is the only component of the Company's compensation plan that allows for the issuance of equity securities.

Plan Category	Number of securities to be issued upon exercise of outstanding options (4.4% of outstanding common shares as at March 15, 2019)	Weighted-average price of outstanding options ($)	Number of securities remaining available for future issuance under equity compensation plans[1] (0.04% of outstanding common shares as at March 15, 2019)
Equity compensation plans approved by security holders	731,794	$57.53	6,771

1. The maximum number of common shares available for issuance under the Option Plan is 1,475,570. Subject to shareholder approval, the Board has approved an additional 524,430 shares to the number of shares reserved for issuance.

Dilution, Overhang and Burn Rate

The table below provides additional information on the Share Option Plan for the past three years.

	2018	2017	2016
Dilution Number of options granted but not exercised/weighted average number of common shares outstanding during the year	4.06%	3.76%	3.58%
Overhang Number of options available to be granted plus options granted but not exercised/ weighted average number of common shares outstanding during the year	4.92%	5.24%	5.82%
Burn Rate Number of options granted during the year/ weighted average number of common shares outstanding during the year	0.73%	0.67%	0.87%

Plan Features

Eligibility	Executive officers and other members of management
Maximum option term	Ten years (2019 grant was seven years)
Exercise price	Volume-weighted average trading price of the common shares for the five consecutive trading days immediately preceding the date of grant
Term, vesting and exercise of options	• 2019 grant term: seven years • Vesting: four year ratable (25% per year commencing on the first anniversary of the grant date) Options must vest before they can be exercised. Options may be exercised in whole or in part before the expiration date set by the Board at the time of the grant. Should the expiry date occur during a blackout period or within the ten business days immediately following such blackout period imposed by the Company, the expiry date will be automatically extended for 10 business days after the last day of the blackout period.
Maximum number of shares issuable	• 1,475,570 common shares, representing 8.9% of the Company's issued and outstanding common shares as at March 15, 2019 • 731,794 shares issuable upon exercise of outstanding options (representing 4.4% of issued and outstanding common shares as at March 15, 2019) • 6,771 shares remain available for issuance (representing 0.04% of the Company's issued and outstanding shares as at March 15, 2019) • Subject to shareholder approval, the Board has approved an increase of 524,430 shares to the number of shares reserved for issuance, for a total of 2,000,000 shares. The number of common shares issuable to insiders at any time or issued to insiders within any one-year period pursuant to all security based compensation arrangements shall not exceed 10% of the Company's outstanding common shares. No insider can be granted options exceeding 5% of the total number of issued and outstanding common shares. As of March 15, 2019 the total number of options to exercise common shares granted to an insider was 277,788 common shares, representing 1.7% of the total number of common shares outstanding.
Expiry of options	The earlier of: i. Original expiry date and two years from date of termination due to death ii. Ten year anniversary date of the grant **Termination for cause / without cause / resignation**: exercise outstanding exercisable options within 30 days and remaining options are forfeited.
Limit on Individual Grants	The Option Plan does not provide for a maximum number of shares which may be issued to an individual pursuant to the Option Plan and any other share compensation arrangement (expressed as a percentage or otherwise).
Transfer/assignment	Only to a legal representative in the case of a participant's death
Financial assistance	None provided
Change of control	All unvested options vest and become exercisable
Clawback	Grants to the CEO, CFO and/or CRO are subject to clawback in the event of a financial restatement resulting from intentional fraud or willful misconduct by the respective executive officer
Amendments to the Plan	The Board may, at any time, amend, suspend or terminate the Option Plan or any portion of the Option Plan, subject to any required shareholder or regulatory approval. Shareholder approval is required to: • Increase the maximum number or percentage of the issued and outstanding common shares of the Company that may be reserved for issuance under the Option Plan • Reduce the exercise price of options or cancel and reissue options at a lower exercise price to the same person • Extend the term of an option beyond the expiry date (except where an expiry date would have fallen within a blackout period of the Company) • Extend eligibility to participate in the Option Plan to non-employee directors Amendments that may be made without shareholder approval include: • "Housekeeping" and administrative changes • Changes to the terms, conditions and mechanics of grant, vesting, exercise and early expiry • Any amendments designed to comply with applicable laws, tax or accounting regulations

- Addition of a cashless feature, payable in cash or securities, which provides for a full deduction in the number of underlying securities from the Option Plan's reserve
- Any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the rules, regulations and policies of the TSX

In 2018, the Option Plan was amended to (i) introduce certain definitions relating to retirement, and (ii) amend how options are treated under certain circumstances. These changes were undertaken to better align the plan with market best practices and fall under the types of amendments that may be made without shareholder approval. The revised Option Plan came into effect November 7, 2018. Under the amended plan, a Participant is "Retirement Eligible" where the Participant is at least 60 years old and where the Participant's age plus years of service with the Company equals 65 years or more. The concept of "Good Leaver" was also introduced to allow the Board the discretion to grant retirement to Participants who are not Retirement Eligible.
The amended plan also changed how options are treated at the time a Participant retires or dies. More specifically: (i) upon retirement, unvested options continue to vest in accordance with the terms of the grant, and vested options continue to be exercisable until their expiry date; and (ii) upon death, unvested options immediately vest, and all vested options are exercisable until the earlier of the original expiry or 24 months from the Participant's date of death.

Benefits

NEOs receive the same benefits as all employees, including medical and dental care plans and life, disability and accident insurance. In addition, executives are entitled to participate in an annual comprehensive fitness and medical assessment program.

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

In order to develop a sense of ownership and align the interests of the Company with those of its employees, the Company sponsors an Employee Share Purchase Plan ("ESPP"). Under the ESPP, employees may contribute up to 10% of their annual base salary to purchase common shares of the Company. The Company makes a matching contribution equivalent to 50% of the employee's contribution and up to a maximum of $2,500 per year. Using the amounts contributed, common shares of the Company are purchased on the open market by an independent agent for the benefit of participating employees.

Talent Management and Succession Planning

The Board and the HRC Committee are responsible for succession planning for the CEO and for overseeing succession planning for other key executive roles, such as the CFO and CRO. This includes identifying potential succession candidates for the CEO's role and ensuring that the senior leadership team has identified potential succession candidates for other key senior management roles, along with monitoring the Company's career development plans for these individuals.

Representation of Women in Executive Officer Appointments

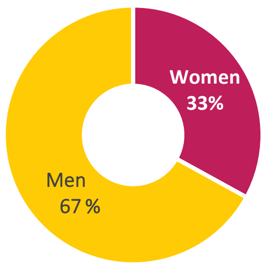
We believe that the diversity of our talent, ideas and experiences is a true strength at Equitable. We recognize the value of ensuring that Equitable's employees have diverse attributes, including that it has a substantial number of employees who are women.

In appointing individuals to executive officer positions, Equitable weighs a number of factors, including the skills and relevant experience required for the position and the personal attributes of the candidate. The level of representation of women in these roles is also considered.

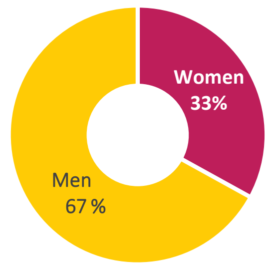
Our executive team includes our President and CEO and his direct reports, three of whom are women, representing 33% of the entire team, up from 30% in 2016.

At the present time Equitable has not adopted a target for the number of women in executive officer positions. Equitable does, however, regard the representation of women in these positions as an important issue and we are working diligently to achieve more gender diversity at this level. Our talent management program focuses not only on executive positions but places increasing emphasis on identifying and developing high potential individuals who are not yet in senior leadership roles.

Women Executive Officers as at March 15, 2018



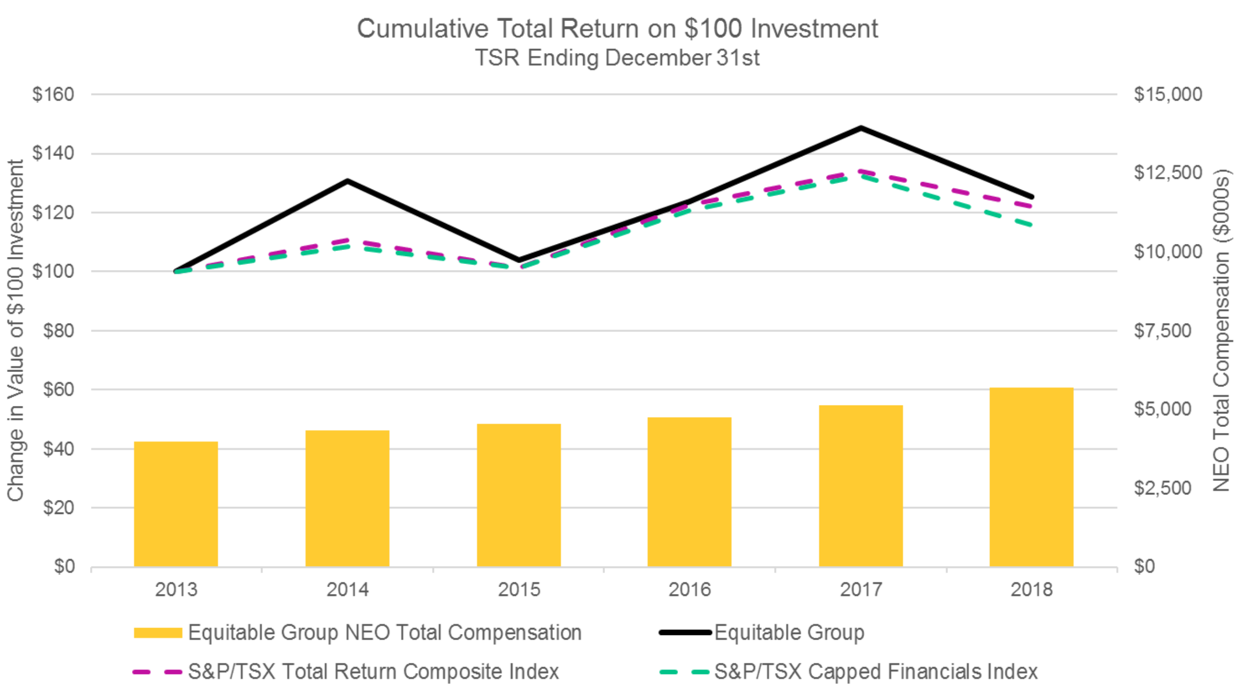
Women Executive Officers as at March 15, 2019



Pay for Performance

The following graph compares the cumulative total shareholder return for $100 invested in the Company's common shares over the five year-period from December 31, 2013 to December 31, 2018. The cumulative total shareholder return of the S&P/TSX Composite Index, the S&P/TSX Capped Financials Index, and the Performance Peer Group, is also shown over the same period. It assumes the reinvestment of all dividends and an equal weighting for all companies in the Performance Peer Group.

Over the past five years, Equitable posted total shareholder returns of 25%, above the S&P/TSX Composite Index return of 22% and the S&P/TSX Capped Financials Index of 16%. Over the same period, NEO compensation as disclosed in the Summary Compensation Table has increased 43%.



	2013	2014	2015	2016	2017	2018
Equitable Group TSR	$100	$131	$104	$124	$149	$125
S&P/TSX Total Return Composite Index	$100	$111	$101	$123	$134	$122
S&P/TSX Capped Financial Index	$100	$109	$101	$121	$132	$116
Equitable Group Total NEO Compensation[1]	$3,985	$4,340	$4,534	$4,744	$5,142	$5,695

1. Total NEO compensation reported in the Summary Compensation Table.

Cost of Management Ratio

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

	2018	2017	2016
Total Aggregate NEO Compensation	$5,694,544	$5,142,297	$4,751,474
Net Income After Tax	$165,626,000	$160,617,000	$138,330,000
Total Aggregate NEO Compensation as a % of Net Income After Tax	3.4%	3.2%	3.4%

Summary Compensation Table

The following table summarizes total compensation awarded to the NEOs of the Company and the Bank in respect of the financial year ended December 31, 2018 and the two prior calendar years:

Name and Principal Position	Year	Salary ($)	Share-based Awards[1] ($)	Option-based Awards[2] ($)	Non-equity Incentive Plan Compensation Annual Incentive Plans ($)	Pension Value[3] ($)	All Other Compensation[4] ($)	Total Compensation ($)
Andrew Moor President and Chief Executive Officer	2018 2017 2016	700,000 645,000 645,000	559,984 483,797 419,257	559,995 483,754 419,252	978,700 890,100 932,350	13,250 13,115 13,005	2,500 2,500 2,500	2,814,429 2,518,266 2,431,364
Tim Wilson Senior Vice President and Chief Financial Officer	2018 2017 2016	390,000 356,400 330,000	175,457 160,356 115,477	136,494 124,739 115,502	285,000 260,000 250,000	13,250 13,115 13,005	2,500 2,500 2,500	1,002,701 917,110 826,484
Ron Tratch Senior Vice President and Chief Risk Officer	2018 2017 2016	310,000 283,000 268,000	139,741 127,350 80,425	108,501 99,053 80,403	230,000 205,000 200,000	13,250 13,115 13,005	2,500 2,500 2,500	803,722 730,018 644,333
Dan Dickinson Senior Vice President & Chief Digital Officer	2018 2017 2016	280,000 240,000 205,000	69,939 60,001 30,750	70,005 59,998 30,750	140,000 126,000 67,000	13,250 12,000 10,250	2,500 2,500 2,500	575,694 500,499 346,250
Darren Lorimer Senior Vice President, Commercial Lending	2018 2017 2016	275,000 265,000 255,000	48,117 46,420 38,277	48,131 46,369 38,244	111,000 103,000 88,000	13,250 13,115 12,750	2,500 2,500 2,500	497,998 476,404 434,741

1. RSUs/PSUs were awarded in March 2019, March 2018, and February 2017 in recognition of the NEO's performance in 2018, 2017, and 2016, respectively. The grant date fair market value of the RSUs/PSUs is based on the volume-weighted average trading price of the Company's common share on the TSX for the five days prior to March 11, 2019 of $67.77, March 9, 2018 of $55.66, February 28, 2017 of $71.68, respectively.
2. The Black-Scholes option pricing model is used to determine both the value of stock options for compensation purposes and the accounting fair value. In February 2019, the assumptions used in determining the number of options to be granted were an exercise price of $67.05, a stock volatility of 27.8%, a dividend yield of 1.8%, an option term of 4.75 years, and an interest rate of 1.79%. The fair value of each option granted for compensation purposes for performance in 2018 was $14.71. The accounting fair value of each option granted for performance in 2018 was $14.87 for Messrs. Moor, Wilson and Tratch, and $11.15 for Messrs. Dickinson and Lorimer as a result of a 25% forfeiture assumption applied to options granted to non-Senior Management. The actual exercise price for options granted in March 2019 was $67.77. In February 2018, the assumptions used in determining the number of options to be granted were an exercise price of $62.41, a stock volatility of 26.2%, a dividend yield of 1.5%, an option term of 4.75 years, and an interest rate of 2.13%. The fair value of each option granted for compensation purposes for performance in 2017 was $13.67. The accounting fair value of each option granted for performance in 2017 was $12.19 for Messrs. Moor, Wilson and Tratch, and $9.14 for Messrs. Dickinson and Lorimer as a result of a 25% forfeiture assumption applied to options granted to non-Senior Management. The actual exercise price for options granted in March 2018 was $55.66. In February 2017, the assumptions used in determining the number of options to be granted were an exercise price of $59.70, a stock volatility of 28.6%, a dividend yield of 1.4%, an option term of 4.75 years, and an interest rate of 1.04%. The fair value of each option granted for compensation purposes for performance in 2016 was $13.27. The accounting fair value of each option granted for performance in 2016 was $15.93 for Messrs. Moor, Wilson and Tratch, and $11.95 for Messrs. Dickinson and Lorimer as a result of a 25% forfeiture assumption applied to options granted to non-Senior Management. The actual exercise price for options granted in March 2017 was $71.68.
3. Reflects the Company's contribution to the NEO's DPSP.
4. The value of perquisites and benefits for each NEO did not exceed $50,000 and/or 10% of the total annual salary and bonus.

Incentive Plan Awards

Outstanding Option-based Awards and Share-based Awards

The table below shows all NEO Option-based and Share-based Awards that were outstanding as at December 31, 2018:

Name	Grant Year	Option-based Awards				Share-based Awards (RSUs/PSUs)	
		Number of securities underlying unexercised options	Option exercise price ($)	Option expiration Date	Value of unexercised in-the-money options[1] ($)	Number of shares or units that have not vested[2] (#)	Market or payout value of share-based awards that have not vested[3] ($)
Andrew Moor	2018	35,388	55.66	Mar 9, 2025	122,442	8,810	520,833
	2017	31,594	71.68	Feb 28, 2024	-	6,017	355,718
	2016	43,403	53.15	Mar 9, 2023	259,116	-	-
	2015	35,511	59.98	Mar 5, 2022	-	-	-
	2014	39,823	52.90	Mar 10, 2021	247,699	-	-
	2013	54,000	36.11	Mar 7, 2020	1,242,540	-	-
	2012	37,692	29.32	Mar 5, 2019	1,123,222	-	-
Tim Wilson	2018	9,125	55.66	Mar 9, 2025	31,573	2,920	172,632
	2017	8,704	71.68	Feb 28, 2024	-	1,657	97,976
	2016	11,667	53.15	Mar 9, 2023	69,652	-	-
	2015	9,142	59.98	Mar 5, 2022	-	-	-
	2014	7,406	52.90	Mar 10, 2021	46,065	-	-
	2013	10,000	36.11	Mar 7, 2020	230,100	-	-
	2012	21,500	29.32	Mar 5, 2019	640,700	-	-
Ron Tratch	2018	7,246	55.66	Mar 9, 2025	25,071	2,319	137,099
	2017	6,059	71.68	Feb 28, 2024	-	1,154	68,237
	2016	8,667	53.15	Mar 9, 2023	51,742	-	-
	2015	6,155	59.98	Mar 5, 2022	-	-	-
	2014	2,464	52.90	Mar 10, 2021	15,326	-	-
	2013	3,328	36.11	Mar 7, 2020	76,577	-	-
	2012	1,905	29.32	Mar 5, 2019	56,769	-	-
Dan Dickinson	2018	4,389	55.66	Mar 9, 2025	15,186	1,093	64,595
	2017	2,317	71.68	Feb 28, 2024	-	440	26,030
	2016	2,647	53.15	Mar 9, 2023	15,803	-	-
	2015	2,190	59.98	Mar 5, 2022	-	-	-
	2014	2,046	52.90	Mar 10, 2021	12,726	-	-
	2013	3,000	46.65	Nov 22, 2020	37,410	-	-
Darren Lorimer	2018	3,392	55.66	Mar 9, 2025	11,736	845	49,974
	2017	2,882	71.68	Feb 28, 2024	-	549	32,476
	2016	3,472	53.15	Mar 9, 2023	20,728	-	-
	2015	5,000	55.32	Nov 23, 2022	19,000	-	-

1. Based on the closing price of the Company's common shares on the TSX on December 31, 2018 of $59.12 less the exercise price of the options.
2. Includes RSUs / PSUs accumulated on the reinvestment of dividends.
3. Based on the closing price of the Company's common shares on the TSX on December 31, 2018 of $59.12.

Incentive Plan Awards – value vested or earned during the year

The following table shows the value of option-based awards that vested in the year ended December 31, 2018, the annual short-term incentive/cash bonus awarded to each NEO in respect of 2018 performance (paid in February 2019), and the share-based award value vested during the year.

Name	2018			2017		
	Option-based awards - value vested during the year[1] ($)	Non-equity incentive plan compensation - value earned during the year ($)	Share-based awards - value vested during the year ($)	Option-based awards - value vested during the year[1] ($)	Non-equity incentive plan compensation - value earned during the year ($)	Share-based awards - value vested during the year ($)
Andrew Moor	97,577	978,700	409,885	922,690	890,100	360,627
Tim Wilson	22,253	285,000	110,210	194,900	260,000	92,823
Ron Tratch	12,872	230,000	81,877	95,712	205,000	62,493
Dan Dickinson	5,488	140,000	27,192	55,057	126,000	25,026
Darren Lorimer	18,954	111,000	35,689	28,655	103,000	-

1. Value is based on the closing price of the Company's common shares on the TSX on the date of vesting and the exercise price of the options. If the closing price of the Company's common shares was below the exercise price, the option had no current value and is valued at $0.

Termination and Change of Control

The Company had employment agreements in place with each NEO during 2018. The details relating to payments and other obligations arising under various scenarios pursuant to the terms of employment agreements and plan terms and conditions are described below. Except where stated otherwise, (i) the salaries of each NEO will cease as of the date of termination, and (ii) each NEO is entitled to receive any accrued and outstanding base salary and amounts owing under the Company's benefits program, including accrued vacation pay, up to the date of termination.

Termination for Cause

In the event of termination for cause, no NEO is entitled to any further compensation following the date of termination. In addition, any unvested options are cancelled and any vested options are exercisable for 30 days from the date of termination. The RSUs and PSUs held by such NEO would be immediately forfeited and cancelled.

Termination without Cause

Severance	• Mr. Moor is entitled to salary continuance in an amount equal to his base salary plus the average performance bonus for the immediately preceding three years, for a period equal to the Severance Period (as defined below) or until re-employment. In the event of re-employment, or upon request, Mr. Moor is entitled to a lump sum payment of 50% of salary continuance for the balance of the Severance Period. The Severance Period is equal to 13 months on the fifth anniversary of employment and increases by one additional month on each anniversary of employment thereafter, to a maximum of 24 months. Mr. Moor's Severance Period is 19 months based on 11 years of employment. • Mr. Wilson is entitled to salary continuance in an amount equal to his base salary plus the average performance bonus for the immediate preceding three years, for the earlier of the Severance Period (as defined above) or re-employment. In the event of re-employment, Mr. Wilson is entitled to a lump sum payment of 50% of salary continuance for the balance of the Severance Period. Mr. Wilson's Severance Period is 14 months based on six years of employment. • Mr. Lorimer is entitled to six months' pay in lieu of notice, to be paid by way of salary continuance, during the first three years of employment, plus one additional month pay in lieu of notice for each year of employment thereafter, up to a maximum of 18 months. Salary continuance is based on salary as at the date of termination plus average bonus over the preceding three years of completed employment or total completed years of employment, whichever is less. In the event of re-employment, Mr. Lorimer is entitled to a lump sum payment of 50% of salary continuance for the balance of the notice period. Mr. Lorimer's notice period is seven months based on three years of employment.

	• Mr. Dickinson is entitled to six months' notice, plus an additional month of notice for each completed year of employment in excess of three years, up to a maximum of 12 months. Salary continuance is based on salary as at the date of termination plus average bonus over the preceding three years of completed employment. In the event of re-employment, Mr. Dickinson is entitled to a lump sum payment of 50% of salary continuance for the balance of the notice period. Mr. Dickinson's notice period is eight months based on five years of completed employment. • Mr. Tratch is entitled to three months' notice, plus one month notice for each year of employment after the first year (or pay in lieu thereof), up to a maximum of 18 months. Mr. Tratch's notice period is nine months based on seven years of employment
Performance Bonus	• If terminated prior to the end of any fiscal year, Mr. Moor and Mr. Wilson are entitled to a payment equal to the average performance bonus earned for the immediately preceding three years, pro-rated to the number of days in that fiscal year to the date of termination. If terminated between January 1st and the Board meeting dealing with year-end matters in February of that same year, Messrs. Moor and Wilson each receive a full bonus for the preceding fiscal year. • Messrs. Tratch, Lorimer and Dickinson are not entitled to any pro-rated performance bonus in the year of termination.
Options	• Mr. Moor's unvested options that would have vested in the fiscal year following the date of termination immediately vest and are exercisable for a period of 30 days from the date of termination. • Mr. Wilson is entitled to the acceleration of vesting of those issued but unvested options which will vest on the next date after the date of termination, to be exercised within 30 days of the date of termination. • For Messrs. Tratch, Lorimer and Dickinson, all unvested options are cancelled upon termination and all vested options are exercisable for 30 days following termination.
Restricted Share Units	• In the event of termination without cause, all NEOs, except Mr. Moor, who is not awarded RSUs, are entitled to a pro rata number of RSUs based on the number of days during the vesting period prior to termination compared to the entire term of the vesting period. The balance of RSUs are forfeited and cancelled.
Performance Share Units	• All NEOs are entitled to a pro rata number of PSUs based on the number of days during the vesting period prior to termination. The balance of PSUs are forfeited and cancelled. • The Board having regard to the performance of the Company shall determine the extent to which the performance payout criteria have been satisfied as of the date of termination and shall determine the performance payout percentage to be applied in respect of such PSU award at that time.
Other	• Messrs. Moor and Wilson are entitled to continued coverage under the Company's benefits program for the duration of the Severance Period or until re-employment, whichever is earlier. • Messrs. Tratch and Dickinson are entitled to continued coverage under the Company's benefits program during the notice period. • Mr. Lorimer is entitled to continued coverage under the Company's benefits program during the minimum statutory notice period and is entitled only to health and dental benefits for the balance of the notice period. • Messrs. Moor and Wilson are entitled to outplacement services for a period determined at the sole discretion of the Company. • Additionally, Mr. Moor is entitled to work as a non-executive Director and/or to work in a consulting capacity up to a total maximum gross revenue to him, or to an operating or consulting company he may own for this purpose, of $200,000 per annum without triggering any re-employment provision.

Change of Control[1]

Severance	• If termination occurs within 12 months of a change of control, Mr. Moor is entitled to a lump sum payment representing base salary in lieu of the Severance Period, plus a payment in respect of the average performance bonus paid in the three years immediately preceding the date upon which notice of termination is provided, prorated to the Severance Period. • If termination occurs within 12 months of a change of control, Messrs. Wilson, Lorimer and Dickinson are each entitled to the same severance as they would be entitled to upon termination without cause (see previous page). • Mr. Tratch is not entitled to any severance-related compensation upon termination following a change of control.
Performance Bonus	• If termination occurs within 12 months of a change of control and prior to the payment of the prior year's performance bonus, Mr. Moor is entitled to payment in respect of the full prior year performance bonus. In addition, he is entitled to a performance bonus in accordance with the short-term incentive plan, prorated, for the period up to and including the date of termination. • If termination occurs within 12 months of a change of control, Mr. Wilson is entitled to the same performance bonus payment as he would be entitled to upon termination without cause (see previous page). • No other NEO is entitled to any performance bonus following a change of control.
Options	• Under the Option Plan, all options vest and become exercisable.

Restricted Share Units	• If common shares of the successor corporation *are* listed on a recognized exchange: the number of RSUs attributed to a NEO will be adjusted by the Board, or the successor board, to preserve the economic position of the award of RSUs. All other terms and conditions of the Restricted Share Unit Plan applicable to RSUs continue to apply for the balance of the vesting period. Vesting is not accelerated. • If common shares of the successor corporation *are not* listed on a recognized stock exchange: the fair market value of each RSU attributed to the NEO will be deemed to be the value at which the change of control occurred and the value of the RSUs will be crystallized at such value. The Board, or the successor board, may resolve to (i) accelerate the vesting date, or (ii) retain the original vesting date in respect of up to one-half of the crystallized value. If employment is terminated following a change of control, the vesting period will be accelerated and a settlement payment made. • All NEOs, except Mr. Moor, are awarded RSUs.
Performance Share Units	• PSUs are treated in the same manner as RSUs, except that, where the common shares of the successor corporation *are not* listed on a recognized stock exchange, the Board, having regard to the performance of the NEO and the Company, will also determine (i) the extent to which the performance payout criteria have been satisfied by the NEO as of the date of the change of control and (ii) the performance payout percentage to be applied in respect of such PSU award at that time. • All NEOs are awarded PSUs.
Other	• If termination occurs within 12 months of a change of control, Mr. Moor is entitled to continued coverage under the Bank's benefits program for the Severance Period. • If termination occurs within 12 months of a change of control, Messrs. Lorimer and Dickinson are entitled to the same benefits coverage as they would be entitled to upon termination without cause (see previous page). • Neither Mr. Wilson nor Mr. Tratch are entitled to any other amounts upon a change of control.

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

Death

Severance	• Salary of a NEO immediately ceases as of the date of death.
Performance Bonus	• No NEO, other than Mr. Moor, is entitled to receive any amounts related to his performance bonus upon death. • Mr. Moor's estate/beneficiary is entitled to payment of any performance bonus, pro-rated to the number of days in that fiscal year up to the date of death.
Options	• Under the Option Plan, unvested options vest immediately upon death of the option holder and are exercisable until the earlier of (i) the expiry date of the option, and (ii) 24 months following the date of death.
Restricted Share Units	• All NEOs, except Mr. Moor, are awarded RSUs. Unvested RSUs held by a NEO at the time of death will vest immediately.
Performance Share Units	• Unvested PSUs held by a NEO at the time of death will vest immediately. • The Board, having regard to the performance of the Company, shall determine the extent to which the performance payout criteria have been satisfied as of the date of death and shall determine the performance payout percentage to be applied in respect of such PSU award at that time.
Other	• No other benefits or payments are provided.

Resignation or Retirement[1]

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

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

Termination and Change of Control Benefits

The following table shows the estimated incremental payments that would be paid to each NEO following the termination of their employment or upon a change of control, assuming the triggering event took place on December 31, 2018:

Event	Andrew Moor ($)	Tim Wilson ($)	Ron Tratch ($)	Dan Dickinson ($)	Darren Lorimer ($)
Termination with Cause					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-
Termination without Cause					
Severance	2,429,975	693,333	206,667	213,500	174,333
Bonus	919,983	250,000	-	-	-
Options[2]	157,314	36,822	-	-	-
RSU/PSU	390,042	116,070	85,843	36,369	36,327
Other[3]	-	-	-	-	-
Change of Control					
Severance	2,429,975	693,333	-	213,500	174,333
Bonus	919,983	-	-	-	-
Options[2]	252,000	66,398	50,942	23,087	16,486
RSU/PSU	883,763	272,854	207,058	91,367	83,120
Other[2]	-	-	-	-	-
Death					
Severance	-	-	-	-	-
Bonus	919,983	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	390,042	116,070	85,843	36,369	36,327
Other[3]	-	-	-	-	-
Resignation					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-
Retirement[4]					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-

1. The value of the option is the difference between the closing price of the common shares on December 31, 2018 on the TSX ($59.12) and the exercise price of the option.
2. All unvested options vest and become immediately exercisable upon a change of control. The value of the options is the difference between the closing price of the common shares on December 31, 2018 on the TSX ($59.12) and the exercise price of the options.
3. Other incremental payments do not include payments required under the Company's benefits program as such amounts are not determinable.
4. None of the NEOs were Retirement Eligible as at December 31, 2018.

Additional Disclosure on Compensation

The following additional disclosure is designed to conform to the Basel Committee on Banking Supervision's ("BCBS") Pillar III disclosure requirements for remuneration. This disclosure covers only Senior Management and those employees who are designated as 'Other Material Risk Takers'.

For the purposes of this disclosure, the Company classified six individuals as Senior Management during 2018. These include the CEO, CFO, CRO, CDO, and CCO (both incumbent and departing). Other Material Risk Takers consist of the Officers and Business Unit Heads of the Bank. For the year-ended December 31, 2018, the Company designated 18 individuals as Other Material Risk Takers.

Outlined below is the aggregate value of compensation that was awarded to Senior Management and Other Material Risk Takers in 2018 and 2017.

Total Value of Compensation Awarded

Element of Compensation	Senior Management				Other Material Risk Takers			
	2018		2017		2018		2017	
	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)
Number of Employees	5		4		18		16	
Fixed Compensation								
Cash-based	2,085,937	-	1,764,400	-	3,803,557	-	3,407,826	-
Shares and Share-linked Instruments	-	-	-	-	-	-	-	-
Other	22,210	-	25,370	-	87,236	-	75,870	-
Total Fixed Compensation	2,108,147	-	1,789,770	-	3,890,793	-	3,483,696	-
Variable Compensation								
Cash-based	1,744,408	-	1,576,600	-	1,333,000	-	1,093,000	-
Shares and Share-linked Instruments	700,149	1,864,850	583,138	1,672,013	435,846	945,525	323,106	740,821
Other	59,950	-	63,345	-	216,399	-	179,175	-
Total Variable Compensation	2,504,507	1,864,850	2,223,083	1,672,013	1,985,245	945,525	1,595,281	740,821
Total Compensation	**4,612,654**	**1,864,850**	**4,012,853**	**1,672,013**	**5,876,038**	**945,525**	**5,078,977**	**740,821**

1. Deferred Compensation includes options and RSUs granted in 2018 and 2017.

Other Compensation Paid

Element of Compensation	Senior Management				Other Material Risk Takers			
	2018		2017		2018		2017	
	Number of Employees	Amount ($)	Number	Amount ($)	Number	Amount ($)	Number of Employees	Amount ($)
Sign-on Awards	-	-	-	-	-	-	1	286,250
Guaranteed Awards	-	-	-	-	-	-	1	75,000
Severance	-	-	-	-	-	-	-	-

Deferred Compensation

Deferred compensation is comprised of options, PSUs and RSUs. The following tables include deferred compensation that was outstanding as at December 31, 2018 and 2017, which had not expired, or been forfeited or cancelled, as well as previously deferred compensation which was paid out during 2018 and 2017. There were no clawbacks or other similar reversals or downward re-evaluations of outstanding awards in either year.

Element of Compensation	Senior Management		Other Material Risk Takers	
	2018 ($)	2017 ($)	2018 ($)	2017 ($)
Outstanding Deferred Compensation				
Vested[1]	3,927,291	7,671,391	612,681	1,647,125
Unvested[2]	1,840,647	3,080,071	1,010,752	1,485,447
Total Deferred Compensation Outstanding	5,767,938	10,751,462	1,623,433	3,132,572
Deferred Compensation Payouts during the year[3]	1,769,639	944,741	670,262	974,908

1. Outstanding vested compensation is comprised of options that were exercisable on December 31, 2018 and December 31, 2017, respectively, but that had not yet been exercised. Each outstanding option is valued at the closing price of a common share on the TSX on December 31, 2018 and December 31, 2017 respectively, less the option's exercise price. The amount outstanding is lower in 2018 as the closing share price at the end of 2018 reduced to $59.12 as compared to $71.50 at the end of 2017.
2. Outstanding unvested compensation is comprised of outstanding options that were not exercisable on or before December 31, 2018 and December 31, 2017, respectively, in addition to RSUs and PSUs that had not vested by December 31, 2018 and December 31, 2017, respectively. Outstanding options are valued at the closing price of a Company common share on the TSX as at December 31, 2018 and December 31, 2017 less the exercise price. Outstanding unvested RSUs and PSUs are valued at the volume-weighted average trading price of a Company common share on the TSX for the five business days prior to December 31, 2018 and December 31, 2017, respectively, in addition to any dividend entitlement earned on such unvested RSUs and PSUs between the date that they were granted and December 31, 2018 and December 31, 2017, respectively. The amount outstanding is lower in 2018 as a result of a decrease in share price. The closing share price at the end of 2018 decreased to $59.12 (2017 - $71.50) and the weighted average share price of RSUs and PSUs decreased to $59.33 (2017 - $71.53).
3. Payouts during the year include the value of exercised options during the year, in addition to any RSUs and PSUs paid out in 2018 and 2017. For 2018 and 2017, stock option payouts are valued at the sale price of a Company common share on TSX at the time of the exercise less the exercise price. The value of RSU and PSU payouts is calculated based on the volume-weighted average trading price of a Company common share on the TSX for each of the five business days up to and including the vesting date, for the vested RSUs and PSUs in addition to any dividend entitlement that was earned on such RSU and PSU between the grant date and the vesting date. Payouts for Senior Management were higher in 2018 as compared to 2017 whereas payouts for Other Material Risk Takers were lower in 2018 as compared to 2017.

OTHER INFORMATION

Communicating with the Board

You may contact the Board, the Chair of the Board or any Board member by directing your correspondence to the Corporate Secretary as follows:

phone (416) 515-7000

mail Equitable Group Inc.
Equitable Bank Tower
30 St. Clair Avenue West, Suite 700
Toronto, Ontario M4V 3A1
(mark the envelope "Confidential")

email corporatesecretary@eqbank.ca

Directors' and Officers' Insurance

Equitable has purchased, at its expense, a liability insurance policy for our directors and officers which expires on May 31, 2019. This insurance covers each of them individually if there are situations where we are not able or permitted to indemnity them. The policy has a $40 million limit, and a deductible of $200,000 if the claim is indemnifiable by Equitable. We pay an annual premium of $207,000.

Shareholder Proposals

Proposals to be considered at the 2020 annual meeting of shareholders must be received by Equitable by January 15, 2020.

Additional Information

Additional financial information is provided in our 2018 consolidated financial statements and MD&A. These documents and other information about Equitable, including our Annual Information Form are available on the equitablebank.ca and sedar.com websites.

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

Directors' Approval

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

Michael Mignardi
Vice-President and General Counsel
April 4, 2019

Schedule "A"

Board of Directors' Mandate

A. ROLE

The Board of Directors (the "Board") is responsible for supervising the management of the business and affairs of Equitable Group Inc. and Equitable Bank (the "Bank") (collectively, the "Company"). In carrying out this responsibility the Board has, either directly or through its committees, the duties set out in this mandate.

B. ACCOUNTABILITIES AND RESPONSIBILITIES

Strategic Planning and Capital Oversight

1. Adopt a strategic planning process and annually review and approve the strategic plan and the short-term and long-term strategic objectives. In discharging this responsibility, the Board shall review the alignment of the strategic plan with the Bank's risk appetite, emerging trends, capital and liquidity levels, and the competitive and regulatory environment.
2. Oversee the implementation of the strategic plan and monitor management's execution against the approved strategic plan and risk appetite framework.
3. Approve and oversee the Capital Management Policy and the Internal Capital Adequacy Assessment Process. The Board shall also approve and oversee liquidity and funding frameworks and policies.
4. Approve and oversee the annual financial budgets, and monitor Equitable's performance against the approved budget. Approve any significant capital expenditures beyond previously authorized limits.
5. Declare dividends and review and approve the issuance, redemption or repurchase of any regulatory capital.
6. Review and approve significant initiatives and transactions.

Risk Management

1. Approve and oversee the implementation of Equitable's Risk Appetite Framework (RAF).
2. Oversee Equitable's risk profile, the promotion of a risk-aware culture and the processes to identify, measure, monitor and control Equitable's principal risks, and satisfy itself that appropriate policies, processes and practices are in place to effectively management those risks.
3. Ensure the Board receives from senior management accurate and timely information and input required to enable the Board to effectively perform its duties.
4. Oversee Equitable's Crisis Management and Recovery Plans.
5. Approve the delegation of certain credit approvals and investment authorities to management.

Internal Controls

1. Approve Equitable's internal control framework.
2. Oversee adherence to applicable regulatory, corporate and legal requirements, and the integrity and effectiveness of Equitable's internal controls, including those for financial and non-financial reporting, and management information systems, and receive reports on the effective design of these systems and reasonable assurance that they are operating effectively.
3. Perform such duties, approve certain matters and review reports as may be required under policies approved by the Board.

Oversight of Senior Management

1. Set and reinforce the "tone at the top" and expect the President and Chief Executive Officer and other executive officers to exemplify the highest level of personal and professional integrity, and ensure they foster a culture of integrity throughout Equitable.
2. Appoint or remove the Chief Executive Officer. Approve the mandate for the Chief Executive Officer which reflects the Board's delegation of powers and authority to manage the business and affairs of Equitable.
3. Approve the objectives of the Chief Executive Officer, monitor progress against those objectives, and approve the compensation of the Chief Executive Officer.
4. Approve the appointment and compensation of Equitable's executive management, including the heads of the control functions, and ensure they have the appropriate qualifications and competencies to meet the expectations set by the Board and regulators. Approve Equitable's compensation policy and oversee the design and operation of the compensation program to ensure it aligns with Equitable's business strategy, values and risk appetite.
5. Ensure that an appropriate succession planning process is in place for the Chief Executive Officer, the Chair of the Board and key executive officers.

6. Approve any significant changes to Equitable's organization structure.
7. Oversee Equitable's oversight functions having regard to their independence, and regularly assess their effectiveness.
8. Establish appropriate processes to periodically assess the assurances that management provides to the Boardt.

Corporate Governance

1. Oversee Equitable's approach to corporate governance and review and approve Equitable's corporate governance guidelines annually.
2. Approve the standards of ethical personal and business conduct in Equitable's Code of Conduct, and ensure there is an ongoing, appropriate and effective process for ensuring adherence to the Code.
3. Establish appropriate structures, policies and procedures to enable the Board to function independently of management and provide thoughtful advice, guidance and constructive challenge to management.
4. Establish Board committee and their mandates to assist the Board in carrying out its responsibilities. The Board shall appoint a Chair for each Committee, and review the structure and composition of the Committees to ensure they provide sufficient oversight.
5. Oversee a formal orientation program for new directors and the ongoing education of all directors. Annually assess the performance of the Board, each of its Committees, Board and Committee Chairs and all directors. Periodically consider engaging an independent external advisor to assess or assist the Board in conducting such assessments.
6. Appoint the Chair from among the independent members of the Board and approve the mandate for the Board Chair position.
7. Establish expectations and responsibilities of directors to contribute effectively to Board operations.
8. Review and approve the adequacy and form of compensation for the independent directors.
9. Oversee the Board structure and governance activities of any subsidiary of the Bank.

Delegation of Authority to Chief Executive Officer

1. Delegate to the Chief Executive Officer the authority to manage Equitable's day-to-day activities within the framework established by the Board.

Communication and Public Disclosure

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

Regulators

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

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