

## RISK COMMITTEE CHARTER

A committee of the board of directors (the “**Board**”) of Trisura Group Ltd. (the “**Company**”) to be known as the Risk Committee (the “**Committee**”) shall have the following terms of reference:

### 1. **Membership and Chair**

Following each annual meeting of shareholders, the Board shall appoint from its number three or more directors (the “**Members**” and each a “**Member**”) to serve on the Committee until the close of the next annual meeting of shareholders of the Company or until the Member ceases to be a director, resigns or is replaced, whichever occurs first.

The Members will be selected by the Board on the recommendation of the Governance and Compensation Committee of the Company (the “**Governance Committee**”). Any Member may be removed from office or replaced at any time by the Board. All of the Members will be Independent Directors. The Committee as a whole shall have relevant risk expertise including some members with technical knowledge in risk disciplines. Members may not serve on more than three other public company risk committees, except with the prior approval of the Board.

The Board shall appoint one Member as the chair of the Committee (the “**Chair**”). If the Chair is absent from a meeting, the Members shall select an Acting Chair from among those Members in attendance at the meeting.

### 2. **Subcommittees**

The Committee may form subcommittees for any purpose and may delegate to a subcommittee such of the Committee’s powers and authorities as the Committee deems appropriate.

### 3. **Responsibilities**

The Committee shall:

- a) assist the Board in exercising its review, oversight and assessment of the total risk profile created by the operations of the Company to achieve an appropriate risk / return balance from the Company’s operations and strategies;
- b) oversee the development and operation of the Company’s risk management framework including risk appetite statements, risk registers, risk limits/tolerances/capacities, risk management systems including capital models and all significant supporting management and operational structures, policies, guidelines and procedures and, at least annually, recommend same to the Board for approval;
- c) establish and, from time to time, test, consider and, if appropriate, recommend changes to the Company’s overall risk appetite levels and, in each case, make suitable recommendations to the Board;
- d) assist the Board in the timely identification, measurement, management, monitoring, mitigation and reporting of those risks that could have a material impact on the Company by

- (i) review and evaluation of the Company's significant financial risk exposures including underwriting risk, reserving risk, investment risk, counterparty risk, liquidity risk, and the management and operational structures, policies and procedures in place to monitor and manage such risk exposures;
  - (ii) review and discussion with senior management of the Company's significant non-financial risk exposures, including strategic, reputational, operational, information technology/cyber-security, regulatory, tax, human resources, legal and business risks, and the steps senior management has taken to identify, manage, monitor and control such risk exposures and
  - (iii) review and confirmation with senior management of compliance with policies and procedures and applicable regulation, law or stock exchange rules.
- e) advise the Board on the effectiveness of strategies and policies with respect to maintaining, on an ongoing basis, amounts, types and distribution of capital and liquidity (including access to additional sources of capital and liquidity) adequate to cover the risks of the Company from regulatory, rating agency, economic capital and strategic perspectives;
  - f) review and approve all material risk assessment reports prepared by the Company for internal and/or regulatory purposes e.g. own risk and solvency assessments ("ORSA"), dynamic capital adequacy test ("DCAT") reports;
  - g) review and approve annually the mandate and effectiveness of the Chief Risk Officer ("CRO") and risk management function;
  - h) review, at least annually, the Company's compliance with its risk management framework and
  - i) review, approve or recommend to the Board for approval any other matters in relation to the risks of the Company or as directed by the Board;
  - j) consider other matters of a risk management nature as directed by the Board.

#### **4. Limitation of Risk Committee Role**

The Committee's function is one of governance and oversight. The Company's management is responsible for developing, maintaining and monitoring systems of risk management throughout the organization. The Company's Chief Risk Officer will report directly to the Committee. The Risk Management function of the Company, under the direction of the Company's Chief Risk Officer, will assist the Committee in fulfilling its responsibilities for review and oversight of the Company's risk management framework, through, inter alia, the presentation of reports at all meetings of the Committee. The Committee may also liaise with the risk committees (or equivalent committees) of any material subsidiaries of the Company, where deemed appropriate by the Committee, as a means of gaining further insight into subsidiary level risks and to achieve consistent and comprehensive risk review and oversight throughout the entire group. The Committee expects the Company's Chief Risk Officer and executive management to call to its attention any matters that warrant Committee consideration or action. The Committee recognizes that the Company's management has more knowledge and information about the Company's material risks than do the Committee's members. Accordingly, in carrying out its oversight responsibilities, the Committee does not provide any expert or special assurance as to the Company's risk management activities.

## **5. Reporting**

The Committee will regularly report to the Board on:

- a) matters discussed and actions taken at each Committee meeting
- b) compliance with applicable regulation, law or stock exchange rules
- c) all other significant matters it has addressed and with respect to such other matters that are within its responsibilities

The Committee will also provide periodic reports to the Audit Committee to coordinate the maintenance of the risk register, the design and scope of internal and external audit programs and other relevant matters with the work of the Audit Committee.

## **6. Review**

The Committee will review this Charter at least annually and submit it to the Governance Committee together with any proposed amendments. The Governance Committee will review this Charter and submit it to the Board for approval with such further amendments as it deems necessary and appropriate.

## **7. Assessment**

At least annually, the Governance Committee will review the effectiveness of this Committee in fulfilling its responsibilities and duties as set out in this Charter and in a manner consistent with the corporate governance guidelines adopted by the Board. The Committee will also conduct its own assessment of the Committee's performance on an annual basis.

## **8. Access to Outside Advisors and Senior Management**

The Committee may retain any outside advisor, including legal counsel, at the expense of the Company, without the Board's approval, at any time. The Committee has the authority to determine any such advisor's fees and any other retention terms.

The Company will provide for appropriate funding, for payment of compensation to any auditor engaged to prepare or issue an audit report or perform other audit, review or attest services, and ordinary administrative expenses of the Committee.

Members will meet privately with senior management as frequently as they feel is appropriate to fulfill the Committee's responsibilities, but not less than annually.

## **9. Meetings**

Meetings of the Committee may be called by any Member, the Chair of the Board, the Chief Executive Officer or Chief Risk Officer of the Company. Meetings will be held each quarter and at such additional times as is necessary for the Committee to fulfill its responsibilities. The Committee shall

appoint a secretary to be the secretary of each meeting of the Committee and to maintain minutes of the meeting and deliberations of the Committee.

The powers of the Committee shall be exercisable at a meeting at which a quorum is present. A quorum shall be not less than a majority of the Members from time to time. Matters decided by the Committee shall be decided by majority vote. Subject to the foregoing, the *Business Corporations Act* (Ontario) and the by-laws of the Company, and, unless otherwise determined by the Board, the Committee shall have the power to regulate its procedures.

Notice of each meeting shall be given to each Member, and to the Chair of the Board, the Chief Executive Officer and Chief Risk Officer of the Company. Notice of a meeting may be given orally or by letter, electronic mail, telephone or other generally accepted means not less than 24 hours before the time fixed for the meeting. Members may waive notice of any meeting and attendance at a meeting is deemed waiver of notice. The notice need not state the purpose or purposes for which the meeting is being held.

The Committee may invite from time to time such persons as it may see fit to attend its meetings and to take part in discussion and consideration of the affairs of the Committee. The Committee may require the auditors and/or members of the Company's management to attend any or all meetings.

## 11. Definitions

Capitalized terms used in this Charter and not otherwise defined have the meanings attributed to them below:

**"Independent Director"** means a director who has been affirmatively determined by the Board to have no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company. In addition to any other requirement of applicable securities laws or stock exchange provisions, a director who:

- a) is or was an employee or executive officer, or whose immediate family member is or was an executive officer, of the Company is not independent until three years after the end of such employment relationship;
- b) is receiving or has received, or whose immediate family member is receiving or has received, during any 12-month period within the last three years more than C\$75,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service), is not independent;
- c) is or was a partner of, affiliated with or employed by, or whose immediate family member is or was a partner of or employed in a professional capacity by, a present or former internal or external auditor of the Company is not independent until three years after the end of the affiliation, partnership or employment relationship with the auditor; and
- d) is or was employed as, or whose immediate family member is or was employed as, an executive officer of another company (or its parent or a subsidiary) where any of the present (at the time of review) executive officers of the Company serve or served on that

company's (or its parent's or a subsidiary's) compensation committee, is not independent until three years after the end of such service or the employment relationship.

Additionally, an Independent Director for the purpose of the Committee specifically may not:

- a. accept directly or indirectly any consulting, advisory, or other compensatory fee from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); or
- b. be an affiliated person of the Company (within the meaning of applicable rules and regulations).

For the purposes of the definition of "Independent Director", the term "Company" includes any parent, subsidiary or other affiliated entity of the Company.

In addition to the requirements for independence set out in paragraph (c) above, Members must disclose any other form of association they have with a current or former external or internal auditor of the Company to the Governance Committee for a determination as to whether this association affects the Member's status as an Independent Director.

*This Risk Committee Charter was reviewed and approved by the board of directors of the Company on May 6, 2020.*