



PRESENTATION BY ISABELLE COURVILLE

CHAIR OF THE BOARD  
LAURENTIAN BANK OF CANADA

ANNUAL AND SPECIAL MEETING OF LAURENTIAN BANK  
SHAREHOLDERS

APRIL 6<sup>th</sup>, 2016

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APRIL 6<sup>th</sup>, 2016 — 9:30 A.M.

TMX BROADCAST CENTRE, TORONTO

In this document and in other documents filed with Canadian regulatory authorities or in other communications, Laurentian Bank of Canada may from time to time make written or oral forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements include, but are not limited to, statements regarding the Bank's business plan and financial objectives. The forward-looking statements contained in this document are used to assist the Bank's security holders and financial analysts in obtaining a better understanding of the Bank's financial position and the results of operations as at and for the periods ended on the dates presented and may not be appropriate for other purposes. Forward-looking statements typically use the conditional, as well as words such as prospects, believe, estimate, forecast, project, expect, anticipate, plan, may, should, could and would, or the negative of these terms, variations thereof or similar terminology.

By their very nature, forward-looking statements are based on assumptions and involve inherent risks and uncertainties, both general and specific in nature. It is therefore possible that the forecasts, projections and other forward-looking statements will not be achieved or will prove to be inaccurate. Although the Bank believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct.

The Bank cautions readers against placing undue reliance on forward-looking statements when making decisions, as the actual results could differ considerably from the opinions, plans, objectives, expectations, forecasts, estimates and intentions expressed in such forward-looking statements due to various material factors. Among other things, these factors include: changes in capital market conditions, changes in government monetary, fiscal and economic policies, changes in interest rates, inflation levels and general economic conditions, legislative and regulatory developments, changes in competition, modifications to credit ratings, scarcity of human resources, developments in the technological environment, the ability to realize the anticipated benefits from the purchase of an investment loan portfolio and the reaction of the seller's customers to the transaction, as well as, the ability to operate the Bank's transformation plan. The Bank further cautions that the foregoing list of factors is not exhaustive. For more information on the risks, uncertainties and assumptions that would cause the Bank's actual results to differ from current expectations, please also refer to the Management's Discussion and Analysis under the title "Risk Appetite and Risk Management Framework" in the Bank's Annual Report, as well as to other public filings available at [www.sedar.com](http://www.sedar.com).

The Bank does not undertake to update any forward-looking statements, whether oral or written, made by itself or on its behalf, except to the extent required by securities regulations.

## **NON-GAAP FINANCIAL MEASURES**

The Bank uses both generally accepted accounting principles (GAAP) and certain non-GAAP measures to assess performance. Non-GAAP measures do not have any standardized meaning prescribed by GAAP and are unlikely to be comparable to any similar measures presented by other companies. These non-GAAP financial measures are considered useful to investors and analysts in obtaining a better understanding of the Bank's financial results and analyzing its growth and profit potential more effectively. Certain analyses presented throughout this document are based on the Bank's core activities and therefore exclude the effect of certain amounts designated as adjusting items, as detailed in the 2015 Annual Report.

Only the delivered speech shall be considered as authoritative.

Let me begin with a brief report on the activities of our Board in 2015.

Over the past year, the Board has successfully completed all initiatives related to the leadership of the Bank - namely the CEO transition, as well as the nomination of a renewed management team and the development of a new strategic plan.

The Board ensured a smooth transition between Réjean Robitaille's departure and the appointment of his successor, François Desjardins. François' stellar career at the Bank to date, gives him a strong foundation for his role as Chief Executive Officer. The Board is confident that under François' leadership, our organization will be successful in its transformation while continuing to deliver good financial results.

In 2015, the Board of Directors also actively participated, along with the renewed management team, in the adoption of the Bank's new strategic plan. This renewed partnership between the management team and the Board is vital to Laurentian Bank's ability to successfully carry out its transformation, stimulate growth and create long-term value for its shareholders.

The Board remains committed to advise and support the executive team in the transformation of the Bank and will closely monitor the advancement of the strategic plan.

In 2015, the Board continued to focus on the advancement of several initiatives to maintain its governance practices at the leading edge. We believe that strong leadership in the area of governance also creates long-term value for shareholders.

The Bank places a great deal of effort into assessing its requirements for the Board. We use a matrix of key competencies and expertise to ensure an optimal Board composition. We look for the balance between experience and skills, while also taking into consideration diversity and geographic representation. We believe that the composition of the Board is of paramount importance, as it reflects the capacity to properly carry out its responsibilities.

Recognizing the benefits that diversity brings, we have adopted a Board Diversity Policy. To this end, when considering candidates for directorships, we take into account the complementarities of skills, regional knowledge, industry experience, gender and ethnic background.

In terms of female leadership, the Bank has always been in the forefront. We are proud to be a member of the Canadian chapter of the 30% Club, an international group whose goal is to have women account for at least 30% of directorships by 2019. We have already surpassed this threshold. Within the financial services industry, we are among the institutions with the highest representation of women on our Board. Of the proposed independent Directors that are nominated today, 50% are women.

The Bank's efforts are not limited to the Board of Directors and extend to all decision-making levels within the organization, where over 50% of managers are women.

During the last 10 years, the Bank has appointed 10 new independent Directors in an effort to continuously renew its membership. The only non-independent Director is the President and CEO. The process for nominating Directors is driven by the Human Resources and Corporate Governance Committee and is independent from management.

Today's meeting includes amendments to the Bank's general By-Laws, starting with the repeal of cumulative voting. Cumulative voting, rarely used in Canada today, is a legacy of when one shareholder was able to hold more than 10% of the votes attached to the common shares, and thus required, under the Bank Act, the adoption of cumulative voting for the election of Directors. This situation no longer exists and consequently, our by-laws need to reflect the new reality.

In addition, the Board of Directors amended the Bank's General By-Laws to provide for a variable number of Directors to be elected each year, with a minimum of 7 Directors and a maximum of 13. This change will allow the Board to be more flexible and proactive.

Other amendments are proposed today which are more technical in nature and were explained in the Proxy Circular.

The 11 nominees proposed for election to the Board this year are current Directors of Laurentian Bank and bring with them the experience and competencies needed for the Board to fully perform its duties.

I am very proud to be Chair of such a strong and well-balanced Board of Directors. In fact, the Board is composed of both longstanding and more recent members, as well as professionals from a variety of different backgrounds and fields of expertise including corporate governance, risk management, financial and banking services, corporate social responsibility, human resources and technology.

I would like to thank all our Directors for their leadership and hard work over the past year and take this opportunity to emphasize the excellent work of the Board's three committees on matters that are essential to the Bank's effective management. The Audit Committee chaired by Richard Bélanger, the Risk Management Committee chaired by Michel Labonté, as well as the Human Resources and Corporate Governance Committee led by Jean Bazin, have all devoted a great deal of effort and energy again this past year to their respective spheres of responsibility.

Two of our current Directors are not standing for re-election after long and distinguished careers on the Board of Directors. They are Jean Bazin and Pierre Genest. We have had the good fortune to be able to draw on Jean's experience for more than 24 years, and on Pierre's for over 10 years. Their skills and abilities have always been appreciated. I would like to express my sincere gratitude to Jean and Pierre for their invaluable contribution to the success of the Bank and on behalf of the Board and all of the Bank's employees, I would like to thank them for their dedicated service.

I wish to express my gratitude as well to the Bank's management team, whose cooperation and competence are greatly appreciated by the Board.

I would also like to thank all our employees who are dedicated and committed to maintaining our clients' trust.

On behalf of the Board, I also wish to thank our shareholders for their confidence and support and whose interests we will continue to serve in 2016 and beyond.

We will now continue with the meeting, starting with the appointment of the scrutineers.