

SAGICOR FINANCIAL COMPANY LTD.

COMPENSATION AND HUMAN RESOURCES COMMITTEE CHARTER

1 DEFINITIONS

1.1 In this Charter, unless the context otherwise specifies or requires:

- (a) "Board" means the board of directors of the Company;
- (b) "Chair" or "Chairman" means the chairman of the Board or the Chairman of the Committee, as the context requires;
- (c) "Committee" means the Compensation and Human Resources Committee;
- (d) "Company" means Sagicor Financial Company Ltd.;
- (e) "Executive" means an executive of the Company;
- (f) "Group" means the Company and its subsidiaries;
- (g) "Group Executive Management" means the Executives designated as Group Executives and for the purposes of this Charter excludes the President, who is supervised by the Corporate Governance and Ethics Committee;
- (h) "President" means the President, Chief Executive Officer of the Group or the chief executive of the Group however designated;
- (i) "Secretary" means the secretary of the Committee.

2 COMMITTEE AND PROCEDURES

2.1 Establishment of Committee

2.1.1 A committee of the directors to be known as the "Compensation and Human Resources Committee" is hereby established as a committee of the Board. The establishment of the Committee will not preclude management from discussing any business related to compensation and human resources with the Board.

2.2 Composition of Committee

2.2.1 The Committee should be composed of not less than three directors.

2.2.2 None of the members of the Committee should be an officer, employee or affiliate of the Company or its subsidiaries.

2.2.3 All directors who are members of the Committee should be independent within the meaning of "independence" as contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of Canadian securities laws.

2.3 Appointment of Committee Members

2.3.1 Members of the Committee should be appointed by the Board on the recommendation of the Corporate Governance and Ethics Committee.

2.3.2 Members shall be appointed for a three year term.

2.3.3 Each member should meet skill and experience requirements of applicable industry and securities regulation and such additional requirements as may be determined from time to time by the Board on the recommendation of the Corporate Governance and Ethics Committee.

2.3.4 The Board may fill a vacancy that occurs on the Committee at any time.

2.4 Chairman and Secretary

- 2.4.1 The Board should designate one member of the Committee as the Committee Chair. In the absence of the Committee Chairman the members present should choose one of their number to act as Committee Chair. The Committee should appoint a Secretary who need not be a director.

2.5 Meetings

- 2.5.1 The Committee should meet quarterly or more frequently as the Committee may determine. The time and place of meetings of the Committee and the procedure at such meetings should be determined from time to time by the members thereof, provided that:
- (a) A quorum for meetings shall be a majority of the members appointed to the Committee at the relevant time.
 - (b) A member may participate in a meeting of the Committee by means of any electronic communication facilities as permit all persons participating in the meeting to hear each other and a member participating in such a meeting by such means is deemed to be present at the meeting.
 - (c) Notice of the time and place of every meeting should be given in writing, in person or by telephone, facsimile, email or other electronic communication to each member of the Committee at least 48 hours prior to the time fixed for such meeting. Notice of a Committee meeting shall be deemed to be duly given to a member of the Committee if it is given to such member verbally (including in person or by telephone) or otherwise communicated or sent to such member by post, facsimile, email or other electronic communication at such member's last known address or in accordance with any other instructions given by such member to the Company for this purpose.
 - (d) The affirmative vote of a majority of the members of the Committee participating in any meeting of the committee is necessary for the adoption of any resolution of the Committee.
 - (e) A resolution signed by all of the members of the Committee, which may be in counterparts, shall be as valid as if it had been passed at a Committee meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by the last member of the Committee.

2.6 Reporting to the Board

- 2.6.1 After every meeting the Committee should report to the Board on matters reviewed by the Committee.
- 2.6.2 The Committee should submit a report annually to the Board on the work of the Committee during the year in carrying out its role.

2.7 Evaluation of Effectiveness and Review of Mandate

- 2.7.1 The Committee should annually, if appropriate:
- (a) Review and assess the adequacy of its mandate and, where necessary, recommend changes to the mandate to the Board for its approval.
 - (b) Evaluate its effectiveness in fulfilling its mandate.
 - (c) Report the results of the performance evaluation to the Board.

- (d) Be guided by feedback from the Board and its Chairman.

2.8 Relationship with Management

- 2.8.1 The Committee is expected to establish and maintain free and open communication with members of management relevant to its operation.

3 ROLE

- 3.1 The role of the Committee is to advise the Board with respect to:
 - (a) Compensation policies, programs and plans;
 - (b) Human resources policies and practices to attain the Company's strategic goals;
 - (c) Management succession plans for Group Executive Management; and
 - (d) The Company's pension plans and the pension plans of participating subsidiaries.

4 SPECIFIC ROLES

- 4.1 The Committee should:

4.1.1 General

- (a) Review the recruitment of Group Executive Management and their compensation and benefits package.
- (b) Report on executive compensation as required in public disclosure documents.
- (c) Review management's policies and practices respecting the Company's compliance with applicable legal prohibitions, disclosure requirements or other requirements on making or arranging for personal loans to senior officers or directors or amending or extending any such existing personal loans or arrangement.

4.1.2 Human Resource Management

- (a) Annually review the Company's human resource strategy and manpower plan;
- (b) Review the Group's human resources principles, policies and practices, including but not limited to recruitment, compensation, benefits, incentive and share plans.
- (c) Review position descriptions for Group Executive Management, including responsibilities and accountabilities.
- (d) Review the measures and metrics for assessing Group Executive Management performance.
- (e) Review the process for identifying high potential officers within the human resource base and the programs for developing and placing these officers.
- (f) Review at least annually, succession and leadership plans for all Group Executive Management, including specific development plans and career planning for potential successors.

4.1.3 Remuneration

- (a) Annually review remuneration and compensation policies, including short and long-term incentive compensation plans and equity-based plans, bonus plans, executive stock options plans and grants, and benefit plan philosophy, giving due consideration to the potential for some incentive programs to put the Company at longer term risk.
- (b) Review and recommend to the Board various compensation and benefits budgets.
- (c) Annually review compensation arrangements for Group Executive Management and the President.
- (d) Recommend to the Board for its approval the terms upon which directors shall be compensated, including the Chairs and those acting as committee members.

4.1.4 Recruitment

- (a) Review the process for recruiting Group Executive Management.
- (b) Participate in the process of recruiting Group Executive Management and review their compensation and benefits package prior to any offers made.

4.1.5 Performance Evaluation

- (a) Review the President's performance assessment of Group Executive Management and his recommendation for compensation increases, taking into account such management's demonstration of leadership and entrepreneurial qualities and the propensity for balancing short and long term objectives and the needs of the Company's stakeholders.
- (b) Review the list of identified high potential officers and their development and succession plans.
- (c) Annually review the aggregate performance of the Company's human resource base.
- (d) Annually review the employee satisfaction survey.

4.1.6 Pension Management

- (a) Review and recommend to the Board the funding and approve the asset investment strategy for the Company's pension plan.
- (b) Annually review pension plan performance and the funded status of the plans.
- (c) Review any material changes to the Company's pension plans which require the approval of the Board.
- (d) Review annual reports from management on compliance with applicable legislation relating to the Company's pension plans, including confirmation that actuarial valuations are completed no less frequently than as required by law.

5 DIRECTORS' REPORT

- 5.1 The Committee should prepare an annual report of its activities for inclusion in the directors' report distributed to shareholders, as may be required by applicable laws or rules of applicable securities regulatory authorities or stock exchanges.

6 INDEPENDENT ADVISORS

- 6.1 The Committee has sole authority to retain such independent advisors as it may deem necessary or advisable for carrying out its mandate, to set the terms of the retainer, and to terminate any advisor arrangement. Expenses related to any such engagement should be reported to the Board and paid by the Company.

7 GENERAL

- 7.1 Notwithstanding the foregoing and subject to applicable law, nothing contained in this Charter is intended to require the Committee to ensure the Group's compliance with applicable laws or regulations.
- 7.2 In contributing to the Committee's discharges of its duties under this Charter, each member of the Committee shall be obliged only to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or may be construed as imposing on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject.

7.3 The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Group or their shareholders for any purpose whatsoever. The Board by resolution may, from time to time, amend or waive the terms hereof, either prospectively or retrospectively, and no provision of this Charter is intended to give rise to civil liability of the Group or any of its directors, officers, advisors or employees to shareholders, other securityholders, lenders, customers, suppliers or employees of the Company or any other liability whatsoever, except as expressly provided herein.