

MANDATE OF THE AUDIT COMMITTEE

BOARD REVIEWED: January 19, 2026

BOARD APPROVED: September 3, 2025

Purpose

The Audit Committee is responsible for assisting the Bank's Board of Directors (the "Board") in its oversight of (i) the integrity of the Bank's financial statements, public documents and other financial filings; (ii) the qualifications, performance and independence of the external auditors; (iii) the performance of the Bank's Chief Financial Officer and internal audit function; and (iv) internal controls that are appropriately designed and operate effectively.

Organization of the Audit Committee

The Audit Committee shall be comprised of not less than three directors, one of whom shall serve as the Chair of the Committee. Each member of the Audit Committee must be independent, financially literate and unaffiliated directors^{i ii iii}.

Meetings of the Audit Committee

In order for the Committee to transact business, a majority of the members of the Committee must be present. The Committee shall meet at least once each quarter and shall schedule a sufficient number of meetings (whether in person or by teleconference) to carry out its mandate.

There shall be an in-camera session at each quarterly Committee meeting with only independent directors present.

Committee members are expected to devote the appropriate amount of time necessary to review meeting materials such that they are able to engage in informed discussion and make informed decisions.

Reporting to the Board

The Committee shall present a verbal summary report of matters discussed at each of its meetings at the next following meeting of the Board of Directors with respect to its activities with such recommendations as are deemed desirable in the circumstances. In addition, the Committee may call a meeting of the Board of Directors to consider any matter that is of concern to the Committee.

Resources and Authority

The Audit Committee has the authority to engage and compensate any outside advisor that is determined to be necessary to permit them to carry out these duties, provided such compensation

does not exceed \$10,000 in any fiscal year. Should the compensation of an outside advisor exceed \$10,000 in any fiscal year the prior approval of the Board will be required.

Duties and Responsibilities of the Audit Committee

The members of the Audit Committee are charged with the following duties:

1. Financial Statements, Public Documents & Other Financial Filings

- a) Review such documents as needed to comply with regulatory requirements relevant to the Audit Committee, and report to the Board of Directors where approval of the documents by the Board is required.
- b) Review new accounting policies and amendments to existing accounting policies before recommending them to the Board of Directors for approval.
- c) Approve the interim quarterly financial statements and MD&A.
- d) Concur with the annual financial statements and the annual MD&A before recommending them to the Board of Directors for approval.
- e) Review and approve the interim quarterly and annual Basel III Pillar 3 Disclosures Report before public disclosure.
- f) Review the interim and annual earnings press releases before public disclosure.
- g) Review the Annual Information Form before recommending it to the Board of Directors for approval.
- h) Review the Monthly Reporting Package for the most recent quarter for which interim quarterly financial statements for the Bank are being issued.
- i) Review quarterly, management's assessment of the appropriateness of the expected credit loss allowance.
- j) Review such investments and transactions that could adversely affect the well-being of the Bank as the auditor or auditors or any officer may bring to the attention of the Committee.

2. Disclosure

- a) Concur with the Mandate of the Disclosure Committee before recommending it to the Board of Directors for approval.

- b) Review and approve the Corporate Disclosure Policy and all amendments thereto before recommending it to the Board of Directors for approval.
- c) Review the Disclosure Controls and Procedures.

3. Internal Audit

- a) Review and concur in the appointment, replacement or dismissal of the Chief Internal Auditor.
- b) Concur with the Mandate of the Internal Audit Function before recommending it to the Board of Directors for approval.
- c) Annually approve a comprehensive risk-based audit plan as submitted by the Chief Internal Auditor.
- d) Ensure there are no unjustified scope or resource restrictions or limitations on the Internal Audit function.
- e) Receive communications from the Chief Internal Auditor about the Internal Audit Function including its performance relative to its plan.
- f) Review the Internal Audit NIE Variance Report and the Professional Fees Paid to Internal Audit Co-Source Partners Report following the Finance department's review and concurrence.
- g) Review all internal audit reports as submitted by the Chief Internal Auditor.
- h) Participate in discussions with the Chief Internal Auditor and senior management about the 'essential conditions', described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- i) Receive updates from the Chief Internal Auditor on the status of management's implementation of the recommendations within the internal audit reports.
- j) Meet with the Chief Internal Auditor and with management to discuss the effectiveness of the internal control procedures established.
- k) Annually, review the Mandate of the Internal Audit Function and evaluate the effectiveness of the Chief Internal Auditor and contribute to his or her Annual Performance Appraisal.

- l) Meet with the Chief Internal Auditor in-camera at the conclusion of each regularly scheduled meeting of the Committee.

4. External Audit

- a) Concur with the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services before recommending them to the Board of Directors.
- b) Meet with the external auditor to review the Audit Planning Memorandum and annually approve the Audit Planning Memorandum.
- c) Concur with the compensation of the external auditor before recommending it to the Board of Directors for approval.
- d) Pre-approve services and expenditures to the external auditor, in accordance with the Audit Services Policy.
- e) Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- f) Meet with the external auditor or auditors to discuss the annual financial statements and the returns and transactions referred to in this Mandate.
- g) Annually review all amounts paid to the external auditor and other accounting firms in the previous year.
- h) Identify, evaluate by performing annual assessments and periodic comprehensive assessments and, where appropriate, recommend to the shareholder(s), replacement of the external auditor.
- i) Annually report to the Board on the effectiveness of the external auditor.
- j) Concur with hiring policies regarding partners, employees and former partners and employees of the present and former external auditor before recommending them to the Board of Directors for approval.
- k) Concur with the hiring of a partner, employee or former partner or employee of the present or former external auditor before recommending it to the Board of Directors for approval.

- l) Meet with the external auditor in-camera at the conclusion of each regularly scheduled meeting of the Committee.

5. Capital Management

- a) Review, at least annually, the Bank's policies and procedures with respect to capital management and receive management reports regarding adherence to same.
- b) Review and recommend to the Board for approval the annual Internal Capital Adequacy Assessment Process document of the Bank.
- c) Annually, prepare and submit to the Board of Directors an Annual Report which includes a statement from the Chief Internal Auditor that the Capital Management Policy is being complied with.

6. Complaints and Confidential Reporting

- a) Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters.
- b) Establish procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or audit matters.

7. Anti-Money Laundering and Anti-Terrorist Financing

- a) Oversee the Bank's Anti-Money Laundering and Anti-Terrorist Financing ("AML/ATF") program and monitor its effectiveness on a regular basis.
- b) Be satisfied that the Chief Anti-Money Laundering Officer ("CAMLO") has the necessary resources to carry out CAMLO responsibilities.
- c) Review and recommend to the Board for approval, the Bank's AML/ATF Policy, and all changes to the Policy.
- d) At least annually, conduct a review of the AML/ATF Policy.
- e) Receive information from the Bank's CAMLO on the inherent money laundering ("ML") and terrorist-financing ("TF") risks associated with the Bank's activities at least once every two years.
- f) Receive information from the CAMLO on self-assessments of the ML and TF risk controls implemented by the Bank at least annually.

- g) Receive an annual report from the CAMLO on compliance with the Bank's AML/ATF policy.
- h) Receive a quarterly AML Risk Rating Report Summary from the CAMLO.
- i) Receive reports from the CAMLO as to transactions reported to FINTRAC or submitted to any law enforcement agency.
- j) Receive information from the CAMLO on significant changes to AML/ATF legislative requirements.
- k) The Committee shall have unfettered access to the CAMLO.
- l) Receive results of the Chief Internal Auditor's independent effectiveness testing of the Bank's AML/ATF program at least once every two years.
- m) Report to the Board of Directors on information and reports received from the CAMLO and the Chief Internal Auditor.
- n) Annually, review the mandate of the CAMLO and evaluate the effectiveness of the CAMLO and contribute to his or her Annual Performance Appraisal.
- o) Meet with the CAMLO in-camera at least bi-annually.

8. Internal Controls

- a) Require management to implement and maintain appropriate internal control procedures.
- b) Review, evaluate and approve the internal control policies and procedures at least annually, and receive management reports regarding adherence to same to ensure internal controls are appropriately designed and operate effectively.

9. Other Duties

- a) Annually, evaluate the effectiveness of the Chief Financial Officer and contribute to his or her Annual Performance Appraisal.
- b) Regarding matters falling under the Mandate of the Audit Committee, be aware of increased reputational risk to the Bank which can potentially impact the Bank's image in the community or lower public confidence in it, resulting in the loss of business, legal action or increased regulatory oversight.
- c) Review regulatory reviews regarding matters falling under the Mandate of the Audit Committee and the status of management's responses to any noted issues.

- d) On an annual basis review the policies relating to matters falling under the Mandate of the Audit Committee and report to the Board of Directors.
- e) Institute and oversee special investigations as needed.
- f) Perform other activities related to the Mandate as requested by the Board of Directors.
- g) Confirm annually to the Board of Directors that all responsibilities outlined in the Mandate have been carried out.
- h) Taking into account the recommendation of the Conduct Review, Governance, and Human Resources Committee, elect and approve the Chair of the Audit Committee.

HISTORIC BOARD APPROVALS OF MANDATE

February 26, 1997; June 7, 1999; July 25, 2000; December 19, 2000; February 27, 2002; June 27, 2002 (effective August 1, 2002); October 11, 2002; March 4, 2003; June 2, 2003; December 4, 2003; March 3, 2005; September 1, 2005; November 1, 2006; June 3, 2009; October 2, 2011; June 5, 2013; December 4, 2013; October 29, 2014; June 2, 2015; October 28, 2015; May 31, 2016; May 30, 2017; May 29, 2018; October 24, 2018; October 20, 2020; June 6, 2023; June 4, 2024; March 4, 2025

ⁱ A director is independent if he or she meets the independence criteria as set out in the Bank's Director Independence Policy, including the subsection entitled "Additional Considerations for Audit Committee Members".

ⁱⁱ Financially literate means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of accounting issues that can reasonably be expected to be raised by the financial statements.

ⁱⁱⁱ If the death, disability or resignation of a member has resulted in a vacancy of the Committee that the Board is required to fill, a Committee member appointed to fill such vacancy is exempt from the requirement for a period ending on the later of the next annual meeting and the date that is six months from the day the vacancy was created, so long as the Board has determined that a reliance on this exemption will not materially adversely affect the ability of the Committee to act independently and to satisfy its other requirements.