

**THE EMPIRE LIFE INSURANCE COMPANY  
(Company)**

**MANDATE OF THE HUMAN RESOURCES COMMITTEE**

**AUTHORITY**

Primary responsibility for oversight of the Company's human resources practices, including employee compensation, succession planning, diversity and inclusion programs, workforce and pension and benefit plans, is vested in senior management and is overseen by the Board of Directors (Board). The Human Resources Committee (Committee) is a standing committee of the Board established to assist the Board in fulfilling its oversight role with respect to the Company's:

- a. Board member nomination and succession planning, and Board and Board committee assessment processes,
- b. human resources strategy and programs, including those relating to succession planning for executives, and compensation, and
- c. pension plan governance.

The Committee has unrestricted access to Company personnel, information, documents and resources as required to carry out its responsibilities as set out below. In consultation with the Chair, the Committee has the authority to conduct or authorize investigations into any matter within its scope of authority and to obtain advice and assistance in the conduct of investigations from independent counsel, accountants or other professional advisors at the Company's expense.

**STRUCTURE AND OPERATION**

1. The Committee consists of at least three Directors (including the Chair), a majority of whom are not persons affiliated with the Company. No employee of the Company or any of its subsidiaries may be a member of the Committee.
2. Committee members are appointed by the Board to serve one-year terms, but may serve any number of consecutive terms. Any member of the Committee may be removed or replaced at any time by the Board, and the Board will fill Committee vacancies.
3. The Committee meets at least four times each year. Any member of the Committee may call additional meetings at their discretion. The Committee may call a Board meeting to consider any matter of concern to the Committee.
4. The external auditor receives notice of all Committee meetings.
5. Quorum for a meeting of the Committee is a majority of its members. Notwithstanding any vacancy on the Committee, a quorum may exercise all of the powers of the Committee. Decisions of the Committee are determined by a majority vote.

**RESPONSIBILITIES OF THE COMMITTEE**

The Committee:

**Compensation**

6. reviews and recommends to the Board the executive compensation, benefits, and bonus for the Chief Executive Officer (CEO),

7. with input from the CEO, reviews and recommends to the Board the executive compensation, benefits, and bonus for senior executives and officers, including oversight functions (the Chief Financial Officer, Appointed Actuary, Chief Actuary, Chief Auditor, Chief Risk Officer and Chief Compliance Officer),
8. with input from the CEO, reviews and recommends to the Board the annual compensation, benefits, and bonuses for the members of senior management; and the annual compensation plan and incentive compensation plan for all employees,
9. reviews and recommends to the Board the compensation of Board members,
10. reviews and recommends to the Board substantive changes to the Company's pension, benefit, and incentive compensation plans, and
11. approves and reviews periodically the Company's policies relating to senior management benefits and perquisites;

### **Workforce**

12. proposes to the Board new candidates for election to the Board and for the position of Vice-Chair of the Board,
13. makes recommendations as to membership on Board committees based on principles of good corporate governance,
14. reviews the criteria and processes for assessing the performance of the Board, its members and its Committees, and works with the Chair and/or Vice-Chair of the Board to monitor the timely completion of annual Board and Committee assessments,
15. at least annually, reviews and approves amendments to the Board Renewal and Succession Policy and Procedure for recommendation to the Board,
16. reviews and monitors succession planning with respect to the Board, CEO, and other senior executives and officers, including oversight functions, and
17. assesses the CEO's overall performance;

### **Pension Plan**

18. reviews and monitors activities with respect to the Company's Registered Pension Plan (Plan), the Defined Benefit Pension Fund, and the Defined Contribution Pension Fund (together, the Funds), including:
  - a. receiving the audited financial statements of the Plan,
  - b. receiving and approving the Report of the Actuary on the valuation of the Plan, including assumptions and funding policies,
  - c. approving the appointment of certain agents, consultants and third party service providers including the Actuary of the Plan, the Auditors of the pension fund (if different from the Company's auditors), the Record Keepers of the Plan, and agents providing investment, trustee and custodian services;

- d. approving the investment structure of the Plan, including the range of investment options and the default option to be provided,
  - e. receiving the reports of the Company's management pension committee (Pension Committee),
  - f. approving the appointment of the Chair and other members of the Pension Committee as recommended by the Company,
  - g. reviewing the mandate of the Pension Committee at least annually and approving any changes to it,
  - h. overseeing the activities of the Pension Committee through regular reports from it to the Committee, which reports may include any changes in the management of the Funds, any policy actions the Pension Committee is considering, and the state of funding of the Plan based on actuarial reports,
  - i. reviewing annually the Statement of Investment Policies and Procedures of the Funds and approving changes recommended by the Pension Committee,
  - j. reviewing the financial results of the investment of the Funds and, in so doing, reviewing and evaluating the policies, practices and systems in place to carry out the administration of the Plan,
  - k. reviewing and approving non-substantive amendments that have a negligible cost impact to the Plan as recommended by the Pension Committee;
  - l. reviewing and recommending to the Board substantive amendments to the Plan and Plan funding policies recommended by the Pension Committee, and
19. reviews and monitors activities with respect to the operation and funding of the Company's Supplemental Pension Plan (SPP), including:
- a. receiving financial statements on its funds,
  - b. reviewing the report of the actuary on the funding of the SPP,
  - c. approving the appointment of certain agents, consultants and third party service providers including the Actuary of the SPP, the Record Keepers of the Plan, and agents providing investment, trustee and custodian services;
  - d. reviewing the mandate of the SPP Committee at least annually and approving any changes to it,
  - e. reviewing annually the Statement of Investment Policies and Procedures of the SPP fund and approving changes recommended by the SPP Committee,
  - f. reviewing and approving non-substantive amendments that have a negligible cost impact to the SPP, and
  - g. reviewing and recommending to the Board substantive amendments to the SPP;

### **Other Responsibilities**

20. reviews diversity and inclusion plans and goals of the Company;
21. reviews, at least annually, and approves amendments to the Responsible Persons Assessment Policy and other policies as may be assigned to the Committee from time to time,
22. reviews, at least annually, the adequacy of and compliance with the policies for which it has oversight accountability, and
23. fulfils other responsibilities as may be required by applicable regulation, industry guidance, the Board or the Board Chair or Vice-Chair from time to time;

### **Governance**

24. reviews matters within its mandate that are addressed in regulatory investigations, and
25. reviews its mandate and its effectiveness in fulfilling its responsibilities as set out in its mandate annually. In addition, Committee membership is reviewed annually by the Chairs of the Board and the Committee to ensure the Committee as a whole includes members with the experience and expertise required to fulfill its mandate.
26. The Chair of the Committee is consulted in advance in connection with the appointment, reassignment, replacement or dismissal of the Senior Vice-President, Human Resources and may, at their discretion, contact them directly.
27. The Committee Chair reviews with the Board Chair annually a performance evaluation of the Committee.

### **REPORTING**

28. After each meeting of the Committee, the Committee reports to the Board on matters reviewed by it.