



## **BOARD OF DIRECTORS CHARTER**

**EFFECTIVE AS OF SEPTEMBER 17, 2020**

### **ROLE OF THE BOARD OF DIRECTORS**

The Board of Directors (the “**Board**”) of Olympia Financial Group Inc. (the “**Corporation**”) shall manage the business and affairs of the Corporation in a manner consistent with its powers and obligations under the *Business Corporations Act* (Alberta) (the “**ABCA**”) and under other legal and regulatory requirements applicable to the Corporation as a reporting issuer in Canada and whose securities are listed on the Toronto Stock Exchange.

The principal role of the Board is to oversee the President & CEO and other senior executives of the Corporation (collectively, “**Management**”), which are responsible for the day-to-day management of the business and affairs of the Corporation. In particular, it is the President & CEO that is expected to lead the Corporation, formulate corporate strategies, provide leadership and direct Management to achieve the established objectives and policies of the Corporation.

### **BOARD COMPOSITION**

The Corporation’s Articles of Incorporation provides that the Corporation shall not have more than fifteen (15) directors.

### **COMMITTEES**

The Board may establish one or more committees of the Board (each a “**Committee**”) as may be required to assist the Board in fulfilling its oversight functions. The Board shall appoint members to any such committee and shall oversee their performance. To the extent permissible under the ABCA and the Corporation’s Articles of Incorporation and By-laws, the Board may delegate responsibilities and duties to Committees. Each Committee shall have a Committee charter setting out the duties and responsibilities of the Committee Board charters shall be reviewed on a regular basis and updated as required.

### **DUTY OF CARE OF DIRECTORS**

Each director of the Corporation (each a “**Director**”) shall in exercising powers and discharging his or her duties to the Corporation:

- act honestly and in good faith with a view to the best interests of the Corporation; and
- exercise the care, due diligence and skill that a reasonably prudent person would exercise under comparable circumstances.

## **DIRECTOR CHARACTERISTICS**

Each Director should possess and demonstrate the following characteristics:

### Accountability

Each Director, as a member of the Board and one or more of its Committees, works with fellow Directors to fulfill the specific duties of the Board and its Committees contained in their respective charters. Each Director shall regard himself as accountable to the shareholders as a whole, not to any specific individual or group of shareholders. The Director serves the long-term interests of shareholders by ensuring that management appropriately addresses the concerns of other stakeholders, such as employees, customers, communities, regulators and the public at large.

### Integrity

Each Director shall possess the highest personal and professional integrity. Each Director shall avoid conflicts of interest, both actual and perceived, that are incompatible with service as a Director. Each Director shall comply with applicable policies of the Corporation, including the Director Code of Ethics and Business Conduct, and shall keep confidential any information about the Corporation that has not been generally disclosed to the public.

### Involvement

Each Director shall prepare for meetings, understand the issues faced by the Corporation and bring an independent objective perspective to the deliberations of the Board and its Committees. Each Director shall continuously deepen his or her knowledge of the business of the Corporation and relevant trends in business and industry, both inside and outside of Board meetings.

### Contribution

Each Director shall apply informed and seasoned judgment to each issue that arises and expresses opinions, ask further questions and makes recommendations that the Director thinks are necessary or desirable. Each Director will act directly, not by proxy, either in person or by written resolution. Each Director has an equal say with each of the other Directors.

### Commitment

Each Director shall prepare for and attend, where possible, all scheduled meetings of the Board and applicable Committees. The Corporation does not restrict the number of public company Boards that a Director may serve on; however, each Director must ensure that they devote sufficient time to carry out the Director's duties effectively.

### Financial Literacy

It is expected that each Director will demonstrate a sound level of financial literacy including the ability to understand financial statements and the use of financial metrics (financial ratios and other indices) to evaluate the financial health and performance of the Corporation.

### Communication Skills

Each Director must be willing to listen to the opinions of others to others' opinions, take the initiative to raise tough questions, encourage open discussion and have the ability to communicate persuasively, assertively and logically.

## **INDEPENDENT FUNCTIONING OF BOARD AND COMMITTEES**

The Board is responsible for establishing the appropriate policies and procedures to enable the Board, its Committees and individual Directors to function independently of Management to the extent considered necessary or desirable by the Board. Except for Board and Committee remuneration, independent Directors shall not accept any consulting, advisory or other compensation fees from the Corporation. The Board and each Committee has the ability to retain and terminate independent professionals, as well as the sole authority to approve all fees payable to such independent professionals.

Each Committee and the Board can conduct all or part of any meeting in the absence of Management, and it is each Committee's and the Board's policy to include such a session on the agenda of each regularly scheduled meeting. In the event that the Board is constituted with one or more non-independent Directors, any independent Director may request that the non-independent Directors be excluded from any session.

Each Committee chair can also require the Corporate Secretary to convene a meeting of the Board or a Committee to be held in the absence of Management and/or non-independent Directors or to reserve an agenda item at any Board or Committee meeting for business to be conducted in the absence of Management and/or non-independent Directors. Each Director can request such a meeting or reserved agenda item by contacting the Board chair or Committee chair, as applicable.

## **BOARD MEETINGS**

The Board shall meet as frequently as circumstances dictate or at any additional time as deemed necessary in compliance with regulatory requirements, as scheduled by the appointed Board chair in conjunction with the President & CEO and the Corporate Secretary.

For all regularly scheduled meetings, each Director shall be sent notice of such meeting (by mail or email) at least 10 days prior to the date of such meeting. Further, each Director shall be provided (by mail or email) a draft agenda for each Board meeting and such other documents for consideration at least 5 days before the date of the meeting to permit meaningful review by the Directors. For special meetings of the Board, best efforts are made to distribute materials to the Directors as far in advance as practicable.

Phone attendance is acceptable if the Director is out of town.

For any meeting at which the appointed Board chair is not present, the chair of the meeting shall be any Director present who shall be decided upon or elected by a majority of Directors present.

## **DUTIES, RESPONSIBILITIES AND EXPECTATIONS OF THE BOARD**

In furtherance of its purposes, the Board assumes the following specific duties and responsibilities:

### Selection and Oversight of the President & CEO

The Board is responsible for:

- The selection and appointment of the President & CEO of the Corporation;
- Reviewing the performance of the President & CEO of the Corporation;
- Approving the compensation of the President & CEO of the Corporation; and
- Ensuring that plans have been made for the President & CEO's succession, training and development.

The President & CEO of the Corporation is responsible for the selection and appointment of senior management, reviewing the performance of senior management, approving the compensation of senior management and ensuring that plans have been made for the succession, training and development of senior management.

### Corporate Culture of Integrity

The Board has the responsibility for overseeing the establishment of a culture of integrity throughout the Corporation by developing and overseeing policies respecting ethical personal and business conduct by the Director's and the Corporation's Employees.

### Strategic Planning

The Board is responsible for:

- Reviewing the business plans, budgets and other similar plans of the Corporation on an annual basis and monitor the implementation of such plans;
- Reviewing and approving significant strategic transactions that are not considered to be in the ordinary course of business as well as other items of significance, including significant acquisitions, dispositions and financings; and
- Identifying and reviewing other matters of significance that require approval or input of the Board.

### Risk Management

The Board is responsible for assisting management in identifying and assessing the principal risks inherent in the business activities of the Corporation and ensure that Management takes reasonable steps to implement appropriate systems to manage such risks.

### Internal Controls and Audit Procedures

The Board is responsible for ensuring that Management implements and maintains effective internal controls over financial reporting, disclosure controls and procedures and management information systems.

### Corporate Governance

The Board is responsible for developing, reviewing and monitoring the Corporation's approach to corporate governance.

### Financial Reporting

The Board is responsible for:

- Ensuring that the operational and financial performance of the Corporation, as well as any developments that may have a significant and material impact on the Corporation, are adequately reported to shareholders, regulators and stakeholders on a timely and regular basis;
- Ensuring that the financial performance of the Corporation is reported fairly and in accordance with the Corporation's disclosed accounting principles and applicable laws and regulations; and
- Developing, implementing and overseeing a disclosure policy to enable the Corporation to communicate effectively with its shareholders and other stakeholders.

### Legal Requirements

The Board is responsible for ensuring overall compliance with legal and regulatory requirements applicable to the Corporation. The Board also has the responsibility for considering, as a full Board, the following matters that in law may not be delegated to Management or to a Committee:

- Any submission to shareholders of the Corporation of a question or matter requiring their approval;
- Filing of a vacancy among the directors or in the office of auditors of the Corporation;
- Issuance of securities;
- Declaration of dividends;
- Purchase, redemption or any other form of acquisition of shares issued by the Corporation;
- Payment of a commission to any person in consideration of such person purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- Approval of management proxy circulars;
- Approval of any take-over bid circular or directors' circular;
- Approval of annual financial statements, management discussion and analysis and annual information forms; and
- Adoption, amendment or repeal of the Articles or By-laws of the Corporation.

### Board Procedures

The Board is responsible for:

- Managing its own affairs, including developing its own agendas and procedures;
- Considering the composition and size of the Board and its impact, if any, on the Board's effectiveness;
- Identifying and approving prospective nominees to the Board;
- Ensuring that there is a comprehensive orientation session for directors;
- Assessing the effectiveness and contribution of the Board, its committees and each individual Director;
- Determining the compensation of the Directors; and
- Otherwise establishing and reviewing its own policies and practices from time to time.

## **BOARD CHAIR**

### Appointment

The Board shall appoint a Board chair from among the Corporation's Directors.

### Specific Duties and Responsibilities

The Board chair leads the Board in all aspects of its work. The Board chair is responsible for effectively managing the affairs of the Board, ensuring that the Board is properly organized and that it functions efficiently. The Board chair advises the members of the Board in all matters concerning the interests of the Board and the relationships between Management and the Board. More specifically, the Board chair shall:

- Provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board Charter and as otherwise may be appropriate;
- Provide leadership to the Board in the execution of its responsibilities;
- Chair the Board meetings;
- In consultation with the President & CEO and the chairs of the Committees, as appropriate, determine the frequency, dates and locations of meetings of the Board, Committees, and of the shareholders of the Corporation;
- In consultation with the President & CEO, review the meeting agendas to ensure that all required business is brought before the Board to enable it to efficiently carry out its duties and responsibilities;
- Ensure the Board has the opportunity, at each regularly scheduled meeting, to meet separately without non-independent Directors and management personnel present;
- Ensure, in consultation with the chairs of the Committees, that all items requiring Board and Committee approval are appropriately tabled;
- Ensure the proper flow of information to the Board;
- Chair the annual and any special meeting of the shareholders of the Corporation, be available for questions and participate in any other manner as required;
- Ensure that all business that is required to be brought before a meeting of shareholders of the Corporation is brought before such meeting. This will include responding to all shareholder concerns regarding governance issues or other Board related issues;
- Carry out special assignments or other functions as requested by the Board;
- Provide feedback and input to Committee chairs on governance and other matters;

- Be knowledgeable of corporate governance practices, stay abreast of developments in corporate governance practices and lead the adoption of “best practices” where appropriate; and
- Be willing to take a stand, even if it is contrary to prevailing opinion.

## **CHARTER REVIEW AND ASSESSMENT**

This Charter will be reviewed at least annually by the Corporate Governance Committee, to ensure that it remains consistent with regulatory requirements, and with the overall goals and objectives of the Corporation. This Charter may only be changed by the written action and approval of the Board.