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## TERMS OF REFERENCE FOR THE HUMAN RESOURCES, COMPENSATION AND PENSION COMMITTEE

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### 1. PURPOSE

The purpose of the Human Resources, Compensation and Pension Committee (the "**Committee**") of the board of directors (the "**Board**") of Morguard Corporation (the "**Corporation**") is to assist the Board in fulfilling its obligations relating to human capital management, executive compensation and employee pension benefit plans, incentive compensation plans and other equity based compensation plans and to establish a plan of continuity and development of senior management.

### 2. COMPOSITION AND OPERATIONS

- A. The Committee shall be composed of not fewer than three and not more than five directors all of whom shall be independent within the meaning of Multilateral Instrument 52-110 (as the same may be amended or replaced from time to time). Specifically, a director will be considered independent if he or she is free from any relationship that, in the view of the Board, could reasonably interfere with the exercise of his or her independent judgment as a member of the Committee.
- B. Committee members shall recommend for approval by the Board one member of the Committee as its Chairperson. From time to time, the Chairperson may establish such rules that are necessary and proper to conduct the business of the Committee.
- C. Each appointed Committee member will be subject to annual reconfirmation and may be removed by the Board at any time.
- D. The membership of the Committee will represent a diverse background of experience and skills.
- E. The Committee shall meet at least two times each year. A majority of the members of the Committee shall constitute a quorum at Committee meetings.
- F. From time to time, as deemed required by the Committee, the Committee shall retain independent advice regarding human resource and compensation issues.
- E. The secretary to the Committee will be either the Corporate Secretary or delegate.

### 3. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Board, the Committee will:

- A. Carry out Chief Executive Officer ("CEO") performance evaluation process.
- B. On an annual basis, review the position description for the CEO and evaluate the CEO's performance against approved corporate objectives.
- C. Review and recommend the overall compensation philosophy, guidelines and plans for the Corporation's employees and executives, and assess whether the Corporation's compensation philosophy establishes appropriate incentives for applicable management and employees.
- D. Review market data to assess the Company's competitiveness with respect to executive compensation.

- E. Annually review the directors' compensation program and indemnification and insurance programs and make any recommendations to the Board for approval.
- F. In consultation with the CEO, review the appointment and approve the compensation, including stock and option plans, incentives and bonuses and benefit plans for the executive team including the CEO having regard to the Corporation's business objectives and the risks to which it is exposed.
- G. Review the stock, stock option or similar plans with the CEO including:
  - H. designation of the employees who will participate;
  - I. share and option availability; and
  - J. administration of share purchases for distribution.
- K. Review with the CEO existing management resources and plans, including performance management systems, recruitment and training programs (human capital management), to ensure qualified personnel will be available for succession to executive positions at the Corporation and key officer positions in its major subsidiaries, and report on this matter to the Board at least once each year.
- L. Review and endorse major changes in the organizational structure of management as proposed by the CEO.
- M. Consider and approve any changes in the Corporation's pension and/or benefit plans, including prerequisites, approve, to the extent applicable, the investment objectives and policies of the pension and benefit plans, administer such plans and receive reports in respect of such plans from any other committee of the Board and report at least annually to the Board.
- N. Monitor and oversee the administration of the pension and/or benefit plans, including duties and responsibilities assigned to certain employees of the Partnership and its affiliates, the funding agents of the Plans, investment managers and other actuarial and financial advisors retained by the Partnership. As well, approve the appointment and remuneration and oversee the performance of: the investment manager(s), funding agents, auditors and other agents and advisors
- O. Review the investment philosophy, policies and strategies of the investment manager(s) of the pension plans, including reviewing and maintain the Statement of Investment Policies and Procedures.
- P. Receive, review and approve financial statements of the Plans.
- Q. Monitoring new developments and applicable law with respect to the pension plans and compliance with requirements of applicable federal and provincial legislation, rules, and regulations with respect to reporting, filing and registration,
- R. Review and recommend to the Board for approval, the "Compensation Discussion and Analysis " for inclusion in the management information circular and any other public disclosure documents of the Corporation.
- S. Review with the CEO any significant outside commitments the CEO is considering before the commitment is made. This includes commitments to act as a director or trustee of for-profit and not-for-profit organizations, respectively.
- T. Review the Company's equity, diversity and inclusion programs and initiatives.
- U. Annually review and recommend any necessary or desired changes to the Committee's Terms of Reference.
- V. The Committee shall have the authority to delegate tasks to individual members and subcommittees.

- W. The Committee shall have the authority to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.
- X. The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its duties.

#### 4. ACCOUNTABILITY

The Committee shall report its discussions to the Board by distributing the minutes of its meetings and, where appropriate, by oral report at the next Board meeting.

#### 5. COMMITTEE AGENDA AND TIMETABLE

The Chair of the Committee will, in consultation with other members of the Committee and the appropriate officers of the Corporation, be responsible for calling meetings of the Committee, establishing the agenda for the meetings and conducting the meetings of the Committee. The Committee may meet in executive session, including with its advisors, as it deems necessary or appropriate.