

NOVA MUTUAL Board Competency Matrix

Note: Not all individual Directors are expected to have all required competencies. Rather, the objective is for the Board to possess the required competencies at a full Board level.

SECTION I

Audit and Compliance	The Board is responsible for high level oversight of Nova Mutual's risk tolerance and financials. Experience with auditing performance, respecting regulatory standards and examination and auditing procedures.
Board/CEO Performance Assessment	The Board is responsible for evaluating the performance of the CEO as well as evaluating the competencies of the Board itself. Experience with executive performance standards, competency evaluations, and monitoring against Key Performance Indicators.
Financial Literacy	A Board Director must possess knowledge and understanding of financial matters. Experience with reading and interpreting financial statements and financial performance indicators.
Insurance Industry/ Sector	The Board should have a sound understanding of the insurance sector, including Nova's fundamental business model and associated management of risk.
Governance & Ethics	The Board must behave ethically at all times and understand the nature and responsibilities that come with governing a Mutual Insurance company. Experience with Board roles and responsibilities, its structure, decision making powers, policies and processes?
Regulatory Environment	The Board is responsible for understanding the regulatory environment with respect to the insurance sector. Experience with governing legislation and guidance as well as regulatory bodies/organizations.
Risk Management Oversight & Enterprise Risk Management	The Board is required to take on and understand the risks related to running a successful Mutual Insurance company. Experience with financial and operational risks, risk management and monitoring?
Strategic Planning	A Board Director must think strategically and understand how to monitor a strategic plan. Experience with strategic planning concepts, processes, the importance of clear strategic direction and the monitoring of strategic plan implementation.
Information Technology	Experience with hardware, software, networking, and web-enabled services.
Partnering/Mergers and Acquisitions	Experience with merger strategies and their issues, benefits and challenges.
Executive Recruiting & Human Resource Management	Experience with recruitment; hiring criteria and practices as well as performance evaluation

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SECTION II: Key Attributes

Leadership	Ability to positively influence others, possess credibility and integrity, and effectively represent Nova and champion its vision, mission and values within internal and external key stakeholder communities.
Strategic Thinking	Ability to generate and apply strategic thinking in regard to the unique business insights and opportunities of relevance to Nova.
Communication Skills	Ability to both listen effectively and articulate ideas, opinions, rationales, and comments in a clear, concise manner. This includes accepting accountability for engaging in frank, open and honest discussions, valuing a diversity of opinions and perspectives, with a view to making well-informed decisions and seeking to achieve in-group consensus in the best interest of Nova.
Commitment & Engagement	Commitment to Nova, its culture, values and people; displaying a commitment to the Board and the role individual Directors play in ensuring overall Board effectiveness, including attendance, preparedness and appropriate level of engagement in board and committee discussions/due diligence.
Business Judgment	Ability to make prudent business decisions based on risk assessment and operating conditions that reflect the risk appetite and values of the organization; including the ability to apply practical business experience at a governance level.

SECTION III: Diversity Objectives

The Board of Directors believes that a board made up of highly qualified directors from diverse backgrounds and who reflect the changing population demographics of the regions in which Nova operates, the talent available with the required expertise, and Nova's evolving Member and employee base, promotes better corporate governance. To support this, the Board will, when identifying candidates to recommend for appointment to the Board, consider diversity criteria including gender, age, ethnicity and geographic background while ensuring that all candidates are highly qualified based on their experience, functional expertise and personal skills and qualities.

The Board aspires towards board composition in which each gender comprises at least one-third of the Directors.

“The Nova Mutual Board of Directors has a commitment to diversity and inclusion. In keeping with Indigenous protocol and building respectful relationships between Indigenous and non-Indigenous peoples in Canada, it is customary to acknowledge the Traditional Territories or Ancestral Lands of Indigenous Peoples”