

## Co-operative Governance

### Board of Directors Composition and Independence

The Co-operators 22-member Board of Directors (board) consists of individuals elected from our 45 member organizations across Canada. All directors are independent from management and unrelated to the day-to-day operations of the business.

### Mandate of the Board

The Board is responsible for key governance issues such as:

- ensuring the organization's financial viability;
- participating in developing and giving final approval of the core values, mission and strategic direction of the company and monitoring performance;
- approving the process for selecting the president and CEO and actually appointing the president and CEO and secretary; and
- ensuring that the company maintains a leadership role within the insurance industry; is a good corporate citizen and provides a leadership role in the co-operative movement.

### Board Control of Significant Decisions

Management is responsible for the day-to-day management and operations of the company. Major decisions, such as significant investment transactions, acquisitions, potential acquisitions, joint ventures, financings, divestitures, or other significant business arrangements must be submitted to the board for prior approval. The board reviews the financial statements, participates actively in developing the strategic business plans for the company each year and monitors the organization's progress in achieving its financial and business plans throughout the year. It also develops the long-term (four year) plan in concert with senior management, providing ultimate approval of the long-term plan, and monitors and evaluates each four-year plan as it unfolds.

### Board of Directors

Directors of The Co-operators are elected at the Annual General Meeting (AGM) held in April each year. The term for directors is three years, which commences at the close of the AGM.

### Board Demographics

The Co-operators recognizes and values diversity, including age, culture, ethnicity, gender, geographic and sectoral representation, and skill.