



DISCLOSURE POLICY

Purpose

The purpose of this Disclosure Policy is to ensure that communications to all stakeholders about Home Capital Group Inc. and its subsidiaries (collectively referred to herein as the “Corporation”) are timely, factual and accurate and broadly disseminated in accordance with all relevant legal and regulatory requirements.

The Policy extends to all directors, officers and employees of the Corporation, as well as those authorized to speak on its behalf. It covers all methods of communication by the Corporation with the public, including disclosures in documents filed with securities regulators, written statements made in the Corporation’s annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Corporation’s website and other electronic communications. It extends to oral statements made in meetings and telephone conversations with analysts and investors and interviews with the media, as well as speeches, press conferences and conference calls.

This Policy outlines the Corporation’s approach to the determination and dissemination of material information and the circumstances under and methods through which the confidentiality of information will be maintained. It also provides guidelines designed to achieve consistent disclosure practices across the Corporation and its subsidiaries.

Determining Materiality

Material information is any information related to the Corporation’s business and affairs that could result in or would reasonably be expected to result in a significant change in the market price or value of the Corporation’s common stock, or would reasonably be expected to have a significant influence on a reasonable investor’s investment decisions.

The Senior Vice President, Corporate Counsel in consultation with the Chair of the Disclosure Committee will monitor and consider developments within the Corporation that may require public disclosure. In situations where the determination of materiality is not clear, the Senior Vice President, Corporate Counsel and the Chair of the Disclosure Committee shall discuss the matter with as many members of the Disclosure Committee as is deemed necessary and, if needed, seek professional external assistance as required to make an appropriate determination.

Disclosure Committee

The Corporation's Disclosure Committee (the "Committee") shall consist of the following members and such other persons as are appointed to the Committee by the Chief Executive Officer:

- President
- Executive Vice President and Chief Operating Officer
- Chief Financial Officer
- Chief Risk Officer
- Chief Credit Officer
- Senior Vice President, Corporate Counsel
- Senior Vice President, Residential Mortgage Lending
- Senior Vice President, Commercial Mortgage Lending
- Treasurer
- Vice President, Accounting
- Vice President, Financial Reporting and Accounting Policies
- Vice President, Taxation
- Vice President, Administration and Relationship Manager
- Chair of the Sub-disclosure Committee
- Disclosure Coordinator

In conjunction with the Corporation's Audit Committee, the Committee will decide when developments are material and require release to the public, and will review the Corporation's prior disclosures of material information in regulatory filings and other statements to determine whether any updating or correcting is appropriate.

The Chief Financial Officer will be the Chair of the Committee, and will review this Policy annually and recommend necessary amendments to the Committee and the Corporation's Board of Directors.

The Chief Executive Officer will appoint the Disclosure Coordinator. The Disclosure Coordinator will keep records of all meetings of the Committee and its processes, as well as a complete disclosure record of all public information released on behalf of the Corporation.

Disclosure of Material Information

External communication will only be released with the consent of the Chief Executive Officer and the Chief Financial Officer demonstrating that they have reviewed the material.

In complying with the requirement to disclose all material information under applicable laws and stock exchange rules in a timely manner, the Corporation will adhere to the following basic disclosure principles:

- Subject to the terms of this policy, material information will be publicly disclosed immediately via press release through a widely circulated news or wire service and concurrent posting of the press release to the Corporation's website. Where appropriate, such an announcement will be followed by a webcast and conference call. The Corporation will provide advance notice by press release of the date, time and subject matter of the webcast and conference call. The webcast and conference call will remain available for a period of time through a dial-in and web replay..
- Information will be disclosed consistently to all audiences, including the investor community, the media, customers and employees.
- In certain circumstances, the Committee may determine that such disclosure would be detrimental to the Corporation's interests (for example, if release of the information would prejudice negotiations in a corporate transaction), in which case the information may be kept confidential until the Committee determines it is appropriate to publicly disclose or that the Corporation has a legal obligation to do so. In certain circumstances, the Committee may cause a confidential material change report to be filed with the applicable securities regulators and will periodically review its decision to keep the information confidential.
- Disclosure must be factual and non-speculative and must include any information the omission of which would make the rest of the disclosure misleading.
- Unfavourable material information must be disclosed as promptly as favourable information.
- There should be no selective disclosure. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). In certain circumstances, applicable securities laws allow for selective disclosure where doing so is in the "necessary course of business." Selective disclosure of material information under this exception should generally be reviewed and confirmed with legal counsel.
- If previously undisclosed material information has been inadvertently disclosed, such information must be publicly disclosed immediately via news release.
- Disclosure on the Corporation's website alone does not constitute adequate disclosure of material information.
- Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure of material information by the Corporation contained a material error at the time it was given.

Trading Restrictions

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the “necessary course of business” as referred to above, it is also illegal for anyone to inform any other person of material non-public information. Therefore, insiders and employees with knowledge of confidential or material information about the Corporation, any counter-parties in negotiations of material potential transactions and other parties in possession of undisclosed material information are prohibited from trading securities of the Corporation or any such counter-party until the information has been fully disclosed and a reasonable period of time has passed for the information to be widely disseminated to the public.

The Corporation’s Code of Conduct and Insider Trading Policy governs trading in its securities by directors, officers and employees of the Corporation and includes pre-clearance procedures and blackout periods.

Confidentiality

Any director, officer or employee privy to confidential corporate information is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information. The Corporation’s Code of Conduct specifies how directors, officers and employees are to safeguard confidential information.

As soon as any officer or employee of the Corporation becomes aware of pending developments that may have an impact on disclosure requirements, they must inform the Senior Vice President, Corporate Counsel in the determination of whether the information is material.

Communication by e-mail may be subject to later decryption attempts. All confidential information being transmitted over the Internet must be secured by appropriate encryption and validation methods, and using e-mail to transmit confidential information is to be avoided wherever possible.

Outside parties privy to undisclosed material information concerning the Corporation will be told that they must not divulge such information to anyone else, and that they may not trade in the Corporation’s securities until the information is publicly disclosed. Such outside parties will be requested to confirm their commitment to non-disclosure under a written confidentiality agreement as and when determined by the Corporation.

The Corporation’s policies contain procedures and guidance to prevent the misuse or inadvertent disclosure of material information, such as restricting access to documents and files containing confidential information, stressing caution when confidential matters are being discussed or transmitted by electronic means and the proper copying, filing and destruction of confidential documents.

Authorized Spokespersons

The Corporation shall designate a limited number of spokespersons responsible for communication with the investment community, regulators or the media. The Chief Executive Officer, the President, the Chief Financial Officer and others designated by the Committee will be the primary and official spokespersons for the Corporation. Individuals holding these offices

may, from time to time, designate others within the Corporation to speak on behalf of the Corporation as back-ups or to respond to specific inquiries.

Directors, officers or employees who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community, the media or others, unless specifically asked to do so by an authorized spokesperson. All such inquiries should be referred to a member of the Committee.

News Releases and Filings

News releases will be circulated to all members of the Committee prior to their issuance. A news release will not be issued during the Quiet Period without the prior approval of the Committee. News releases concerning material developments are subject to the following procedure.

Once it is determined by the Committee that a development is material and must be disclosed, the Chief Executive Officer and the Chief Financial Officer will authorize the issuance of a news release.

If a stock exchange on which the Corporation is listed is open for trading at the time of a proposed announcement, prior notice (at least thirty (30) minutes) of a news release announcing material information must be provided to the market surveillance department to enable a trading halt, if deemed necessary by the Exchange or the Corporation. If a news release announcing material information is issued outside of trading hours, market surveillance must be notified before the market opens.

News releases will be disseminated through an approved news wire service that provides simultaneous national and/or international distribution. News releases will be transmitted to all relevant regulatory bodies, major business wire services and national financial media.

News releases will be posted on the Corporation's website concurrently with the release over the news wire. The news release page of the website shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded or qualified by subsequent news releases.

The Corporation will, with the public release of material information, file a material change report with securities regulators.

Conference Calls

Conference calls and/or webcasts will be held for quarterly earnings and major corporate developments. Such calls or webcasts will be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen only mode by telephone or via a webcast over the Internet. Any such call or webcast will be preceded by a news release containing all relevant material information. At the beginning of the call or webcast, a Corporation spokesperson may provide appropriate cautionary language with respect to any future oriented information. Comments and responses to potential issues should be scripted in advance of a call or webcast.

The Corporation will provide advance notice of the conference call and webcast by issuing a news release announcing the date and time and providing information on how interested parties

may access the call or webcast by listen-only mode. In addition, the Corporation may send invitations to analysts, institutional investors, the media and others to participate and ask questions. Any supplemental information provided to participants will also be posted to the website for others to access. A tape recording of the conference call and/or an archived audio webcast on the Internet will be made available following the call for a minimum of 30 days for anyone interested in listening to a replay.

The Corporation will maintain a copy, detailed records and/or transcripts of any conference call or webcast. A debriefing of the Corporation's spokespersons present will be held after a call or webcast, and if such debriefing determines that during the call or webcast there was inadvertent selective disclosure of previously undisclosed material information, the Corporation will immediately disclose such information by issuing a news release.

Rumours

The Corporation will not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Corporation's authorized spokespersons will respond consistently to rumours, saying, "It is our policy not to comment on market rumours or speculation." If a stock exchange on which the Corporation is listed requests the Corporation to make a definitive statement in response to a market rumour that is affecting trading in securities of the Corporation, the Committee will consider doing so.

If material undisclosed information of the Corporation appears to be affecting trading in securities of the Corporation, the Committee will consider taking immediate steps to issue a public announcement by news release of the relevant information. This may also include contacting each stock exchange on which the Corporation is listed and asking that trading be halted pending the issuance of a news release.

Contacts with Analysts, Investors and the Media

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is material non-public information. A news release must precede any announcement of material information at an analyst or shareholder meeting or a press conference or conference call.

The Corporation recognizes that meetings with analysts, institutional investors and other market professionals are an important element of the Corporation's investor relations program. Through the Chief Executive Officer or a corporate spokesperson designated by the Committee the Corporation will meet with analysts, institutional investors and other market professionals on an individual or small group basis as necessary and will initiate contacts or respond to their calls in a timely, consistent and accurate fashion in accordance with this disclosure policy. All analysts will be treated equally regardless of whether they are recommending buying, holding or selling the Corporation's securities. The Corporation will put on its website corporate presentations or speeches made by the Chief Executive Officer or other corporate spokespersons to investors or analysts.

The Corporation will provide only non-material or previously publicly disclosed information through individual and group meetings, and no material information will be provided pursuant to any form of confidentiality agreement.

Notes will be maintained with Committee records of all individual and group meetings with analysts, institutional investors and other market professionals. A debriefing among some or all of the members of the Committee will be held after individual or group meetings, and if such debriefing determines that inadvertent selective disclosure of previously undisclosed material information has occurred, the Corporation will immediately disclose such information by issuing a news release.

Contacts with Rating Agencies

The Corporation will treat rating agencies as insiders for the purpose of securities legislation. The Corporation will confirm in writing in its dealings with rating agencies that any material information provided for the exclusive purpose of rating the Corporation and its securities is not to be disclosed externally or used outside of its intended use and that all ratings must be made publicly available.

Reviewing Analyst Draft Reports and Models

It is the Corporation's policy to review upon request analysts' draft research reports or models. The Corporation will review the report or model only for the purpose of pointing out errors in fact based on publicly disclosed historical information. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's report or model or earnings estimates.

In order to avoid appearing to endorse an analyst's report or model, the Corporation will provide its comments orally or may attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy based on publicly available or non-material information.

Forward Looking Information

The Committee, in conjunction with the Audit Committee, will approve the disclosure of all forward looking information. It is the Corporation's policy only to provide forward looking information in appropriate circumstances and only to present general trends, events, commitments and uncertainties that are reasonably expected based on historical and currently known data. All forward looking information provided by the Corporation will be broadly disseminated by news release.

To the extent that forward looking information is provided by the Corporation in a disclosure document, news release or statement by a spokesperson, it is to be accompanied by or reference is to be made to cautionary language to warn of the risk that circumstances beyond the Corporation's control could change materially and alter anticipated results referenced in the document or statement. Such language will also disclaim any intention by the Corporation to update or revise any statement of forward looking information.

Managing Expectations

The Committee, in conjunction with the Audit Committee, will attempt to ensure, through the Corporation's regular public dissemination of quantitative and qualitative information that analysts' estimates are in line with the Corporation's own expectations. The Corporation will not, however, confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort or discomfort with analysts' models or earnings estimates.

If the Committee decides during a calendar quarter that earnings will likely be significantly out of the range of current analysts estimates, the Committee may consider issuing an immediate news release, including outlining revisions to performance targets as a means of managing public expectations.

Quiet Periods

In order to avoid the potential for selective disclosure or even the perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period during which the Corporation will not initiate or participate in any meetings or telephone contacts with analysts, institutional investors or other market professionals, other than responding to unsolicited inquiries concerning factual matters. The quiet period will commence on the first day following the end of the reporting period to the day the Corporation releases its normal quarterly and annual earnings results, as well as an appropriate period determined by the Committee prior to any pending material change.

If during the Quiet Period the Corporation is invited to participate in investor community meetings or conferences, the advisability of accepting such an invitation will be determined by the Chief Executive Officer and extreme caution will be exercised by the Corporation's participants to avoid selective disclosure of any material information and any discussion of earnings and current financial performance.

Responsibility for Electronic Communications

This Policy applies to all electronic communications. Accordingly, directors, officers and employees responsible for written and oral public disclosures shall also be responsible for electronic communications.

The President is responsible for updating the investor relations section of the Corporation's website and is responsible for monitoring all corporate information placed on the website to ensure that at the time it was placed on the website it is accurate, up-to-date and in compliance with this disclosure policy. Unless authorized by law, no regulatory filings will be included on the Corporation's website. This Policy will be included in the investor relations section of the Corporation's website.

The President must approve all links from the Corporation's website to a third party website. Any such links will include a notice that advises the reader that he or she is leaving the Corporation's website and that the Corporation is not responsible for the contents of the other site.

Investor relations material will be contained within a separate section of the Corporation's website and will include a notice that advises the reader that the information posted was accurate at the time of posting but may be superseded or qualified by subsequent disclosures. All data posted to the website, including text and audiovisual material, will show the date such material was issued.

The Corporation may post on its website a complete list, regardless of the recommendation, of all the investment firms and analysts who provide research coverage on the Corporation. If provided, such list will not include links to the analysts or any other third party websites or publications.

Disclosure on the Corporation's website alone does not constitute adequate disclosure of material non-public information. Any disclosures of material information on the Corporation's website will be preceded by the issuance of a news release.

The President will also be responsible for responses to electronic inquiries. Only public information or information which can otherwise be disclosed in accordance with this Policy will be utilized in responding to electronic inquiries.

In order to ensure that no material undisclosed information is inadvertently disclosed, directors, officers and employees are prohibited from participating in Internet chat rooms, bulletin boards, e-mail or newsgroup discussions on matters pertaining to the Corporation's activities or its securities. Directors, officers or employees who encounter such a discussion pertaining to the Corporation should advise the President immediately so that the discussion may be monitored if considered necessary or appropriate.

Communication and Enforcement

This Policy extends to the directors, officers, employees and authorized spokespersons of the Corporation and its subsidiaries. New directors and relevant officers and employees who, given their positions, are required to have knowledge of this policy, will be provided with a copy and will be educated about its importance. The Disclosure Policy is available on the Corporation's intranet and website which is accessible by all employees and the general public. Any person who violates this Policy may face disciplinary action up to and including termination of his or her employment with the Corporation without notice. The violation of this Policy may also violate certain securities laws that could lead to penalties, fines or imprisonment.

Approved by the Board February 13, 2006

Amended by the Board December 1, 2010

Reviewed by the Board December 6, 2011