



## **BOARD OF DIRECTORS CHARTER iA FINANCIAL CORPORATION INC.**

The Board of Directors (the “Board”) is responsible for independently supervising the strategic planning and internal affairs of iA Financial Corporation Inc. (the “Corporation”).

### **COMPOSITION AND QUORUM**

---

The Board must be constituted in accordance with the Corporation’s by-laws, as amended from time to time.

The Board shall be composed of at least nine (9) and no more than twenty-one (21) directors.

Quorum will exist at Board meetings when a majority of directors in office are present. If the quorum required to vote on a resolution is not met solely because a director is not entitled to take part in deliberations under law, the other directors present will be deemed to constitute quorum for voting purposes.

### **ROLE AND RESPONSIBILITIES**

---

The Board has two fundamental functions: decision-making and oversight.

The decision-making function comprises the formulation, in conjunction with executive management, of corporate culture, strategic objectives and risk appetite as well as the adoption of fundamental policies and approval of key business decisions.

The oversight function comprises the review of executive decisions and of management’s conduct of business, of the adequacy of internal systems and controls and of the implementation of policies and corrective measures. It also includes providing sound advice and guidance to senior management.

It is incumbent upon the Board to fulfill the responsibilities outlined in this charter, either directly or through a committee. Committees must report their activities and recommendations to the Board.

The Board’s responsibilities include:

## **1. Corporate culture**

- Promote a culture of integrity within the Corporation based on ethical corporate behaviour.
- Ensure the integrity of the president and CEO and other senior executives and make sure they foster a culture of integrity throughout the Corporation.
- Ensure that the president and CEO, senior executives and key Corporation members respect the criteria of integrity, probity and competence, and act in a manner consistent with the Corporation's long-term values and interests.
- Adopt the Code of Business Conduct of iA Financial Group (the "Code"), which defines standards that can reasonably be expected to promote integrity and prevent misconduct, including conflicts of interest and the handling of confidential information.
- Monitor compliance with the Code and receive reports confirming adherence thereto.

## **2. Strategic planning**

- Adopt a strategic planning process that includes capital management planning.
- Oversee the development of the Corporation's strategic direction, plans and priorities.
- Approve, at least once a year, a strategic plan that takes into account namely the Corporation's financial objectives, opportunities, risks and risk appetite.
- Monitor the implementation and effectiveness of approved strategic and business plans.
- Approve major business decisions.

## **3. Risk management oversight**

### **3.1. Enterprise risk management framework and capital management**

- Approve the enterprise risk management framework and policies in place to identify, assess, communicate, manage, mitigate and monitor the main risks associated with the Corporation's business.
- Review the results of the Own Risk and Solvency Assessment ("ORSA") including stress test results.
- Approve annually, or more frequently if required, the Corporation's risk appetite and risk tolerance statement and the internal target ratio and target

operating level of the Corporation's solvency ratio and take reasonable steps to ensure that they are adequately respected.

- Oversee capital management strategies and approve policies to determine and maintain the appropriate level of capital in relation to the Corporation's risks and strategic objectives.

### **3.2. Compliance**

- Ensure that management implements a compliance management program that includes the monitoring of non-compliance risks and assures compliance with the legal requirements associated with the Corporation and its activities.

### **3.3. Financial information and internal controls**

- Oversee internal control systems regarding financial information and the communication thereof, monitor their integrity and periodically ensure the effectiveness of their design and performance.
- Ensure that management takes appropriate action to correct any significant problems with internal control systems and ensure appropriate follow-up.
- Review and approve, before publication, annual and quarterly financial statements and Management's Discussion and Analysis reports, the annual information form, the management proxy circular and other disclosure documents, drawing on detailed analyses supplied by senior management and the committees in charge.
- Oversee compliance with audit, accounting and reporting requirements.
- Approve dividend payments as well as capital allocation, expenditures and transactions that exceed the thresholds set by the Board.

## **4. Governance**

### **4.1. Structure**

- Develop a set of governance principles and guidelines.
- Adopt a policy on director independence and develop appropriate structures that enable the Board to act independently of management.
- Establish Board committees and define their mandates to assist the Board in fulfilling its role and responsibilities.
- Set expectations for directors, including attendance at, preparation for and participation in meetings.

- Define directors' obligations and ensure that each director fulfills their obligations honestly and in good faith, in the best interest of the Corporation and by exercising the care, diligence and skill expected of a reasonable and prudent person.

#### **4.2. Board elections, evaluation and compensation**

- Recommend to shareholders candidates for election as directors.
- Approve the appointment of the Board Chair and Board committee Chairs and members.
- Approve the compensation of directors.
- Conduct regular individual and collective self-assessments of the Board, its committees and its members and review its composition with a view to ensuring its effectiveness and contribution, while striving for the independence of the Board and its members.
- Review the Board's succession plan on a regular basis.

#### **4.3. Training**

- Ensure that directors have access to an orientation program and continuing education to further hone their skills and to develop an in-depth knowledge of the Corporation, the environment in which it operates, its culture, its business lines and its risk profile.

### **5. Senior management oversight and compensation**

- Oversee the establishment of the Corporation's guiding principles regarding human resources and compensation and approve the organizational structure.
- Approve the compensation policy for senior executives and other key Corporation members, ensuring that the policy is in line with the Corporation's long-term interests.
- Oversee the selection, appointment and development of the president and CEO, all senior executives and other key Corporation members.
- Review annual performance targets and evaluate the annual performance of the President and CEO, all senior executives and other key Corporation members.
- Review, on a regular basis, the succession plan for the President and CEO, senior executives and other key Corporation members.

## 6. Communications and public disclosure

- Approve the disclosure policy that governs the release of information about the Corporation, ensuring that said information is disclosed in a timely, accurate and fair manner in compliance with all legal and regulatory requirements.
- Supervise important communications and information intended for stakeholders, it being understood that the president and CEO, Board Chair and any other director authorized by the president and CEO or Board Chair may communicate with the Corporation's shareholders and partners on the Corporation's behalf.

## BOARD PROCEDURES

---

**Frequency:** The Board holds at least four regular meetings a year and may convene special meetings as required. The Board Chair and the president and CEO of the Corporation may call a meeting at any time.

**Chair:** The Board Chair presides at all of the Corporation's annual and special meetings and at all Board meetings. The Board Chair may attend, as a guest, the meetings of the various committees of the Board of which he or she is not a member.

**Secretary:** The secretary of the Corporation or, in the secretary's absence, the assistant secretary of the Corporation or any other person designated by the members of the Board may act as secretary.

**Agenda:** The Board Chair sets the agenda for each meeting in consultation with the Corporation's president and CEO and secretary. The agenda and relevant documents are distributed to Board members on a timely basis before meetings.

**In-camera sessions:** The Board holds an in-camera session without management after each meeting.

**Consultation powers:** In the performance of its duties, the Board may consult management without restriction and has the authority to select and engage, to assist it in carrying out its responsibilities, a legal, accounting or other independent advisor and to terminate the latter's mandates and approve its fees.

**Charter review:** The Board periodically reviews its charter and makes any necessary changes.

*Approved by the Board of Directors on November 3, 2021*