

**Intact Financial Corporation
And its Canadian P&C Insurance Companies
(jointly called the “Company”)**

Mandate of the Compliance Review and Corporate Governance Committee

I. Purpose

The Compliance Review and Corporate Governance Committee (the “Committee”) is a committee of the Board of Directors (the “Board”) of the Company. It ensures a high standard of governance, compliance and ethics in the Company, including its pension funds and that the Company meets its legal requirements and engages in best practices as determined by the Board.

In this regard, the Committee oversees: (i) the governance framework of the Company and of its pension plans, (ii) the compliance framework, (iii) the compliance programs of the Company which includes related party transactions (“RPT”), market conduct programs and policies, as well as the implementation of corporate compliance initiatives.

II. Membership

1. Number

The Board will appoint no fewer than three of its members to the Committee, on the recommendation of the Committee.

2. Composition and Qualifications

The Committee consists of directors who are “independent” as that term is defined from time to time in the relevant legislation, and who are non-executives of the Company or its subsidiaries.¹

All Committee members must be familiar with corporate governance, or be willing and able to become familiar with it within a reasonable period of time following their appointment, and have previous relevant experience in assessing potential Board nominees and Board remuneration.

In addition, the composition of the Committee, and qualifications of its members, will comply with such additional requirements as may be imposed by applicable legislation and best practices as determined by the Board.

3. Chair

The Board will appoint the Chair of the Committee annually, to be selected from the independent members of the Committee. If, in any year, the Board does not make such an appointment, the incumbent Chair will continue in office until a successor is appointed. In the event the Chair is not able or willing to act as Chair of the Committee for any reason, the Board may appoint another Chair on an interim or permanent basis. The Chair is bound to act in accordance with his or her mandate and this mandate.

¹ The Committee of Intact Farm Insurance Inc. and for InnovAssur, assurances générales inc. will be composed of a majority of independent Directors, as that term is defined under the provincial laws of Quebec.

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4. Tenure

Each member of the Committee will be appointed annually by the Board and will hold office at the will of the Board or until his or her successor is appointed.

5. Removal and Vacancies

Any member of the Committee may be removed and replaced at any time by the Board and will also automatically cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies by appointing members of the Board to the Committee. If and whenever a vacancy exists, the remaining members may exercise all the powers of the Committee as long as a quorum remains in office.

III. Process and Operations

1. Meetings

The Committee meets at least four times per year and otherwise as needed.

The Chief Compliance Officer may call a meeting of the Committee at any time.

2. Private Meetings of the Committee and Private Meetings With Members of Management

Following each meeting, the Committee meets privately without the presence of management.

Following each regular meeting, the Committee meets in private with the Chief Compliance Officer and any other members of management required in respect of this mandate. The Committee may meet members of management in private after each non-regular meeting. The Committee may also meet with any other employee of the Company, as it deems appropriate.

3. Quorum

A quorum at any meeting shall be a simple majority of the members of the Committee.

4. Report to the Board

Following each meeting, the Committee reports to the Board on matters reviewed by the Committee.

5. Regulatory Reports

The Committee reports to regulators as required by relevant legislation, which includes reporting annually to the *Office of the Superintendent of Financial Institutions* (Canada) (“OSFI”) and, where applicable, to the *Autorité des marchés financiers* (Quebec) (the “AMF”).

IV. Mandate

1. Governance Framework of the Company

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The Committee reviews the governance framework of the Company and ensures that it meets regulatory requirements and best practices as determined by the Board.

2. Compliance and Market Conduct Programs

The Committee reviews the Company's various compliance programs which include corporate and operational compliance, public company compliance, investment compliance, legislative compliance, the ombudsman's office, the privacy office, market conduct standards, as well as the Company's relationships with clients, brokerages and regulatory authorities.

At each meeting, the Chief Compliance Officer reports to the Committee on the compliance activities of the Company.

The Committee also reviews compliance programs, policies and initiatives proposed by management and either approves them or recommends them for approval to the Board. The Committee may approve minor changes to policies previously approved by the Board.

The Committee also monitors compliance with the Company code of conduct entitled "Living Our Values".

The Committee monitors ongoing developments regarding compliance and identifies potential situations of conflicts of interest. As a result, it reviews various reports and texts on a quarterly or an annual basis, for example:

- reports from the Chief Compliance Officer on compliance programs, action plans, including market conduct;
- reports from the Chief Compliance Officer on corporate governance best practices and benchmarking;
- reports on the Directors and Officers Conflicts of Interest Questionnaires; and
- texts on corporate governance to be included in the annual meeting documentation of Intact Financial Corporation.

The Committee also reviews any compliance aspects that it identifies or at the request of the Board or other committees of the Board or the Company; including policies in relation to directors and the CEO or senior management.

3. Pension Plan Governance Framework

The Committee approves the framework of the compliance programs of the Company's pension plans and any material amendments thereof. Such framework includes, but is not limited to, the pension committee's mandate and related allocation of responsibilities.

4. Compliance Function

The Committee reviews and recommends to the Board for approval the appointment, assessment or termination (if applicable), of the Chief Compliance Officer.

The Committee periodically reviews and approves the mandate of the compliance function and annually obtains the assurances that this function has the necessary budget, independence and resources to meet its mandate and reports to the Board any issue in relation thereto before the Board approves the budget and plans of the Company.

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The Committee annually reviews the objectives and assesses the effectiveness of the Chief Compliance Officer function.

5. Related Party Transactions (“RPT”)

The Committee requires management to establish procedures to ensure that when any of Intact Financial Corporation’s Canadian P&C Insurance Companies engages in RPT, the terms and conditions of such transactions are at fair market value or at least as favourable as prevailing market terms and conditions or at fair value if such fair market conditions are not available.

The Committee reviews the Company’s procedures to ascertain their effectiveness in complying with insurance legislation and their effectiveness in identifying RPT that may have a material effect on the stability and solvency of Intact Financial Corporation or any of its Canadian P&C Insurance Companies.

The Committee approves permitted RPT, except those that the Committee must recommend to the Board for approval by law, and reports such transactions that it approves to the Board.

6. Nominating Functions and Board Assessment

The Committee is the nominating committee for Board member appointment. As such, the Committee is responsible for the implementation and review of the nomination process as well as the implementation and review of orientation and education programs for Board members.

The Committee reviews the Company’s policy on appointment of Board and Committee members from time to time and recommends it to the Board for approval.

The Committee recommends candidates for appointment or election as members of the Board, as members of committees of the Board, as Chair of the Board or as Chair of the Board’s committees.

The Committee reviews the processes, policies and procedures for selection and background screenings of potential Board candidates and Senior Management as provided for by applicable regulatory guidelines.

The Committee also assesses the Board, its members and its Committees on an ongoing basis. On an annual basis, the members of the Board complete a self-assessment of the effectiveness of the Board. The Committee reviews the report and analysis on such self-assessment and reports to the Board accordingly.

7. Directors’ Compensation

The Committee reviews practices and the approach in relation to directors’ compensation and makes its recommendation to the Board in this regard.

The Committee assists the Company in defining directors’ compensation that attracts and retains key members in view of enhancing the Company’s ability to determine its plans and strategies for the attainment of its corporate objectives.

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V. Access to Independent Consultants

The Committee may retain and terminate independent consultants, at the Company's expense, as it deems necessary or advisable to carry out its duties.

In case of differences of opinion between the members of the Committee or with management in relation to the hiring of such consultants, the Board may decide on the issue.

VI. Delegation

The Committee may designate a sub-committee or individual(s) to review any matter the Committee can delegate by law.

VII. Self-Assessment

On an annual basis, the Committee evaluates and reviews the assessment reports on the adequacy of the Committee, its Chair and each of its members.

VIII. Committee Mandate

On an annual basis, the Committee reviews this mandate and recommends any changes to the Board.

Approved by the Board of Directors of Intact Financial Corporation and its Canadian P&C Subsidiaries on February 5, 2019.