CHALLENGER

MANAGEMENT INFORMATION CIRCULAR

MAY 15, 2018

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND MANAGEMENT INFORMATION CIRCULAR

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

EQUITABLE

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Dear Shareholders,

Please join us at our annual meeting of shareholders which will take place on Tuesday, May 15, 2018 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 also provides information on our governance practices and director and executive compensation.

At the meeting you will have the opportunity to meet the Board of Directors and management, learn more about our performance in 2017 and our plans for the future. If you are unable to attend the meeting we encourage you to complete and return the enclosed form of proxy or voting instruction form. You may also vote over the internet or by phone by following the instructions on the enclosed forms.

The Board and management thank you for your support and continued confidence in Equitable.

Sincerely,

David LeGresley
Chair of the Board

Andrew Moor
President and Chief Executive Officer

Notice of Annual Meeting of Shareholders

When	Where
Tuesday, May 15, 2018 10:00 a.m. (Eastern Time)	Equitable Bank Tower 30 St. Clair Avenue West 5th Floor Toronto, Ontario

For the purposes of

1. receiving the Company's 2017 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; and
4. considering any other business as may properly come before the meeting and any adjournment thereof.

Holders of common shares as of April 2, 2018 will be entitled to vote at the meeting. The number of outstanding voting shares of Equitable on April 2, 2018 was 16,515,238.

Shareholders are encouraged to vote in advance by completing the form of proxy or voting instruction form provided to them. Detailed instructions on how to complete and return proxies are provided on pages 4 to 6 of the accompanying Management Information Circular. Your form of proxy must be received by our transfer agent, Computershare Investor Services Inc., no later than 10:00 a.m. (Eastern Time) on Friday May 11, 2018.

Shareholders may also vote their shares over the internet or by telephone using the procedures described in the form of proxy or voting instruction form.

By order of the Board of Directors,

Andrew Moor
President and Chief Executive Officer

April 10, 2018

Management Information Circular

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In this document:

- *Bank* means Equitable Bank, the Company's wholly-owned subsidiary
- *Board or directors* means the Board of Directors
- *circular* means Management Information Circular
- *DSUs* mean Deferred Share Units
- *Equitable*, the *Company*, *we, us*, and *our* mean Equitable Group Inc.
- *HRC Committee* means the Human Resources and Compensation Committee
- *shares* mean Equitable's common shares
- *TSX* means the Toronto Stock Exchange
- *you* and *your* refer to the shareholder

You have received this circular because you owned Equitable shares on April 2, 2018 (record date).

You have the right to attend our 2018 Annual Meeting of Shareholders (meeting) and to vote your shares in person or by proxy.

The solicitation of proxies will be made primarily by mail. Our directors and officers may also call, write or speak to you to encourage you to vote. We pay all costs for soliciting proxies.

All information in this circular is as of April 10, 2018 unless we state otherwise.

PROXY HIGHLIGHTS

The following are highlights of some of the important information you will find in this circular. We encourage you to read the entire circular before voting.

Voting Matters and Recommendations

Voting Matter	Board Vote Recommendation	Page Reference for more information
Elect nine directors	FOR each nominee	8
Appoint KPMG LLP as auditors	FOR	8

These matters require the approval of a simple majority (more than 50%) of the votes cast in person or by proxy at the meeting.

Our 2018 Director Nominees

Name / Age	Independent	Occupation	Director since	Committee Membership[1]	2017 Board and Committee Attendance	Other public boards
Eric Beutel (55)	Yes	Vice-President, Oakwest Corporation Ltd.	2004	CRSC, GNC, RCC	100%	2
Michael Emory (62)	Yes	President and CEO, Allied Properties REIT	2014	CRSC, GNC, HRCC	97%	1
Kishore Kapoor (61)	Yes	Corporate Director	2016	AC (Chair), RCC	100%	0
David LeGresley (59)	Yes	Corporate Director Chair of the Board	2011	-	100%	1
Lynn McDonald (66)	Yes	Corporate Director	2011	AC, HRCC (Chair), RCC	100%	0
Andrew Moor (57)	No	President and CEO, Equitable Group Inc. and Equitable Bank	2007	-	100%	1
Rowan Saunders (53)	Yes	President and CEO, Economical Mutual Insurance Company	2013	AC, GNC	100%	0
Vincenza Sera (61)	Yes	Corporate Director	2013	CRSC, GNC (Chair), RCC	100%	2
Michael Stramaglia (58)	Yes	Corporate Director and President, Matrisc Advisory Group Inc.	2014	HRCC, RCC (Chair)	100%	0

1 AC – Audit Committee; CRSC – Credit Risk Sub-Committee; HRCC – Human Resources and Compensation Committee; GNC – Governance and Nominating Committee; RCC – Risk and Capital Committee

Key governance practices

We are committed to adhering to the highest standards of governance which we believe is good for our shareholders, our employees, and our company. Some of our governance practices are highlighted below:

		Page
Separate Board Chair and CEO positions	Yes	56
Fully independent board committees	Yes	57
In camera sessions at each board and committee meeting	Yes	59
Majority voting for the election of directors	Yes	8
Directors elected annually and individually	Yes	8
Director retirement age	72	65
Clawback policy for senior executives	Yes	32
Share ownership requirements for directors	Yes	19
Share ownership requirements for senior executives	Yes	32
Gender diversity policy for directors	Yes	64
Formal annual board assessment process	Yes	65
Meeting attendance requirements for directors	Yes	15
Code of Business Conduct	Yes	57

Voting Information

Who can vote

You have the right to vote – one vote per share - if you held common shares at the close of business on April 2, 2018. On that date we had 16,515,238 common shares outstanding.

To the knowledge of our directors and officers, the following person and companies beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of our common shares:

	Number of common shares	Percentage of outstanding common shares
Stephen Smith[1]	3,125,600	18.93%
Oakwest Corporation Limited[2]	2,000,000	12.11%
Beutel, Goodman & Company Ltd.[3]	1,871,451	11.33%

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.

- You are a **registered shareholder** if you have a share certificate issued in your name or that appears on a statement from a direct registration system on the records of our transfer agent.

- You are a **non-registered shareholder** if 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.

Non-registered (beneficial) Shareholder

Voting by proxy (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 15 digit 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. (Eastern Time) on Friday May 11, 2018**.

Most intermediaries allow you to send your instructions as noted above by each has its 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 11, 2018 deadline.

Voting at the meeting

Insert your name in the blank space provided on the voting instruction form to appoint yourself as proxyholder and return the form as indicated therein. Your voting instructions must be received by 10:00 a.m. (Eastern Time) on Friday May 11, 2018.

By proxyholder

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

Registered Shareholder

Voting by proxy (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 15 digit 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. (Eastern Time) on Friday May 11, 2018.**

Voting at the meeting

Register with Computershare when you arrive at the meeting. **You do not need to complete or return the proxy form**. Your vote will be taken and counted 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

The enclosed form of proxy or voting instruction form gives **David LeGresley or Andrew Moor, each a director of Equitable,** the authority to vote your shares at the meeting or any adjournment.

You can choose another person or company to be your proxyholder at the meeting, including someone who is not a shareholder. You can do so in writing the name of the person or company in the blank space provided on the form of proxy or voting instruction form. If you appoint someone else, he or she must be present at the meeting to vote your shares.

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.

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; and
- **FOR** the appointment of KPMG LLP as our independent auditors.

If there are any amendments to the items of business or any other matters that may properly come before the meeting, it is intended that the discretionary authority shall be exercised by the individuals named in the form of proxy or voting instruction form and that person will vote the common shares in accordance with his or her best judgement.

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

Changing your 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. (Eastern Time) on Friday, May 11, 2018,** 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 Chief Executive Officer, at the registered office of the Company, at any time up to 10:00 a.m. (Eastern Time) on Friday, May 11, 2018, 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.

Voting 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. You may vote your shares by:

	Telephone:	Call 1-866-732-VOTE (8683) and follow the instructions provided. If you vote using this method you cannot appoint anyone other than David LeGresley or Andrew Moor as your proxyholder.
	Internet:	Go to www.investorvote.com and follow the instructions.
	Mail:	Return the completed voting instruction form in the prepaid envelope provided.

Shareholder Proposals

We did not receive any shareholder proposals for this meeting.

Confidentiality

Computershare counts and tabulates the votes to maintain confidentiality. Computershare 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.

Quorum

A minimum of 25% of the eligible votes must be represented at the meeting in person or by proxy.

Voting Results

Following the meeting we will post the voting results on SEDAR and our website at www.equitablebank.ca.

Electronic delivery of shareholder materials

Electronic delivery is voluntary email notification sent to shareholders when documents such as our annual report and this circular are available on our website. How you enroll depends on whether you are a beneficial or registered shareholder. The process to sign up is as follows:

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

Questions?

For general shareholder enquiries, you can contact Computershare at:

Phone	1-800-564-6253 (toll-free within Canada and United States)
Fax	1-888-453-0330 (within Canada and United States)
email	service@computershare.com
Mail	Computershare Investor Services Inc. 100 University Avenue 8th Floor, North Tower Toronto, Ontario M5J 2Y1

BUSINESS OF THE MEETING

Financial Statements

Equitable's audited consolidated financial statements for the year ended December 31, 2017 are included in our 2017 Annual Report which you received together with this circular.

Election of Directors

Our articles allow us to have up to 12 directors. The Board has fixed the number of directors to be elected at the Meeting at nine in accordance with the Company's by-laws. All nominees were elected at last year's annual meeting and have expressed their willingness to continue serving on our Board until our next annual meeting of shareholders. If elected, they will also serve on the Board of the Bank.

You can read more about the director nominees starting on page 11.

The Board recommends you vote ***FOR*** each of our nine director nominees

Majority Voting for Directors

Our Majority Vote Policy applies to this election. Under this Policy, any nominee in an uncontested election who receives more *withheld* votes than *for* votes in favour of his or her election, must immediately submit his or her resignation to the Chair of the Board. The Governance and Nominating Committee will recommend to the Board whether or not to accept the resignation. It is generally expected that the Committee and the Board will accept the resignation absent exceptional circumstances. 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.

Equitable will promptly issue a press release on the full voting results for the election of directors.

Appointment of Auditors

KPMG LLP (KPMG) has served as auditors of the Company since 2004, and of the Bank since 2002 and the Board recommends that they be re-appointed as our independent auditor until the close of the next annual meeting of shareholders. KPMG's fees are approved by the Board and all other KPMG fees are approved by the Audit Committee.

Each year the Audit Committee assesses the performance, service quality and independence of the external auditors using a framework recommended by the Chartered Professional Accountants of Canada and the Canadian Public Accountability Board. Based on the satisfactory results of this review, the Audit Committee and the Board recommend that KPMG be reappointed as the auditors of the Company until the close of the next annual meeting of shareholders.

Last year, the vote was 98.49% *for* KPMG as our auditors.

The Board recommends you vote ***FOR*** the appointment of KPMG as our auditor at such remuneration as may be fixed by our directors

Pre-approval policy and auditor service fees

The Audit Committee has adopted a policy that requires the Committee to pre-approve all audit and permitted non-audit services (including the fees and conditions) to be provided by the external auditors. For further information on this policy, see the Company's 2017 Annual Information Form on SEDAR and on our website.

Fees paid by Equitable to KPMG for the years ended December 31, 2017 and December 31, 2016 were as follows:

Category	2017[1] $	2016[1] $
Audit Fees	471,000	425,100
Audit–related Fees	216,500	78,000
Tax Fees	22,500	54,780
Other Fees	-	20,000
Total	710,000	577,880

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.

Audit-related Fees
Audit-related fees include amounts of $90,000 paid in 2017 and $45,500 paid in 2016 for a specified procedures report to support Equitable's participation in CMHC sponsored securitization programs. The increase of $42,500 from 2017 to 2016 is due to an increase in scope as a result of Equitable's acquiring an additional portfolio during the year. In addition, amounts of $93,500 were paid in 2017 for specified procedures reports to support Equitable's participation in other non-CMHC securitization programs during the year.

Also included under audit-related fees are amount of $33,000 paid in 2017 and $30,000 paid in 2016 for advisory services rendered to assist with the Company's transition to IFRS 9 *"Financial Instruments"* that is mandatorily effective for annual periods beginning on or after January 1, 2018.

Tax Fees
Tax fees were paid for professional services primarily relating to reviews of the Company's corporate and commodity tax return. The decrease of $32,280 is due to fees paid in 2016 for the filing of the Scientific Research and Experimental Development ("SRED") tax claim and assistance with a SRED-related CRA audit.

Other Fees
Other fees paid in 2016 relate to a Cybersecurity review.

ABOUT THE DIRECTOR NOMINEES

Nine director nominees are qualified and experienced and have agreed to serve on our Board.

Independence

Eight of the nine director nominees, including the Chair of the Board and all committee members, are independent. Andrew Moor is not independent because he is Equitable's President and Chief Executive Officer.

Qualified and experienced

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

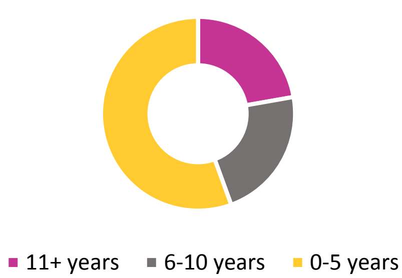
- financial services industry knowledge
- risk management
- strategic planning
- executive compensation
- finance and accounting
- governance

Diversity

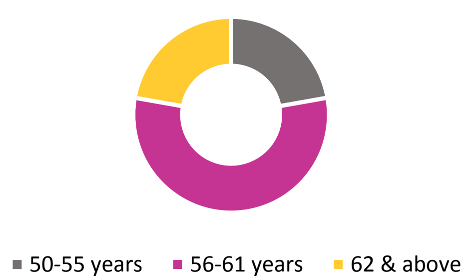
The Governance and Nominating Committee of the Board considers age, gender and years of service on Equitable's Board as part of its assessment of director candidates. We promote gender diversity on our Board and developed a formal gender diversity policy for directors in 2015 with the objective of having women make up at least 30% of board membership. See page 64 for more about diversity.

The proposed Board has an average age of 59 and an average tenure of 7 years.

Tenure of Director Nominees



Age of Director Nominees



Director Profiles

The following pages provide information about each nominee, including a summary of their experience, qualifications, committee memberships, meeting attendance in 2017, public board memberships, and last year's voting results. All nominees are Equitable shareholders and must meet our share ownership requirements applicable to directors. For information on the share ownership requirement (SOR) for directors please see page 19.

Eric Beutel

Independent
Age: 55
Toronto, Ontario
Director since: January 2004
2017 Voting result:
98.00% FOR

Areas of expertise

- 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	In-Touch Survey Systems Ltd. (2013 – present)
Governance & Nominating	5 / 5	CHAR Technologies Ltd. (2014 - present)
Investment (Chair)	7 / 7	NexGen Financial Corporation (2012 - 2014)
Risk and Capital	4 / 4	
Credit Risk Sub-Committee (Chair)	15 / 15	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR[3]	Total as a multiple of SOR
2018	28,700[1]	6,987	35,687	1,915,678	Yes	9.12x
2017	9,000[1]	6,255	15,255	1,058,239	Yes	5.04x

Michael Emory

Independent
Age: 62
Toronto, Ontario
Director since: May 2014
2017 Voting result:
100.00% FOR

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 and 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	Allied Properties REIT (2003 – present)
Governance & Nominating	2 / 2	
HR & Compensation	5 / 5	
Investment	7 / 7	
Credit Risk Sub-Committee	14 / 15	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR[3]	Total as a multiple of SOR
2018	1,600	2,261	3,861	207,258	Yes	1.09x
2017	1,600	1,599	3,199	221,915	Yes	1.06x

Kishore Kapoor

Independent
Age: 61
Toronto, Ontario
Director since: May 2011
2017 Voting result:
100.00% FOR

Areas of expertise

- Governance
- Finance/Accounting
- 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. He 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. Mr. Kapoor currently serves as a Director and member of the Audit Committee of Richardson Financial Group Limited and Richard GMP. He 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	Manitoba Telecom Services Inc. (2006 – March 2017)
Audit (Chair)	5 / 5	
Risk and Capital	4 / 4	

Ownership and value of equity -- 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]	Meets SOR [3]	Total as a multiple of SOR
2018	1,425	978	2,403	128,993	On track	0.73x
2017	1,425	335	1,760	122,091	On track	0.58x

David LeGresley

Independent
Age: 59
Toronto, Ontario
Director since: May 2011
2017 Voting result:
100.00% FOR

Areas of expertise

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

David LeGresley has been Chair of the Board of both the Company and the Bank since May 14, 2014. 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	2017 Attendance	Public company directorships (past five years)
Board (Chair)	9 / 9	Pembina Pipeline Corp. (2010 – present)

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR[3]	Total as a multiple of SOR
2018	18,000	8,003	26,003	1,395,841	Yes	2.92x
2017	17,000	6,448	23,448	1,626,588	Yes	3.39x

Lynn McDonald

Independent
Age: 66
Toronto, Ontario
Director since: May 2011
2017 Voting results:
100.00% FOR

Areas of expertise

- 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 the role of 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	None
Audit	5 / 5	
HR & Compensation (Chair)	5 / 5	
Risk & Capital	4 / 4	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR[3]	Total as a multiple of SOR
2018	4,050	4,718	8,768	470,666	Yes	2.24x
2017	3,950	4,020	7,970	552,879	Yes	2.63x

Andrew Moor

Non-independent
Age: 57
Director since: May 2007
2017 Voting results:
100.00% FOR

Areas of expertise

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

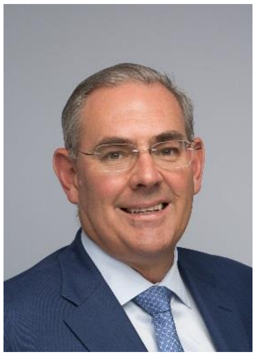
Andrew Moor has been President and Chief Executive Officer of the Company and the Bank since March 2007. Before joining Equitable he served as President and Chief Executive Officer of Invis Inc. from 2002 to 2007 and prior to that as President and Chief Financial Officer of SMED International Inc. Mr.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

Board / Committee Memberships	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	Sleep Country Canada Holdings (2015 – present)

Ownership and value of equity

Year	common shares	PSUs	Total common shares and PSUs	Total value of common shares and PSUs[4] ($)	Meets SOR	Total as a multiple of SOR
2018	150,328	22,198	172,526	9,261,196	Yes	4.41x
2017	151,030	19,738	170,769	11,846,246	Yes	6.12x

Rowan Saunders



Independent
53
Toronto, Ontario
Director since: May 2013
2017 Voting results:
100.00% FOR

Areas of expertise

- Governance
- Risk Management
- Senior Executive
- Strategic Planning

Rowan Saunders is President & Chief Executive Officer Economical Mutual Insurance Company. Prior to joining Economical Insurance in 2016, Mr. Saunders served as President and Chief Executive Officer of Royal & Sun Alliance Insurance Company of Canada for 12 years. He has nearly 30 years in the insurance industry and has held progressive leadership roles in the areas of underwriting, market, sales and finance. Mr. Saunders is currently a member of the Financial Services Commission of Ontario's CEO Advisory Committee and is a past Chair and current member of the board of directors of the Insurance Bureau of Canada. He received a Bachelor of Arts degree from York University, holds the Canadian Risk Management designation, and is a Fellow of the Insurance Institute of Canada.

Board / Committee Memberships	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	None
Audit	5 / 5	
Governance & Nominating	5 / 5	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR [3]	Total as a multiple of SOR
2018	2,000	2,974	4,974	267,004	Yes	1.27x
2017	2,000	2,301	4,301	298,360	Yes	1.42x

Vincenza Sera

Independent
61
Toronto, Ontario
Director since: May 2013
2017 Voting results:
99.99% FOR

Areas of expertise

- 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 12 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	DREAM Industrial REIT (2012 – present)
Governance & Nominating (Chair)	5 / 5	DREAM Unlimited Corp. (2013 – present)
Investment	7 / 7	
Risk & Capital	4 / 4	
Credit Risk Sub-Committee	15 / 15	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR [3]	Total as a multiple of SOR
2018	2,000	2,974	4,974	267,004	Yes	1.27x
2017	2,000	2,301	4,301	298,360	Yes	1.42x

Michael Stramaglia

Independent
58
Toronto, Ontario
Director since: May 2014
2017 Voting results:
98.49% FOR

Areas of expertise

- 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 CEO 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	2017 Attendance	Public company directorships (past five years)
Board	9 / 9	None
Audit	3 / 3	
HR & Compensation	5 / 5	
Risk & Capital	4 / 4	

Ownership and value of equity

Year	common shares	DSUs	Total common shares and DSUs	Total value of common shares and DSUs ($)[2]	Meets SOR [3]	Total as a multiple of SOR
2018	3,000	2,261	5,261	282,410	Yes	1.34x
2017	1,900	1,599	3,499	242,726	Yes	1.15x

1. Excludes the 2,000,000 common shares held by Oakwest of which Mr. Beutel is an officer, director and shareholder. This number also excludes the 2,500 shares held by Benjamin Beutel Holdings Inc.
2. The total value of common shares and DSUs held by director nominees is calculated by multiplying the number of common shares and DSUs held by each nominee at the end of March 31, 2018 and March 31, 2017 by the closing price of Equitable's common shares on the TSX on these dates, i.e. $53.68 and $69.37, respectively.
3. For more information, refer to "Director Share Ownership" on page 19.
4. Andrew Moor meets the share ownership requirement for his position as President and CEO. For more information see page 32.

Meeting Attendance

In 2017 the Board held seven regularly scheduled meetings and 2 special meetings. Special meetings are scheduled as needed, often on short notice, and primarily relate to ordinary course matters that arise between regularly scheduled meetings. Each Board Committee met at least four times with the exception of the Investment Committee, which met seven times before its dissolution on May 17, 2017. Five of these meetings were called to approve credit applications which exceeded management approval limits.

On May 17, 2017 the Board established a Credit Risk Sub-Committee (CRSC), chaired by Eric Beutel, that reports in to the Risk and Capital Committee (RCC). The CRSC assists the RCC in its oversight of credit risk by adjudicating on credit applications that exceed management authority or new lending opportunities for the Bank. CRSC meetings are called as required and generally with less than one week's notice. The CRSC met 15 times in 2017.

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.

David LeGresley, Chair of the Board, and Andrew Moor, President and CEO and a director, regularly attend all committee meetings in order to provide necessary information to facilitate decision-making.

Below is a summary of Board and committee meetings held in 2017 of the relevant members for that period. For individual director nominees, please refer to their individual profiles starting on page 11.

2017 Attendance

	Number of Meetings	Attendance
Board	9	100%
Audit Committee	5	100%
Governance and Nominating Committee	5	100%
Human Resources and Compensation Committee	5	100%
Risk and Capital Committee	4	100%
Credit Risk Sub-Committee (since May 17, 2017)	15	97%
Investment Committee[1] (until May 17, 2017)	7	100%
Total number of meetings	**50**	**99%**

1. Five of the seven meetings held were to approve credits exceeding management approval limits

Below is the 2017 attendance record for Eric Kirzner, who retired from the Board at the last annual meeting of shareholders, and of Johanne Brossard, who resigned from the Board on February 27, 2018:

Name	Board	Audit	Risk & Capital	Governance & Nominating	HR & Compensation	Investment	Total #	Total %
Eric Kirzner	5 / 5	3 / 3	2 / 2	-	-	-	10 / 10	100
Johanne Brossard	9 / 9	2 / 2	-	3 / 3	5 / 5	-	19 /19	100

Director Compensation

Our director compensation program is designed to attract individuals with the desired competencies, skills and experience to serve as directors of Equitable while aligning the interests of our directors and shareholders. The Board approves the amount and form of director compensation on the recommendation of the Governance and Nominating Committee. The Committee benchmarks director compensation every two years against publicly available director compensation of the same financial services companies used to benchmark executive compensation, as set out on page 34, and other Canadian publicly-traded companies of comparable size in different industries. The Committee also takes into consideration the directors' time commitment, workload, the complexity of issues and decision-making, and skills and experience required of Equitable's Directors.

Directors are compensated for their services as directors through a combination of annual retainers and meeting attendance fees. Annual retainers for the non-executive directors and the Chair of the Board are split evenly between cash and DSUs. Directors are reimbursed for out-of-pocket expenses they incur while attending meetings or when they conduct business on behalf of Equitable.

The Committee has the authority to retain consultants, including compensation consultants or advisors, as the Committee may determine necessary or advisable to carry out its responsibilities.

Directors of the Company also serve as Directors of Equitable Bank, and Board and committee meetings of both entities run concurrently. The Company does not hold any material assets directly and as a result, the Bank assumes all directors' costs. Under the Bank's by-laws, the aggregate amount that Equitable may pay its directors in a financial year is $1,500,000.

The table below shows the annual retainers and meeting attendance fees paid to our non-executive directors for the year ending December 31, 2017:

2017 Fee Schedule	($)
Annual retainer	
Chair of the Board (1/2 are granted in DSUs)[1]	160,000
Other directors (1/2 are granted in DSUs)	70,000
Committee retainers	
Committee Chairs	
• Audit Committee	20,000
• Human Resources and Compensation Committee	15,000
• Governance and Nominating Committee	10,000
• Investment Committee	10,000
• Risk and Capital Committee	10,000
Committee members	
• Investment Committee (until May 17, 2017)	10,000
Attendance fees	
• Board and Committee meetings more than 2 hours in duration	1,500
• Board and Committee meetings 2 hours or less	750
• Credit Risk Sub-Committee (since May 17, 2017)	750
• Annual Meeting of Shareholders	600

1. Includes all meeting attendance fees.

DSUs

To align the interests of directors with the Company's shareholders, one half of the director's annual retainer is granted in DSUs. DSUs are notional units that have the same value as Equitable common shares and therefore have the same upside and downside risk. DSUs vest at the time of grant and additional units are credited to the director's account in an amount equal to the dividends paid on the 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. A director may elect up to two redemption dates after leaving the Board, with the cash payment calculated by multiplying the number of DSUs held in the director's DSU account by the market value of a common share on the redemption date. 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.

Non-executive directors do not receive options and do not participate in any other share-based compensation mechanism of Equitable.

The table below shows the total amount paid to the directors in 2017. Mr. Moor does not receive a retainer or fees for serving as a director because he is compensated in his role as President and CEO of Equitable.

2017 Director Compensation Table

	Fees Earned ($)				Share-based awards (DSUs)($)	All Other Compensation ($)	Total ($)
	Annual Cash Retainer	Investment Committee Retainer[1]	Committee Chair Retainer	Attendance Fees[2]			
Eric Beutel	35,000	3,750	3,750	41,100	35,000	-	**118,600**
Johanne Brossard[3]	35,000	-	-	28,350	35,000	-	**98,350**
Michael Emory	35,000	3,750	-	38,100	35,000	-	**111,850**
Kishore Kapoor[4]	35,000	-	17,500	19,600	35,000	-	**107,100**
Eric Kirzner[5]	17,500	-	3,125	8,850	-	-	**29,475**
David LeGresley	80,000	-	-	-	80,000	-	**160,000**
Lynn McDonald	35,000	-	15,000	37,350	35,000	-	**118,600**
Rowan Saunders	35,000	-	-	24,600	35,000	-	**98,350**
Vincenza Sera	35,000	3,750	10,000	41,100	35,000	-	**124,850**
Michael Stramaglia[6]	35,000	-	16,875	28,975	35,000	-	**115,850**
TOTAL	**377,500**	**11,250**	**66,250**	**268,025**	**360,000**	-	**1,083,025**

1. Investment Committee members received an annual retainer until the Committee was dissolved on May 17, 2017.
2. Includes attendance fee for annual shareholder meeting.
3. Johanne Brossard resigned from the Board on February 27, 2018.
4. On May 17, 2017, Kish Kapoor became Chair of the Audit Committee.
5. Fees earned by Eric Kirzner up until his retirement from the Board on May 17, 2017.
6. On May 17, 2017, Michael Stramaglia ceased to be Chair of the Audit Committee and became Chair of the Risk and Capital Committee.

New in 2018

In February 2018 the Governance and Nominating Committee recommended, and the Board approved, an increase in director compensation and a new, simplified flat fee structure to come into effect immediately after the 2018 annual meeting of shareholders. The flat fee structure is designed to be simple, transparent and easier to administer, and is aligned with industry practices. It also caps director fees, regardless of the number of meetings held during the year. The Chair of the Board's retainer will continue to be higher than the retainer for other directors, and the Committee Chairs will continue to receive an additional Chair retainer to recognize their additional responsibilities in these roles.

The table below shows the new fee structure which becomes effective after the meeting:

Annual Retainers	$
Chair of the Board (1/2 will be awarded in DSUs)	200,000
All other directors (1/2 will be awarded in DSUs)	100,000
All Committee retainers	
Committee Chairs	
• Audit Committee	20,000
• Human Resources and Compensation Committee	15,000
• Risk and Capital Committee	15,000
• Governance and Nominating Committee	10,000
Committee members	
• Credit Risk Sub- Committee	5,000

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 his position. All of the current non-executive directors have exceeded the ownership requirement. The change to a flat fee structure after May 17, 2018 will increase the share ownership requirement for the directors and the Chair of the Board.

For purposes of determining compliance with this requirement, the directors' shares and DSUs are valued at the higher of cost or market value as at March 31, 2018.

	Minimum share ownership requirement (until May 15, 2018)	Minimum share ownership requirement (after May 15, 2018)	Time to achieve
Chair of the Board	3x total retainer (3 x $160,000 = $480,000)	3x total retainer (3 x $200,000 = $600,000)	Within 5 years of initial appointment
Non-executive directors	3x total retainer (3 x $70,000 = $210,000)	3x total retainer (3 x $100,000 = $300,000)	Within 5 years of initial appointment

Anti-Hedging

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.

Share-based Awards

The table below shows the market value of the DSUs held by our directors as at March 31, 2018 based on the closing price of our common shares on the TSX on March 31, 2018.

	Share-based Awards			
	Outstanding DSUs as of March 31, 2017[1] (#)	2017 DSU award[2] (#)	Outstanding DSUs as of March 31, 2018[3] (#)	Market value of vested DSUs not paid out or distributed[4] ($)
Eric Beutel	6,255	633	6,987	375,062
Michael Emory	1,599	633	2,261	121,370
Kishore Kapoor	335	633	978	52,499
David LeGresley	6,448	1,447	8,003	429,601
Lynn McDonald	4,020	633	4,718	253,262
Rowan Saunders	2,301	633	2,974	159,644
Vincenza Sera	2,301	633	2,974	159,644
Michael Stramaglia	1,599	633	2,261	121,370

1. Includes dividend equivalents credited to each director's account from the date of grant to March 31, 2017.
2. Actual number of DSUs received pursuant to grant value of $80,000, for the Chair of the Board, and $35,000 for all other non-executive directors.
3. Includes dividend equivalents credited to each director's account from the date of grant to March 31, 2018.
4. The closing price of Equitable's common shares on the TSX on March 31, 2018 was $53.68.

The table below shows the number of DSUs held by Johanne Brossard on the date of her resignation from the Board:

	Share-based Award		
	Outstanding DSUs as of March 31, 2017 (#)	**2017 DSU award (#)**	**Outstanding DSUs as of February 27, 2018 (#)**
Johanne Brossard	1,214	633	1,870

1. Includes dividend equivalents credited to Ms. Brossard's account from the date of grant to her resignation date.

Additional Disclosure Concerning our Directors

To the Company's 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.

BOARD COMMITTEE REPORTS

Report of the Audit Committee

Members Michael Stramaglia (Chair until May 2017) Johanne Brossard (May 2017 – Feb 2018) Kishore Kapoor (Chair since May 2017) Lynn McDonald Rowan Saunders Eric Kirzner served as a member of the Committee until his retirement from the Board in May 2017.	*100% independent and financially literate within the meaning of the CSA rules*	Number of meetings in 2017: 5

The Audit Committee is responsible for overseeing (i) the quality and integrity of our financial reporting; (ii) the qualifications, independence and service quality of the external auditors; (iii) the effectiveness of our internal 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	2017 Highlights
Financial Reporting and Internal Controls	• received presentations 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 • reviewed and recommended for Board approval of 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 • received quarterly updates on the Bank's IFRS9 implementation project status and approved key implementation decisions • oversaw the effectiveness of disclosure controls and procedures and internal controls over financial reporting • reviewed and approved the internal control framework • retained an independent third party to review the effectiveness of the Finance function consistent with the requirements of OSFI's Corporate Governance Guideline • 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
External Auditor	• oversaw the work of the external auditor • 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 • received updates on accounting and auditing developments • conducted the annual review of KPMG, including the qualifications, skill and experience of engagement partner and audit team, their independence, objectivity, and quality of work performed and recommended to the Board their reappointment as auditors subject to shareholder approval • pre-approved all additional engagements with KPMG (including any non-audit services) • discussed with KPMG the impact of upcoming accounting standards, including the effect on the financial statements and related disclosures • regularly met with the external auditor without management present

Responsibility	2017 Highlights
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 2017 audit schedule and monitored its execution • received quarterly reports of internal audit activities, findings and recommendations, and emerging risks and received updates on key audit report follow-ups • considered the results of the external quality assurance review of the Internal Audit function • 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
Legal and Regulatory Matters	• received reports on legal actions against the Bank • received management's report on the Bank's whistleblower program and procedures
Governance Matters	• in connection with the dissolution of the Investment Committee, reviewed the amendment to the Committee's mandate to incorporate oversight of the Bank's allowance for credit loss which was previously under the purview of the Investment Committee, and recommended the revised mandate for Board approval • reviewed and approved the Committee's annual workplan

Report of the Risk and Capital Committee

Members Michael Stramaglia (Chair since May 17, 2017) Eric Beutel Kishore Kapoor (since May 17, 2017) Lynn McDonald Vincenza Sera Eric Kirzner served as Committee Chair until his retirement from the Board on May 17, 2017.	*100% independent*	Number of Meetings in 2017: 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 and the risk tolerance limits for each of its Core Risks established in the context of its risk appetite for these risks; (iii) approving the Commercial Risk Appetite and the Single Family Residential Mortgage Risk Appetite; 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	2017 Highlights
Risk Oversight	• reviewed and recommended for Board approval the Bank's risk appetite framework, which includes the risk appetite statement • reviewed and approved the Bank's Commercial Risk and Single Family Residential Mortgage risk appetites • received regular reporting on the assessment of the Bank's risk profile against risk appetite and monitored the Bank's capital targets and ratios • received quarterly reports from the Chief Risk Officer on his enterprise-wide view of the Bank's core risks and the policies, programs and controls to manage these risks • reviewed the quarterly risk dashboards submitted by the Enterprise Risk Management Committee, which included emerging risk updates, and the results of the Bank's enterprise-wide stress testing to identify and assess Bank specific risks and support strategic decisions • reviewed impaired loans and indepth reports on the Bank's mortgage portfolio

Responsibility	2017 Highlights
	• reviewed and recommended for Board approval the delegation of credit approval limits to management • received reports at each meeting on liquidity and funding risk management activities and approved enhancements to the Bank's Liquidity and Funding Contingency Plan and the Liquidity Management Framework • reviewed and approved risk management policies for credit risk, liquidity and funding risk, interest rate risk and operational risk • reviewed and approved risk appetite statements and limits • reviewed reports relating to the internal capital adequacy assessment process • reviewed reports and engaged in discussion on Equitable's reputational risks and remediation plans • received regular updates on the Bank's AIRB initiative • reviewed the adequacy of the Bank's insurance coverage, including directors' and officer's liability insurance, and recommend renewal of the insurance program to the Board for approval • received reports and engaged in discussions with Management on oversight of key risks, exposures and challenges • received regular status updates on the effectiveness of, and further enhancements to, the Bank's cybersecurity and fraud risk management programs • reviewed the Bank's recovery plan which outlines how the Bank would respond to restore financial strength and viability and recommended Board approval of the decision-making process that would be undertaken by Senior Management • received a report on the testing of the Business Continuity Management Program • reviewed and adjusted the strategy for the Bank's securities portfolio • reviewed the Chief Risk Officer's assessment of the risks associated with the compensation program and practices and the alignment of the compensation program with the Financial Stability Board's Compensation Principles and sound risk management principles and practices
Risk Culture	• received updates on the Bank's activities in building a culture that promotes accountability, escalating and promptly resolving issues, learns from past experiences, and encourages open communication and transparency on all aspects of risk taking
Risk Function	• reviewed the organizational structure of the Risk function and approved its budget and resources • approved the mandate of the Chief Risk Officer and assessed his performance
Governance	• regularly met with the Chief Risk Officer without other management present • approved the mandates for the Credit Risk Sub-Committee and the Credit Risk Management Committee and received quarterly reports on credit applications approved by both these Committees • reviewed and approved the Committee's annual workplan

Report of the Human Resources and Compensation Committee

Members Lynn McDonald (Chair) Johanne Brossard (until February 27, 2018) Michael Emory Michael Stramaglia	*100% independent*	Number of meetings in 2017: 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) determining the compensation of the CEO and Executive Officers in consultation with the independent compensation consultant; (iv) overseeing senior management succession planning and talent management; 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	2017 Highlights
CEO and Executive Compensation	• developed in conjunction with the Chair of the Board and the CEO, the CEO's 2017 performance objectives for approval by the Board • in conjunction with the Chair of the Board, assessed the CEO's performance against financial results, annual objectives, and strategic and key performance measures, as well as his management of the Bank through the funding market disruption in the Spring of 2017, 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 the validity of Equitable's benchmark group used in determining executive compensation • reviewed and recommended for Board approval adjustments to the performance measures in the 2017 Corporate Performance Scorecard due to actions taken in response to the funding market disruption and approved the Short-term incentive payout factor for all employees, including Executive Officers • approved adjustments to the target Long-term Incentive levels for Executive Officers • reviewed the CEO's performance assessments of the Executive Officers, approved their annual salary adjustments and short-term incentives, and recommended for Board approval the grants of stock options, restricted share units and performance share units • reviewed and discussed with the independent compensation advisor competitive compensation for the CEO and other Executive Officers • reviewed and recommended for Board approval the 2018 Short-term Incentive Plan performance targets • reviewed the appointment of three new Vice-Presidents and recommended for Board approval the appointment of a new direct report to the CEO, and the change in title for seven of the CEO's direct reports from Vice-President to Senior Vice-President • reviewed and approved retirement terms for two Vice-Presidents • reviewed and discussed with the Chief Risk Officer his assessment of the risks associated with the compensation program and practices and the alignment of the compensation program with the Financial Stability Board's Compensation Principles and sound risk management practices • reviewed and approved changes to the executive organization structure which included realigning oversight of the Bank's Compliance function under Risk and the reorganization of key business units • reviewed and approved an increase to the Bank's contribution to the Deferred Profit Sharing Plan • reviewed and approved the Compensation Discussion and Analysis section of this Circular
Succession Planning and Talent Management	• 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 of the Bank's high performers
Employee Engagement	• reviewed and discussed the results of the 2017 employee engagement survey and management action plans
Governance	• reviewed the Committee's mandate and annual workplan • regularly met with the Vice-President of Human Resources without other management present

Report of the Governance and Nominating Committee

Members		
Vincenza Sera (Chair) Eric Beutel Johanne Brossard (until May 17, 2017) Michael Emory (since May 17, 2017) Rowan Saunders	*100% independent*	Number of meetings in 2017: 5

The Governance and Nominating Committee is responsible for: (i) determining the criteria for selecting new directors and identifying individuals qualified to become directors; (ii) recommending candidates for election or re-election as directors; (iii) developing and recommending to the Board a set of corporate governance guidelines, including a code of conduct; (iv) reviewing and recommending the compensation of Equitable's non-executive directors; (v) overseeing the evaluation of the Board and Board Committees; (vii) overseeing Equitable's compliance with legal and regulatory requirements and its related policies; and (viii) acting as the conduct review committee for the Bank's Board and reviewing its policies and practices relating to self-dealing.

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	2017 Highlights
Composition of the Board	• assessed each director's independence, attendance, tenure, skills and experience, other board service , age and gender diversity prior to nominating all directors for election at the annual meeting of shareholders • reviewed the composition of the Board committees for balance and opportunities to gain new perspectives and recommended to the Board for approval changes to committee composition and committee chair succession planning. At the same time the Committee recommended to the Board for approval the change in the Committee's name from Corporate Governance Committee to the Governance and Nominating Committee • oversaw Committee Chair succession in recommending to the Board the appointment of Mr. Kapoor as Chair of the Audit Committee, and Mr. Stramaglia as Chair of the Risk and Capital Committee • reviewed directors' other board memberships and audit committee service and determined that there were no issues with over-boarding • reviewed the existing board interlock and determined it did not impact the independence of the directors • oversaw the dissolution of the Investment Committee and the creation of the Credit Risk Sub-Committee which reports into the Risk and Capital Committee (RCC) , and recommended for RCC approval the mandate of the Sub-Committee, and recommended for Board approval the composition of the Sub-Committee • reviewed the emergency succession plan for the Chair of the Board
Board Evaluation	• reviewed the board evaluation process. Determined the desired scope for the 2017 evaluation, which was to focus on the function of the Board committees, and the evaluation methodology. This consisted of director questionnaires and individual interviews with the Chair of the Board • reviewed and recommended for Board approval the Board's 2017 objectives and monitored the Board's progress against these objectives
Director Compensation	• reviewed director compensation and recommended an increase to the annual retainer for the Chair of the Board and the Chair of the Risk and Capital Committee, and the implementation of a new flat fee structure for directors
Corporate Governance	• reviewed and recommended for Board approval the development of Corporate Governance Guidelines which encompass established Board policies, including the Majority Vote Policy which was enhanced during the year, and established Board practices • approved updates to key Board policies including Insider Trading, Reputation Risk, Related Party Transactions, and Responsible Persons Assessment • reviewed and recommended for Board approval the approval limits for new business initiatives • conducted a review of the Bank's underwriting practices
Regulatory Compliance	• met quarterly with the CCO and received updates on compliance with applicable laws and regulations and approved the annual Compliance Plan

Responsibility	2017 Highlights
	• received assurance that the Bank has processes in place to ensure adherence to the Code of Business Conduct • met quarterly with the CAMLO and received updates on the design and operation of the Bank's anti-money laundering/anti-terrorist financing program • reviewed the annual report of the Vice-President of Internal Audit on the appropriateness of Compliance methodologies, policies and practices, which was also reviewed by the Audit Committee • approved the mandates for the Chief Compliance Officer and the Chief Anti-Money Laundering Officer • 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 Chief Compliance Officer and the Chief Anti-Money Laundering Officer without other management present, approved their mandates, and assessed the performance of the Chief Compliance Officer
Conduct Review	• reviewed and recommended for Board approval the directors' report to OSFI on conduct review activities in 2017 • approved and ratified certain related party transactions
Governance	• reviewed the Committee's mandate and annual workplan • determined the topics for the 2017 director education sessions

EXECUTIVE COMPENSATION

Letter to Shareholders

Dear shareholder,

The Human Resources and Compensation Committee (the "HRC Committee") and the Board of Directors 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").

2017 Performance Highlights

- **15.8%** ROE – exceeds most industry benchmarks
- **$9.39** EPS – record performance, 11% higher than preceding year
- **14.8%** CET1 Ratio – ahead of regulatory minimums

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. At this time, the HRC Committee feels sufficient feedback is received on the executive compensation programs through its regular interactions with shareholders and that an advisory vote would not be of added benefit.

2017 COMPANY PERFORMANCE

- Increased book value per common share by 17% from 2016
- Grew assets under management by 11%
- Increased GIC principal balances by $1.0 billion or 14%, to $8.3 billion from $7.3 billion a year ago
- Grew EQ Bank balances to $1.6 billion, an increase of 53% from last year
- Sustained low loss levels, recording provisions for credit losses of $1.5 million or 1 bp of average loan balances
- Achieved lowest efficiency ratio of all publicly listed Schedule I banks at 36.8%
- Declared annual common share dividends that were 13% higher than in 2016
- Achieved AON Hewitt Best Employer 2018 with a PLATINUM standing within Top 30
- Made strategic progress with increased functionality with EQ Bank and the development of an equity release solution
- The above successful performance metrics were achieved despite the negative impact of the liquidity actions that we undertook in Q2. We took these actions to manage through stress in the funding markets that was caused by developments at another financial institution.

KEY 2017 INCENTIVE COMPENSATION DECISIONS

The HRC Committee and Board considered corporate and individual performance for 2017 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 2017:

- *Financial performance*: achieved a score of 1.07 based on strong financial performance
- *Strategic goals*: upon HRC Committee review, achieved a score of +1.08%, given performance against strategic objectives
- *Overall score*: 1.15

Equitable's 5-year TSR is **135%,** above the TSX Capped Financials Index at 93% and the TSX Composite Index at 51%

Long-term incentive. In March 2018 (for 2017 compensation), Equitable granted stock options, Restricted Share Units ("RSUs") and Performance Share Units ("PSUs") in accordance with the Company's established policy. 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 equal to the midpoint of this range. The aggregate grant value awarded to the five NEOs was $1.69 million, an increase in grant value of 21% 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

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 2017:

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 • 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 at least annually reports to the HRC Committee on the Policy effectiveness • CRO reports to the HRC Committee at least annually on the alignment of compensation programs and payouts 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) Johanne Brossard[1] 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 succession planning and talent management • Reviews and monitors share ownership requirements for the CEO, CFO and CRO The members of the HRC Committee have gained experience serving as senior leaders in large organizations, all having extensive experience and knowledge in Human Resources, Executive Compensation, Finance, Corporate Governance, Risk Management and Public Company Leadership. Members of the HRC Committee also sit on other committees, including the Governance and Nominating Committee, the Audit Committee and the Risk and Capital Committee. This provides the HRC Committee with the knowledge, skills, experience and background to effectively fulfill its mandate. Cross-Committee membership supports effective oversight of compensation and alignment with risk management. In 2017, 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.

1. Ms. Brossard resigned from the Board effective February 27, 2018. There are no immediate plans to replace Ms. Brossard as a member of the HRC Committee.

Independent Advice

The HRC Committee has engaged Willis Towers Watson as an external independent compensation advisor since 2009. In 2017, 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
- Reviewing the Compensation Discussion and Analysis section of the Management Information Circular
- Providing advice on peer pay practices and stock option valuations

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 2016 and 2017, in respect of services provided to the HRC Committee:

Services Performed	Fees paid in 2017 ($)	Fees paid in 2016 ($)
Executive Compensation-related fees	122,229[1]	76,738
All other fees	0	0

1. Increase in fees due in part to the bi-annual benchmarking of executive officers conducted by Willis Towers Watson on behalf of the Company in 2017.

Compensation Decision Making Process

MANAGEMENT

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

Chief Risk Officer
- Assesses 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 54 through 65 of our 2017 Annual Report.

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 Business Conduct and Ethics	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	Grant, renew or extend loans to employees
✓	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. The HRC Committee reviews 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 and 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 31.

	Share Ownership Requirement ($ & multiple of base salary)		Ownership Level ($ & multiple of base salary) (as at March 31, 2018)		Years to Meet Requirement
President & CEO	$2,100,000	3x	$9,261,196	13.2 x	Met
Senior Vice-President & CFO	$390,000	1x	$511,409	1.31 x	Met
Senior Vice-President & CRO	$310,000	1x	$316,819	1.02 x	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 in the Corporate Governance Guideline and with the FSB Principles as outlined in the table below.

	FSB Principles	Our Compensation Practices
Effective Governance of Compensation	**The Board actively oversees the design and operation of the Company's compensation system**	• 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: o reviews the performance of the executive officers o approves compensation for NEOs, excluding CEO o makes determinations with respect to incentive compensation and criteria, and o oversees the hiring, promotion and compensation of Executive Officers
	The Board monitors and reviews the compensation system to ensure it operates as intended	• 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
	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	• 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
Effective Alignment of Compensation with Prudent Risk Taking	**Compensation must be adjusted for all types of risk**	• 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
	Compensation outcomes must be symmetric with risk outcomes	• Performance-based incentives are based on qualitative and quantitative criteria • Short-term incentives are based on pre-established thresholds, targets, and maximum percentages of base salary by employee level, with no minimums or guaranteed bonuses • 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
	Compensation payout schedules must be sensitive to the time horizon of risks	• 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
	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

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

2017 Peer Group. Applying the selection criteria, the peer group used to benchmark compensation in 2017 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.	Genworth MI Canada Inc.

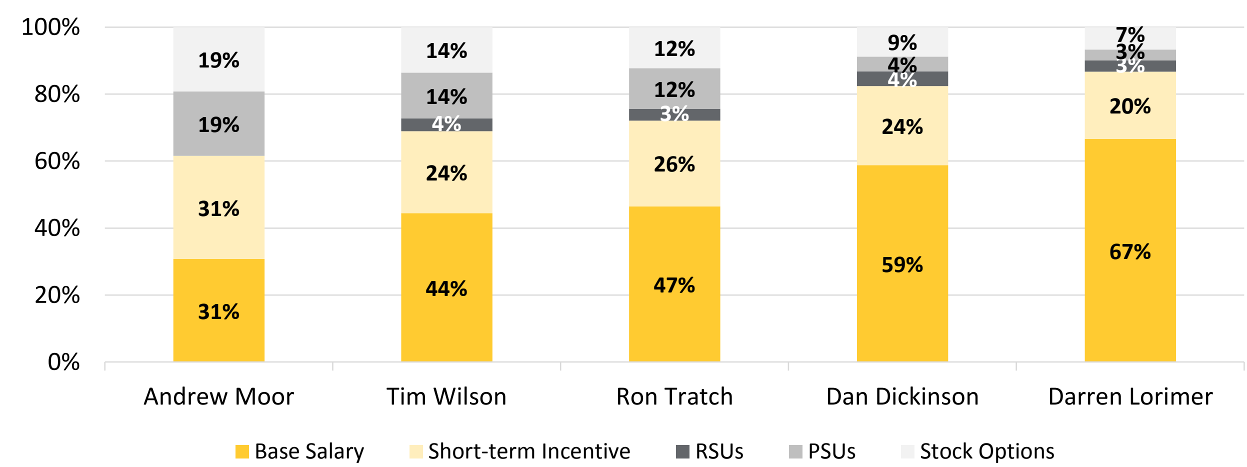
Overall the comparator group reflects the size, scope and business characteristics of Equitable, with the combination of revenue, assets and market capitalization positioned around median of the peer group.

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**: award 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)	• PSU payout based on relative TSR rank **Objective**: align interests of executives and shareholders to create shareholder value / reward achievement of sustained long-term performance / attraction and retention	3 years (100%) vest	Cash
AT RISK	LONG-TERM	**Share Option Plan**	• Opportunity to purchase shares at the exercise price **Objective**: align interests of executives and shareholders to create shareholder value / reward achievement of sustained long-term performance / attraction and retention	7 year term/ 4 year (25% per year) vest	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 President & 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 market median. To reduce the gap to market and to reflect the expanded scope of responsibilities for certain roles, in particular Chief Digital Officer, salary increases were applied for 2017 and 2018.

2017 and 2018 Base Salary Decisions

	2018	2017	% Increase (2018 - 2017)	2016	% Increase (2017 - 2016)
Andrew Moor	$700,000	**$645,000**	8.5%	$645,000	0.0%
Tim Wilson	$390,000	**$356,400**	9.4%	$330,000	8.0%
Ron Tratch	$310,000	**$283,000**	9.5%	$268,000	5.6%
Dan Dickinson	$280,000	**$240,000**	16.7%	$205,000	17.1%
Darren Lorimer	$275,000	**$265,000**	3.8%	$255,000	3.9%

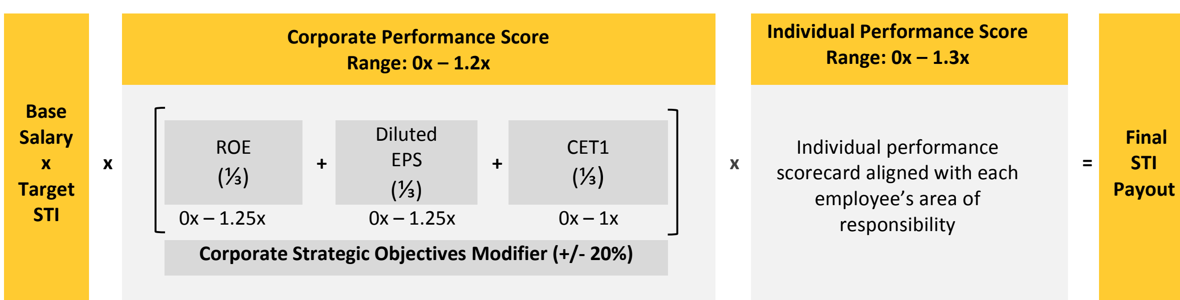
SHORT-TERM INCENTIVE

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 and threshold, target and maximum performance levels to align with payout opportunities. Targets are established in context of last year's performance and budget.

The 2017 corporate performance measures are equally weighted:

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



WHY ROE?
Key measure of ability to deliver returns on our shareholder's capital

WHY DILUTED EPS?
Single measure of profitability available to common shareholders

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

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

The overall maximum Corporate Performance Score is capped at 1.4x (minimum = 0x), reflecting exceptional corporate performance at 1.2x 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), reflecting exceptional individual performance and contribution to the Company's objectives.

The final STI payout is then based on a combination of the Company's performance for the year and the individual performance scores.

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 2017.

As a result of events at another Canadian financial institution, the equity and funding markets experienced some disruptions during the second quarter. In response to these events, management undertook several actions intended to reinforce the Company's liquidity profile which were costly to the Bank but consistent with the conservative manner in which the Bank is managed and its low risk appetite. In November 2017, to appropriately reflect the actions taken by management in response to extraordinary events during the year, the HRC Committee revised the Earnings per Share and Return on Equity performance measure targets and ranges. No further discretion was applied.

In February 2018, the HRC Committee reviewed the Company's 2017 financial performance relative to the adjusted EPS and ROE targets and the Company's CET1 ratio targets approved by the Board, with performance results as follows:

Performance Factor	Target [1]	Actual	Corporate Performance Score
Earnings Per Share	$9.23	$9.39	1/3 weight x 1.18 score
Return on Equity	15.9%	15.8%	1/3 weight x 1.05 score
CET1 ratio	≥ 13%	14.8%	1/3 weight x 1.0 score
Strategic Objectives	Not disclosed due to competitive implications	Not disclosed due to competitive implications	+8%
			1.15x corporate score

1. Target is equal to 1.1x.

STI Awards (% of base salary)

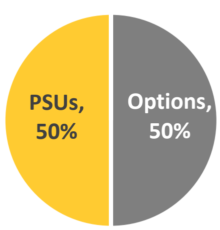
Based on the financial performance results and individual performance reviews conducted at the end of 2017, the HRC Committee approved all NEO STI awards, excluding the CEO. The HRC Committee also reviews the CEO's performance against objectives and recommends the CEO's STI award to the Board for approval.

	Threshold	Target	Maximum	2017 Actual
Andrew Moor	20%	**100%**	150%	137.4%
Tim Wilson	11%	**55%**	82.5%	72.7%
Ron Tratch	11%	**55%**	82.5%	71.8%
Dan Dickinson	5%	**40%**	60%	52.9%
Darren Lorimer	5%	**30%**	45%	39.2%

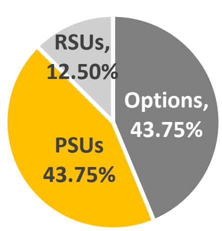
LONG-TERM INCENTIVE

For 2017, LTI comprised the following mix:

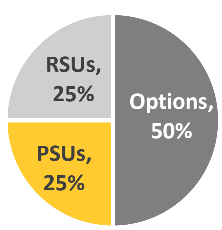
CEO



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 - increased from 70% in 2018	**80%**
CRO - increased from 60% in 2018	**80%**
CDO	**50%**
SVP CL - increased from 30% in 2018	**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 Restricted Share Unit ("RSU") and Performance Share Unit ("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 2018 to each NEO is as follows:

	Number Awarded (#)			Grant Date Fair Value[1] ($)	Award (% of base salary)
	RSUs	PSUs	Total		
Andrew Moor	-	8,692	**8,692**	483,797	75%
Tim Wilson	640	2,241	**2,881**	160,356	45%
Ron Tratch	508	1,780	**2,288**	127,350	45%
Dan Dickinson	539	539	**1,078**	60,001	25%
Darren Lorimer	417	417	**834**	46,420	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 9, 2018 of $55.66.

Vesting and Payout

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

RSU Payout. 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.

Payout of 2014 RSU Awards. RSUs awarded to NEOs in 2014 vested on December 15th, 2017. The table below shows how we calculated RSU payouts made to NEOs in 2017.

	Number of RSUs Granted for 2014 (#)	Number of Notional Dividends Received (#)	Total RSUs (#)	Vesting Price[1] ($)	Payout Value on Vesting ($)
Andrew Moor	-	-	-	-	-
Tim Wilson	-	-	-	-	-
Ron Tratch	-	-	-	-	-
Dan Dickinson	194	6.61	200.61	69.30	13,903
Darren Lorimer	-	-	-	-	-

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, 2017.

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.

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

1. Reinvested at time of receipt.

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

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**
11th	75%
10th	80%
9th	85%
8th	90%
7th	95%
6th	100%
5th	105%
4th	110%
3rd	115%
2nd	120%
1st	125%

Payout of 2014 PSU Awards

PSUs awarded to NEOs in 2014 vested on December 15th, 2017. The table below shows how we calculated PSU payouts made to NEOs in 2017. The Payout Adjustment Factor of 80% used in this calculation reflects Equitable's placement in 10th position amongst its Performance Peers.

	Number of PSUs Granted for 2014 (#)	Number of Notional Dividends Received (#)	Total PSUs (#)	Payout Adjustment Factor (%)	Vesting Price[1] ($)	Payout Value on Vesting ($)
Andrew Moor	6,252	252.39	6,504.39	80	69.30	360,626
Tim Wilson	1,610	64.18	1,674.18	80	69.30	92,822
Ron Tratch	1,084	43.15	1,127.15	80	69.30	62,493
Dan Dickinson	194	6.61	200.61	80	69.30	11,122
Darren Lorimer	-	-	-	-	-	-

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, 2017.

Option Plan

The Option award for each NEO granted in February 2018 is as follows:

	Number Granted[1] (#)	Grant Date Fair Value[2] ($)	Award (% of base salary)
Andrew Moor	35,388	483,754	75%
Tim Wilson	9,125	124,739	35%
Ron Tratch	7,246	99,053	35%
Dan Dickinson	4,389	59,998	25%
Darren Lorimer	3,392	46,369	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 $13.67 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 31, 2018. 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 31, 2018)	Weighted-average price of outstanding options ($)	Number of securities remaining available for future issuance under equity compensation plans[1] (4.6% of outstanding common shares as at March 31, 2018)
Equity compensation plans approved by security holders	715,829	$51.75	759,741

1. Based on the maximum number of common shares reserved for issuance under the Option Plan upon the exercise of options of 1,475,570.

Dilution, Overhang and Burn Rate

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

	2017	2016	2015
Dilution Number of options granted but not exercised/weighted average number of common shares outstanding during the year	3.76%	3.58%	3.49%
Overhang Number of options available to be granted plus options granted but not exercised/ weighted average number of common shares outstanding during the year	8.96%	9.46%	9.54%
Burn Rate Number of options granted during the year/ weighted average number of common shares outstanding during the year	0.67%	0.87%	0.71%

Plan Features

Eligibility	Executive Officers and other members of management
Maximum option term	Ten years (2018 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	• 2018 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 31, 2018 • 715,829 shares issuable upon exercise of outstanding options (representing 4.3% of issued and outstanding common shares as at March 31, 2018) • 759,741 shares remain available for issuance (representing 4.6% of the Company's issued and outstanding shares as at March 31, 2018) 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 31, 2017 the total number of options to exercise common shares granted to an insider was 277,411 common shares, representing 1.7% of the total number of common shares outstanding.
Expiry of options	The earlier of: i. Original expiry date and 30 days after retirement date ii. Original expiry date and one year from date of termination due to death iii. 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 are subject to clawback for misconduct by the CEO, the CFO and/or the CRO
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 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 There were no amendments to the Option Plan in 2017.

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 equivalent to 5% of an employee's annual base salary per year to the DPSP during the first five years of employment and up to 7.5% of the employee's base salary after five years of continued employment. The Company's contributions vest after two years of membership in the DPSP and are capped at the Canada Revenue Agency maximum for each year. 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

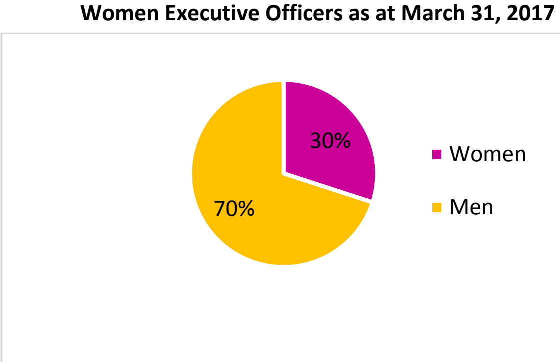
We believe that the diversity of our talent, ideas and experiences is a true strength at Equitable. We recognize the value of ensuring that Equitable's employees have diverse attributes, including that it has a substantial number of employees who are women.

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.

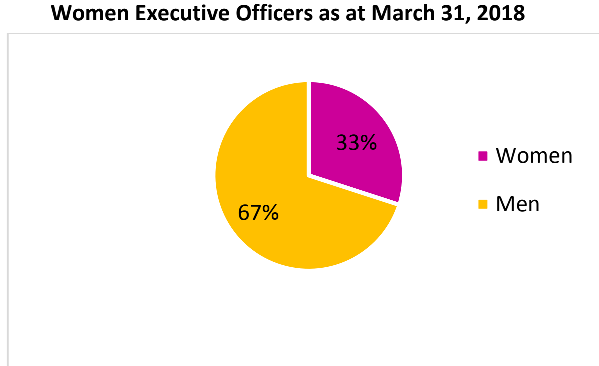
Our executive team includes our President and CEO and his direct reports, three of whom are women, representing 33.33% of the entire team, up from 30% in 2016.

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 31, 2017



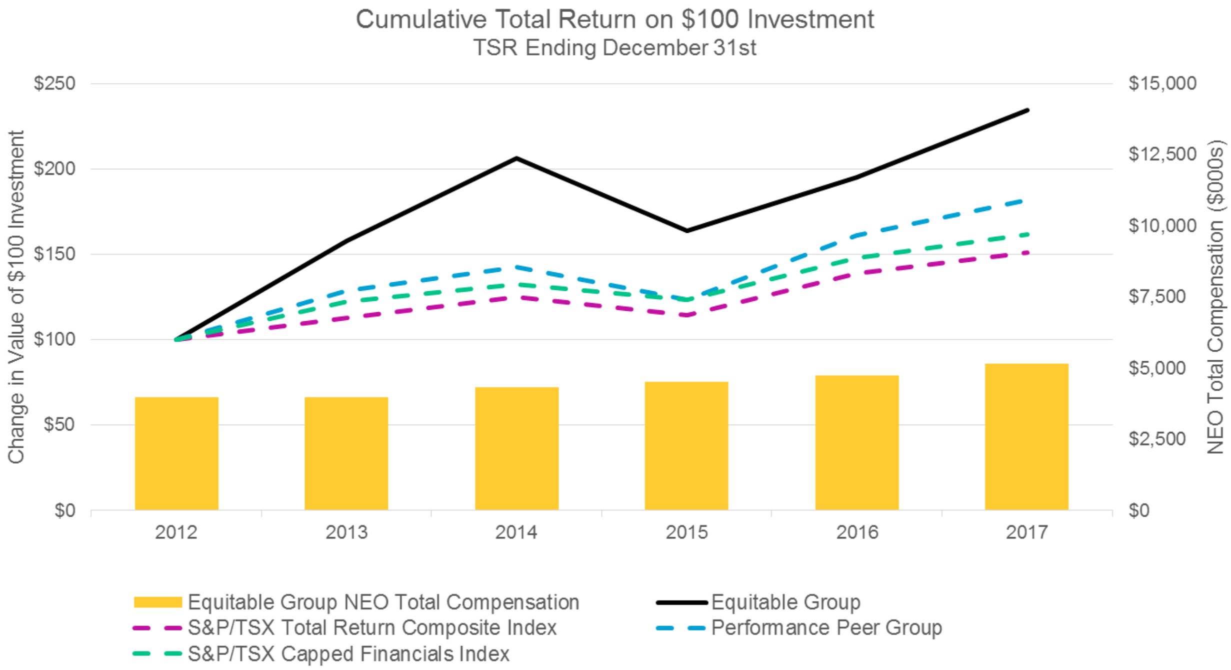
Women Executive Officers as at March 31, 2018



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, 2012 to December 31, 2017. 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 135%, above the S&P/TSX Composite Index return of 50%, the S&P/TSX Capped Financials Index of 93%, and Performance Peer Group of 82%. Over the same period, NEO compensation increased 28%.



	2012	2013	2014	2015	2016	2017
Equitable Group TSR	*$100*	$158	$206	$164	$195	$235
S&P/TSX Total Return Composite Index	*$100*	$113	$125	$115	$139	$151
S&P/TSX Capped Financial Index	*$100*	$122	$133	$124	$148	$162
Performance Peer Group	*$100*	$129	$142	$124	$161	$182
Equitable Group Total NEO Compensation[1]	*$3,972*	$3,985	$4,340	$4,534	$4,744	$5,142

1. Total NEO compensation as 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:

	2017	2016	2015
Total Aggregate NEO Compensation	$5,142,297	$4,751,474	$4,533,998
Net Income After Tax	$160,617,000	$138,330,000	$125,865,000
Total Aggregate NEO Compensation as a % of Net Income After Tax	3.2%	3.4%	3.6%

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, 2017 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] ($)	All Other Compensation ($)	Total Compensation[4] ($)
Andrew Moor President and Chief Executive Officer	2017 2016 2015	645,000 645,000 625,000	483,797 419,257 390,599	483,754 419,252 390,627	890,100 932,350 937,500	13,115 13,005 12,685	2,500 2,500 2,500	2,518,266 2,431,364 2,358,911
Tim Wilson Senior Vice President and Chief Financial Officer	2017 2016 2015	356,000 330,000 300,000	160,356 115,477 105,024	124,739 115,502 105,003	260,000 250,000 240,000	13,115 13,005 12,685	2,500 2,500 2,500	917,110 826,484 765,212
Ron Tratch Senior Vice President and Chief Risk Officer	2017 2016 2015	283,000 268,000 260,000	127,350 80,425 78,024	99,053 80,403 78,003	205,000 200,000 200,000	13,115 13,005 12,685	2,500 2,500 2,500	730,018 644,333 631,212
Dan Dickinson Senior Vice President & Chief Digital Officer	2017 2016 2015	240,000 205,000 190,550	60,001 30,750 23,818	59,998 30,750 23,818	126,000 67,000 65,000	12,000 10,250 9,528	2,500 2,500 2,500	500,499 346,250 315,215
Darren Lorimer Senior Vice President, Commercial Lending	2017 2016 2015	265,000 255,000 62,500	46,420 38,277 -	46,369 38,244 -	103,000 88,000 30,000	13,115 12,750 -	2,500 2,500 -	476,404 434,741 92,500

1. RSUs/PSUs were awarded in March 2018, February 2017, and March 2016 in recognition of the NEO's performance in 2017, 2016, and 2015, 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 9, 2018 of $55.66, February 28, 2017 of $71.68, and March 9, 2016 of $53.15, 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 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 $9.95 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. In February 2016, the assumptions used in determining the number of options to be granted were an exercise price of $46.20, a stock volatility of 25.9%, a dividend yield of 1.3%, an option term of 4.75 years, and an interest rate of 0.46%. The fair value of each option granted for compensation purposes for performance in 2015 was $9.00. The accounting fair value of each option granted for performance in 2015 was $9.00 for Messrs. Moor, Wilson and Tratch and $6.75 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 2016 was $53.15.
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.

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, 2017:

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	2017	31,594	71.68	Feb 28, 2024	-	5,916	422,984
	2016	43,403	53.15	Mar 9, 2023	796,445	7,544	539,415
	2015	35,311	59.98	Mar 5, 2022	709,087	-	-
	2014	39,823	52.90	Mar 10, 2021	740,708	-	-
	2013	54,000	36.11	Mar 7, 2020	1,911,060	-	-
	2012	47,692	29.32	Mar 5, 2019	2,011,649	-	-
Tim Wilson	2017	8,704	71.68	Feb 28, 2024	-	1,629	116,503
	2016	11,667	53.15	Mar 9, 2023	214,089	2,029	145,038
	2015	9,142	59.98	Mar 5, 2022	105,316	-	-
	2014	7,406	52.90	Mar 10, 2021	137,752	-	-
	2013	10,000	36.11	Mar 7, 2020	353,900	-	-
	2012	10,000	27.23	May 12, 2019	442,700	-	-
	2012	21,500	29.32	Mar 5, 2019	906,870		
Ron Tratch	2017	6,059	71.68	Feb 28, 2024	-	1,134	81,140
	2016	8,667	53.15	Mar 9, 2023	159,039	1,507	107,751
	2015	6,155	59.98	Mar 5, 2022	70,906	-	-
	2014	2,464	52.90	Mar 10, 2021	45,830	-	-
	2013	3,328	36.11	Mar 7, 2020	117,778	-	-
	2012	1,905	29.32	Mar 5, 2019	80,353	-	-
	2011	7,500	26.01	Dec 12, 2018	341,175	-	-
Dan Dickinson	2017	2,317	71.68	Feb 28, 2024	-	433	30,952
	2016	2,647	53.15	Mar 9, 2023	48,572	460	32,883
	2015	2,190	59.98	Mar 5, 2022	25,229	-	-
	2014	2,046	52.90	Mar 10, 2021	38,056	-	-
	2013	4,500	46.65	Nov 22, 2020	111,825	-	-
Darren Lorimer	2017	2,882	71.68	Feb 28, 2024	-	540	38,617
	2016	3,472	53.15	Mar 9, 2023	63,711	604	43,159
	2015	5,000	55.32	Nov 23, 2022	80,900	-	-

1. Based on the closing price of the Company's common shares on the TSX on December 31, 2017 of $71.50 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, 2017 of $71.50.

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, 2017, the annual short-term incentive/cash bonus awarded to each NEO in respect of 2017 performance (paid in February 2018), and the share-based award value vested during the year.

Name	2017			2016		
	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	922,690	890,100	360,627	539,786	932,350	145,071
Tim Wilson	194,990	260,000	92,823	300,635	250,000	80,804
Ron Tratch	95,712	205,000	62,493	26,931	200,000	26,851
Dan Dickinson	55,057	126,000	25,026	31,148	67,000	28,863
Darren Lorimer	28,655	103,000	-	3,550	88,000	-

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 2017. 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 immediate 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 12 months until the fifth anniversary of employment upon which time it increases to 13 months and increases by one additional month on each anniversary of commencement of employment thereafter, to a maximum of 24 months. Mr. Moor's Severance Period is 18 months based on 10 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 13 months based on five 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 six months based on two 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 seven months based on four 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 eight months based on six 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 immediate 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 would be deemed vested and 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, options may be exercised within a period determined by the Board provided that such period is the earlier of (i) the expiry date of the options, and (ii) 12 months following the date of death.
Restricted Share Units	• All NEOs, except Mr. Moor, are awarded RSUs. In the event of death, the estate/beneficiary of the NEO holding RSUs is entitled to a pro rata number of RSUs based on the number of days during the vesting period prior to date of death as compared to the entire term of the vesting period. The balance of RSUs is forfeited.
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 the date of death. 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 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

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	• For all NEOs, vested options will cease to be exercisable within a period of 30 days after the date of resignation or retirement date, 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, NEOs awarded RSUs are entitled to a pro rata number of RSUs based on the number of days during the vesting period prior to retirement as compared to the entire term of the vesting period. The balance of RSUs is forfeited.
Performance Share Units	• All PSUs are forfeited and cancelled upon resignation. • Upon retirement, all NEOs are entitled to a pro rata number of PSUs based on the number of days during the vesting period prior to retirement as compared to the entire term of the vesting period. The balance of PSUs is forfeited. • 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.

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, 2017:

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	2,352,425	644,294	188,667	177,917	162,000
Bonus	923,283	238,333	-	-	-
Options[2]	486,560	114,289	-	-	-
RSU/PSU	480,276	129,968	94,931	30,828	39,860
Other[3]	-	-	-	-	-
Change of Control					
Severance	2,352,425	644,294	-	37,917	162,000
Bonus	923,283	238,333	-	-	-
Options[2]	987,060	247,668	166,191	58,562	70,448
RSU/PSU	962,748	261,636	188,959	63,858	81,806
Other[2]	-	-	-	-	-
Death					
Severance	-	-	-	-	-
Bonus	923,283	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	480,276	129,968	94,931	30,828	39,860
Other[3]	-	-	-	-	-
Resignation					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	-	-	-	-	-
Other[3]	-	-	-	-	-
Retirement					
Severance	-	-	-	-	-
Bonus	-	-	-	-	-
Options[2]	-	-	-	-	-
RSU/PSU	480,276	129,968	94,931	30,828	39,860
Other[3]	-	-	-	-	-

1. The value of the option is the difference between the closing price of the common shares on December 31, 2017 on the TSX ($71.50) 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, 2017 on the TSX ($71.50) 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.

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 five individuals as Senior Management during 2017. These include the CEO, CFO, CRO, CCO and CDO. Other Material Risk Takers consist of the Officers and Business Unit Heads of the Bank. For the year-ended December 31 2017, the Company designated 16 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 2016 and 2017.

Total Value of Compensation Awarded

Element of Compensation	Senior Management				Other Material Risk Takers			
	2017		2016		2017		2016	
	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)	Non-Deferred ($)	Deferred [1] ($)
Number of Employees	5		4		16		16	
Fixed Compensation								
Cash-based	1,764,400	-	1,475,675	-	3,407,826	-	2,950,644	-
Shares and Share-linked Instruments	-	-	-	-	-	-	-	-
Other	25,370	-	22,428	-	75,870	-	72,648	-
Total Fixed Compensation	-	-	-	-	-	-	-	-
Variable Compensation								
Cash-based	1,576,600	-	1,462,850	-	1,093,000	-	1,038,500	-
Shares and Share-linked Instruments	583,138	1,672,013	288,634	1,300,118	323,106	740,821	318,577	720,167
Other	63,345	-	50,649	-	179,175	-	186,545	-
Total Variable Compensation	-	-	-	-	-	-	-	-
Total Compensation	-	-	-	-	-	-	-	-

1. Deferred Compensation includes options and RSUs granted in 2017 and 2016.

Other Compensation Paid

Element of Compensation	Senior Management				Other Material Risk Takers			
	2017		2016		2017		2016	
	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, 2017 and 2016, which had not expired, or been forfeited or cancelled, as well as previously deferred compensation which was paid out during 2017 and 2016. 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	
	2017 ($)	2016 ($)	2017 ($)	2016 ($)
Outstanding Deferred Compensation				
Vested[1]	7,671,391	4,477,810	1,647,125	1,232,610
Unvested[2]	3,080,071	2,410,077	1,485,447	1,234,516
Total Deferred Compensation Outstanding	10,751,462	6,887,887	3,132,572	2,467,126
Deferred Compensation Payouts during the year[3]	944,741	2,265,266	974,908	1,318,382

1. Outstanding vested compensation is comprised of options that were exercisable on December 31, 2017 and December 31, 2016, 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, 2017 and December 31, 2016 respectively, less the option's exercise price.
2. Outstanding unvested compensation is comprised of outstanding options that were not exercisable on or before December 31, 2017 and December 31, 2016, respectively, in addition to RSUs and PSUs that had not vested by December 31, 2017 and December 31, 2016, respectively. Outstanding options are valued at the closing price of a Company common share on the TSX as at December 31, 2017 and December 31, 2016 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, 2017 and December 31, 2016, respectively, in addition to any dividend entitlement earned on such unvested RSUs and PSUs between the date that they were granted and December 31, 2017 and December 31, 2016, respectively.
3. Payouts during the year include the value of exercised options during the year, in addition to any RSUs and PSUs paid out in 2017 and 2016. For 2017 and 2016, 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.

CORPORATE GOVERNANCE

We are committed to adhering to the highest standards of ethical conduct and corporate governance. Our corporate governance practices are consistent with regulatory expectations, and contribute to the effective management of Equitable which we believe to be essential to fostering stakeholder trust and confidence. We continually review our practices against changing regulations and evolving policies and best practices, and update them as appropriate. Further information on our corporate governance policies and practices are set forth in our Corporate Governance Guidelines which are available on our website in the Corporate Governance section under the Investor Relations tab.

Our corporate governance disclosure has been approved by the Governance and Nominating Committee.

Where to find it

Board Structure 56
Integrity and Ethical Business Conduct 57
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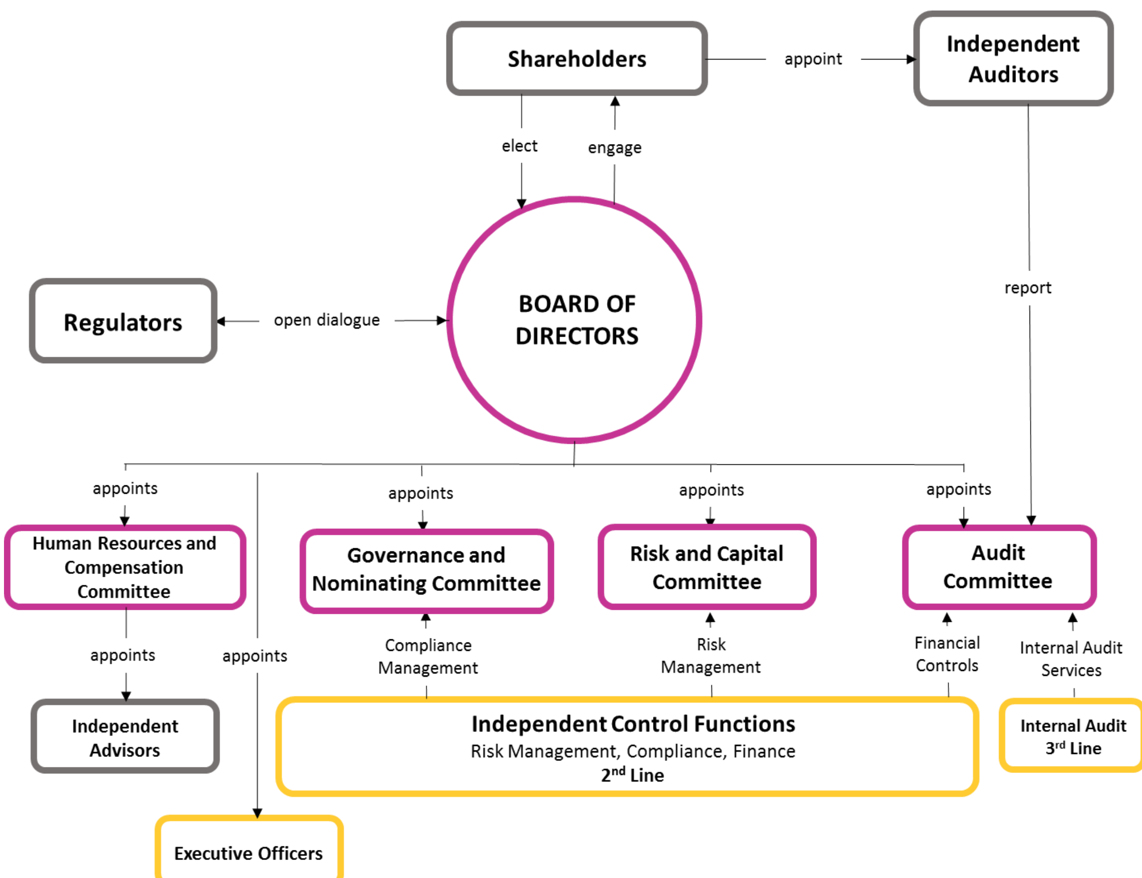
Role of the Board 60
Shareholder Engagement 62
Composition of the Board, Nomination of Directors and Board Succession 62
Skills and Experience 63
Board Evaluation 65
Board Mandate 68

The following chart highlights our governance structure.



Board Structure

Independent 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, and has been a director of Equitable since May 19, 2011.

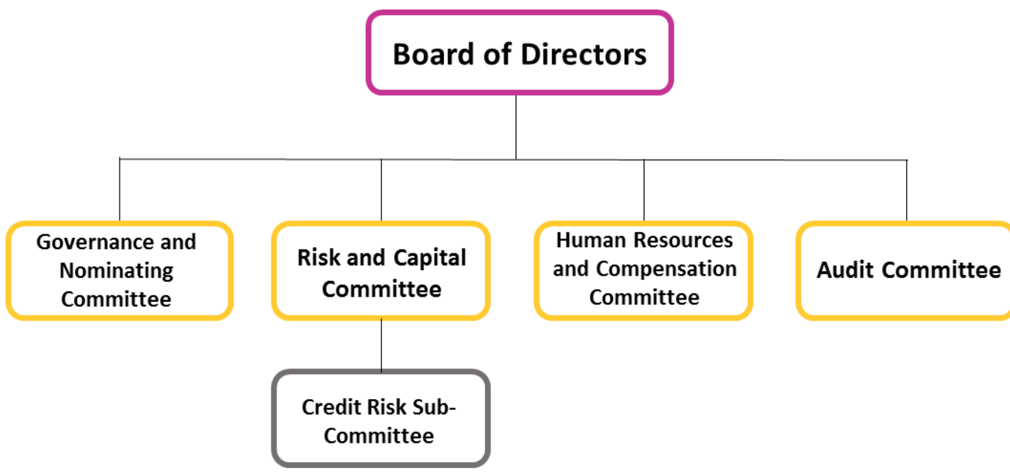
- provides leadership to the Board to ensure effective functioning of the Board
- acts in an advisory capacity to the CEO on major strategic and business issues and corporate governance matters
- oversees the Board's procedures so it can carry out its work effectively, efficiently and independently of senior management
- participates in the recruitment 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
- manages the relationship between the Board and senior management
- meets with regulators, shareholders and other stakeholders on behalf of the Board, and
- requires senior management to provide timely and relevant information and access to other resources to support Board work.

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

Board Committees

The Board has four standing committees and one sub-committee:

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



The Governance and Nominating Committee annually reviews the composition of each committee and the designated Committee Chairs together with the Chair of the Board. Rotation of Committee members is based on continuity, 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.

Each 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 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 21.

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

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

1. Johanne Brossard was a member of the Audit Committee and the Human Resources and Compensation Committee until her resignation from the Board on February 27, 2018.

Integrity and Ethical Business Conduct

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 Business 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.

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 Business 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. Equitable believes that this promotes a positive working environment and fosters future success. Our Code addresses fundamental topics, such as conflicts of interest, confidentiality of corporate information, protection and use of corporate assets, and 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, 2017, the President and Chief Executive Officer and all members of the Board have confirmed their compliance with the Code of Business Conduct. Equitable monitors compliance with the Code and the Chief Compliance Officer reports the results, as well as the adequacy and effectiveness of the Ethical Business Conduct Policy, to the Governance and Nominating Committee of the Board each year.

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

Regular reporting on ethics and compliance assists the Board in monitoring adherence with our Code. Although waivers to the Code may be granted in exceptional circumstances with the approval of the Board, in fiscal 2017, there were no such waivers sought or granted.

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, is a control to help safeguard the integrity of Equitable's financial reporting and business activities and to support adherence with Code of Business Conduct. It further assists 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 their 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 or the Chair of the Audit Committee; and
- Utilize 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 violation 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.

Conflicts of Interest

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

Directors must 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 participate in any related discussions or decisions.

Independence of the Board

The independence of the Company's directors is determined annually by the Board on the recommendation of the Governance and Nominating Committee. The Board has established a Director Independence Policy which incorporates the definition of independence in the CSA rules. In addition, the Board, either directly or through one of its committees, adopts structures and procedures to ensure the Board functions independently of management. These structures include

89% of our director nominees are independent

- retaining external advisors to provide independent advice and counsel,
- conducting regular *in camera* sessions of the Board and its committees without the CEO or any other member of management,
- appointing an independent non-executive Chair of the Board, and
- reviewing board interlocks.

A director will be considered independent if the Board has affirmatively determined that he or she has no direct or indirect material relationship with Equitable.

The information required to make this determination is collected from biographical material, reports, and questionnaires that are completed by the directors annually, and prior to their initial appointment. The Governance and Nominating Committee reviews all information provided to determine if a director has any relationship with Equitable that could reasonably be expected to, or perceived to, interfere with the director's ability to act independently, and makes a recommendation to the Board based on this assessment.

The Board has reviewed all direct and indirect material relationships between each director nominee and Equitable. As shown in the table below, the Board has affirmatively determined that nine out of the ten nominated directors are independent, on the advice of the Governance and Nominating Committee.

	Independent		Reason if not independent
	Yes	No	
Eric Beutel	✓		
Michael Emory	✓		
Kishore Kapoor	✓		
David LeGresley	✓		
Lynn McDonald	✓		
Andrew Moor		✓	President & CEO
Rowan Saunders	✓		
Vincenza Sera	✓		
Michael Stramaglia	✓		

Other independence mechanisms

Independent Advisors	Pursuant to their mandates, the Board and each of its committees may engage their own independent advisors.
In Camera meetings	The Board and each of its committees set aside time for *in camera* sessions at each of their meetings to foster 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 also President and CEO of Economical Mutual Insurance Company.

The Governance and Nominating Committee has considered this interlock and determined that it does not impair their ability 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.

Currently, none of our directors serve on more than three public company boards, and our directors who are sitting CEOs do not serve on more than two public company boards (including Equitable's). In addition, none of our Audit Committee members currently serve on any other public company audit committee.

Role of the Board

The Board has overall responsibility for the supervision of the management of Equitable's business and affairs. The Board's mandate sets out the specific duties and responsibilities of Equitable's directors under the Bank Act (Canada) and other laws that apply to Equitable's business.

Below is an overview of the Board's role with respect to strategic planning, risk management, oversight of management, talent management and succession planning, internal controls and management information systems, and communications.

Strategic Planning

The Board provides oversight and direction in the strategic planning process throughout the year. We set annual corporate objectives (strategic initiatives) and financial objectives for achieving growth and creating value for shareholders. These objectives are approved by the Board and our progress towards achieving these objectives and/or changing market conditions is monitored by the Board at each regularly scheduled meeting. Management also reports regularly on our operational and financial performance. New strategic opportunities and risks are discussed as they arise throughout the year.

The Board holds two meetings each year dedicated to strategy – one to consider specific strategic initiatives and key opportunities and the other for the Board to review and approve our Strategic Plan where it also approves the capital expenditure budget.

Both the Human Resources and Compensation Committee and the Board assess Equitable's performance against the strategic plan at year-end in the context of the targets and financial performance measures set for the Short-term Incentive award. This ensures that our executive compensation supports the strategy and that there is a direct link between pay and performance.

Risk Management

The Board is responsible for overseeing the identification and monitoring of the core risks to which 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. In addition, the composition of the Risk and Capital Committee consists of the Chairs of all Board committees.

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

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

Audit Committee	• Oversees the quality and integrity of our financial reporting processes and quarterly results. • 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 the adequacy of its Internal Capital Adequacy Assessment Process and strategic and capital plans. • 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 independence of the risk management function.
Credit Risk Sub-Committee	• Assists the Risk and Capital Committee in overseeing credit risk.

Equitable follows the three lines of defence approach to managing risk. Business Units are the first line; our Finance, Risk Policy and Compliance functions are our second line, and Internal Audit is our third line. See the Risk Management Framework section starting on page 54 of our 2017 Annual Report for a detailed explanation of the core risks applicable to Equitable and our risk management processes, including our "three lines of defence" approach.

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 career development purposes and to provide the Board with a broader perspective and context on issues relevant to Equitable. Certain Executive Officers regularly attend meetings of the Board and its Committees to provide necessary information to facilitate decision-making.

Internal Controls

With the assistance of the Audit Committee and the Governance and Nominating Committee, the Board oversees 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. Internal Audit reports directly to the Audit Committee Chair and updates the Audit Committee quarterly, while the Chief Financial Officer makes quarterly presentations on our financial results and forecasts to the Audit Committee and the Board.

Communication and Shareholder Engagement

Equitable is committed to effective communication with our shareholders and has developed practices in support of this commitment.

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 Business 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, CRO, CFO and the VP 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.

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

Shareholder Engagement

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

Engagement with Equitable	
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 communicate with shareholders and other stakeholders through the annual report, management information circular, annual information form, news releases, and our website.

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 directors' resolution 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 in consultation with the Chair of the Board 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 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 / Experience	Total	E. Beutel	M. Emory	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	9	✓	✓	✓	✓	✓	✓	✓	✓	✓
CEO/Senior Executive Broad business experience as a senior executive of a public company or large organization	6		✓	✓	✓		✓	✓		✓
Strategic Planning Experience in development and implementation of a strategic direction at a large organization	7		✓	✓	✓	✓	✓	✓		✓
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	7	✓	✓	✓	✓		✓	✓		✓
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	2						✓			✓
Human Resources/Compensation Experience in succession planning, talent management and retention, compensation program design and structure (in particular executive compensation programs)	8		✓	✓	✓	✓	✓	✓	✓	✓
Legal / Regulatory Training and/or experience in law and compliance for regulatory regimes	6		✓	✓	✓		✓	✓		✓
Technology Experience in or oversight of technology and operations	2						✓	✓		
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. Upon completion of this process, the Committee will submit its recommendation to the Board for appointment, or for nomination for election by the shareholders.

Nominating existing directors

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

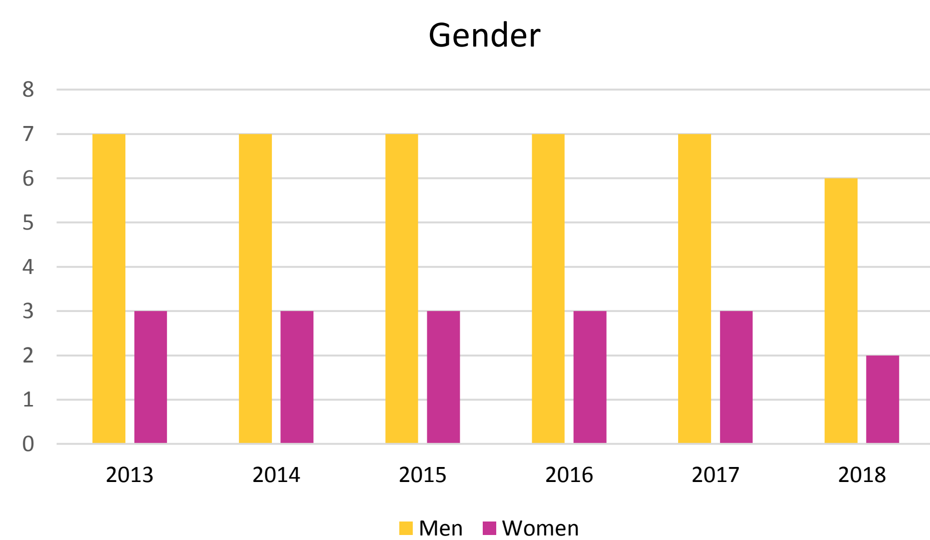
- continuing integrity and suitability,
- tenure on the board,
- attendance at a minimum of 75% of the combined board and committee meetings,
- continued effectiveness and performance, and
- compliance with Equitable's Code of Business Conduct.

Board Diversity

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.

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.

The representation of women and men among Equitable's director nominees for election over the past five years is indicated in the chart below. With the resignation of Johanne Brossard from our Board on February 27, 2018, the director nominees for the meeting include two women, representing 25% of the independent director nominees and 22% of all director nominees, compared to, respectively, 33% and 30% in each of the past five years. The Governance and Nominating Committee has commenced a search for a new director and remains focussed on the Board's aspirational target of 30% women representation.



Mechanisms of Board Renewal

The Board has implemented two primary mechanisms of 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 that the retirement age and the annual evaluation process are effective in achieving the appropriate level of renewal of the Board's membership.

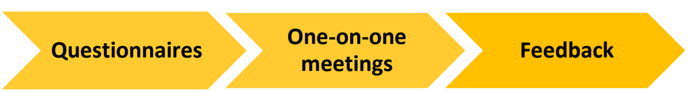
Retirement

The Board is committed to having its membership be balanced with the right mix of experience, skills and tenure. In the last five years, seven directors have retired from our Board and six directors have been elected or appointed. 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 maintain a fresh perspective.

Director	Years of service on the Board as at the date of the meeting
Eric Beutel	24 years
Michael Emory	4 years
Kishore Kapoor	1.5 years
David LeGresley	7 years
Lynn McDonald	7 years
Rowan Saunders	5 years
Vincenza Sera	5 years
Michael Stramaglia	4 years

Board Evaluation

The Governance and Nominating Committee, with input from the Chair of the Board, carries out an annual evaluation of the performance and effectiveness of the Board, Board committees, Chair of the Board, Committee chairs and individual directors. The assessment process and methodology is determined annually by the Committee after considering evolving governance rules, best practices, board processes of other public companies and findings from previous years.



The evaluation consists of questionnaires and one-on-one meetings between each Director and the Chair of the Board. The questionnaires address various matters such as board function and dynamics, what was done well and what could be done better, the strategic planning process, succession planning, tone at the top, Board and CEO relationship, what the Board's priorities should be in the coming year, Board and Committee leadership. They also ask for topics for director education sessions. The questionnaires include open-ended questions on board and committee effectiveness so Directors can elaborate on their responses and give candid feedback and constructive comments.

The questionnaires are completed electronically by all directors and the Chair of the Board receives the results of the completed questionnaires. An additional questionnaire dealing with the Chair's performance is received by the Chair of the Governance and Nominating Committee, and they discuss findings and any broad themes with the Board. The Chair of the Governance and Nominating Committee provides director feedback received on the performance of the Chair of the Board to the Chair of the Board.

Meetings between each director and the Chair of the Board provide an opportunity to add further context and depth to responses given in the questionnaire, address other issues not covered in the questionnaire, and any other issue which either may wish to raise. These meetings also provide directors with the opportunity to comment on their peers' contributions to the Board and its committees and for the Chair to discuss any peer feedback and individual director performance with each director.

In 2017 the Governance and Nominating Committee recommended, and the Board agreed, to conduct a deeper dive into the performance of each Board committee and each Committee Chair. The conclusion of the 2017 performance assessment was that the Board and its committees operate effectively and that their members, the Chair of the Board and the Committee Chairs have the necessary knowledge and devote the required time to accomplish their tasks. The Board, on the recommendation of the Governance and Nominating Committee, also approved its priorities for 2018 and determined the topics for director education sessions.

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, and the contribution each director is expected to make
- meet with the CEO to discuss Equitable's strategy and with other executive officers, including the heads of the control functions to discuss our financial position, risks and risk management processes, the regulatory environment, and current issues facing our business
- 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
- receive access to our secure online board portal where they can view our constating documents and by-laws, Board and committee mandates, board policies, Corporate Governance Guidelines, minutes and meeting material from recent Board and committee meetings, annual reports, our Code of Business Conduct, director compensation and share ownership requirements, as well as Equitable's strategic plans and analyst reports.

Continuing Education

Educational needs of directors are identified through the annual board evaluation process, in one-on-one meetings with the Chair of the Board, and in Board and committee meetings. This information serves as a basis for developing the continuing education program for directors.

The continuing education program for directors includes:

- in-depth presentations provided by management on our business segments, current issues, regulatory changes and industry developments at 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

Committee Chairs can also determine the education sessions necessary for their members.

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 enrolment in GRI educational programs.

The education sessions provided by in 2017 are listed in the table on the following page:

Date	Educational Session	Attended by
Q1 2017	Fintech; presentation by a Canadian fintech company	Board
	Canadian housing market and market perception of Equitable; presentation by an equity analyst	Board
Q2 2017	IFRS 9; presentation by management	Audit Committee
Q3 2017	Executive compensation and governance trends; presentation by the independent compensation consultant	HR & Compensation Committee
	Economic outlook; presentation by an external economist	Board
	IFRS 9; presentation by management	Audit Committee
Q4 2017	IFRS 9; presentation by KPMG and management	Audit Committee and Board
	Anti-money laundering/anti-terrorist financing; presentation by an external expert	Governance and Nominating Committee
	IT architecture methodologies and agile transformation; presentation by an external IT consultant	Board

OTHER INFORMATION

Directors' and Officers' Insurance

Equitable has purchased, at its expense, directors' and officers' liability insurance which expires on May 31, 2018. The policy covers each of them including and not limited to 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. The total premium paid by Equitable for this coverage was $207,000.

Shareholder Proposals

Proposals to be considered at the 2019 annual meeting of shareholders must be submitted be received by Equitable by January 15, 2019.

Additional Information

Additional financial information is provided in our 2017 consolidated financial statements and Management's Discussion and Analysis which are included in the Annual Report. 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.

Andrew Moor
President and Chief Executive Officer
April 10, 2018

Schedule "A"

Board of Directors' Mandate

A. ROLE

The Board of Directors (the "Board") is responsible for the stewardship of Equitable Group Inc. and Equitable Bank (the "Bank") (collectively, the "Company") and for supervising the management of the business and affairs of the Company. In carrying out these responsibilities the Board will, either directly or through its committees, perform the duties as outlined below.

B. ACCOUNTABILITIES AND RESPONSIBILITIES

Strategic Planning and Capital Oversight

1. Adopt a strategic planning process and annually approve the strategic plan which sets out Equitable's short-term and long-term business objectives and takes into account the opportunities and risks of its business. In discharging this responsibility, the Board shall review emerging trends, the competitive and regulatory environment, and ensure the strategic plan is aligned with Equitable's risk appetite.
2. Oversee the implementation of the strategic plan and monitor management's execution against the approved plan.
3. Approve and oversee the annual financial budgets, the Capital Management Policy and the Internal Capital Adequacy Assessment Process. Monitor Equitable's performance against the approved budget and approve any material amendments to, or variances from, the budget, including any request for capital expenditures in excess of $2,000,000 over the budgeted expenditure amounts.
4. Review and approve the issuance and redemption of all regulatory capital instrument.
5. Review and approve material initiatives and transactions.

Risk Management

1. Approve Equitable's Risk Appetite Framework (RAF), including the risk appetite statements. Ensure the RAF is aligned with Equitable's strategic, financial and liquidity plans; business unit strategies; day-to-day operations and compensation program.
2. Oversee the identification and monitoring of the principal risks affecting Equitable's business and satisfy itself that appropriate policies, procedures and practices are in place for the effective and independent management of these risks under the RAF.
3. Review the processes to ensure adherence to applicable regulatory, corporate and legal requirements.
4. Ensure the Board receives from management the information and input required to enable the Board to effectively perform its duties.
5. Oversee Equitable's Crisis Management and Recovery Plans.
6. Approve the delegation of certain credit approvals and investment authorities to management.

Internal Controls

1. Approve Equitable's internal control framework.
2. Oversee 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. Appoint or remove the Chief Executive Officer. Approve the mandate for the Chief Executive Officer which reflect the Board's delegation of powers and authority to manage the business and affairs of Equitable.
2. Approve the objectives of the Chief Executive Officer, monitor progress against those objectives, and approve the compensation of the Chief Executive Officer.
3. Approve the appointment and compensation of Equitable's executive officers, 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. To the extent feasible, satisfy itself as to the integrity of the Chief Executive Officer and other executive officers, and as to their effectiveness in fostering a culture of integrity and compliance culture throughout Equitable.
4. 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. Review any significant change to Equitable's organization structure.
7. Oversee Equitable's control functions having regard to their independence and effectiveness.
8. Establish appropriate structures, policies and procedures to enable the Board to function independently of management.

Corporate Governance

1. Develop and review Equitable's approach to corporate governance in light of material changes to Equitable's size, complexity, business strategy, market and regulatory environment.
2. Set and reinforce the "tone at the top" together with the Chief Executive Officer for the risk, integrity and compliance culture throughout the organization.
3. Oversee policies in respect of ethical personal and business conduct, including Equitable's Code of Business Conduct and ensure there is an ongoing, appropriate and effective process for ensuring adherence to the Code.
4. Approve policies and procedures for addressing directors' conflicts of interest.
5. Establish committees of the Board, delegate the appropriate responsibilities to those Committees subject to applicable laws, approve their respective mandates, appoint a Chair for each Committee, and receive a report from each Committee Chair on material matters considered by the Committee at the first Board meeting following the Committee's meeting.
6. Approve selection criteria for new directors, nominate directors for election or re-election, oversee the orientation of new directors and the ongoing education of all directors.
7. Appoint the Chair from among the independent members of the Board and approve the mandate for the Board Chair position.
8. Establish expectations and responsibilities of directors, including attendance at, preparation for, and participation in board and committee meetings.
9. Review and approve the adequacy and form of compensation for the independent directors.
10. Evaluate the performance of the Board, each of its Committees, Board and Committee Chairs and each of the directors. Periodically consider engaging an independent external advisor to assess or assist the Board in conducting such assessments.

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/or 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.
3. Ensure regulators are promptly notified of substantive issues affecting Equitable.

C. Composition

1. The composition and organization of the Board, including the number, qualifications, number of meetings, Canadian residency requirements, quorum requirements, meeting procedures and notices of meetings are as established by the relevant provisions of Equitable's by-laws. Each director shall possess the qualities set out in the Position Description for Directors.
2. The Board shall establish independence standards for directors and at least annually, shall determine the independence of each director in accordance with these standards. A majority of the directors shall be independent in accordance with these standards.

D. **Secretary**

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

E. **Meetings**

1. The Board shall meet no less than four times each year as required by the *Bank Act* (Canada). The independent members of the Board shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present.
2. Directors may participate in meetings in person or by telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate adequately with each other. A director participating by such means is deemed to be present at that meeting.
3. The Board may invite such persons as it may see fit to attend its meetings and to take part in discussions and considerations of the affairs of the Board.
4. Notice of each meeting shall be given to each director by pre-paid mail, by personal delivery, facsimile or electronic mail at least 24 hours before the date and time set for the meeting. Any member of management shall also attend whenever requested to do so by the Chair of the Board.
5. The Board shall meet in the absence of management, and shall also meet in the absence of non-independent directors, prior to and/or following the conclusion of regularly scheduled or unscheduled meetings.

F. **Access to Management and Outside Advisors**

1. The Board shall have unrestricted access to management and employees of Equitable. The Board shall have the authority to retain and terminate independent legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities and to set and pay the compensation of these advisors without consulting or obtaining the approval of any officer of Equitable. Equitable shall provide appropriate funding, as determined by the Board, for the services of these advisors.

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