

Governance Committee Mandate

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1 Introduction

1.1 Intent

The Board of Directors (the “Board”) of Tru Cooperative Bank (“Tru” or the “Cooperative Bank”) delegates to the Governance Committee (the “Committee”) the responsibilities to oversee corporate governance, board assessment and renewal, director recruitment and elections and director orientation and development.

1.2 Review cycle

The Committee will review this Mandate annually.

2 Committee Composition and Procedures

2.1 Appointment and composition

The Committee consists of a minimum of five (5) members elected by the Board. The Board Vice-Chair serves as a member of the Committee and may chair the Committee.

The Board Chair, if not a member, is an ex-officio member of the Committee without voting rights or quorum status.

2.2 Meetings

The Committee meets at least quarterly, with additional meetings scheduled as needed.

Additional meetings may be held as deemed necessary by any Committee member, the Chief Executive Officer (CEO) or the Chief Governance and Corporate Affairs Officer.

The Committee may request any officer, employee, or advisor of the Cooperative Bank to attend a meeting, but only Committee members have the right to attend and vote. Written resolutions signed by all voting members are valid as if passed at a meeting.

In-camera sessions may be held, with or without management present.

Committee members receive reasonable notice of meetings by telephone or electronic communication.

2.3 Quorum

Subject to the *Bank Act* (Canada), a majority of Committee members shall constitute quorum.

2.4 Accountability

The Committee is accountable to the Board.

Except where the Board has authorized the Committee to act by resolution or through the Committee's Mandate, the Committee has no authority to direct management or to commit Tru.

3 Duties and responsibilities

3.1 Governance

3.1.1 Corporate governance oversight

- Annually reviewing Tru's compliance with regulatory requirements related to corporate governance.
- Annually reviewing Tru's governance practices and advising and recommending to the Board changes to the governance practices.
- Annually reviewing and, when necessary, recommending to the Board amendments to: (i) the Board Mandate; (ii) the Cooperative Bank's Bylaws; (iii) the size and structure of Board and its Committees; (iv) the responsibilities, functions, and compensation of Directors; and (v) operational policies of the Board.
- Reporting annually to the Board on elements of equity, diversity, and inclusion with respect to the Board and its Committees.
- Advising the Board on environmental, social and governance best practices and ensuring the Cooperative Bank's business is conducted and advanced to meet applicable standards of corporate responsibility.
- Annually obtaining assurance that each Committee has reviewed and made necessary amendments to its mandate.
- As required, advising the Board, Board Committees and/or Board and Committee Chairs on matters of process related to their functioning.

3.1.2 Board assessment, evaluation, and renewal

- Annually preparing a Board skills, competencies, and attributes matrix.
- Annually preparing for the Board's approval a Director recruitment profile.
- Recommending the process and supporting the annual effectiveness evaluation of the Board and its Committees, the Board Chair, Committee Chairs and Directors.
- Overseeing succession planning for the Board, including Board Chair succession.

3.1.3 Director orientation, education, and development

- Obtaining assurance orientation and ongoing professional development programs are in place for Directors.
- Monitoring Directors' completion of mandatory development sessions.
- Providing recommendations to the Board regarding ongoing education and professional development opportunities for Directors, recognizing that continuous learning supports Directors in fulfilling their fiduciary duty and duty of care to the Cooperative Bank, especially in a dynamic market environment.

3.1.4 Communication

- Reviewing and assessing communication to members and other interested parties regarding corporate governance policies and practices.
- Annually reviewing and approving a report to members on Tru's governance practices.

3.2 Nominations and elections

- Appoint not less than three (3) members of Cooperative Bank (the "Task Force") who shall be individuals and not junior members, and who may, but need not be Directors, provided however, that no Director whose term of office is expiring at the annual general meeting next following the appointment of the Task Force may serve as a member of the Task Force, except where the Director is not seeking re-election, to serve as members of the Task Force for the current election cycle.
- Solicit member expressions of interest in serving as part of the Task Force in order to fulfil the Task Force's duties and responsibilities as detailed in the Nominations Task Force Mandate.
- Oversee the Director election process, including approving the Notice of AGM and Election and reporting election results to members.
- With reference to the Board-approved Director recruitment profile, review and approve the call for nominations package prepared annually to notify members of the Board of Directors' election, the attributes sought in candidates, the nomination process and campaign regulations.
- Recommending voting methods to the Board.
- Engaging a returning officer to oversee the voting process and ballot count.

4 Other functions

4.1 Evergreen list

The Committee will maintain and regularly review an evergreen list of potential Director candidates.

4.2 Returning officer

The Committee will authorize the returning officer to engage internal support and to use such procedures as necessary to effectively fulfill their responsibilities.

4.3 Reporting

The Corporate Secretary or their designate will prepare draft minutes of each meeting for review by the Committee Chair. Minutes are approved by the Committee and provided to the Board.

4.4 Accountability

The Committee is accountable to the Board and may not bind Tru or the Board unless the Board has authorized the Committee to act by resolution or through the Committee's Mandate.

4.5 Support

The Chief Governance and Corporate Affairs Officer provides support to the Committee. The Corporate Secretary or their designate will be secretary to the Committee.

Resources will be provided to the Committee to carry out its responsibilities, subject to Board approval.

4.6 Policy responsibility

The Committee's work plan outlines the policies and related documents it must review, along with the frequency of each review.