



Notice of Annual Meeting
of Shareholders and
**MANAGEMENT INFORMATION
CIRCULAR 2025**

Meeting to be held May 15, 2025

definity.

About Definity Financial Corporation

Publicly listed in 2021, Definity Financial Corporation is the parent company to some of Canada's most long-standing and innovative property and casualty insurance companies and brands, including Economical Insurance, Sonnet Insurance, Family Insurance Solutions, and Petline Insurance. By investing in businesses and innovation, the companies in our group help our customers, broker partners, employees, and communities adapt and thrive now and in the future.

Over 150

years of operations
in Canada

6th

largest P&C insurance
carrier in Canada

3rd

largest carrier in broker
channel in Canada

OUR NORTH STAR

Our Purpose

Building a better world
by helping our clients
and communities adapt
and thrive

Our Ambition

To be one of Canada's
leading and most
innovative P&C insurers

Our Promise

Making insurance better

WE ARE ALL **OWNERS**

WE INSPIRE CUSTOMER **CONFIDENCE**

WE WORK TOGETHER TO **WIN TOGETHER**

Our Strategy

STRATEGIC OBJECTIVES

<p>Become one of the five largest P&C insurers in Canada</p> 	<p>Maintain our digital leadership</p> 	<p>Consistently deliver disciplined financial management</p> 	<p>Position Definity as a purpose-driven sustainability leader</p> 
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STRATEGIC PILLARS

<p>Combine sound fundamentals with exceptional experiences</p>	<p>Drive industry-leading agility and productivity through innovation and scalable platforms</p>	<p>Strengthen our presence in broker distribution</p>	<p>Augment organic growth and diversification</p>	<p>Empower top talent with an inclusive culture that delivers on our brand</p>
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KEY FOCUS AREAS

2024 HIGHLIGHTS

<p>Drive profitable growth in personal lines with digital capabilities across broker and digital direct channels</p>	<ul style="list-style-type: none">• Evolution of capabilities to support customers through impacts from climate change• Enhancement of Sonnet's operating model and digital underwriting• Investments in AI and GenAI capabilities to enhance customer and broker experience• Continued investment in underwriting and risk assessment capabilities
<p>Grow and diversify our Commercial Insurance business</p>	<ul style="list-style-type: none">• Launch of SME Fast Path to further advance our Vyne Commercial platform and enable brokers to quote and bind small business quickly and efficiently• Progressed commercial technology transformation, including key successes like intake automation
<p>Deliver a superior claims experience that supports and satisfies customers</p>	<ul style="list-style-type: none">• Completion of multi-year auto claims transformation• Enhanced operating model to insource damage appraisal and vendor management to deliver significant indemnity benefits• Expanded AI-enabled analytics investments to support sentiment analysis

KEY FOCUS AREAS (CONT)

Grow and diversify through acquisitions and partnerships

- Expanded distribution platform across Ontario and Alberta, increasing premiums under management to approximately \$1.2 billion in annual GWP⁽¹⁾
- Active pursuit of carrier M&A remained a key priority

Attract and retain top talent

- Certified for the Canada's Most Admired Corporate Cultures Award program for the third year in a row
- Received multiple recognitions for Great Place to Work awards (2024 Best Workplaces in Financial Services & Insurance, Best Workplaces in Ontario)

Maintain our pace of innovation

- Enhanced partnership with Google through selective implementation of GenAI into corporate processes
- Enriched customer experience and insights through deploying GenAI into call centre operations
- Enhanced Sonnet's customer journey and product offering

Thoughtfully integrate sustainability priorities and deliver on our targets to create positive outcomes in our business and communities

- Enhanced climate risk modelling capabilities through internal Centre of Excellence and academic partnerships
- Invested over \$4M in communities through charitable giving in 2024
- Sustainalytics ESG Risk Rating upgraded to "Low Risk"
- MSCI ESG Rating upgraded to AAA
- 2024 disclosures shortlisted for Best ESG Reporting (mid-cap) at IR Awards Canada 2025

AWARDS AND RECOGNITION

Canada's Most Admired Corporate Cultures Award

- Certified for the third year in a row in 2024 by Waterstone Human Capital

Great Place to Work[®] awards

- 2024 Best Workplaces in Financial Services & Insurance
- 2024 Best Workplaces in Ontario
- One of Canada's Most Trusted Executive Teams

⁽¹⁾ This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Please refer to "Supplementary financial measures and non-GAAP financial measures and ratios" below in this management proxy circular.

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Dear fellow shareholders,

On behalf of the Board of Directors and Executive Leadership Team of Definity Financial Corporation, we are pleased to invite you to join us at the 2025 Annual Meeting of Shareholders ("Meeting") of the Company that will take place on May 15, 2025 at 10:00 a.m. (Eastern time).

We will hold the Meeting in a virtual-only format, which will be conducted via webcast. You may access the webcast at <https://meetnow.global/MWJY5M7>. Detailed information on how to participate in the Meeting is included in the Management Information Circular.

At the Meeting, you will have the opportunity to obtain information on the Company, ask questions, and vote on matters described in the Circular.

Even if you are planning to attend the Meeting, you should consider voting by proxy in advance to ensure your vote is counted if you later decide not to attend the Meeting or in the event that you are unable to attend the Meeting for any reason. Instructions for voting by proxy in advance are described in the Circular.

Information concerning the consolidated financial statements of the Company for the year ended December 31, 2024 is presented in the 2024 Annual Report, which is available on our website (<http://www.definity.com/annualmeetingmaterials>) and on the Company's SEDAR+ profile at <http://www.sedarplus.ca>.

As valued shareholders, we appreciate and welcome your participation in the Meeting.

Sincerely,

A handwritten signature in black ink that reads "John Bowey".

JOHN BOWEY

Chair of the Board of Directors

A handwritten signature in black ink that reads "Rowan Saunders".

ROWAN SAUNDERS

President and Chief Executive Officer

April 4, 2025



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

You are invited to our annual meeting of shareholders (the “Meeting”) of Definity Financial Corporation (the “Company”):

Date and Time: May 15, 2025 at 10:00 a.m. (Eastern time)

Place: Virtual-only meeting via webcast at <https://meetnow.global/MWJY5M7>

Business of the Meeting:

1. To receive the consolidated financial statements of the Company for the year ended December 31, 2024, together with the auditor’s report on those statements;
2. To appoint the external auditor;
3. To elect directors;
4. To approve the non-binding advisory resolution to accept the approach to executive compensation disclosed in the Management Information Circular (the “Circular”); and
5. To transact such other business as may properly be brought before the Meeting and any adjournments or postponements thereof.

Holders of common shares of the Company (“Common Shares”) of record at 5:00 p.m. (Eastern time) on April 4, 2025 (the “Record Date”) are entitled to receive the Notice of the Meeting and will be entitled to vote at the Meeting. On that date, 115,833,542 Common Shares were issued and outstanding. Each holder of Common Shares is entitled to cast one vote per Common Share held.

The Meeting will be held in a virtual-only format, which will be conducted via webcast. Detailed information on how to participate in the Meeting is included in the Circular. The Circular and other meeting materials can be accessed at the Company’s website (<http://www.definity.com/annualmeetingmaterials>) or on the Company’s SEDAR+ profile at <http://www.sedarplus.ca>.

Registered shareholders and duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder) will be able to attend the Meeting, submit questions and vote at the Meeting, provided they are connected to the internet and follow the instructions in the Circular. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but will not be able to submit questions or vote at the Meeting.

Shareholders who wish to appoint someone other than the management nominees identified in the form of proxy or voting instruction form (“VIF”) as proxyholder (including a non-registered shareholder who wishes to appoint themselves as proxyholder to attend the Meeting) must carefully follow the instructions in the Circular and on their form of proxy or VIF. These instructions include an additional step of registering such proxyholder with our transfer agent, Computershare Trust Company of Canada (“Computershare”), after submitting the form of proxy or VIF. If you wish to appoint someone other than the management nominees identified on the form of proxy or VIF to attend and participate at the Meeting as your proxy and vote your Common Shares, you MUST register such proxyholder after having submitted your form of proxy or VIF identifying such proxyholder. Failure to register the proxyholder with Computershare will result in the proxyholder not receiving access to participate in the Meeting and only being able to attend as a guest.

Even if you are planning to attend the Meeting, we encourage shareholders to submit their proxy and vote prior to the Meeting. Proxies must be submitted by no later than 10:00 a.m. (Eastern time) on May 13, 2025 or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays and holidays) before the new date and time set for the Meeting. If you are a non-registered shareholder, please complete and return the VIF provided to you by your broker or other intermediary in accordance with the instructions provided.

By order of the Board of Directors,

MICHAEL PADFIELD

Senior Vice President, General Counsel and Corporate Secretary
April 4, 2025

Proxy Summary

Annual Meeting Overview

Time and Date	Place	Record Date	Materials
10:00 a.m. Eastern time May 15, 2025	Virtual Meeting https://meetnow.global/MWJY5M7	April 4, 2025	Available at http://www.definity.com/annualmeetingmaterials

Voting Matters

APPOINTMENT OF ERNST & YOUNG LLP AS EXTERNAL AUDITOR Voting Recommendation FOR Page reference 11	ELECTION OF 13 DIRECTORS Voting Recommendation FOR each nominee Page reference 12-26	APPROVAL OF NON-BINDING ADVISORY RESOLUTION ON EXECUTIVE COMPENSATION Voting Recommendation FOR Page reference 29, 30-56
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Director Nominees

	Occupation	Age	Independent Director	Director since	% Votes for	Committees	Attendance	Other public boards	Share ownership requirement
John Bowey	Corporate Director	77	✓	2011	98.97		8 of 8 (100%)		Met
Sonia Baxendale	Corporate Director, President and CEO, Global Risk Institute	62	✓	2024	N/A	Audit, Risk	7 of 7 (100%)	The Bank of N.T. Butterfield & Son Limited (until May 2025) Intermediate Capital Group Laurentian Bank of Canada	To be met by August 1, 2029
Elizabeth DelBianco	Corporate Director	65	✓	2013	98.04	CGC, HRCC (Chair)	16 of 16 (100%)		Met
Daniel Fortin	Corporate Director	68	✓	2014	99.98	HRCC, Risk (Chair)	16 of 16 (100%)		Met
Dick Freeborough	Corporate Director	82	✓	2012	99.34	Audit, HRCC	17 of 17 (100%)		Met
Sabrina Geremia	VP and Country Managing Director, Google Canada	51	✓	2022	99.95	Risk	11 of 12 (91.6%)		Met
Micheál Kelly	Corporate Director	76	✓	2015	81.60	CGC (Chair), HRCC	16 of 16 (100%)		Met
Robert McFarlane	Corporate Director	64	✓	2019	99.98	Audit (Chair), Risk	17 of 17 (100%)		Met
Adrian Mitchell	Senior Managing Director, Public Equities, HOOPP	56	✓	2022	96.78	Audit, CGC	17 of 17 (100%)		N/A
Susan Monteith	Corporate Director	68	✓	2018	99.95	HRCC, Risk	17 of 17 (100%)	Flagship Communities Real Estate Investment Trust	Met
Rowan Saunders	CEO, Definity Financial Corporation	60		2016	99.01		8 of 8 (100%)	EQB Inc.	Met
Edouard Schmid	Senior roles at Swiss Re Ltd.	60	✓	2021	97.70	Audit, CGC	17 of 17 (100%)	Britam Holdings Plc	Met
Michael Stramaglia	Corporate Director	65	✓	2010	96.72	CGC, Risk	16 of 16 (100%)	EQB Inc.	Met

Notes:

Audit refers to Audit Committee

CGC refers to Corporate Governance Committee

HRCC refers to Human Resources and Compensation Committee

Risk refers to Risk Review Committee

Governance Highlights

97.33%

average vote in favour of the election of director nominees at the 2024 annual meeting

31%

women representation on the Board of Directors and policy addressing board diversity

- Separation of CEO and Chair of the Board
- Independent Board and Chair: All members of the Board of Directors are independent, except the CEO
- Only independent directors on all committees of the Board
- Minimum director share ownership requirement equivalent to 3x annual retainer
- Private meetings of independent directors at all board and committee meetings
- Robust majority voting policy
- Policy on external positions and interlocking for directors
- Regular director continuing education programs
- Effective board evaluation and assessment process supporting board refreshment and director nomination process

Our Financial Targets and Performance

Gross Written Premiums: Grow GWP at an upper single digit to approximately 10% rate

2024 GWP Growth: **11.1%**

Combined Ratio: Maintain a full year combined ratio in the mid-90s

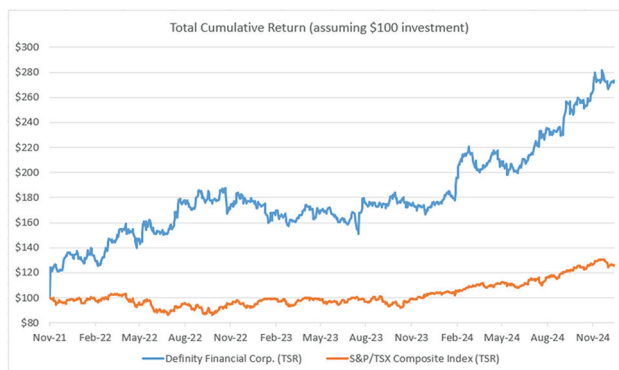
2024 Combined Ratio: **94.5%**

Operating ROE: Generate a full year operating ROE in the range of 10% to below teens

2024 Operating ROE: **10.6%**

Definity Common Shares Total Cumulative Return (assuming \$100 investment) vs S&P/TSX Composite Index

November 18, 2021 – December 31, 2024



Executive Compensation Highlights

98.77% approval on advisory resolution on executive compensation (say-on-pay) at the 2024 annual meeting

What we do

- ✓ Benchmark to industry peers that are relevant to Definity
- ✓ Position target compensation around the market median
- ✓ Deliver the majority of total compensation in 'at-risk' elements
- ✓ Balanced compensation structure between fixed and variable pay, short- and longer-term performance
- ✓ Performance Share Units have overlapping performance cycles, which encourages sustained long-term performance
- ✓ Stress test any significant changes considered in the structure of our incentive plans
- ✓ Cap variable pay at 200% target for our incentive programs
- ✓ The Board and HRCC may exercise discretion, including reducing payouts to zero if performance is not in line with risk management, or expected conduct
- ✓ Retain an independent compensation advisor
- ✓ Incorporate sustainability factors related to greenhouse gas emission reduction and promotion of women in leadership roles as part of executive officer performance evaluation
- ✓ Compensation recoupment and securities trading policy that aligns with market practices
- ✓ Mandatory minimum share ownership for directors and executive officers
- ✓ Minimum share ownership retention period of two years for CEO after leaving company

What we don't do

- ✗ Incentive plans with single measures
- ✗ Count unexercised stock options or unvested Performance Share Units (PSUs) or Restricted Share Units (RSUs) towards our share ownership requirement
- ✗ Single trigger change of control provisions
- ✗ Grant or extend loans to employees
- ✗ Allow repricing or backdating of stock options

Our Named Executive Officers (NEOs)



Rowan Saunders

President and Chief Executive Officer

Mr. Saunders joined the Company in 2016. His key responsibilities include the establishment of the Company's purpose, vision, business objectives and strategy (in conjunction with the Board and Management). He is also responsible for developing and implementing the strategic plan, setting annual and longer-term objectives, and establishing a high-performing, values-led and risk aware leadership culture.



Philip Mather

EVP and Chief Financial Officer

Mr. Mather has been with the Company since 2011, and his key accountabilities include providing financial and business leadership and partnering with the other senior business leaders and function heads to establish annual and three-year financial plans.



Fabian Richenberger

EVP, Commercial Insurance and Insurance Operations

Mr. Richenberger has been with the Company since 2017 and is responsible for establishing and delivering the vision, strategy and annual business plans for the commercial lines business, claims organization and sales and distribution team, as well as providing oversight over the development and performance of our National Broker Platform.



Paul MacDonald

EVP, Personal Insurance and Digital Channels

Mr. MacDonald joined the Company in 2018 to lead our personal insurance business. He is accountable for establishing the strategy for our personal lines business and overseeing its plans to deliver continued profitability and growth, inclusive of our digital business through Sonnet.



Innes Dey

SVP, Legal and Strategy

Mr. Dey has been with the Company since 2011, and leads our Legal function, our Corporate Strategy Office and our Integrated Marketing and Communication team. In parallel, he has been accountable for leading the Company through its demutualization journey, developing and implementing our ESG strategy, and building M&A integration capabilities across the organization.

Management Information Circular

General Information

Unless the context otherwise requires, the terms “Definity”, “Company”, “we”, “our”, “ours”, “us” or similar terms refer, in respect of all times prior to completion of the demutualization (the “Demutualization”) of Definity Insurance Company (formerly known as Economical Mutual Insurance Company) (“Definity Insurance”), to Definity Insurance and its consolidated subsidiaries, including Definity Financial Corporation, and, in respect of all times upon or after the completion of the Demutualization, to Definity Financial Corporation and its consolidated subsidiaries, including Definity Insurance. All dollar amounts in this Circular are in Canadian dollars. Certain totals, subtotals, and percentages may not reconcile due to rounding. The information contained in this Management Information Circular (the “Circular”) is given as of April 4, 2025, except where otherwise noted. All diversity-related information in this Circular concerning directors, members of management, or employees of the Company has been collected on the basis of self-identification. All references in this Circular to websites are for information only and information contained on such websites does not form a part of this document.

This Circular may contain forward-looking statements, as indicated by words such as “believe”, “anticipate”, “intend”, “estimate”, “expect”, “may”, “project”, “will”, “would”, and similar expressions. Those statements are based on our current expectations and are naturally subject to uncertainty and changes in circumstances that may cause actual results or events to differ materially from those expressed or implied by such forward-looking statements. Factors that may cause such differences include but are not limited to economic, business, technological, competitive, governmental, legislative, regulatory, and public health factors, including the occurrence of and response to public health crises and ensuing events. We do not undertake and have no intention to update or alter any of our forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Supplementary Financial Measures and Non-GAAP Financial Measures and Ratios

We use both International Financial Reporting Standards (“IFRS”) and non-IFRS financial measures to assess our performance. Non-IFRS financial measures used in the Circular include combined ratio, gross written premium, operating net income, and operating return on equity, and do not have standardized meanings prescribed by IFRS and may not be comparable to similar measures used by other companies in our industry. For additional information on the non-IFRS measures included in the Circular, please refer to “12 – Supplementary Financial Measures and Non-GAAP Financial Measures and Ratios” of the Company’s management’s discussion and analysis (“MD&A”) for the year ended December 31, 2024, which is incorporated by reference herein, together with the consolidated financial statements of the Company for the year ended December 31, 2024 and the auditor’s report on those statements, which are available on the Company’s web site (www.definity.com) and on SEDAR+ (www.sedarplus.ca).

Notice and Access

As permitted by the Canadian Securities Administrators, we are using the notice and access rules to deliver the Circular to our registered and non-registered (beneficial) shareholders (“Notice and Access”). We are also using Notice and Access to deliver our 2024 Annual Report to our non-registered (beneficial) shareholders. Notice and Access allows the Company to post the Circular and other relevant materials online instead of mailing them out to each shareholder, saving printing and mailing costs and allowing us all to lessen our impact on the environment by reducing the Company’s paper consumption, transportation and associated waste.

Under Notice and Access, shareholders will receive a notice, along with the proxy or VIF, giving instructions on how to access the Circular and other relevant materials (including the 2024 Annual Report) online, and how to request a paper copy of the Circular free of charge.

In accordance with Notice and Access, the Circular and the 2024 Annual Report are available online on SEDAR+ (www.sedarplus.ca) and on the Company’s website (www.definity.com/annualmeetingmaterials).

You may request a paper copy of the Circular or 2024 Annual Report up to one year from the date the Circular was filed on SEDAR+ as follows:

Before the Meeting:		After the Meeting:
Registered shareholders	Request materials by calling Computershare toll free, within North America, at 1-866-962-0498, or direct, from outside of North America, at (514) 982-8716, and entering your control number as indicated on your proxy.	Contact Definity Financial Corporation, 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary, or call toll free, within North America, at 1-866-902-4724.
Non-registered shareholders	Request materials by calling Broadridge Investor Communications Solutions toll free, within North America, at 1-877-907-7643, or direct, from outside of North America, at (905) 507-5450, and entering your control number as indicated on your VIF.	

To receive the meeting materials prior to the voting deadline and the date of the Meeting, Computershare must be contacted by no later than 5:00 p.m. (Eastern time) on May 1, 2025. A copy of the requested documents will be sent to you at no cost. If you request a paper copy of any materials, you will not receive a new form of proxy or VIF, so you should keep the original form sent to you in order to vote.

Access to the Meeting

The Meeting will be held in a virtual-only format via webcast. You will be able to attend the Meeting by accessing the webcast at <https://meetnow.global/MWJY5M7>. Holding a virtual-only Meeting enables greater participation by our shareholders, and aligns with our sustainability vision and practices. While shareholders will not be able to attend the Meeting in person, as in previous years and in accordance with our by-laws and applicable legislation, we remain committed to effective shareholder engagement at the Meeting. You will be able to attend, participate, vote, and engage with the Board and senior executive officers at the Meeting online via the webcast. For information on how to vote your Common Shares, see “Voting Information”.

Voting Information

Solicitation of Proxies

This Circular and the accompanying form of proxy or VIF are provided in connection with the solicitation of proxies by the management of Definity (“Management”) to be used at the Meeting for the purposes indicated in the Notice of the Meeting, to be held on May 15, 2025 at 10:00 a.m. (Eastern time) via webcast, and at any adjournment or postponement thereof.

Who is Soliciting the Proxies?

Employees, officers, directors, and agents of Definity will solicit proxies on behalf of Management. The solicitation of proxies may be done by mail, telephone, fax, or e-mail; in person; or through one or more combinations of those methods. The costs of solicitation will be borne by the Company.

Who has the Right to Vote?

If you hold Common Shares as at the close of business (5:00 p.m., Eastern time) on April 4, 2025 (the Record Date established for receiving the Notice of the Meeting and for voting in respect of the Meeting), you can cast one vote for each Common Share you hold on all matters proposed to come before the Meeting. As at the Record Date, 115,833,542 Common Shares were issued and outstanding. All the matters proposed before the Meeting require approval by a majority of votes cast by shareholders at the Meeting. At least two persons holding, or representing by proxy, at least 25% of the Common Shares entitled to vote constitute a quorum for the transaction of business at the Meeting.

Am I a Registered or Beneficial Shareholder?

You are a registered shareholder if your name appears on your share certificate or if you hold your Common Shares through the Direct Registration System. In either case, your name will be shown on the list of shareholders maintained by Computershare. You are a non-registered (beneficial) shareholder if a bank, trust company, securities broker, clearing agency, other financial institution or other intermediary (your “Nominee”) holds your Common Shares on your behalf.

How Can I Vote?

You have two options to exercise your right to vote:

Option 1 — Voting by Proxy

Voting by proxy means giving someone else (the “proxyholder”) the authority to attend the Meeting and vote for you in accordance with your instructions or as they see fit if you do not specify how you want to vote your Common Shares.

If there are any amendments to the items of business or any other matters that properly come before the Meeting (including where the Meeting will be reconvened if it is adjourned), your proxyholder has the discretion to vote as they see fit, in each instance, to the extent permitted by law whether the amendment or other matter of business that comes before the Meeting is routine or contested.

Late proxies may be accepted or rejected by the Chair of the Meeting at their discretion and the Chair of the Meeting is under no obligation to accept or reject any particular late proxy. The Chair of the Meeting may waive or extend the proxy cut-off without notice.

Shareholders are encouraged to vote in advance of the Meeting as described below. Even if you are planning to attend the Meeting, you should consider voting your Common Shares by proxy in advance to ensure your vote is counted if you later decide not to attend the Meeting or in the event that you are unable to attend the Meeting for any reason.

Registered shareholders

Your package includes a proxy form. You may vote by proxy in the following manner:



Online: Go to www.investorvote.com and follow the instructions. You will need your 15-digit control number located on your proxy form;



By Mail: Complete, sign and return the proxy form by mail in the envelope provided; or



By Telephone: Call Computershare toll free at 1-866-732-8683. You will need your 15-digit control number located on your proxy form.

Proxies must be submitted by no later than 10:00 a.m. (Eastern time) on May 13, 2025 or, if the Meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays and holidays) before the new date and time set for the Meeting.

Non-registered shareholders

If you are a non-registered shareholder, the Company will not have any record of your ownership and the only way that you can vote your Common Shares is by instructing your Nominee. Your Nominee can only vote your Common Shares if they have received proper voting instructions from you. If you are a non-registered shareholder, your package includes a VIF. Complete the VIF and follow the return instructions on the form. The VIF is similar to a proxy form; however, it can only instruct your Nominee how to vote your Common Shares. You cannot use the VIF to vote your Common Shares directly.

Your Nominee is required to receive voting instructions from you before voting your Common Shares. Every Nominee has their own mailing procedures and instructions for returning the completed VIF, so be sure to follow the instructions provided on the VIF to ensure that your Common Shares are voted at the Meeting.

Option 2 — Voting at the Meeting

To participate in the Meeting, you will need to login following the instructions below. You should allow at least 15 minutes before the beginning of the Meeting to check in to the Meeting and complete the check-in procedures.

As described below, registered shareholders and duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder) that attend the Meeting will be able to vote by completing a ballot online during the Meeting. Guests (including registered shareholders who do not have a 15-digit control number, and non-registered shareholders who do not have an invite code provided by Computershare, as described below) will only be able to listen to the Meeting, and will not be able to vote or submit questions.

You will need to be connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting.

Registered shareholders

If you want to attend and vote at the Meeting, you do not need to complete or return your proxy form. At least 15 minutes before the beginning of the Meeting, login online at <https://meetnow.global/MWJY5M7>, click on Shareholder, and enter the 15-digit control number that appears on your form of proxy. Any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish revoke a previously submitted proxy, you should not vote during the Meeting or you should enter the Meeting as a guest.

Non-registered shareholders

Non-registered shareholders MUST follow the instructions below in order to be able to attend, ask questions or vote at the Meeting. Otherwise, you will only be able to attend as a guest.

1. You must appoint yourself as proxyholder by printing your name in the space provided on the VIF and following the instructions provided to submit the VIF.
2. After submitting your VIF, you must also register with Computershare at <http://www.computershare.com/definity> by no later than 10:00 a.m. (Eastern time) on May 13, 2025 in order to receive an invite code specifically for voting at the Meeting. Registering yourself is an additional step for a non-registered shareholder once you have submitted your VIF. Failure to register yourself will result in you not receiving an invite code to participate in the Meeting.
3. At least 15 minutes before the beginning of the Meeting, login online at <https://meetnow.global/MWJY5M7>, click on Invitation and enter your invite code as provided by Computershare (see step 2 above).

If you are a non-registered shareholder in the United States, to attend, ask questions or vote at the Meeting, you must first obtain a valid legal proxy form from your broker, bank or other agent and then register in advance to attend the Meeting. To register, you must submit a copy of your legal proxy to Computershare by e-mail at USLegalProxy@computershare.com or by mail at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, and in both cases, requests for registration must be labelled as "Legal Proxy" and be received no later than 10:00 a.m. (Eastern time) on May 13, 2025. You will receive a confirmation of your registration by e-mail. Please note that you are also required to register your appointment at <http://www.computershare.com/definity>.

How Do I Appoint Someone Else to Attend the Meeting and Vote at the Meeting?

The proxyholders designated in the form of proxy and VIF are directors and/or officers of the Company. **You have the right to appoint a person or company to represent you at the Meeting other than the persons designated in the form of proxy or VIF.** If you wish to appoint a proxyholder other than one of the persons designated in the form of proxy or VIF, you can do so whether you are a registered shareholder or a non-registered shareholder, as follows:

1. You must indicate the name of your proxyholder in the blank space provided in the proxy form or VIF and follow the instructions for submitting such proxy form or VIF; and
2. After submitting your proxy form or VIF, you MUST also register your proxyholder with Computershare at <http://www.computershare.com/definity> by no later than 10:00 a.m. (Eastern time) on May 13, 2025, so that Computershare may provide the proxyholder with an invite code via e-mail. Registering your proxyholder is an additional step once you have submitted your proxy form or VIF. Failure to register the proxyholder will result in the proxyholder not receiving an invite code to participate in the Meeting.

The person you appoint does not need to be a shareholder but must attend the Meeting to vote your Common Shares. If the shareholder is a corporation, an estate or a trust, the form of proxy or VIF must be executed by a duly authorized officer or a representative thereof. You may enter your voting instructions by following the instructions indicated on the front and back of the form of proxy or VIF.

How Can I Ask Questions During the Meeting?

Registered shareholders and duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder) that attend the Meeting will be provided with an opportunity to submit questions through the web portal during the Meeting. The Chair of the Board and other members of Management present at the Meeting will answer questions relating to matters to be voted on during the formal portion of the Meeting, if applicable. General questions will be addressed by them following the close of the Meeting after the formal business has been concluded.

Out of consideration for others, registered shareholders and duly appointed proxyholders are asked to be brief and concise and to address only one topic per question. Questions that are substantially the same will be addressed together as one question.

Shareholder questions are welcome. However, the Company does not intend to address questions that:

- are irrelevant to the Company's operations or to the business of the Meeting;
- are related to non-public information about the Company;
- are repetitions of questions made by other persons;
- include derogatory references;
- relate to an individual concern that is not a matter of interest to shareholders generally, including personal grievances or disputes with the Company;
- are proposals that were not previously submitted properly in accordance with the company's by-laws and the *Canada Business Corporations Act* ("CBCA"); or
- are out of order or not otherwise appropriate as determined by the Chair or Secretary of the Meeting in their reasonable judgment.

For any questions asked but not answered during the Meeting, shareholders may contact the Company as described under "Other Information – Shareholder Engagement".

In the event of technical malfunction or other problem that disrupts the Meeting, the Chair may adjourn, recess, or expedite the Meeting, or take such other action as the Chair determines is appropriate in light of the circumstances. If registered shareholders and duly appointed proxyholders have difficulties during the registration process or while accessing and attending the Meeting, please contact Computershare toll free at 1-888-724-2416 or at 1-781-575-2748.

How Your Proxy will be Voted

Common Shares represented by a proxy form or VIF are to be voted for, against or withheld from voting by the proxyholder designated in the proxy form or VIF as you instruct. If no instructions are given, the voting rights will be exercised by any designated proxyholder who is a director and/or officer of the Company by voting as follows:

- **FOR** the appointment of the external auditor;
- **FOR** the election of each proposed director nominated by Management; and
- **FOR** the approval of the non-binding advisory resolution of the shareholders to accept the approach to executive compensation disclosed in the Circular.

The proxy form or VIF confers on the designated proxyholder discretionary authority with respect to any proposed amendments or variations to the matters set out therein and any other business which may properly come before the Meeting. As of the date of this Circular, Management is not aware of any amendment or other matter which may properly come before the Meeting.

How Do I Revoke My Proxy?

Registered shareholders can revoke a proxy:

- in advance of the Meeting, (i) by voting again online (before 10:00 a.m. (Eastern time) on May 13, 2025), or (ii) by delivering a written notice to that effect signed by them or their duly authorized representative(s) to the head office of Definity at 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary, in each case no later than 5:00 p.m. (Eastern time) on May 14, 2025, or if the Meeting is adjourned, by 5:00 p.m. (Eastern time) one business day before any continuation thereof after an adjournment;
- on the day of the Meeting, (i) by delivering a written notice to that effect signed by them or their duly authorized representative(s) to the Chair of the Meeting (including a continuation thereof after an adjournment), or (ii) if you have followed the process for attending and voting at the Meeting (see above), by voting at the Meeting; or
- in any other manner permitted by law.

If the shareholder is a corporation, estate or trust, the form of proxy or notice, as applicable, must be executed by an officer or a representative thereof duly authorized in writing by a resolution, a certified copy of which must be attached to the notice.

Non-registered shareholders should contact their Nominee for instructions on how to revoke previously given voting instructions. A Nominee may not be able to revoke voting instructions if it receives insufficient notice of revocation.

Who is Processing the Votes?

Computershare counts and tabulates the votes on our behalf. We will file the voting results on SEDAR+ (www.sedarplus.ca) following the Meeting.

Other Information

The Meeting may be postponed by resolution of the board of directors of Definity (the "Board") until a later date and time. If that happens, notice of the changed date and time will be provided as required by law. All proxies properly submitted for the Meeting will continue to be valid for the postponed Meeting unless they are otherwise properly revoked. The deposit date for proxies to be voted at the postponed Meeting will be extended in the manner provided in the notice of the postponed Meeting.

The Company has an authorized share capital consisting of an unlimited number of Common Shares and an unlimited number of preferred shares. Effective March 19, 2025, Swiss Re Ltd., through its indirect wholly-owned subsidiary Swiss Re Investments Holding Company Ltd. (together, "Swiss Re"), disposed of its 11,647,217 Common Shares. To the best of our knowledge, other than Healthcare of Ontario Pension Plan Trust Fund ("HOOPP"), and T. Rowe Price Associates, Inc. and its affiliate T. Rowe Price Investment Management, Inc. (together, "T. Rowe Price"), no other person or company beneficially owns or exercises control or direction over, directly or indirectly, more than 10% of the voting rights attached to our Common Shares. As of the date of this Circular, to the best of our knowledge, HOOPP owns 23,062,646 Common Shares, representing approximately 19.9% of the issued and outstanding Common Shares, and as of December 31, 2024, to the best of our knowledge, T. Rowe Price owns 12,310,351 Common Shares, representing approximately 10.62% of the issued and outstanding Common Shares.

Normal course issuer bid

On May 29, 2024, the Company announced a normal course issuer bid ("NCIB") permitting to purchase for cancellation, during the 12-month period that began on May 31, 2024 and ending on May 30, 2025, up to 3,476,781 Common Shares, representing approximately 3% of its issued and outstanding Common Shares. As of April 4, 2025 there had been no purchases made under the NCIB.

The Company also entered into an automatic purchase plan agreement (the "APP Agreement") effective on May 31, 2024 with an independent designated broker in order to facilitate purchases of Common Shares at times when Definity would ordinarily not be permitted to purchase Common Shares under the NCIB due to regulatory restrictions or self-imposed blackout periods.

The Company is also permitted to purchase its Common Shares from HOOPP in accordance with an exemption granted by the Toronto Stock Exchange ("TSX") pursuant to its rules, regulations, and policies in connection with the NCIB in order to maintain HOOPP's proportionate shareholding percentage at or below 19.9% of the issued and outstanding Common Shares. The maximum number of Common Shares that may be purchased pursuant to the NCIB will be reduced by the number of Common Shares purchased by Definity from HOOPP.

Purchases from HOOPP will be made during the TSX's Special Trading Session pursuant to an automatic disposition plan agreement between Definity's broker, Definity and HOOPP (the "ADP Agreement"). Purchases from HOOPP will be made on trading days, as required by the ADP Agreement, that Definity makes a purchase from other shareholders. In the event that HOOPP does not sell Common Shares on any trading day as required by the terms of the ADP Agreement (other than as a result of certain market disruption events), the TSX exemption will cease to apply and Definity will not be permitted to make any further purchases from HOOPP under the terms of the NCIB.

Shareholders may obtain a copy of the NCIB notice filed with the TSX, without charge, by contacting Definity Financial Corporation, 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary.

Business of the Meeting

Item 1 – Financial Statements

A copy of the consolidated financial statements of Definity for the year ended December 31, 2024, together with the auditor’s report thereon, is included in our 2024 Annual Report. In accordance with Notice and Access, the Circular and the 2024 Annual Report are available online on SEDAR+ (<https://www.sedarplus.ca>) and on the Company’s website (www.definity.com/annualmeetingmaterials). See “General Information – Notice and Access” above. No vote is required at the Meeting in respect of our financial statements or the auditor’s report on those statements.

Item 2 – Appointment of External Auditor

Appointment

Ernst & Young LLP has served as external auditor of Definity Financial Corporation since its incorporation on June 30, 2021 and served as external auditor of certain of our subsidiaries (including Definity Insurance) for more than 10 years. The external auditor’s performance is evaluated on an annual basis in accordance with guidance published by the Chartered Professional Accountants of Canada. On the recommendation of the Audit Committee, the Board recommends the re-appointment of Ernst & Young LLP as the Company’s external auditor. **If no instructions are given, any designated proxyholder who is a director and/or an officer of the Company will vote FOR the re-appointment of Ernst & Young LLP as our external auditor, to hold office until the next annual meeting of shareholders.**

Pre-Approval Policy for Non-Audit Services

Our Audit Committee has adopted a policy regarding the engagement of audit and non-audit services (the “Pre-Approval Policy”) for the purpose of identifying, mitigating or eliminating potential threats to the independence of the external auditor. The Pre-Approval Policy is reviewed and approved by the Audit Committee triennially or when substantive changes are recommended by Management.

The Pre-Approval Policy prohibits the Company or any of its subsidiary entities from engaging the external auditor to provide certain specified non-audit services. Pursuant to the Pre-Approval Policy, all non-audit services that are not specifically prohibited may be provided to the Company or any of its subsidiary entities by the external auditor if such services have been pre-approved by the Audit Committee.

External Auditor’s Fees

The Company has incurred fees payable to Ernst & Young LLP and its affiliates, as detailed below.

	Year ended December 31, 2024	Year ended December 31, 2023
Audit fees ⁽¹⁾	\$ 1,586,220	\$ 1,922,648
Audit-related fees ⁽²⁾	\$ 111,000	\$ 158,465
Tax fees ⁽³⁾	\$ 370,213	\$ 52,555
All other fees ⁽⁴⁾	\$ 108,000	\$ 125,845
Total	\$ 2,175,433	\$ 2,259,513

Notes:

- (1) Fees for professional services for the audit and review of the financial statements of the Company and those of its subsidiaries or other services that are normally provided by external auditors in connection with statutory and regulatory filings or engagements.
- (2) Fees for assurance related services, including translation services of financial statements and MD&A, employee benefit plan audits, and acquisition related due diligence.
- (3) Fees for assistance with tax compliance, tax planning, and tax advice, as well as support with tax audits, tax appeals, and contested tax matters.
- (4) Fees for assistance with review of prospectuses, ESG assurance, tax support and certain other regulatory filings.

The voting results concerning the appointment of the external auditor for last year’s annual meeting are set out below:

Votes FOR	% Votes FOR	Votes withheld	% Votes withheld
93,185,845	99.98%	18,086	0.02%

Item 3 — Election of Directors

Overview

Our by-laws provide that the Board shall consist of a minimum of seven directors and a maximum of 21 directors. The number of directors to be elected at an annual meeting shall be fixed by the Board prior to the annual meeting and has been fixed at 13 for the Meeting.

All nominees listed below under “Director Nominees” are currently members of the Board: John Bowey, Sonia Baxendale, Elizabeth DelBianco, Daniel Fortin, Dick Freeborough, Sabrina Geremia, Micheál Kelly, Robert McFarlane, Adrian Mitchell, Susan Monteith, Rowan Saunders, Edouard Schmid and Michael Stramaglia.

Directors elected at the Meeting will hold office from the close of the Meeting until the next annual meeting or until their successors are elected or appointed. **If no instructions are given, any designated proxyholder who is a director and/or an officer of the Company will vote FOR the election of each proposed director nominee listed below under “Director Nominees”.** We expect that all of the nominees will be able to serve as director but if for any reason a nominee is unable to serve, the designated proxyholder will have the right to vote at their discretion for another nominee proposed according to the Company’s by-laws and applicable law.

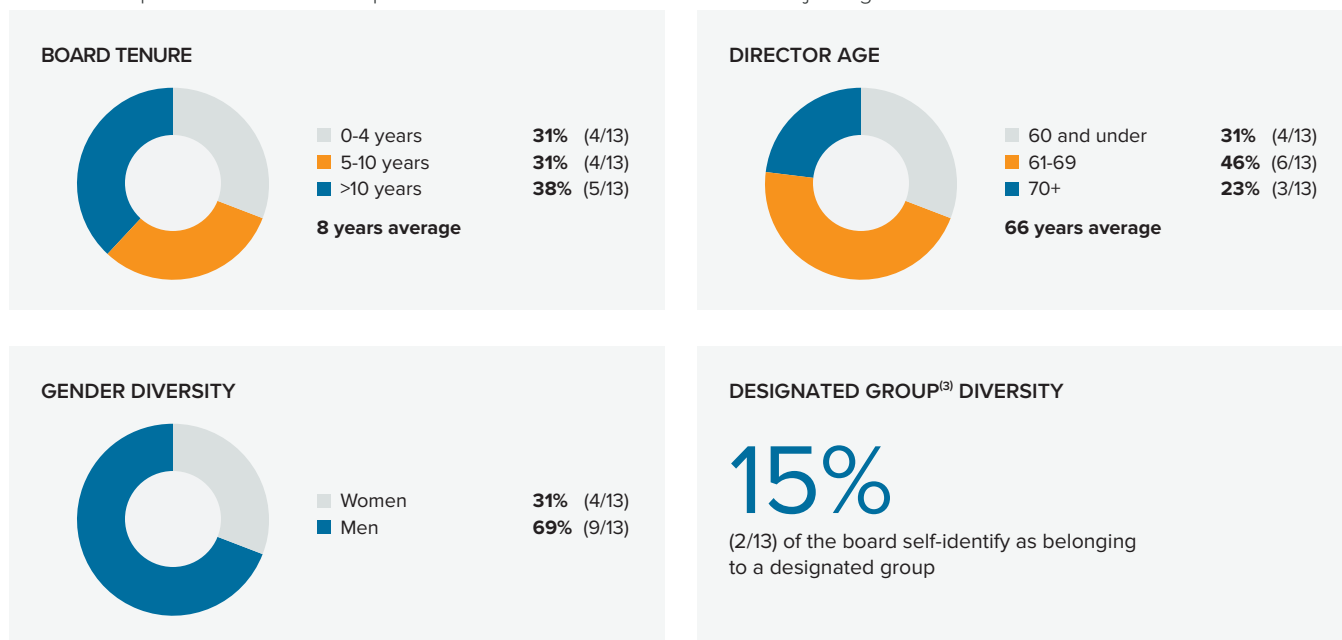
Based on information provided by our directors as to their personal circumstances and the applicable legal tests, all director nominees listed below under “Director Nominees”, except Rowan Saunders by virtue of his Management position, have been determined to be independent directors.

Majority Voting Policy

The Company is subject to and complies with the statutory majority voting requirement for uncontested director elections of distributing corporations under the CBCA. These provisions also comply with TSX requirements for listed companies to implement a majority voting policy for uncontested director elections and related provincial and territorial securities regulations.

Board composition

The tenure⁽¹⁾, age, and diversity⁽²⁾ of our Board should all nominated directors be elected is shown below. All of our directors have extensive experience and skills acquired from senior-level involvement in major organizations.



Board assessment and renewal

Board assessment

The Board carries out an assessment process every year. It conducts a formal assessment every other year focused on Board, committee and director effectiveness, which involves the circulation of self-assessment questionnaires, peer review and individual

Notes

(1) Tenure includes membership on board of directors of Definity Insurance.

(2) Please see the “Board diversity” section of Appendix A – Statement of Corporate Governance Practices at pages 68-70 below for more details regarding our commitment to Board gender diversity.

(3) Designated group refers to each of the following: indigenous peoples, members of visible minorities, persons with disabilities and LGBTQ+ communities.

director interviews with the Board Chair and Chair of our Corporate Governance Committee. In the intervening years, the Board Chair and Chair of our Corporate Governance Committee conduct interviews with individual directors and report on key insights and observations to the Corporate Governance Committee and the Board as a whole.

Board renewal and succession planning

Board renewal is a key ongoing focus for the Board and the Corporate Governance Committee.

Informed by the results of a rigorous Board assessment process, the Corporate Governance Committee has responsibility for succession planning at the Board level. Consistent with our board diversity policy, when identifying candidates to recommend for election to the Board, the Corporate Governance Committee considers diversity factors, along with business experience, functional expertise, personal skills, and integrity, and takes into account the level of diversity on the Board and representation of women, members of visible minorities, members of Indigenous Peoples, persons with disabilities and LGBTQ+, provided that the Company shall maintain a Board in which women and men each represent at least 30% of all directors. The Board also maintains a skills matrix to help identify the competencies and experience it regards as key to the long-term strategic success of the Company. The Corporate Governance Committee also takes into consideration our guideline concerning the maximum number of non-Definity boards our directors should serve on. These processes assist the Corporate Governance Committee and the Board in considering the existing and anticipated needs of the Board and its committees in light of the opportunities and risks facing the Company, its strategy, and its succession planning needs. The Board has engaged an external consultant to assist with Board

Informed by the results of a rigorous Board assessment process, the Corporate Governance Committee has responsibility for succession planning at the Board level.

recruitment and maintaining an “evergreen list” of candidates periodically updated to take into account the process described above. See Appendix A – Statement of Corporate Governance Practices for more details.

The Board and the Corporate Governance Committee have also periodically assessed the overall size of the Board. Having regard to the need to have a board that is large enough to include the requisite expertise and resources but small enough to allow effective decision-making, the Board has fixed the size of the Board at 13 directors.

Pursuant to a governance agreement with HOOPP (the “HOOPP Governance Agreement”), up to two individuals may be nominated by HOOPP for appointment to the Board. In March 2022, Ms. Geremia and Mr. Mitchell were appointed to the Board as nominees of HOOPP pursuant to the HOOPP Governance Agreement, and they were subsequently elected to the Board.

In December 2021, Mr. Schmid was appointed to the Board as a nominee of Swiss Re pursuant to the nomination right contained in the governance agreement with Swiss Re and their level of investment in the Company, and he was subsequently elected to the Board. Following the disposition by Swiss Re of its holdings in the Company and the expiry of its nomination right, Mr. Schmid is nominated and recommended for election as an independent director.

For further information, please see “Nomination and Assessment of Directors” in Appendix A – Statement of Corporate Governance Practices.

Advance Notice By-law

Our by-laws specify that a shareholder who wishes to nominate an individual for election as a director at an annual meeting must provide between 30 and 65 days advance notice to the company. The notice to the company must include information about the nominee, including age, address, principal occupation, the number of Common Shares owned or controlled, and any other information that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for the election of directors. The notice must also include information about the nominating shareholder, including ownership or control of, or rights to vote, Common Shares and any other information that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for the election of directors. The company may require additional information to be provided, including information to comply with requirements of OSFI relating to the suitability of directors and potential changes to the Board.

The advance notice provisions described above do not apply to nominations made by or on behalf of the board or by shareholders pursuant to shareholder proposals or requisitioned meetings, which have separate requirements and deadlines. In addition, in the case of a special meeting at which directors are to be elected, a shareholder’s notice of a nomination must be provided not later than 15 days after the date of the special meeting is announced. The Company’s by-laws are available on our website at www.definity.com and on SEDAR+ at www.sedarplus.ca.

Director Nominees

The biographies that follow set out the following information for each director nominee: the year in which they first became a director of the Company; all positions, committees, and offices they hold with the Company; their principal occupation and professional background; other public company board memberships held currently and in the past five years, if any; their age (as of the date of this Circular); their place of residence; their attendance at Board and committee meetings held in 2024; and their Common Share and Deferred Share Unit (“DSU”) ownership, including all Common Shares beneficially owned by the director nominee, or over which the director nominee exercises control or direction, directly or indirectly and compliance with the share ownership guidelines as of December 31, 2024. The value of the Common Shares is based on the closing Common Share price on the TSX on December 31, 2024 of \$58.45. 2024 Annual Meeting Voting Results are listed for each director nominee. All biographical information, not being within our knowledge, has been provided by the relevant director nominee.



John Bowey
 BA, MBA, FCPA, FCA, F.ICD

Mr. Bowey joined the Board in May 2011. He was appointed Chair of the Board in January 2016 and previously held the position of Vice-Chair.

Mr. Bowey is a retired partner of Deloitte LLP, where he held a number of leadership roles including Managing Partner of Deloitte in Southwestern Ontario and chairman of the board of Deloitte Canada. He was also a member of Deloitte’s global board of directors. He currently serves on the board of Definity Insurance Foundation, where he is chair of the audit committee. He is also a past chair of the board of directors of The Princess Margaret Cancer Foundation and a past chair of the board of governors of Wilfrid Laurier University. Mr. Bowey has a BA in Economics from Colby College in Waterville, Maine and an MBA from the Ivey Business School at Western University. He is a Fellow of the Chartered Professional Accountants of Ontario, holds the ICD.D designation, and is a recipient of the Distinguished Governor Award from Wilfrid Laurier University. In 2023, Mr. Bowey was awarded the ICD Fellowship Award by the Institute of Corporate Directors.

Mr. Bowey does not currently serve on any Committee of the Board.

Cambridge, ON, Canada
 Age: 77
 Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board (Chair)
 8 of 8 (100%)

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	61,360	-	3,586,492	Met

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

Waterloo Brewing Ltd.
 (until 2023)

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Against	% Against
92,042,804	98.97%	955,346	1.03%



Sonia Baxendale

BA, ICD.D

Ms. Baxendale joined the Board in August 2024.

Ms. Baxendale is President and CEO of Global Risk Institute (“GRI”). Ms. Baxendale also sits on the boards of Foresters Financial (until June 2025), GRI, Intermediate Capital Group, Laurentian Bank, and The Bank of N.T. Butterfield & Son Limited (until May 2025). Prior to taking on her executive role with GRI, she was President of CIBC Retail Markets, where she led retail & commercial banking and wealth management globally. She played a key role in developing strategy and direction for CIBC, holding various senior leadership roles from 1992 through 2011. Prior to CIBC, Ms. Baxendale held various positions with American Express and Saatchi & Saatchi. She holds a BA degree from the University of Toronto and the ICD.D designation from the Institute of Corporate Directors.

Ms. Baxendale currently serves on the Audit Committee and the Risk Review Committee.

Toronto, ON, Canada

Age: 62

Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

5 of 5 (100%)

Audit Committee

1 of 1 (100%)

Risk Review Committee

1 of 1 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

The Bank of N.T. Butterfield & Son Limited
(until May 2025)

Intermediate Capital Group PLC

Laurentian Bank of Canada

RSA Insurance Group plc
(until 2021)

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	250	1,552	105,327	August 1, 2029

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
N/A	-	N/A	-



Elizabeth DelBianco

BA, LL.B., MBA, ICD.D

Ms. DelBianco joined the Board in March 2013.

Ms. DelBianco is a corporate director and is the former Chief Legal and Administrative Officer at Celestica Inc., a NYSE-listed and S&P/TSX Composite Index company, where she held senior leadership roles from 1998 to 2020. As Chief Legal and Administrative Officer, her portfolio included the legal, human resources, communications, compliance and ESG functions. Ms. DelBianco is a member of Canada's Most Powerful Women: Top 100 Hall of Fame and an Emeritus Member of the Dean's Advisory Council at Queen's Law School. She is the 2020 recipient of the Law Alumni Award of Distinction from Queen's University. Ms. DelBianco holds a BA from the University of Toronto, an LL.B. from Queen's University, and an MBA from the Ivey Business School at Western University. She also holds the ICD.D designation and is called to the bar in Ontario and New York.

Ms. DelBianco is currently Chair of the Human Resources and Compensation Committee and serves on the Corporate Governance Committee.

Toronto, ON, Canada
Age: 65
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Corporate Governance Committee

4 of 4 (100%)

Human Resources and Compensation Committee (Chair)

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

Stelco Holdings Inc.

(until 2024)

MindBeacon Holdings Inc.

(until 2022)

Great Canadian Gaming Corporation

(until 2021)

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	28,630	7,550	2,114,721	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
91,175,077	98.04%	1,823,073	1.96%



Daniel Fortin

B.Eng (Civil), Hon LLD, ICD.D

Mr. Fortin joined the Board in October 2014.

Mr. Fortin is the former President of IBM Canada with more than 35 years of experience in the technology industry, and 15 years of leadership experience globally. He led IBM in guiding Canadian organizations through digital transformations to better compete in national and global markets. During his time at IBM, he also held a number of senior executive positions at the North American and global levels. Mr. Fortin is board chair of Foresters Financial and former chair of Evok Innovations, a venture capital fund focused on clean technology. Throughout his career, Mr. Fortin has been active on a number of non-profit boards and associations, including The Conference Board of Canada, and he is the former chair of the United Way Toronto campaign, World Vision Canada and Carleton University's board of governors. Mr. Fortin holds a Bachelor of Civil Engineering and an honorary doctorate from Carleton University in Ottawa. He also holds the ICD.D designation.

Mr. Fortin is currently Chair of the Risk Review Committee and serves on the Human Resources and Compensation Committee.

Pickering, ON, Canada

Age: 68

Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Human Resources and Compensation Committee

5 of 5 (100%)

Risk Review Committee (Chair)

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	22,720	-	1,327,984	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,978,493	99.98%	19,657	0.02%



Dick Freeborough

FCPA, FCA, ICD.D

Mr. Freeborough joined the Board in February 2012.

Mr. Freeborough is a corporate director who brings considerable insurance industry experience, financial expertise, and more than a decade of board leadership. He retired from KPMG LLP in 2004, after 39 years of financial services practice, during which time he was the KPMG Canadian Practice Lead for insurance business. He served on the board of KPMG Canada for six years, including three as deputy chair. Mr. Freeborough also served as a director for RGA Life Reinsurance Company of Canada and the Toronto Mendelssohn Choir. He joined the Actuarial Profession Oversight Board (APOB) in February 2023. Mr. Freeborough is a Fellow of the Chartered Professional Accountants of Ontario and holds the ICD.D designation.

Mr. Freeborough currently serves on the Audit Committee and on the Human Resources and Compensation Committee.

Oakville, ON, Canada

Age: 82

Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Audit Committee

5 of 5 (100%)

Human Resources and Compensation Committee

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	27,010	-	1,578,735	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,382,093	99.34%	616,057	0.66%



Sabrina Geremia

BBA

Ms. Geremia joined the Board in March 2022.

Ms. Geremia is Vice-President and Country Managing Director for Google Canada, and champions digital and AI as a tool to drive productivity and growth for businesses and Canadians. Her team at Google leads the ads partnership with Canada's most sophisticated businesses and she steers the cross-functional strategic direction of Google in Canada. A digital and global leader, Ms. Geremia has worked at Google UK, Procter & Gamble Italy, Reckitt Benckiser UK, Ask Jeeves UK & Ireland and mobile startup Incirco. Ms. Geremia is a member of the Business Council of Canada and serves on the advisory board of Catalyst Canada.

Ms. Geremia was recognized as one of The Globe and Mail's Best Executives (2022), WCT Woman of the Year (2020) and one of Canada's WXN top 100 most powerful women (2015). Ms. Geremia holds a BBA from Wilfrid Laurier University and attended the University of Pavia, Italy.

Ms. Geremia currently serves on the Risk Review Committee.

Toronto, ON, Canada

Age: 51

Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

7 of 8 (91.6%)

Risk Review Committee

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

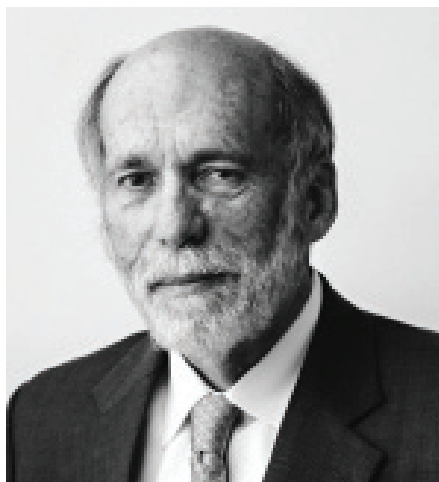
SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline*
2024	-	12,411	725,423	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,952,552	99.95%	45,598	0.05%

* In March 2022, Ms. Geremia was appointed to the Board as a nominee of HOOPP pursuant to the HOOPP Governance Agreement. As of December 31, 2024, HOOPP beneficially owned, or controlled or directed, directly or indirectly, 23,062,646 Common Shares (total value of \$1,348,011,659).



Micheál Kelly

AB, MA, PhD

Dr. Kelly joined the Board in April 2015.

Dr. Kelly is an Executive in Residence at the Telfer School of Management at the University of Ottawa. He was previously professor of business strategy at the Lazaridis School of Business and Economics at Wilfrid Laurier University, where he served as Dean from 2012 to 2022. Prior to this post, he was the professor of strategy and global business and Dean (from 2000 to 2010) of the Telfer School of Management. Dr. Kelly is a former chair of the Six Countries Programme, one of Europe's first innovation networks. He has also served on the advisory board of the Silicon Valley Roundtable in Palo Alto, California. He is a past chair of the Canadian Federation of Business School Deans, a past member of the *conseil d'administration* of ESC Reims Management School in France, the advisory board of the Technical University of Munich's business school, the AGDA Group Strategic Advisory Council, and the boards of the Canada-Israel Industrial Research and Development Foundation and the Canadian Advanced Technology Alliance. He also served as chair of the board of Waterloo North Hydro. He is currently a member of the board of trustees of Assumption University and the Commercialization Advisory Committee of the Ottawa Hospital Research Institute. Dr. Kelly was educated at Assumption University, the University of Ottawa, and Carleton University. He is a recipient of both the Queen Elizabeth II Golden Jubilee and Diamond Jubilee medals. He was the University of Ottawa's Alumnus of the Year in 2016 and Wilfrid Laurier's Honorary Alumnus of the Year in 2023.

Dr. Kelly is currently Chair of the Corporate Governance Committee and serves on the Human Resources and Compensation Committee.

Ottawa, ON, Canada
Age: 76
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Corporate Governance Committee (Chair)

4 of 4 (100%)

Human Resources and Compensation Committee

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	5,906	7,406	778,086	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
75,889,814	81.60%	17,108,336	18.40%



Robert McFarlane
B.COM, MBA, ICD.D, GCB.D

Mr. McFarlane joined the Board in November 2019.

Mr. McFarlane is a retired financial executive and corporate director. From 1994 to 2000, Mr. McFarlane served as EVP, CFO and Secretary-Treasurer of Clearnet Communications Inc., a former publicly-traded telecommunications company. He then served as EVP and CFO of TELUS Corporation until 2012. Since leaving TELUS, Mr. McFarlane has been active on various corporate and not-for-profit boards. He currently chairs the Information Technology Advisory Council of the University of British Columbia and The Salvation Army Greater Vancouver Advisory Board. He was a member of the board of trustees of Queen’s University from 2013 to 2022, following which he was awarded the Director Emeritus designation. Mr. McFarlane previously served as a director and chair of the audit, risk and conduct review committee at HSBC Bank Canada, as a director, deputy chair of the board, and chair of the audit and risk committee for Royal & Sun Alliance Insurance Company of Canada, a P&C insurer, as a director, chair of the audit and risk committee, and chair of the special committee at InnVest Real Estate Investment Trust, a former publicly-traded real estate entity, and as a director and chair of the audit committee at Entertainment One Ltd., a former publicly-traded global entertainment studio. Mr. McFarlane holds a B.Com. from the Smith School of Business at Queen’s University, an MBA from the Ivey Business School at Western University and the ICD.D and GCB.D designations.

Mr. McFarlane is currently Chair of the Audit Committee and serves on the Risk Review Committee.

Vancouver, BC, Canada
Age: 64
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Audit Committee (Chair)

5 of 5 (100%)

Risk Review Committee

4 of 4 (100%)

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	28,630	14,591	2,526,267	Met

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,979,808	99.98%	18,342	0.02%



Adrian Mitchell

B. COM, CFA, ICD.D

Mr. Mitchell joined the Board in March 2022.

Mr. Mitchell is the Senior Managing Director, Public Equities at HOOPP with responsibility for overseeing HOOPP's public equity investment strategies and valuation work. Mr. Mitchell joined the Public Equity team at HOOPP in 2001, was named Vice President, Public Equities in 2018 and was appointed to his current role in 2022. Prior to joining HOOPP, Mr. Mitchell worked at a strategy consulting firm, Scotiabank and Citibank. Mr. Mitchell earned a B.Com. from the University of British Columbia's Sauder School of Business, where he also was a member of the Portfolio Management Foundation program. He holds the Chartered Financial Analyst and Institute of Corporate Directors designations.

Mr. Mitchell currently serves on the Audit Committee and the Corporate Governance Committee.

Toronto, ON, Canada
Age: 56
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board
8 of 8 (100%)

Audit Committee
5 of 5 (100%)

Corporate Governance Committee
4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

None

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	-(2)	-(2)	-(2)	Not applicable ⁽¹⁾ . ⁽²⁾

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
90,005,088	96.78%	2,993,062	3.22%

(1) Mr. Mitchell is the Senior Managing Director, Public Equities at HOOPP. In March 2022, he was appointed to the Board as a nominee of HOOPP pursuant to the HOOPP Governance Agreement. As of December 31, 2024, HOOPP beneficially owned, or controlled or directed, directly or indirectly, 23,062,646 Common Shares (total value of \$1,348,011,659).

(2) Mr. Mitchell did not receive any compensation for acting as a director of the Company or any subsidiary pursuant to a request by Mr. Mitchell, based on his employment with HOOPP.



Susan Monteith
LL.B., MSc (Bus), ICD.D

Ms. Monteith joined the Board in January 2018.

Ms. Monteith is a retired senior investment banking executive with more than thirty years of experience in roles with leading Canadian financial institutions including CIBC World Markets and National Bank Financial Inc. and has been an advisor to many boards and senior executives of public and private companies over her career. Prior to retiring, she was Executive Vice President & Managing Director of Client Strategy and People Development at National Bank Financial and a member of the Management Committee. Ms. Monteith is a member of the board of trustees of Flagship Communities Real Estate Investment Trust, a TSX-listed real estate investment trust and also serves on the board of Nasdaq CXC Limited and Ensoleillement Inc., which are both wholly-owned subsidiaries of Nasdaq Inc. She is currently a member of the board of Women’s College Hospital and is a past member of cabinet for the United Way Greater Toronto and was a founding board member and part of the advisory council for Women in Capital Markets. Ms. Monteith holds an LL.B. from Osgoode Hall Law School at York University and an MSc in business from London Business School. She also holds the ICD.D designation and was a member of the bar in Ontario.

Ms. Monteith currently serves on the Human Resources and Compensation Committee and the Risk Review Committee.

Toronto, ON, Canada
Age: 68
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board
8 of 8 (100%)

Audit Committee
4 of 4 (100%)

Human Resources and Compensation Committee
1 of 1 (100%)

Risk Review Committee
4 of 4 (100%)

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	22,710	4,775	1,606,498	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,958,271	99.95%	42,869	0.05%

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

Flagship Communities Real Estate Investment Trust



Rowan Saunders

BA, FCIP, CRM

Mr. Saunders is the President and Chief Executive Officer of the Company and joined the Board in November 2016. His extensive background includes over 30 years of international P&C insurance industry experience, holding progressive positions in the areas of underwriting, marketing, sales, group insurance, broker networks and finance. Prior to joining the Company, Mr. Saunders spent 12 years as the President and CEO of Royal & Sun Alliance Insurance Company of Canada, a P&C insurer, and was CEO of its affiliates Johnson Insurance, an insurance intermediary focused on affinity group insurance programs in Canada (for 12 years), and Noraxis Capital Corporation, a network of Canadian insurance brokers (for 10 years). He is the past chairman, a member of the board of directors, and current chair of the audit and finance committee of the Insurance Bureau of Canada, a member of the Business Council of Canada and a member of the boards of EQB Inc. and Equitable Bank. Mr. Saunders is a past member of the Financial Services Commission of Ontario's CEO Advisory Committee, the board of directors of the Institute for Catastrophic Loss Reduction, and the board of directors of Facility Association. Mr. Saunders holds a BA from York University, as well as a Canadian Risk Management designation, and is a Fellow of the Insurance Institute of Canada.

Toronto, ON, Canada
Age: 60
Not Independent

Mr. Saunders does not currently serve on any Committee of the Board.

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board
8 of 8 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

EQB Inc.

SHARE OWNERSHIP*

Year	Common Shares	Total Value of Common Shares (\$)	Share ownership guideline/target date
2024	384,070	22,448,892	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
92,072,913	99.01%	925,237	0.99%

* Mr. Saunders does not receive separate compensation for his services as a director. For more information on Mr. Saunders' compensation as a NEO, please see page 48 below.



Edouard Schmid

MSc (Physics)

Mr. Schmid joined the Board in December 2021.

Mr. Schmid is a corporate director with extensive international insurance industry experience. He spent 30 years with Swiss Re, one of the world's leading providers of reinsurance. After joining Swiss Re in 1991, he quickly progressed to hold various positions of progressive responsibility in Europe and Asia across many domains, including underwriting, risk and actuarial, taking on in May 2012 the role of Head, Property and Specialty Reinsurance. From 2017 to 2020, Mr. Schmid was the Group Chief Underwriting Officer, the chairman of the Swiss Re Institute and a member of the Group Executive Committee of Swiss Re Ltd. Mr. Schmid holds a master's degree in physics from the Swiss Federal Institute of Technology.

Mr. Schmid currently serves on the Audit Committee and the Corporate Governance Committee.

Eglisau, Switzerland

Age: 60

Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Audit Committee

5 of 5 (100%)

Corporate Governance Committee

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

New China Life Insurance Company Ltd.

(until 2022)

Britam Holdings Plc

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/target date
2024	-	14,335	837,881	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
90,855,808	97.70%	2,142,342	2.30%



Michael Stramaglia

B.MATH, FSA, FCIA, CERA, ICD.D

Mr. Stramaglia joined the Board in April 2010.

Mr. Stramaglia is a corporate director and is the President and founder of Matric Advisory Group Inc., a risk management consulting firm. Mr. Stramaglia sits on the boards of Foresters Financial, EQB Inc. and Equitable Bank. He also holds the position of Executive in Residence at the Global Risk Institute in Financial Services. He is also chair of the Ontario Internal Audit Committee, an independent advisory committee focused on the governance, risk management, and internal control practices of the Ontario government. Mr. Stramaglia brings many years of experience in executive management positions, including Chief Risk Officer and Executive Vice-President of Investments at Sun Life Financial Inc., and Chief Investment Officer and Executive Vice-President of Reinsurance at Clarica Life Insurance Company, President and CEO of Zurich Life Insurance Company of Canada, and President and Chief Operating Officer of Zurich Financial Services Ltd.'s consolidated Canadian life and P&C insurance operations. Mr. Stramaglia is a qualified actuary and a Chartered Enterprise Risk Analyst. He holds an Honours Bachelor of Mathematics from the University of Waterloo and the ICD.D designation from the Institute of Corporate Directors.

Mr. Stramaglia currently serves on the Corporate Governance Committee and the Risk Review Committee.

Toronto, ON, Canada
Age: 65
Independent

BOARD AND COMMITTEE MEETING ATTENDANCE FOR 2024

Board

8 of 8 (100%)

Corporate Governance Committee

4 of 4 (100%)

Risk Review Committee

4 of 4 (100%)

PUBLIC COMPANY BOARD MEMBERSHIPS DURING THE LAST FIVE YEARS

EQB Inc.

SHARE OWNERSHIP

Year	Common Shares	Deferred Share Units	Total Value of Common Shares and DSUs (\$)	Share ownership guideline/compliance deadline
2024	13,630	7,293	1,222,949	Met

2024 ANNUAL MEETING VOTING RESULTS

Votes For	% For	Votes Withheld	% Withheld
89,946,392	96.72%	3,051,758	3.28%

Director Compensation

Our director compensation program is designed to compensate eligible directors for the work required to fulfill their roles, to attract and retain committed and qualified directors and to align their compensation with the long-term interests of the Company's shareholders. Directors who are also employees or officers of the Company or any of our subsidiaries receive no remuneration for acting as a director of the Company or of any subsidiary.

Each of our directors serves on the boards of directors and committees of Definity and those of our insurer subsidiaries (Definity Insurance, Sonnet Insurance Company, and Petline Insurance Company). Currently, the membership and chair designations for our insurer subsidiary boards and their committees are identical to Definity. For example, if a director is Chair of the Audit Committee, that director is also Chair of the audit committees for our insurer subsidiaries. Also, the committees in existence at our insurer subsidiaries are identical to those in existence at Definity.

The table below shows the amounts, before withholdings, provided to our non-management directors for their service on the Board and its committees, and the boards of directors and committees of our subsidiaries, for the 2024 fiscal year.

Name	Fees Earned (cash) (\$)	Share-based awards (DSUs) (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
John Bowey	380,000	—	—	—	—	—	380,000
Sonia Baxendale	—	83,077	—	—	—	—	83,077
Elizabeth DelBianco	110,000	110,000	—	—	—	—	220,000
Daniel Fortin	211,667	—	—	—	—	—	211,667
Barbara Fraser ⁽¹⁾	76,923	—	—	—	—	—	76,923
Dick Freeborough	203,333	—	—	—	—	—	203,333
Sabrina Geremia	—	190,000	—	—	—	—	190,000
Micheál Kelly	110,000	110,000	—	—	—	—	220,000
Robert McFarlane	—	216,667	—	—	—	—	216,667
Adrian Mitchell ⁽²⁾	—	—	—	—	—	—	—
Susan Monteith	150,029	50,010	—	—	—	—	200,039
Edouard Schmid	—	200,000	—	—	—	—	200,000
Michael Stramaglia	104,167	104,167	—	—	—	—	208,333

Notes:

(1) Ms. Fraser served as a director of the Company until May 17, 2024.

(2) Mr. Mitchell did not receive any compensation for acting as a director of the Company or any subsidiary pursuant to a request by Mr. Mitchell, based on his employment with HOOPP.

The Corporate Governance Committee periodically reviews and makes recommendations to the Board regarding the adequacy and form of directors' compensation. Director compensation is assessed against a comparator group of publicly-traded organizations of comparable size, selected based on factors such as revenue, market capitalization and number of business units. Our overall objective is to target total directors' compensation at the median of the comparator group.

For 2024, the Corporate Governance Committee reviewed director compensation and assessed it against a revised comparator group. Based upon its recommendation approved by the Board, director compensation was set effective January 1, 2024 as follows (amounts referenced are per annum):

Non-management directors (other than Board Chair)	\$ 180,000
Non-chair committee members	\$ 10,000
Committee Chairs	\$ 30,000
Board Chair	\$ 380,000

The retainers may be supplemented with additional amounts to compensate for unanticipated workloads and extraordinary contributions, but only after specific consideration and approval by the Board. We will also reimburse our directors for expenses in accordance with our expense reimbursement policy.

Further, each non-management director (i) may elect to receive up to 100% of their retainers in the form of DSUs and (ii) is required to receive at least 50% of their base retainer in the form of DSUs until they achieve the share ownership targets set for directors. See "Director Share Ownership Guidelines".

A DSU is a bookkeeping entry that represents an amount owed by the Company to the Director having the same value as one Common Share of the Company, but that will not be settled until such time as the Director leaves the Board of Directors. Payment of DSUs is made in cash at the time of settlement, equal in amount to the number of DSUs held by the Director multiplied by the closing Common Share price on the TSX as of the date of redemption elected upon the Director's departure from the Board.

DSUs provide a notional ongoing equity stake in the Company, therefore ensuring alignment of the interests of the Directors with those of the shareholders of the Company. Those Directors who elect to receive all or a portion of their compensation in DSUs are credited such amounts on record in quarterly installments.

In addition to their compensation in DSUs, in the event that any cash dividend is declared and paid by the Company on Common Shares, the Directors holding DSUs will be credited with additional DSUs. The number of such additional DSUs is calculated by dividing the total amount of dividends that would have been paid to a Director if their outstanding DSUs had been Common Shares on the dividend record date, by the closing Common Share price on the TSX on the dividend payment date.

We do not issue stock options or pay meeting fees or travel allowances as part of director compensation.

Director Share Ownership Guidelines

The Board has adopted Share Ownership Guidelines in order to encourage the Company's directors and senior leaders to obtain a significant ownership interest in the Company to better align their interests with those of the Company's shareholders.

Non-management directors can meet share ownership requirements through direct or beneficial ownership of Common Shares and DSUs granted under the directors' DSU plan (the "Directors' DSU Plan").

The Share Ownership Guidelines require each non-management director to acquire and continue to hold during the time they are a non-management director, an amount of equity having a value equal to at least three times (3X) their annual base retainer, that is \$540,000 (\$1.14 million for the Board Chair) based on the 2024 annual base retainer. The ownership requirements for non-management directors must be achieved by the fifth anniversary from the later of (i) November 23, 2021 (the date of the IPO) and (ii) the initial appointment as a non-management director.

Non-management directors may elect to receive up to 100% of their annual remuneration in the form of DSUs and are required to receive at least 50% of their base retainer in the form of DSUs until they achieve the share ownership target set out above.

If a non-management director has not achieved or otherwise maintained the equity ownership requirement within the specified time period, then the Corporate Governance Committee has discretion to undertake corrective measures to achieve compliance including, among other measures, requiring such director to participate in the Directors' DSU Plan and receive DSUs in lieu of up to 100% of such director's annual base retainer for purposes of achieving or seeking to achieve compliance with the Share Ownership Guidelines.

The table below outlines the holdings in Definity securities of each non-management director and their respective compliance with the Share Ownership Guidelines as at December 31, 2024:

	Common Shares	Deferred Share Units (DSUs)	Total Value of Common Shares and DSUs (\$) ⁽¹⁾	Share ownership requirement SOR (\$)	Holdings as a % of SOR	Compliance with share ownership guideline / target date
John Bowey	61,360	—	3,602,274	1,140,000	316%	Met
Sonia Baxendale	250	1,552	105,327	540,000	19.5%	August 1, 2029
Elizabeth DelBianco	28,630	7,550	2,114,721	540,000	392%	Met
Daniel Fortin	22,720	—	1,327,984	540,000	246%	Met
Dick Freeborough	27,010	—	1,578,735	540,000	292%	Met
Sabrina Geremia	—	12,411	725,423	540,000	134%	Met
Micheál Kelly	5,906	7,406	778,086	540,000	144%	Met
Robert McFarlane	28,630	14,591	2,526,267	540,000	468%	Met
Adrian Mitchell ⁽²⁾	—	—	—	N/A		N/A
Susan Monteith	22,710	4,775	1,606,498	540,000	297%	Met
Edouard Schmid	—	14,335	837,881	540,000	155%	Met
Michael Stramaglia	13,630	7,293	1,222,949	540,000	226%	Met

Notes

(1) The value of the Common Shares is based on the closing Common Share price on the TSX on December 31, 2024 of \$58.45.

(2) Mr. Mitchell did not receive any compensation for acting as a director of the Company or any subsidiary pursuant to a request by Mr. Mitchell, based on his employment with HOOPP.

Item 4 – Advisory Vote on Approach to Executive Compensation

The Board believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles that the Board has used to make executive compensation decisions. It is the Board's intention that this shareholder advisory vote will form an important part of the ongoing process of engagement between shareholders and the Board on compensation.

In 2024, 98.77% of shares voted were in favour of the approach to executive compensation disclosed in the Company's Management Information Circular.

The "Statement on Executive Compensation" section discusses our compensation philosophy, the objectives of the different elements of our compensation programs and the way the Board assesses performance and makes decisions. It explains how the Company's compensation programs are centred on a pay-for-performance culture and are aligned with the long-term interests of shareholders.

If no instructions are given, any designated proxyholder who is a director and/or an officer of the Company will vote FOR the following resolution:

"BE IT RESOLVED, on a non-binding and advisory basis and not to diminish the role and responsibilities of the Board, that the shareholders accept the approach to executive compensation disclosed in the Company's Management Information Circular delivered in advance of the 2025 Annual Meeting of Shareholders."

While the advisory vote is non-binding, the HRCC and the Board will take the results of the vote into account, as they consider appropriate, when considering future compensation policies, procedures and decisions. If a significant number of the shares represented at the Meeting are voted against the advisory resolution, the Board Chair will oversee a process to better understand opposing shareholders' specific concerns. The HRCC will then review the approach to executive compensation in the context of those concerns and may make recommendations to the Board.



Statement on Executive Compensation

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Message to Our Shareholders

2024 year in review

2024 was a challenging year for the Canadian property and casualty insurance industry as catastrophe losses reached an all-time high. Total industry losses in Canada exceeded \$8 billion for the first time, following two consecutive years of losses above \$3 billion. Despite the historic level of catastrophe losses across the industry, Definity met or exceeded all of its financial targets in 2024 generating a full year operating ROE⁽¹⁾ of 10.6% with 17.6% growth in book value per share. Our proactive focus on underwriting to effectively manage climate volatility, capabilities in geographic information systems, and technical peril models all drove our ability to effectively manage our exposure to these catastrophes, resulting in lower levels of loss than our natural market share would have suggested.

Key Performance Measures

\$4.4B

Gross written premiums ("GWP")⁽¹⁾

94.5%

Combined ratio ("COR")⁽¹⁾

\$310.2M

Operating Net Income ("ONI")⁽¹⁾

In the time since the company's IPO, our market position has moved from number seven to number six, demonstrating clear progress against our goal of becoming a top five Canadian P&C insurance company. The cumulative investment in our broker platform since 2022 is now more than \$800 million, including nine acquisitions in 2024, putting Definity in a top ten market position. Our digital direct business, Sonnet, is a leading and scalable platform that has now reached run-rate profitability. We were also pleased to recently announce another dividend increase, bringing the cumulative increase in Definity's dividend since the IPO to 50%.

While delivering on our financial targets, we continued our focus on employee engagement. We finished 2024 with employee engagement at 79%, representing an improvement of 2 points over 2023 and signaling strong momentum across our business. We saw particularly positive feedback in the categories of trust in direct leaders, well-being, and inclusion practices. We are consistently recognized for our people and culture practices and have received a Great Place to Work[®] certification. In addition, Definity capped off the year by becoming the first P&C insurer in Canada to become a United Nations Women's Empowerment Signatory, signaling our strong commitment to advancing gender equality in the workplace as part of our sustainability plan. We are proud to have achieved a Morgan Stanley Capital International (MSCI) ESG rating of AAA in 2024, placing Definity among the overall leaders in the MSCI coverage universe. Taken together, they show our purpose – building a better world by helping our communities adapt and thrive – in action.

Executive compensation decisions in 2024

Definity continues to align compensation with performance. While overall target compensation opportunities are established at competitive levels to attract and retain the executive talent we need, the majority of the executives' potential compensation is incentive-based and dependent on the achievement of key measures of short- and long-term performance. The HRCC considers many factors in setting total compensation, including competitive market conditions, internal equity, scope of role, current business challenges, short- and longer-term performance, and strategic objectives.

The performance metrics in the incentive programs are designed to maintain focus on positioning the company for future success. By linking compensation programs to both current strategic and financial imperatives as well as future value creation, the interests of Definity's executive team are aligned with those of our investors.

The pay for performance elements are aligned to achieving Definity's overall strategic objectives, and determine bonus and PSU payments. The 2024 results, including overall premium growth⁽¹⁾ of 11.1% and the full -year combined ratio of 94.5%, despite 6.4 points of catastrophe losses⁽¹⁾, reflect the exceptional performance of the team. As a result, the Board has awarded Mr. Saunders and the Executive Leadership Team a short-term incentive of between 135% and 158% of target and confirmed the performance factor for the 2022 to 2024 cycle of performance share units ("PSUs") under the Definity Insurance Long-Term Incentive Plan ("LTIP") at 189.1%. The performance factor reflects Definity's consistently strong results throughout the performance period, including a 168.6% increase in share value from the IPO share price.

2024 Compensation Highlights

143.9%

Corporate performance multiplier for the short-term incentive plan was 143.9% of target

189.1%

performance factor for PSUs under LTIP 2022-2024

In May 2024, the Board and the HRCC determined that it would be in the best interest of the Company to make a one-time grant of PSUs to key executives, including an award with a five-year performance period for our Named Executive Officers. As the Company shifts out of a period during which federal legislation precludes anyone from acquiring more than twenty percent of our common shares, achieving our ambitious goals for long-term performance depends on consistency and continuity within the senior executive leadership team. This measure was designed with a view to ensuring that key executives are appropriately incentivized over the next five years to deliver on the significant strategic objectives that Definity has set for the period in the context of a highly dynamic and competitive property and casualty insurance industry.

Prior to recommending this one-time special grant to the Board, the HRCC consulted with certain of our key shareholders as to its potential design and implementation, and they indicated their support for this important step. The grant

was unanimously approved by the Board (with Rowan Saunders abstaining in respect of the proposed grant to himself), based on a recommendation from the HRCC.

In our view, this was the most appropriate time to signal to our senior executives, and by extension to our shareholders, that we are prepared for the next stage of our evolution as we seek to become a top five P&C insurer in Canada. This pursuit of ambitious growth aligns with creating shareholder value, and this grant will help reduce any risk of disruption from undesired changes in the leadership team needed to execute on that strategy in the coming years.

As always, we approach these decisions with a focus on compensation governance, including the use of an independent executive compensation advisor, independence among our HRCC, consideration of corporate culture and risk management, and continuous assessment of compensation practices. We have made enhancements to executive minimum share ownership guidelines, including the post-employment holding period, further reinforcing the importance of common share ownership and alignment with governance best practices.

Looking ahead

As we look ahead to 2025, the strategic priorities for Definity continue to be focused on becoming one of the five largest P&C insurers in Canada, maintaining our digital leadership, consistently delivering disciplined financial management, and positioning ourselves as a purpose-driven sustainability leader. This supports our long-term vision of continued leadership in the Canadian P&C industry.

At our annual meeting of shareholders held on May 17, 2024, 98.7% of votes cast were in favour of our approach to executive compensation. As always, we welcome your input concerning our compensation programs at any time and encourage you to participate in the upcoming say-on-pay advisory vote. Thank you for your continued support.

Sincerely,



Elizabeth DelBianco

Chair of the Human Resources and Compensation Committee

(1) This is a supplementary financial measure, non-GAAP financial measure, or a non-GAAP ratio. Please refer to "Supplementary financial measures and non-GAAP financial measures and ratios" above in this management proxy circular.

Highlights of the Executive Compensation Program

Fixed		Variable			
Annual		Long-term			
Base Salary	Short-term Incentive Plan		Long-term Incentives		
Retirement Plan	Corporate 75%	Individual 25%	Performance Share Units (PSUs) 60%	Restricted Share Units (RSUs) 20%	Stock Options 20%
Benefits	COR 30%		Absolute Operating ROE 50%		
Perquisites	GWP Growth 25%		Relative TSR 50%		
	Operating Net Income 20%				

What we do

- ✓ Benchmark to industry peers that are relevant to Definity
- ✓ Position target compensation around the market median
- ✓ Deliver the majority of total compensation in 'at-risk' elements
- ✓ Balanced compensation structure between fixed and variable pay, short- and longer-term performance
- ✓ Performance Share Units have overlapping performance cycles, which encourages sustained long-term performance
- ✓ Stress test any significant changes considered in the structure of our incentive plans
- ✓ Cap variable pay at 200% target for our incentive programs
- ✓ The Board and HRCC may exercise discretion, including reducing payouts to zero if performance is not in line with risk management, or conduct expectations are not met
- ✓ Retain an independent compensation advisor
- ✓ Incorporate sustainability factors related to greenhouse gas emission reduction and promotion of women in leadership roles as part of executive officer performance evaluation
- ✓ Compensation recoupment and securities trading policies that align with market practices
- ✓ Mandatory minimum share ownership for directors and executive officers
- ✓ Minimum share ownership retention period of two years for CEO after leaving the Company

What we do not do

- ✗ Incentive plans with single measures
- ✗ Count unexercised stock options or unvested Performance Share Units (PSUs) or Restricted Share Units (RSUs) towards our share ownership requirement
- ✗ Single trigger change of control provisions
- ✗ Grant or extend loans to employees
- ✗ Allow repricing or backdating of stock options

Compensation Discussion & Analysis

The following section describes the significant elements of our executive compensation program, with particular emphasis on the process for determining compensation payable to the Chief Executive Officer (“CEO”), the Chief Financial Officer and the other three most highly compensated executive officers. Our named executive officers (“NEOs”) for the fiscal year ended December 31, 2024, were:



Rowan Saunders

President and Chief Executive Officer

Mr. Saunders joined the Company in 2016. His key responsibilities include the establishment of the Company’s purpose, vision, business objectives and strategy (in conjunction with the Board and Management). He is also responsible for developing and implementing the strategic plan, setting annual and longer-term objectives, and establishing a high-performing, values-led and risk-aware leadership culture.



Philip Mather

EVP and Chief Financial Officer

Mr. Mather has been with the Company since 2011, and his key accountabilities include providing financial and business leadership for Corporate Finance, Investor Relations, Corporate Development, Investments, Capital Management, Treasury, Reinsurance, and Procurement, and partnering with the other senior business leaders and function heads to establish annual and longer-term financial plans.



Fabian Richenberger

EVP, Commercial Insurance and Insurance Operations

Mr. Richenberger has been with the Company since 2017 and is responsible for establishing and delivering the vision, strategy and annual business plans for the commercial lines business, the Claims organization, the sales and distribution team, and the development and performance of our National Broker Platform.



Paul MacDonald

EVP, Personal Insurance and Digital Channels

Mr. MacDonald joined the Company in 2018 and leads our personal insurance business, inclusive of the Sonnet and Petline brands. He is accountable for establishing and developing the vision, strategy and annual business plans for our personal lines business and overseeing its plans to deliver continued profitability and growth.



Innes Dey

SVP, Legal and Strategy

Mr. Dey has been with the Company since 2011, and leads our Legal function, our Corporate Strategy Office, and our Integrated Marketing and Communication team. In parallel, he has been accountable for leading the Company through its demutualization journey, developing and implementing our ESG strategy, and building M&A integration capabilities across the organization.

Compensation Objectives and Philosophy

Our compensation program focuses executives on the successful execution of our business strategy, in alignment with our risk appetite and Company values. The program is guided by the following three principles:



Provide competitive total compensation to attract, retain, and motivate talented executives



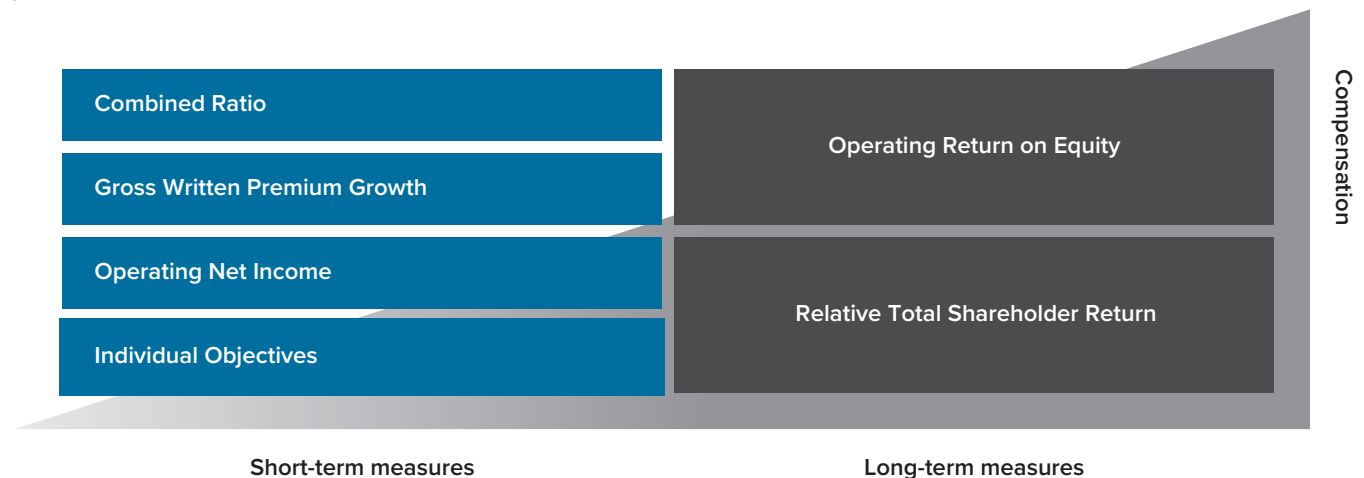
Pay for performance that is consistent with our strategy, risk appetite, and Company values



Align executive and shareholder interests by rewarding strong performance and long-term value creation

Alignment with our business strategy

We believe in aligning compensation with performance relative to our business plan and strategy. While overall target compensation opportunities are established at competitive levels to attract and retain the executive talent we need, the majority of our executives' potential compensation is incentive-based and dependent on key measures of short- and longer-term performance and reflected in total shareholder return over time.



Combined Ratio ^{(1),(6)}	Gross Written Premium Growth ^{(2),(6)}	Operating Net Income ^{(3),(6)}	Operating Return on Equity ^{(4),(6)}	Relative Total Shareholder Return ⁽⁵⁾
<ul style="list-style-type: none"> A profitability measure used to evaluate our insurance underwriting results relative to our net underwriting revenue. Commonly used by other insurers and analysts in the P&C insurance industry. 	<ul style="list-style-type: none"> Year-over-year growth in our revenues (GWP) is a key indicator of our progress towards our profitable growth goals. 	<ul style="list-style-type: none"> Operating net income is a key measure of the ongoing operational performance of the business. 	<ul style="list-style-type: none"> A common indicator in the industry used to measure and evaluate the periodic return that our operational performance is providing in relation to our equity position. 	<ul style="list-style-type: none"> Measures Definity's total shareholder return relative to the total shareholder returns of an index of companies, aligning performance with shareholder outcome.

Notes regarding Non-GAAP Financial Measures:

- (1) For STIP purposes, combined ratio (COR) is calculated as the total of our net claims and adjustment expenses and net underwriting expenses for the year expressed as a percentage of net underwriting revenue for the same period. Net underwriting expenses consists of net commissions, net operating expenses, and net premium taxes. Net underwriting revenue is defined as insurance revenue less earned reinsurance premiums, excluding those from exited lines.
- (2) GWP growth is the increase or change in gross written premiums for the year, divided by the premium base at the beginning of the year. It is also a standard measure of financial performance among insurance organizations.
- (3) Operating net income is the net income (loss) attributable to common shareholders less (or plus) non-operating gains (losses) net of applicable income taxes. Management uses operating net income to measure and evaluate the ongoing operational performance of the business.
- (4) Operating Return on Equity is the operating net income for the 12 months ended at a specified date divided by the average of equity attributable to common shareholders, excluding accumulated other comprehensive income and excluding unrealized gains or losses on FVTPL equity instruments, adjusted for significant capital transactions or other unusual adjustments to equity, if applicable, over the same 12-month period. Management uses operating ROE to measure and evaluate our performance with respect to the periodic return that our operational performance is providing relative to the equity position of the organization.
- (5) Relative Total Shareholder Return is calculated as the share price appreciation during the grant measurement period assuming all dividends and capital gains are reinvested in the common shares.
- (6) Combined Ratio ("COR"), Gross Written Premiums, and Operating Net Income are non-GAAP financial measures. Please refer to "Supplementary Financial Measures and Non-GAAP Financial Measures and Ratios" above and "12 – Supplementary Financial Measures and Non-GAAP Financial Measures and Ratios" of the Company's MD&A for the year ended December 31, 2024, which is incorporated by reference herein.

Alignment with our approach to ESG

Incentivizing sustainability outcomes

Definity recognizes that effective management of environmental, social and governance (“ESG”) risks and opportunities is required for the long-term sustainability and performance of our business and instills trust among our clients, partners, employees, and communities. Positioning Definity as a purpose-driven sustainability leader is one of the Company’s stated strategic objectives and is necessary for delivering on our purpose of building a better world by helping our clients and communities adapt and thrive. Accordingly, a variety of sustainability-related assessment indicators are part of the individual objectives for each NEO and many other executives and employees across the Company. Measures will vary by role. Examples include employee engagement targets, increasing the representation of women in leadership positions, other representation objectives, and reducing operational (Scope 1 and 2) greenhouse gas emissions.

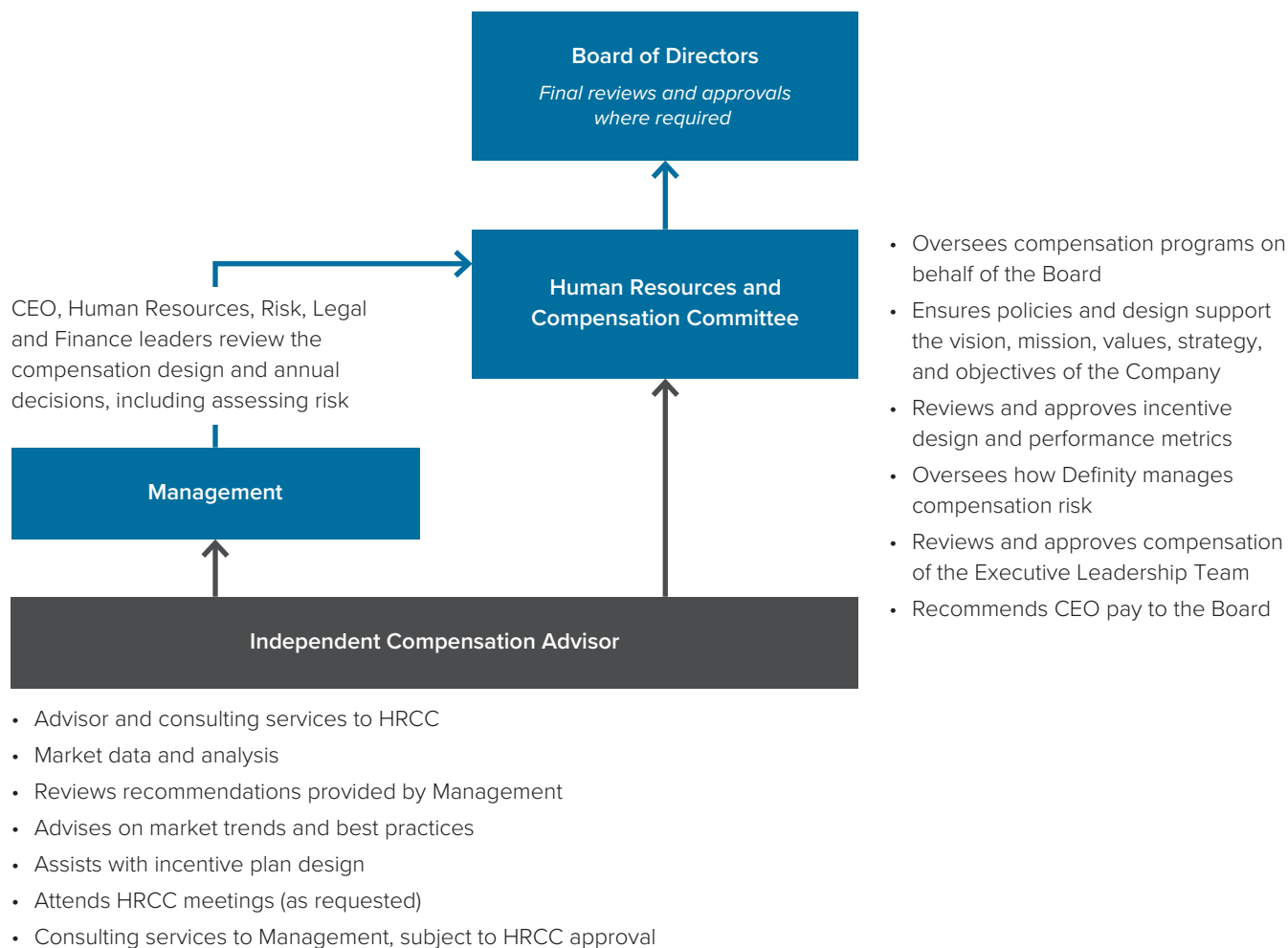
Compensation Governance and Risk Management

Independence

The HRCC is made up of five independent directors, all of whom are seasoned professionals knowledgeable in executive compensation through their business experience in one or more senior executive roles and/or working with other boards. The Company has adopted a policy such that no more than one-third of the members of the HRCC may be a chief executive officer of another company. None of the members of the HRCC is an active chief executive officer of another company or is or has been an officer or employee of Definity or any of its subsidiaries.

Compensation oversight

Definity has a robust governance approach to overseeing compensation programs, as illustrated below.



Independent compensation advice

From 2013 to May 2024, the HRCC of each of Definity Insurance and (since its establishment) Definity retained Willis Towers Watson (“WTW”) as an outside advisor to provide independent guidance and advice on compensation decisions. In June 2024, the HRCC retained Southlea Group (“Southlea”) as its independent advisor following a request for proposal process.

The HRCC regularly meets with the independent advisor, without Management present, to maintain direct channels of communication and assess independence and objectivity of advice. While the independent advisor’s information and advice inform the decision-making process, the HRCC relies on its own judgment to make final decisions.

The HRCC reviews the advisor’s independence on a regular basis and confirmed both WTW’s and Southlea’s independence in 2023 and 2024. In its review, the HRCC considered the advisors’ processes, protocols, incentive structures, and business relationships with Definity, its subsidiaries and their directors and executives.

The table below shows the fees paid to each advisor and their affiliates for services in the last two years during the period for which they were the advisor. If Management intends to work with Southlea, the HRCC must pre-approve any consulting services above a pre-determined fee threshold.

Advisor	2023		2024	
	Executive compensation-related fees	All other fees	Executive compensation-related fees ⁽¹⁾	All other fees
WTW (until May 2024)	332,494	0	80,278	0
Southlea (since June 2024)	0	0	394,921	0
Total	332,494	0	475,199	0

Compensation risk management

Our compensation program is designed with the understanding that we are in the business of taking risk to achieve an appropriate return. The HRCC regularly monitors and evaluates our compensation policies with a view to ensuring they align with good governance practices.

Southlea completed a compensation risk assessment in Q1 2025. The purpose of the assessment was to identify:

- Compensation policies and practices that could encourage inappropriate, excessive risk taking by employees, and
- Any risks arising from our compensation policies, incentive programs and compensation practices that would likely have a material adverse effect on Definity.

Southlea’s report concluded that there were no material risks arising from the executive compensation program. The Committee reviewed the findings of the Southlea report and agreed there are no risks that would reasonably be likely to have a material adverse effect on Definity.

Our goal is to reward executives for sustainable, profitable growth, and other established desirable strategic business outcomes that fall within our risk appetite. The risk management features of our compensation program are aligned with the Financial Stability Board’s Principles for Sound Compensation Practices and with OSFI guidelines. Management and the HRCC will continue to assess the alignment of our compensation program with governance best practices.

Share Ownership Guidelines

The Board has adopted Share Ownership Guidelines in order to better align executives’ interests with those of shareholders. The NEOs are expected to meet the minimum share ownership level set out in the Guidelines by the seventh anniversary of the later of (i) November 23, 2021 (the date of the IPO) and (ii) the date the executive joined the Company or was promoted to their current executive role.

In 2024, the HRCC reviewed the Share Ownership Guidelines relative to peers and new perspectives raised by the Canadian Coalition for Good Governance. After this review, the Board made the following changes:

- Guidelines became based on a multiple of total direct compensation (TDC) instead of a multiple of base salary
- Unvested RSUs were removed as part of calculation of share ownership value
- Minimum share ownership retention period was established for CEO and ELT members.

Included in the determination of the executive’s share ownership for the purpose of the Share Ownership Guidelines are any Common Shares held by the executive (directly, indirectly, or controlled), DSUs, vested RSUs, and such other eligible units as may be approved by the Board. Stock Options, unvested RSUs and PSUs are excluded for purposes of calculating the executive’s level of share ownership.

All NEOs are in compliance with the Share Ownership Guidelines. The table below sets out the number and value of Common Shares and DSUs held by each NEO, as well as the total value as a multiple of TDC, as at December 31, 2024.

Name	Guideline (multiple of TDC)	Common Shares		DSUs		Total Value (\$)	Total Value as multiple of TDC
		# of shares	Value ⁽¹⁾ (\$)	# of units	Value ⁽¹⁾ (\$)		
Rowan Saunders <i>President and CEO</i>	1.0x	385,007	22,503,665	0	0	22,503,665	3.7
Philip Mather <i>EVP and Chief Financial Officer</i>	0.75x	103,445	6,046,382	21,200	1,239,153	7,285,535	4.0
Fabian Richenberger <i>EVP, Commercial Insurance and Insurance Operations</i>	0.75x	90,233	5,274,127	11,416	667,245	\$ 5,941,372	3.1
Paul MacDonald <i>EVP, Personal Insurance and Digital Channels</i>	0.75x	96,112	5,617,762	0	0	5,617,762	3.6
Innes Dey <i>SVP, Legal and Strategy</i>	0.75x	96,829	5,659,635	11,779	688,480	6,348,114	5.1

Note:

(1) The value is based on the closing Common Share price on the TSX on December 31, 2024 of \$58.45.

NEO Post-retirement Vesting Period

On retirement, the CEO and other NEOs unvested and outstanding long-term incentives will not fully vest until up to three years in the case of PSUs and RSUs and up to 5 years in the case of Stock Options. As a result, the CEO and the other NEOs are incentivized to ensure decisions remain aligned with the Company's success and shareholder interests.

NEO Post-retirement Holding Period

Upon retirement or other departure from the Company, the CEO and the other NEOs are required to maintain their share ownership levels in accordance with the minimums called for under the Share Ownership Guidelines for 24 months and 12 months, respectively, following departure.

Compensation Recoupment Policy (Clawback Policy)

We have a policy that provides for us to recover incentive compensation paid to the CEO and any other member of the ELT if their misconduct causes a material restatement or correction of financial statements that results in overcompensation, based on the restated or corrected results. According to the policy, the Company is entitled to recover from such executive any overcompensation amount that was received within three years preceding the date of the material restatement.

For the purposes of the policy, "misconduct" means (i) fraud, (ii) willful breach of the material provisions of the Company's code of business conduct, (iii) willful failure to perform the senior executive's most important duties and responsibilities, (iv) certain types of criminal convictions, (v) failure to report or intervene when the senior executive knows, or should have known, that another employee was engaged in serious misconduct, or (vi) any other circumstances that would allow for termination with cause.

Securities Trading Policy

All of the Company's employees are subject to the Securities Trading Policy, which prohibits trading in the Company's securities while in possession of material non-public information regarding the Company or during applicable internal blackout periods. Under this policy, such individuals are also prohibited from entering into certain types of hedging and other transactions involving the securities of the Company, such as short sales, puts, and calls.

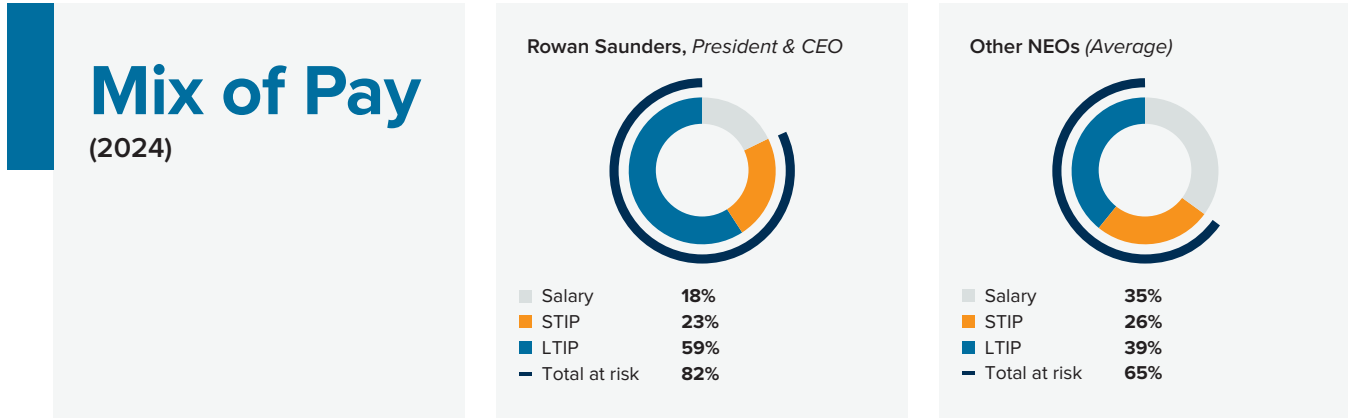
Compensation Elements

Our compensation framework for the NEOs includes a balance of fixed and variable pay, short-, medium-, and long-term performance criteria with overlapping performance periods.

	Element	Purpose	Key Features	Term
Total Direct Compensation				
Fixed				
	Base Salary	To compensate executives competitively for their role at Definity	<ul style="list-style-type: none"> Typically reviewed annually but not necessarily adjusted Normally set around the market median Levels determined based on individual performance, experience, competencies, accountabilities, and competitive market data 	1 year
Variable / At Risk				
Short-term incentive	Annual Incentive	To drive and reward the achievement of corporate, strategic, and individual priorities during the year	<ul style="list-style-type: none"> Target value determined based on the role and expressed as a percentage of salary Final award contingent on HRCC's assessment of performance against pre-determined financial and operating goals and paid in cash (with opportunity for the ELT members to elect to receive a percentage in the form of DSUs) 75% corporate; 25% individual 	1 year
Long-term incentives	Performance Share Units (PSUs)	To provide a strong link to longer-term corporate and market performance and creating shareholder value	<ul style="list-style-type: none"> 60% of long-term incentive grant Designed to reward executives for achieving corporate operating ROE and shareholder returns over the three-year period Payouts are based on the share price at the end of the performance period and the resulting performance multiplier Value of dividends on Common Shares is accrued over the 3-year performance period The final settlement may be made in cash or shares, at the discretion of the HRCC 	3 years
	Restricted Share Units (RSUs)	Incentivize long-term performance and promote retention of executives	<ul style="list-style-type: none"> 20% of long-term incentive grant Value of dividends on Common Shares is accrued over the vesting period Vests at the end of three years The final settlement may be made in cash or shares, at the discretion of the HRCC 	3 years
	Stock Options	To pay for sustainable long-term performance and creating shareholder value	<ul style="list-style-type: none"> 20% of long-term incentive grant The grant or exercise price is based on market price of Common Shares at time of grant Potential value based on increase in share price from the date of grant Vesting occurs over 4 years (25% on each anniversary date of the grant date) Normal course term to maturity of 10 years 	10 years
	Deferred Share Units (DSUs)	Assist in achieving share ownership expectations and encourage long-term decision making and shareholder alignment	<ul style="list-style-type: none"> Senior executives may defer a portion or all of their short-term incentive into notional units that track the Common Share price Value of dividends on Common Shares is accrued over the vesting period Units are redeemable following cessation of employment The final payment is made in cash 	Career
Indirect Compensation				
Other Elements	Retirement	To provide executives with market-typical benefits	<ul style="list-style-type: none"> Retirement benefits through a defined benefit (substantially closed) or defined contribution plan Supplemental retirement arrangements for top executives 	Career
	Benefits		<ul style="list-style-type: none"> Group life and health insurance 	
	Perquisites		<ul style="list-style-type: none"> Annual cash allowance 	

Target Pay Mix for NEOs

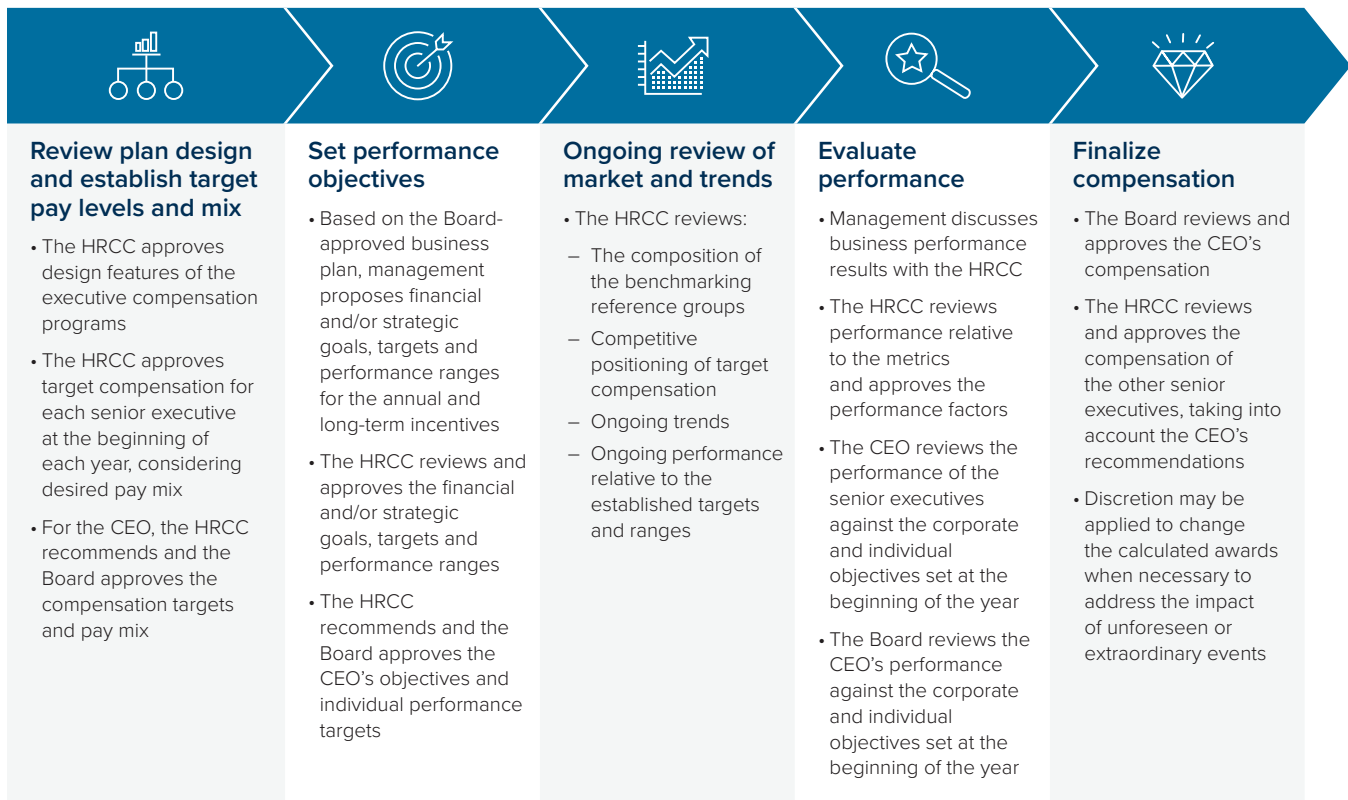
To align with the Company's pay for performance compensation philosophy and emphasis on longer-term value creation, a significant portion of the NEOs' pay is made up of short- and long-term incentives and linked to our corporate goals and objectives. In determining the pay mix, the HRCC considers market practice, level of pay, and line-of-sight to the overall Company performance.



Compensation Process and Benchmarking

Compensation design and decision-making process

The Board, the HRCC, and Management are all involved in compensation decision-making. All decisions about compensation design and executive pay are made with reference to our Board-approved strategy, business plan and risk appetite, and our pay for performance philosophy. In 2023, the HRCC completed its regular review of Definity's compensation philosophy which includes, among other criteria, the alignment with the Company's financial and non-financial performance, business strategy and risk management philosophy. Based on this review, changes to the general industry publicly-traded reference group were made for the 2024 performance year to increase the emphasis on financial services and the insurance industry and to reflect changes in our relative size and complexity over time.



The HRCC considers a number of additional factors when determining the total potential compensation to be awarded to an executive for a particular year. This includes the scope of responsibility of the role, corporate and individual performance, the executive’s skills and experience, and compensation levels for comparable roles at similarly situated companies.

Establishing our compensation benchmarks

The competitive market for executive talent is drawn from businesses within the insurance industry, financial services and broader general industry. To understand competitive levels of compensation for a company of Definity’s size and complexity, the HRCC assesses executive compensation practices and levels at similarly situated companies using the following reference group.

Reference organization criteria	How we use the reference data
<p>General industry publicly-traded organizations⁽¹⁾</p> <ul style="list-style-type: none"> Financial services and consumer facing industries, excluding oil and gas, natural resources and utilities Comparable size based on revenue, market capitalization, and number of business units National operations 	<ul style="list-style-type: none"> As an input into setting base salary, annual incentive, and long-term incentive target levels To assess the competitiveness of total direct compensation awarded to executives To understand annual and long-term incentive designs in the market

Note:

(1) A secondary reference point of Canadian insurance companies comparable in size based on GWP and assets (from 1/3 to 3 times the size of Definity and its subsidiaries) is used for two NEOs and other members of the Executive Leadership Team, subject to role.

General industry publicly-traded reference group		
<ul style="list-style-type: none"> Canadian Tire Corporation Limited Canadian Western Bank⁽¹⁾ CI Financial Corp.⁽¹⁾ Element Fleet Management Corp. Finning International Inc. Gildan Activewear Inc. 	<ul style="list-style-type: none"> iA Financial Corporation Inc. IGM Financial Inc. Intact Financial Corp. Maple Leaf Foods Inc. The Manufacturers Life Insurance Company National Bank of Canada The North West Company Inc. 	<ul style="list-style-type: none"> Premium Brands Holdings Corp. Spin Master Corp. Stantec Inc. TMX Group Limited

Note:

(1) Pending M&A related transactions, companies may be removed in the future.

Base Salary

Base salaries are initially established in the NEOs’ employment agreements and reviewed annually by the HRCC. In making adjustments, if any, the HRCC considers positioning against the competitive market, the executive’s level and scope of responsibility, experience, and individual performance, and internal equity. Based on a combination of changes to the general industry publicly-traded reference group and market movement since 2022¹, base salaries for 2024 were adjusted to reflect the executive’s level and scope of responsibility, experience and individual performance, and internal equity.

Name	2024 Salary ⁽¹⁾
Rowan Saunders	1,140,765
Philip Mather	621,477
Fabian Richenberger	658,135
Paul MacDonald	544,039
Innes Dey	518,500

Note:

(1) There were 27 pays in 2024 due to biweekly payroll schedule (typically 26).

Short-term Incentive

The Short-term Incentive Plan (“STIP”) is designed to reward participants for achieving key financial, operating, strategic, and individual performance objectives by providing a potential annual cash award.

(1) There were no increases to base salaries in 2023.

Target STIP opportunities

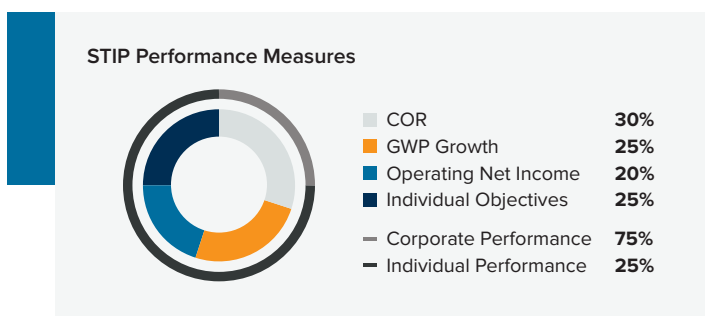
The target STIP opportunity is communicated to participants at the beginning of the fiscal year. Depending on actual performance relative to the set performance objectives, the actual awards may range from 0% to 200% of the target award. The 2024 STIP targets as a percentage of salary for the NEOs are as follows:

Name	Minimum Award (% of salary)	Target Award (% of salary)	Maximum Award (% of salary)
Rowan Saunders	0%	125%	250%
Philip Mather	0%	80%	160%
Fabian Richenberger	0%	80%	160%
Paul MacDonald	0%	80%	160%
Innes Dey	0%	60%	120%

STIP performance measures

The STIP performance measures are aligned with our areas of strategic focus, including certain financial and business objectives. Each year performance measures are identified, and threshold, target, and maximum performance goals are established based on our business plan.

For 2024, the STIP measures focused on COR, GWP growth, and operating net income. In addition to corporate performance measures, which in 2024 reflected 75% of the performance multiplier, the STIP included individual performance measures (25% of the performance multiplier) aligned to each NEO's personalized goals and objectives. These individual objectives included elements reflecting certain of the Company's ESG goals.



COR is commonly used in the P&C insurance industry to reflect the ratio of claims and expenses being paid relative to the premiums being collected. For STIP purposes, COR is calculated as the total of our net claims and adjustment expenses and net underwriting expenses for the year divided by net underwriting revenue for the same period. Net underwriting expenses is defined as net commissions, net operating expenses, and net premium taxes. Net underwriting revenue is defined as insurance revenue less earned reinsurance premiums, excluding those from exited lines.

Operating net income is the net income (loss) attributable to common shareholders less (or plus) non-operating gains (losses) net of applicable income taxes. Management uses operating net income to measure and evaluate the ongoing operational performance of the business.

ESG-related performance assessment indicators are also included in the NEOs' individual objectives in support of the overall advancement of Definity's sustainability strategy.

ESG-related performance assessment indicators are also included in the NEOs' individual objectives in support of the overall advancement of Definity's sustainability strategy. These may include employee engagement, increasing the representation of women in leadership positions, other representation objectives, reducing operational (Scope 1 and 2) greenhouse gas emissions, and ensuring that employees work within and comply with the organization's risk parameters. Two of these goals – increasing the proportion of women in leadership positions and reducing operational greenhouse gas emissions – are aligned with sustainability performance metrics in Definity's sustainability-linked credit facility, influencing the interest rate positively or negatively each year depending on performance. The HRCC reviews the overall advancement of the sustainability strategy when assessing individual NEO performance for the year.

2024 STIP awards

In a challenging year for the industry, Definity continued to deliver on its commitment to be there for customers, while generating robust results for shareholders. We again met or exceeded all financial targets for 2024, with top line growth of 11.1%, a full year combined ratio of 94.5%, and an operating ROE of 10.6%.

The following table summarizes the awards under the STIP for 2024 performance.

Name	Salary (\$)⁽¹⁾	STIP target	Financial Component (%)	2024 Total STIP (\$)⁽²⁾
Rowan Saunders	1,140,765	125%	143.9%	2,251,870
Philip Mather	621,477	80%	143.9%	754,100
Fabian Richenberger	658,135	80%	143.9%	831,490
Paul MacDonald	544,039	80%	143.9%	660,140
Innes Dey	518,500	60%	143.9%	436,870

Notes:

- (1) There were 27 pays in 2024 due to biweekly payroll schedule (typically 26). Salary used for STIP calculation purposes reflects the additional earnings.
- (2) Represents annual bonus amounts under the STIP for each NEO. Messrs. Dey and Saunders elected to convert 75% of their 2024 STIP into DSUs in accordance with the Executive DSU Plan. See “Compensation Discussion & Analysis – Summary of Securities Based Compensation Arrangements – Executive Deferred Share Unit Plan” for more information.

Long-term Incentives

Each year, the Board in respect of the CEO, and the HRCC, in respect of the other plan participants, determine the grant value of long-term incentives for the compensation year and the underlying number of stock options and share units granted. In addition, the HRCC will review the number of Common Shares reserved for issuance under the Long-term Incentive Plan (“LTIP”) and the Stock Option Plan that remain available, with limitations on grants to insiders.

For 2024, the target grant levels (expressed as a percentage of salary) and the intended mix of long-term incentive vehicles are outlined below:

Name	Target Grant (% of Salary)	Mix of Long-term Incentive Vehicles		
		PSUs	RSUs	Stock Options
Rowan Saunders	325%	60%	20%	20%
Philip Mather	120%	60%	20%	20%
Fabian Richenberger	120%	60%	20%	20%
Paul MacDonald	120%	60%	20%	20%
Innes Dey	90%	60%	20%	20%

Performance Share Units

Annual PSUs granted in 2024

PSUs are granted under the LTIP. Each PSU notionally represents the value of one Common Share on the date of grant. Additional partial PSUs are credited to each PSU participant equal to the value of cash dividends paid on the same number of Common Shares, based on the volume weighted average trading price per Common Share on the TSX during the immediately preceding five trading days (“Market Value”) at the time cash dividends are paid.

The HRCC (or the Board, in the case of the CEO) annually determines the terms of the PSU grants including the performance period and performance measures, considering the recommendations from the CEO and advice from external advisors. After a 3-year performance period, the number of PSUs that vest can range from 0% to 200% of the outstanding PSUs. The vesting multiple is determined by actual performance against pre-defined performance measures that align with the long-term business strategy and are expected to create value for shareholders.

At vesting, PSUs may be settled in cash or in Common Shares, at the discretion of the HRCC. If settled in cash, the participant will receive, subject to any withholding obligations, a lump sum payment equal to the number of vested PSUs, multiplied by the Market Value on such date. If settled in Common Shares, the participant will receive, subject to any withholding obligations, the number of Common Shares that is equal to the number of vested PSUs.

For PSUs granted in 2024 (performance cycle of 2024 – 2026), the performance vesting multiple will be based on Operating ROE and Relative Total Shareholder Return vs. constituents of the S&P/TSX Composite Index.

Operating ROE	Relative TSR vs. S&P/TSX Composite Index										
50% weight	50% weight										
<p>Operating ROE performance is measured annually against a pre-determined performance range.</p> <p>Performance scores for each year are then averaged for the three years (2024, 2025 and 2026).</p> <p>The Company does not disclose Operating ROE performance targets and the range of such targets as such disclosure is based on confidential internal forecasts and projections that could negatively impact our competitive position and would seriously prejudice the Company's interests.</p>	<p>Definity's Relative TSR is measured on a percentile rank basis vs. the constituent companies of the S&P/TSX Composite Index from January 1, 2024 to December 31, 2026.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Percentile Rank*</th> <th style="text-align: center;">Vesting Multiplier</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">75th Percentile</td> <td style="text-align: center;">200%</td> </tr> <tr> <td style="text-align: center;">50th Percentile</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">25th Percentile</td> <td style="text-align: center;">50%</td> </tr> <tr> <td style="text-align: center;">< 25th Percentile</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table> <p>* Where percentile ranking falls between the 25th and 50th percentiles, or between the 50th and 75th percentiles, the multiplier will be determined on a straight-line basis.</p>	Percentile Rank*	Vesting Multiplier	75 th Percentile	200%	50 th Percentile	100%	25 th Percentile	50%	< 25 th Percentile	0%
Percentile Rank*	Vesting Multiplier										
75 th Percentile	200%										
50 th Percentile	100%										
25 th Percentile	50%										
< 25 th Percentile	0%										
The aggregate performance score for vesting is defined within a range of 0 – 200% of target											

Vested PSUs paid for the 2022 – 2024 performance period

For PSUs granted in 2022 with vesting at the end of December 2024, the performance vesting multiple was 189.1%, based on the Company's performance against pre-established targets for 3-year Operating ROE (weighted 50%) and 3-year Relative Total Shareholder Return vs. constituents of the S&P/TSX Composite Index (weighted 50%).

Executive PSUs granted in 2024

In May 2024, the Board and the HRCC determined that it would be in the best interest of the Company to make a one-time grant of PSUs with a five-year performance period (Executive PSUs) to the NEOs, intended to focus attention on continued profitable growth of the organization, necessary for success in the competitive property and casualty insurance industry in Canada, and to reinforce continuity of the current leadership team over the next five years, including through the major shareholder restriction period ending in November 2025.

These Executive PSUs were granted under the LTIP, consistent with other PSUs. However, the design features differ from the annual grant of PSUs mentioned above including the following:

Design details	Executive PSUs for NEOs	Annual PSUs for NEOs
Time-vesting conditions	Longer-vesting, over 5 years: <ul style="list-style-type: none"> No vesting on January 1, 2025 25% vesting on January 1, 2026⁽¹⁾ 25% vesting on January 1, 2027 25% vesting on January 1, 2028 25% vesting on January 1, 2029 	At the end of a 3 year performance period
Performance-vesting conditions	For vesting at target and maximum, the Company must achieve increasing levels of stretch Operating ROE results ⁽²⁾ Results are reviewed over each of the vesting / performance periods referenced above (18 months, 30 months, 42 months, and 54 months respectively from the date of grant)	Operating ROE goals aligned with the Company's 3-year strategic plan, and relative TSR
Performance-vesting range	Lower maximum vesting, within a range of 0 – 150% of outstanding PSUs If Operating ROE results are below threshold, Executive PSUs do not vest	0 – 200% of outstanding PSUs
Settlement	At vesting, PSUs settle in shares under the LTIP Receipt in shares will increase executive's real shareholdings	At vesting, PSUs settle in cash or Common Shares, at the election of the HRCC
Retirement treatment	Unvested PSUs are forfeited at retirement, consistent with treatment upon resignation	For retirement-eligible executives, outstanding PSUs continue to vest in accordance with normal vesting schedule

Notes:

(1) First vesting is ~18 months following the grant date.

(2) For each performance period, we do not disclose target Operating ROE and the range around target as they are based on internal forecasts that are not communicated externally (so as to not and negatively affect our competitive position in the market).

Grant values of Executive PSUs were determined for each NEO based on a review of their role and contribution to the Company's future five-year strategy. All figures represent values on the date of grant, with actual compensation values to be realized over the next five years, contingent on achieving exceptional time-vesting and performance conditions.

- Rowan Saunders: grant date value of \$6,000,000. Amortized over the five year vesting / performance period, target grant value of \$1,500,000 per year
- Philip Mather: grant date value of \$1,750,000. Amortized over the five year vesting / performance period, target grant value of \$437,500 per year
- Fabian Richenberger: grant date value of \$2,500,000. Amortized over the five year vesting / performance period, target grant value of \$625,000 per year
- Paul MacDonald: grant date value of \$1,500,000. Amortized over the five year vesting / performance period, target grant value of \$375,000 per year
- Innes Dey: grant date value of \$1,250,000. Amortized over the five year vesting / performance period, target grant value of \$312,500 per year

Restricted Share Units

RSUs are also granted under the LTIP. RSUs operate similarly to the PSUs, with vesting based only on time, without additional performance conditions for vesting. Each RSU notionally represents the value of one Common Share on the date of the grant. Additional partial RSUs will be credited to each RSU participant equal to the value of cash dividends paid on the same number of Common Shares, based on the Market Value at the time cash dividends are paid on the Common Shares.

A participant's RSU award will vest at the end of the applicable vesting period and may be settled in cash, in shares, or in a combination of cash and shares, at the discretion of the HRCC. If settled in cash, the participant will receive, subject to any

withholding obligations, a lump sum payment equal to the number of vested RSUs held by the participant multiplied by the Market Value on such date. If settled in Common Shares, the participant will receive, subject to any withholding obligations, the number of Common Shares that is equal to the number of vested RSUs.

Stock Options

The Company also has a stock option plan designed to motivate and reward executives for sustained performance and to create long-term shareholder value. Upon vesting, each stock option provides a participant with the choice to purchase a Common Share at a defined exercise price established at the time of grant which is no lower than the volume weighted average trading price per Common Share on the TSX during the five trading days immediately preceding the grant date. At the time of grant the HRCC (or the Board, in the case of the CEO) will define the vesting schedule and the term to maturity of each stock option.

For stock options granted in 2024, vesting occurs over 4 years (25% on each anniversary date of the grant date), with a term to maturity of 10 years from the grant date.

Deferred Share Units

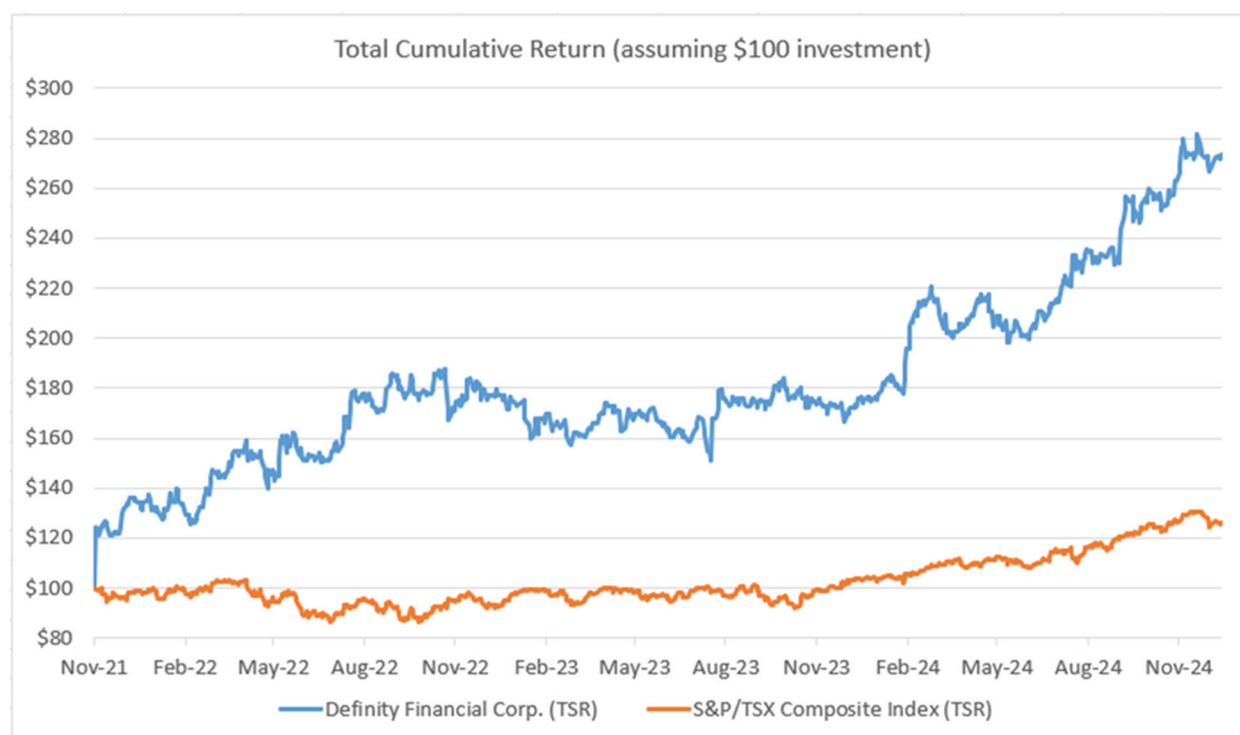
The Company has adopted the Definity Executives' Deferred Share Unit Plan ("Executive DSU Plan"), designed to facilitate equity ownership over the executive's career with Definity. The plan allows for the deferral of the short-term incentive award over the executive's career with Definity.

Each DSU granted notionally represents the value of one Common Share on the date of grant. Participants are credited on the date that the annual STIP payment would otherwise be payable with a number of DSUs equal to the portion of the STIP payment elected in DSUs divided by the Market Value. Additional partial DSUs are credited to each DSU participant equal to the value of cash dividends paid on the same number of Common Shares, based on the Market Value of a Common Share at the time cash dividends are paid on the Common Shares.

DSUs are redeemable following the cessation of employment. On or after the cessation of employment (but in no event later than December 31 of the calendar year following the year in which the employment ceases), the DSUs will be settled in cash, with the amount payable determined by multiplying the number of DSUs by the Market Value on the redemption date.

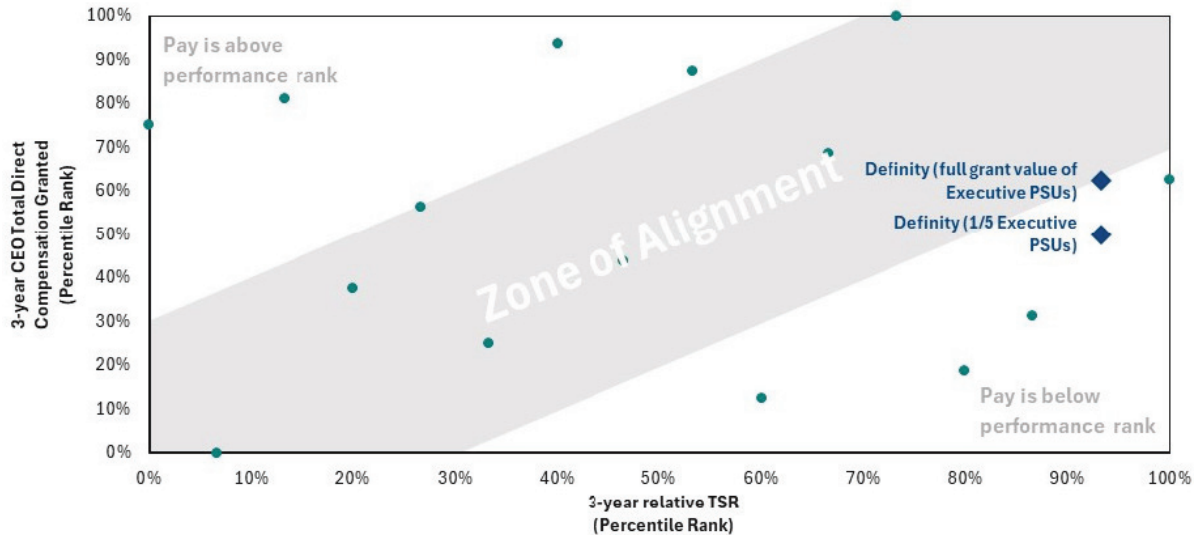
Performance Graph

The following graph compares the total cumulative return of \$100 invested in Common Shares with the total cumulative return of the S&P/TSX Composite Index for the period between November 18, 2021 and December 31, 2024. Definity's total shareholder return, including reinvested dividends, of 173.6% for this period, was significantly higher than the S&P/TSX Composite Index's total shareholder return of 26.1%. The compensation awarded to our NEOs, comprised of salary, annual incentives and share-based awards, was appropriately aligned with the Company's performance, and shareholders' returns relative to the S&P/TSX Composite returns.



Pay for Performance compared to reference peer group

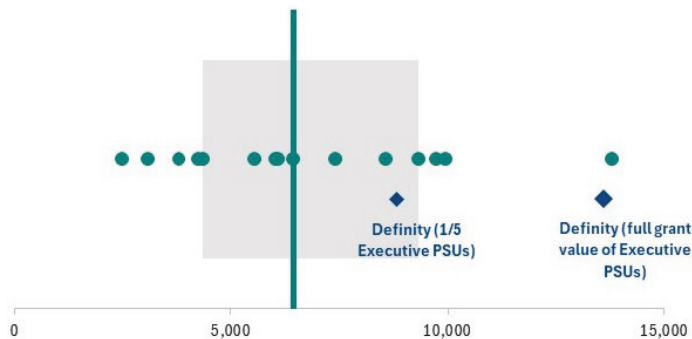
The graph below shows how Definity ranks against our Canadian general industry peers when comparing the percentile ranking of our three-year average total direct compensation for our CEO and our annualized three-year relative TSR (2022 to 2024). This analysis illustrates that including the full value of the Executive PSUs, our pay and performance are aligned and within the zone of alignment. Taking the annualized value of the Executive PSUs, our relative TSR positioning at the 94th percentile is well above our pay positioning at the 50th percentile.



Total direct compensation includes salary and the short-term incentive and long-term incentive awards for 2022 and 2023 as disclosed in the summary compensation table in the management proxy circulars of the various companies. For peer companies, 2023 data has been used as a proxy for 2024 compensation information that has not been publicly disclosed as of the date of this circular. CEO compensation is in Canadian dollars and, where applicable, has been converted from US dollars to Canadian dollars based on the exchange rate disclosed by each company, or the Bank of Canada average annual exchange rate, for the respective year. Three-year TSR is from January 1, 2022 to December 31, 2024.

2024 total compensation compared to reference peer group

The graph below compares Definity's 2024 CEO total compensation against our Canadian general industry peers. Including the full value of the Executive PSUs, CEO total compensation is within a reasonable range of peers, at approximately 2.1 times the median company. Including the annualized value of the Executive PSUs (one fifth of the grant value), CEO compensation is positioned closer to the median (1.4 times).



Total compensation includes salary, short-term incentive and long-term incentive awards, pension and all other compensation as disclosed in the summary compensation table in the management proxy circulars of the various companies. For peer companies, 2023 data has been used as a proxy for 2024 compensation information that has not been publicly disclosed as of the date of this circular. CEO compensation is in Canadian dollars and, where applicable, has been converted from US dollars to Canadian dollars based on the exchange rate disclosed by each company, or the Bank of Canada average annual exchange rate if the peer company exchange rate was not disclosed, for the respective year.

Summary Compensation Table

The following table sets out information concerning the compensation earned by the NEOs for the three most recently completed financial years:

Name and principal	Year	Salary ⁽¹⁾	Share-based Awards ⁽²⁾	Option-based awards (\$)	Annual incentive plans ⁽³⁾	Long-term incentive plans	Pension Value ⁽⁴⁾ (\$)	All other Compensation ⁽⁵⁾ (\$)	Total compensation (\$)
Rowan Saunders <i>President and Chief Executive Officer</i>	2024	1,140,765	8,860,000	715,000	2,251,870	—	615,800	52,479	13,635,914
	2023	1,000,000	2,200,000	550,000	1,344,100	—	498,100	49,350	5,641,550
	2022	998,558	2,750,000	—	1,735,700	—	712,900	880,109	7,077,267
Philip Mather <i>EVP and Chief Financial Officer</i>	2024	621,477	2,326,000	144,000	754,100	—	32,490	119,477	3,997,544
	2023	500,000	440,000	110,000	497,500	—	31,560	103,210	1,682,270
	2022	499,038	550,000	—	692,945	—	30,780	819,285	2,592,048
Fabian Richenberger <i>EVP, Commercial Insurance and Insurance Operations</i>	2024	658,135	3,109,600	152,400	831,490	—	32,490	119,939	4,904,054
	2023	550,000	484,000	121,000	591,250	—	31,560	103,712	1,881,522
	2022	548,750	605,000	—	789,410	—	30,780	844,510	2,818,450
Paul MacDonald <i>EVP, Personal Insurance and Digital Channels</i>	2024	544,039	2,004,000	126,000	660,140	—	32,490	96,925	3,463,594
	2023	450,000	396,000	99,000	425,250	—	31,560	84,739	1,486,549
	2022	449,327	495,000	—	583,478	—	30,780	744,997	2,303,581
Innes Dey <i>SVP, Legal and Strategy</i>	2024	518,500	1,610,000	90,000	436,870	—	32,490	81,487	2,769,347
	2023	450,000	324,000	81,000	265,781	—	31,560	73,687	1,226,028
	2022	449,519	405,000	—	364,830	—	30,780	448,382	1,698,511

Notes:

- (1) Represents base salary earned during the year. These numbers may differ from the annual salary rate due to payroll schedules (in 2024 there were 27 bi-weekly pay periods).
- (2) Represents the Market Value of RSUs and PSUs granted to each NEO. The annual RSUs and PSUs were granted at a price of \$44.01 and the NEOs received the following number of units: Saunders (16,246 RSUs, 48,739 PSUs), Mather (3,272 RSUs, 9,816 PSUs), Richenberger (3,463 RSUs, 10,389 PSUs), MacDonald (2,863 RSUs, 8,589 PSUs) and Dey (2,045 RSUs, 6,135 PSUs). The executive PSUs were granted at a price of \$43.05 and the NEOs received the following number of units: Saunders (139,374 PSUs), Mather (40,651 PSUs), Richenberger (58,072 PSUs), MacDonald (34,843 PSUs) and Dey (29,036 PSUs).
- (3) Represents annual bonus amounts under the STIP for each NEO. Messrs. Dey and Saunders elected to convert 75% of their 2024 STIP into DSUs in accordance with the Executive DSU Plan. See "Compensation Discussion & Analysis – Summary of Securities Based Compensation Arrangements – Executive Deferred Share Unit Plan" for more information.
- (4) The amount in this column for Mr. Saunders represents the compensatory value of our defined benefit pension plan and supplementary pension plan as at December 31, 2024. The amounts in this column for Messrs. Mather, Richenberger, MacDonald and Dey represent the compensatory value of our defined contribution pension plan as at December 31, 2024.
- (5) The amounts in this column includes contributions by the Company to each NEO's Definity Share Ownership Program account, supplementary pension plan and interest accrued on each NEO's supplementary pension plan and final payments under the CEO's Award Program (for 2022). The interest calculation on the supplementary pension plan is calculated as a full year of interest credited on the beginning of year balance plus the interest on notional contributions. The interest rate is based on the average yield on the monthly Government of Canada 10 year bonds for the period of January to December. The NEO's received the following supplementary pension contribution amounts in 2024: Mather \$108,323, Richenberger \$110,513, MacDonald \$82,510, Dey \$67,204. In 2023, the NEO's received the following supplementary pension contribution amounts: Mather \$91,586, Richenberger \$95,275, MacDonald \$69,907, Dey \$57,972. In early 2019, the board of Definity Insurance approved a non-recurring special program intended to help ensure continuity of management, strategy, and execution of our business priorities during a defined period. Under this program, a small number of key individuals, including each of the NEOs, received one-time deferred cash awards with one-third paid to participants (subject to certain conditions) in mid-2020 and the remainder paid to participants (subject to certain conditions) in December 2022. The NEOs received the following amounts under the CEO's Award Program: Saunders \$833,333, Mather \$725,000, Richenberger \$750,000, MacDonald \$666,667 and Dey \$375,000. Mr. Saunders also receives an annual commuting allowance (\$36,000).

Incentive Plan Awards

The following table sets out all outstanding share-based awards and option-based awards for each NEO as at December 31, 2024.

Name	Option-based Awards				Share-based Awards			
	Year	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#) ⁽²⁾	Market or payout value of share-based awards that have not vested (\$) ⁽³⁾	Market or payout value of vested share-based awards not paid out or distributed (\$) ⁽⁴⁾
Rowan Saunders	2023	73,432	36.48	2/21/2033	1,613,301	367,993	21,509,191	0
	2024	76,635	44.01	2/27/2034	1,106,609			
Philip Mather	2023	14,678	36.48	2/21/2033	322,476	86,592	5,061,302	1,239,153
	2024	15,434	44.01	2/27/2034	222,867			
Fabian Richenberger	2023	16,155	36.48	2/21/2033	354,925	108,180	6,323,121	667,244
	2024	16,334	44.01	2/27/2034	235,863			
Paul MacDonald	2023	13,218	36.48	2/21/2033	290,399	75,840	4,432,848	0
	2024	13,505	44.01	2/27/2034	195,012			
Innes Dey	2023	10,815	36.48	2/21/2033	237,606	61,380	3,587,661	688,479
	2024	9,646	44.01	2/27/2034	139,288			

Notes:

- (1) Represents the in-the-money value of outstanding Stock Options as of December 31, 2024, based on the TSX closing share price of \$58.45.
- (2) Represents the total number of outstanding RSUs, PSUs and Executive PSUs granted pursuant to the LTIP for compensation years 2022, 2023 and 2024.
- (3) Represents the total value of outstanding RSUs, PSUs and Executive PSUs as of December 31, 2024, assuming a PSU performance vesting factor of 100% of target, and the TSX closing share price of \$58.45.
- (4) Represents the total value of outstanding DSUs as of December 31, 2024, based on the TSX closing share price of \$58.45.

The following table sets out the value of incentive plan awards vested or earned for each NEO during the past year.

Name	Share-based awards – Value vested during the year (\$) ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year ⁽²⁾ (\$)
Rowan Saunders	7,926,262	2,251,870
Philip Mather	1,928,032	754,100
Fabian Richenberger	2,077,929	831,490
Paul MacDonald	1,778,046	660,140
Innes Dey	1,489,831	436,870

Notes:

- (1) Represents payout value under the Medium Term Incentive Plan (MTIP) in respect of RUs and PUs granted in 2021. Prior to the Company being publicly-traded, NEOs were granted restricted units ("RUs") and performance units ("PUs") under the MTIP. These units were designed to pay out at the end of a three-year period and, prior to completion of the IPO, appreciated and depreciated with Definity Insurance's book value. Following completion of the IPO and in accordance with the terms of the MTIP, these units were adjusted so that such awards appreciate and depreciate with our Common Share price. This was the final settlement under the former MTIP.
- (2) Annual bonus amounts under the STIP for each NEO. Messrs. Dey and Saunders elected to convert 75% of their 2024 STIP into DSUs in accordance with the Executive DSU Plan. See "Compensation Discussion & Analysis – Summary of Securities Based Compensation Arrangements – Executive Deferred Share Unit Plan" for more information.

Summary of Securities Based Compensation Arrangements

Stock Option Plan

The aggregate number of Common Shares reserved for issuance upon the exercise of all Stock Options granted under the Stock Option Plan and upon vesting of awards under the LTIP may not exceed 5,500,000 Common Shares (the “Equity Award Pool Limit”). No Stock Options may be granted on terms requiring settlement in newly issued Common Shares if such grant would have the effect of causing the total number of Common Shares subject to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other security-based compensation arrangement provided by the Company) to exceed the Equity Award Pool Limit.

In addition, (a) the maximum number of Common Shares issued to insiders within any one-year period pursuant to the Stock Option Plan, together with Common Shares issued to insiders under all other security-based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares, and (b) the maximum number of Common Shares issuable to insiders, at any time, pursuant to the Stock Option Plan, together with Common Shares issuable to insiders under all other security-based compensation arrangements provided by the Company, shall not exceed 10% of the issued and outstanding Common Shares. For more information on the Stock Option Plan, see Appendix C – Securities Based Compensation Arrangements – Stock Option Plan.

Long-term Incentive Plan

The aggregate number of Common Shares that may be issued pursuant to the LTIP at any time shall not (together with Common Shares reserved for issuance upon exercise of Stock Options issued under the Stock Option Plan) exceed the Equity Award Pool Limit. No RSUs or PSUs will be granted on terms requiring settlement in newly issued Common Shares if such grant would have the effect of causing the total number of Common Shares subject to the LTIP (together with Common Shares which may be issued pursuant to any other security-based compensation arrangement provided by the Company) to exceed the Equity Award Pool Limit.

In addition, (a) the maximum number of Common Shares issued to insiders within any one-year period pursuant to the LTIP, together with Common Shares issued to insiders under all other security-based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares and (b) the maximum number of Common Shares issuable to insiders, at any time, pursuant to the LTIP, together with Common Shares issuable to insiders under all other security-based compensation arrangements provided by the Company, shall not exceed 10% of the issued and outstanding Common Shares. For more information on the Long-term Incentive Plan, see Appendix C – Securities Based Compensation Arrangements – Long-term Incentive Plan.

Executive Deferred Share Unit Plan

The Executive DSU Plan provides eligible executives with the opportunity to elect to receive a portion of their annual STIP payment in the form of DSUs, representing a unit equivalent in value to a Common Share in accordance with the terms of the Executive DSU Plan. Such DSUs are fully vested upon being credited to an eligible executive’s account.

The eligible executive, or the beneficiary of an eligible executive, is entitled to redeem the DSUs following the eligible executive’s death, disability, resignation or retirement from the Company or termination (with or without cause) as an employee, or if such eligible executive becomes a member of the Board, upon resignation or retirement as a director. All DSUs granted under the Executive DSU Plan, and any payments made under the Executive DSU Plan in respect of any DSUs, are subject to claw back or recoupment as permitted or mandated by applicable law, rules, regulations or any Company policy as enacted, adopted or modified from time to time.

Securities Authorized for Issuance Under Equity Compensation Plans

At December 31, 2024, there were 357,697 Stock Options outstanding under the Stock Option Plan and no equity grants outstanding under the Long-term Incentive Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding Options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	357,697	40.18	5,142,303
Equity compensation plans not approved by security holders	–	–	–
Total	–	–	5,142,303

For more information on the equity compensation plans, see Appendix C – Securities Based Compensation Arrangements.

The table below provides additional information on the Stock Option Plan for the past three years.

	Stock Options as a % of outstanding common shares for applicable fiscal year⁽¹⁾		
	2024	2023	2022
Burn Rate (the number of options issued each year expressed as a percentage of the weighted-average number of outstanding shares for the applicable fiscal year)	0.15%	0.16%	0%

Notes:

⁽¹⁾ Weighted average number of outstanding common shares for the applicable fiscal year is used for the burn rate calculation.

Retirement Benefits

Our retirement benefits include registered pension plans and a supplementary pension plan:

- Rowan Saunders participates in the defined benefit pension plan and the supplementary pension plan
- Philip Mather, Fabian Richenberger, Paul MacDonald, and Innes Dey participate in the defined contribution pension plan and the supplementary pension plan

Defined benefit pension plan

We closed the defined benefit pension plan to new entrants in 2003. However, Mr. Saunders was added to the plan in November 2016 as part of the terms of his employment.

The defined benefit pension plan pays a monthly pension when the executive retires, according to the following terms. Normal retirement age is 65, but employees can retire earlier (from age 55). Pension benefits are unreduced starting at age 62.

How the pension amount is calculated	Years of credited service x 2% of the average salary and short-term incentive (up to target) for the highest remunerated five years of service (adjusted if the participant has less than five years of active service). The amount is offset by 1/35 CPP benefit for each year of service.
Payments depend on retirement age	Retirement at age 62 or higher – full pension. Retirement between 55 and 62 – pension benefit is reduced by 0.5% for each month following the date of retirement until age 62.
When payments begin	Payments begin on the first day of the month after the participant’s retirement date and continue to be paid every month until they die.
What happens when the participant dies	If the member does not have a spouse at retirement and dies before receiving 120 monthly payments, the participant’s beneficiary will receive: <ul style="list-style-type: none"> • monthly payments until a total of 120 payments have been made, or • the value of the remaining payments in a lump sum. <p>If the participant has a spouse at retirement, the monthly payments will be reduced to 60% and paid to the spouse until they die. If the spouse has predeceased the participant, pension benefits end with the participant’s death and monthly payments stop.</p>

Supplementary pension plan

The *Income Tax Act* (Canada) limits the benefits that can be paid by defined benefit pension plans. We use the supplementary pension plan to top up the pension benefits earned under the defined benefit pension plan. Monthly payments begin and are made at the same time payments are made under the defined benefit pension plan.

We prefund all or some of the payments through a retirement compensation arrangement (as defined in the *Income Tax Act* (Canada)). We can cancel the supplementary pension plan and close the retirement compensation arrangement at any time.

Defined benefit obligation

The table below shows:

- years of credited service at the end of 2024 for Mr. Saunders,
- the estimated annual benefit payable under the defined benefit pension plan and the supplementary pension plan, and
- a reconciliation of the defined benefit obligation from December 31, 2023 to December 31, 2024, calculated using the same assumptions and methods used in our financial statements.

Name	Number of years of credited service (#)	Annual benefits payable		Opening present value of defined benefit obligation ⁽²⁾ (\$)	Compensatory change ⁽³⁾ (\$)	Non-compensatory change ⁽⁴⁾ (\$)	Closing present value of defined benefit obligation ⁽⁵⁾ (\$)
		At year end (\$)	At age 65 ⁽¹⁾ (\$)				
Rowan Saunders	8.167	312,200	499,400	3,953,100	615,800	270,500	4,839,400

Notes:

- (1) The information shown in this column was determined based on the final average earnings of the participant as at December 31, 2024 and years of credited service projected up to age 65 (assuming full-time employment).
- (2) The information shown in this column was determined by using the same assumptions and methods used for December 31, 2023 financial statement reporting purposes.
- (3) Includes employer service cost (total service cost net of employee contributions), differences between actual and estimated earnings and any additional changes that have a retroactive impact.
- (4) Includes all items that are not compensatory, such as an interest cost on the liability and service cost, employee contributions and a change in the discount rate (from 4.65% to 4.60%).
- (5) The information shown in this column was determined by using the same assumptions and methods used for December 31, 2024 financial statement reporting purposes and the actual 2024 pensionable earnings of \$2,140,765 (Base Salary: \$1,140,765; Bonus \$1,000,000).

Defined contribution pension plan

The amount in each executive's defined contribution pension plan depends on how long the executive has been working at the Company, the amount of their pensionable earnings, and the investment returns generated by the plan's assets. Participating executives have access to this benefit when they retire.

How the employer contribution is calculated	<p>We contribute 8% of each year's pensionable earnings to the executive's defined contribution plan.</p> <p>Pensionable earnings are defined as each year's salary + short-term incentive (the actual bonus earned, or the target for the year — whichever is lower).</p> <p>Executives can also make voluntary contributions to an employee savings plan. We match these contributions dollar for dollar, contributing up to a maximum of 3.5% of pensionable earnings to the executive's defined contribution plan.</p>
The value of the benefit	At retirement, the accumulated value of the executive's defined contribution plan may either be transferred to a locked-in retirement vehicle or used to purchase a life annuity.
What happens when the participant dies	<p>If the participant is single at retirement, the participant's beneficiary will receive the total amount in the defined contribution plan, including interest, in a lump sum.</p> <p>If the participant has a spouse at retirement, the spouse will receive the total amount in the defined contribution plan, including investment returns, in a lump sum or as a transfer to a registered retirement savings plan ("RRSP").</p>

Supplementary pension plan

The defined contribution pension plan is governed by pension legislation that limits annual contributions. We automatically credit any contributions we make that exceed this limit to the supplementary pension plan. All credits to the supplementary pension plan are made to an unfunded notional account and are tracked and recorded.

The balance in the notional account earns interest and accumulates tax-free (similar to a RRSP). When the executive leaves the Company, retires or dies, the full value of their notional account is paid out and is fully taxable at that time.

Defined contribution obligation

The table below shows:

- the value of each executive's defined contribution pension plan and notional account as of January 1, 2024,
- contributions made by the Company to the defined contribution pension plan and notional account in 2024 (the compensatory change), and
- the accumulated value of our contributions plus the value of the notional account (with investment returns) at December 31, 2024.

Defined contribution obligation	Accumulated value at start of year (\$)	Compensatory change (\$)	Accumulated value at year end (\$)
Philip Mather	1,222,469	117,470	1,472,841
Fabian Richenberger	698,973	126,286	881,350
Paul MacDonald	508,751	103,964	664,085
Innes Dey	871,174	85,503	1,043,772

Other Benefits

Each NEO, as well as all other employees of the Company and certain of its subsidiaries, can participate in the employee share ownership plan (the "Definity Share Ownership Plan") pursuant to which employees have the opportunity to invest in Common Shares through voluntary personal contributions and employer contributions. Eligible employees of the Company and its subsidiaries are permitted to invest in Common Shares through payroll deductions up to a maximum percentage of their base salary and the Company or the relevant subsidiary, as applicable, will match 100% of such contributions up to an annual maximum amount of \$1,500. All purchases of Common Shares under the Definity Share Ownership Plan, whether through personal or employer contributions, are made in the open market.

Employment Agreements, Termination and Change of Control Benefits

The Company has written employment agreements and change of control agreements with each of the NEOs. Each NEO is entitled to receive compensation established by the Company, as well as other benefits in accordance with plans available to our most senior employees.

Confidentiality and Restrictive Covenants

Our employment agreements with the NEOs provide for confidentiality obligations that apply during the course of employment and afterwards. They provide that the NEOs may not, without authorization, disclose any confidential information (unless required by law and prior written notice is provided to the Company), and they must return all confidential information when they leave the Company.

The employment agreements also provide that, during the course of employment and for 9-12 months afterwards, the NEOs cannot without our consent be employed by, carry on business with, or (other than minimal holdings of publicly-traded shares) hold a financial interest in another property and/or casualty insurer in Canada or be responsible for business activities that are competitive with the Company's business activities.

In addition, the employment agreements specify that during the course of employment and for one year afterwards, the NEOs cannot, without our consent, solicit any of the Company's customers, suppliers, or business partners for any purpose that would compete with the Company or reduce the Company's business. The employment agreements also specify that during the same period, the NEOs cannot, without our consent, solicit for hire any Company employees.

Termination and Change of Control Benefits

We have change of control agreements with each NEO that entitle them to payments if there is a change of control of the Company.

We also have employment agreements with each of the NEOs that stipulate their severance entitlements in certain other circumstances.

Our change of control provisions are "double-trigger," which means they only take effect when there is a change of control and termination of employment, the latter being either by us without cause or by the executive for good reason ("good reason" generally consisting of a substantial reduction in responsibilities or scope of authority in the terms of employment, reduction in salary or benefits, or significant relocation, without the consent of the executive), within 18 months after a change of control.

The table below summarizes the terms for the incremental payments we will make to the NEOs when employment is terminated or there is a change in control of the Company (based on our compensation plans in effect as of December 31, 2024). These terms are either specified in each NEO's employment agreement or defined by the terms of the compensation plans. If a term isn't specified, it is determined according to common law.

Summary of termination and change-of-control provisions

Compensation element	Retirement	Voluntary Resignation ⁽¹⁾	Termination with cause ⁽²⁾	Termination without cause	Termination without cause after change of control ⁽³⁾
Severance	None	Any salary that was scheduled to be paid in the resignation notice period	Outstanding salary	Outstanding salary A severance payment equal to an amount that represents between 12 to 24 months of both (i) the named executive's monthly salary and (ii) pro-rated, monthly STIP entitlement valued at target	Outstanding salary 18-24 months of salary (highest salary at any time during the 36 months before the termination) 18-24 months of short-term incentive valued at target
Short-term incentive	Pro-rated	Any award that was scheduled to be paid during the resignation notice period	Forfeited	Any unpaid award that was earned for the most recently completed fiscal year The award for the year of termination calculated at target but pro-rated for the period of employment prior to termination	Any unpaid award that was earned for the most recently completed fiscal year Target award, pro-rated for number of complete months in the fiscal year of the termination up to the termination date
Long-term incentive⁽⁴⁾ RSUs and PSUs (other than Executive PSUs)	Vests after the end of the performance period Payout is based on performance (as determined by the HRCC)	Any award that was scheduled to be paid during the resignation notice period	Forfeited	Payment in respect of any units that have vested but are not yet paid out All other units forfeited	Units vest immediately, as though all performance conditions have been met (unless the HRCC determines otherwise)
Stock Options	Unvested options continue vesting. Vested options may be exercised at the earlier of 5 years	Unvested options are forfeited. Vested options may be exercised at the earlier of expiry or 90 days	Unvested options are forfeited. Vested options may be exercised at the earlier of expiry or 90 days	Unvested options are forfeited. Vested options may be exercised at the earlier of expiry or 90 days	Unvested options are forfeited. Vested options may be exercised at the earlier of expiry or 90 days
Executive PSUs	Forfeited	Any award that was scheduled to be paid during the resignation notice period	Forfeited	Payment in respect of any units that have vested but are not yet paid out. All other units forfeited.	Units vest immediately, as though all performance conditions have been met (unless the HRCC determines otherwise)

Compensation element	Retirement	Voluntary Resignation ⁽¹⁾	Termination with cause ⁽²⁾	Termination without cause	Termination without cause after change of control ⁽³⁾
All other compensation	None	<p>Perquisites that were scheduled to be paid in the resignation notice period</p> <p>Continuation of any Company-subsidized benefits plans for the resignation notice period</p>	Outstanding perquisite payments	<p>Continued participation in all benefit plans, perquisites and pension plan for the statutory notice period</p> <p>A lump sum payment equal to 15% of the severance payment amount in lieu of future contributions to the named executive's pension and benefit plans</p> <p>\$10,000 of professional outplacement services</p>	<p>All NEOs:</p> <p>A lump sum payment equal to 15% of the severance payment amount in lieu of future contributions to the named executive's pension and benefit plans</p> <p>\$10,000 of professional outplacement services</p> <p>Mr. Saunders:</p> <p>Continued participation in all benefit plans, perquisites and pension plan for the statutory notice period</p> <p>All other NEOs:</p> <p>Regular benefits for up to 12 months or until the executive retires or is employed full-time and eligible to participate in a group insurance plan similar to ours or a lump sum equal to our total cost (without discount or present valuation) of regular benefits for 12 months</p>

Notes:

- (1) Mr. Saunders' resignation notice period is three months and the resignation notice period for the other NEOs is two months.
- (2) In the event of a termination without cause, and if the NEO is retirement eligible, the NEO will be provided with the option to retire if the value of the NEO's unvested equity exceeds the amount provided for under the terms of their employment agreement. Effective 2025, "Retirement eligible" is defined as being at least 55 years old and having at least 5 years of service with no less than a combined total of 65.
- (3) Includes a named executive terminating his own employment for good reason (as defined in the relevant agreements). In the event of a termination without cause after a change of control, the NEOs have the choice of receiving their entitlement under termination without cause or termination without cause after change of control (whichever is higher).
- (4) Effective 2025, the definition of retirement on a go-forward basis has been amended to the attainment of age 55 plus at least 5 years of employment, where the combined sum of age and years of service totals at least 65. For RSUs and PSUs and options granted prior to 2025, other than executive PSUs, the previous retirement definition of age 55 with a least 5 years of service remains in effect. The HRCC may also, in its discretion, determine that an executive's termination (other than for cause) that does not meet these criteria is to be treated as a retirement.

Estimated incremental payments on termination or change of control

The table below shows the value of the estimated incremental payments or benefits that would accrue to each NEO on termination of their employment following retirement, termination with cause/resignation, termination without cause or termination without cause after a change of control, assuming their employment was terminated on December 31, 2024. Amounts are before deducting any withholdings.

The value of share-based compensation consists of awards previously granted and disclosed on page 49. Share-based awards were valued based on the December 31, 2024 TSX closing price of \$58.45.

Event	Rowan Saunders	Philip Mather	Fabian Richenberger	Paul MacDonald	Innes Dey
Retirement⁽¹⁾	–	–	–	–	–
Termination with cause/resignation	–	–	–	–	–
Termination without cause					
Severance	4,950,000	2,160,000	1,714,500	1,417,500	1,200,000
Short-term Incentive	2,251,870	754,100	831,490	660,140	436,870
Share-based compensation					
All Other Compensation ⁽²⁾	752,500	334,000	267,175	222,625	190,000
Termination without cause after change of control					
Severance	4,950,000	2,160,000	1,714,500	1,417,500	1,200,000
Short-term Incentive	2,251,870	754,100	831,490	660,140	436,870
Share-based compensation	The outstanding share-based awards and option-based awards table on page 49 summarizes the NEO's outstanding awards that would vest in the event of a termination without cause after change in control scenario.				
All Other Compensation ⁽²⁾	752,500	334,000	267,175	222,625	190,000

Notes:

- (1) In the event of a termination without cause, and if the NEO is retirement eligible, the NEO will be provided with the option to retire if the value of the NEO's unvested RSUs, PSUs (other than Executive PSUs) and options exceeds the total amount provided for under the terms of their employment agreement. Effective 2025, "Retirement eligible" is defined as being at least 55 years old and having at least 5 years of service with no less than a combined total of 65 and includes Messrs. Saunders, Richenberger and Dey. The HRCC may also, in its discretion, determine that an executive's termination (other than for cause) that does not meet these criteria is to be treated as a retirement.
- (2) Consists of a lump sum amount in lieu of pension and health benefits, as well as the maximum allowable budget for outplacement services.

Approval of the Statement on Executive Compensation

The Statement on Executive Compensation has been approved by the HRCC.

Other Information

Corporate Governance Practices

Our Statement of Corporate Governance Practices is set out in Appendix A of this Circular.

Indebtedness of our Directors and Executive Officers

None of our directors, executive officers, employees, former directors, former executive officers or former employees, and none of their associates, is or has at any time since the beginning of the most recently completed financial year been indebted to us or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or similar agreement provided by us, except for routine indebtedness as defined under applicable securities legislation in Canada.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer is, as of the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including Definity Insurance) that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity), was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

No director or executive officer: (a) is, as of the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including Definity Insurance) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for the following: Mr. John Bowey, a director and chair of the Board of the Company, served as a director of Kognitiv Corporation until it filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act (Canada)* on December 12, 2024; or (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer, as applicable.

No director or executive officer has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Indemnification and Insurance

We maintain a director and officer insurance program. In addition, we have entered into indemnification agreements with our directors and officers. The indemnification agreements generally require that the Company indemnify and hold the indemnitees harmless for liabilities arising out of the indemnitees' service to the Company as directors and officers, if the indemnitees acted honestly and in good faith with a view to the best interests of the Company and, with respect to criminal and administrative actions or proceedings that are enforced by monetary penalty, if the indemnitees had no reasonable grounds to believe that their conduct was unlawful. The indemnification agreements also provide for the advancement of defence expenses to the indemnitees by the Company.

Interest of Informed Persons in Material Transactions

No informed person of the Company, proposed director nominee of the Company, or associate or affiliate of any informed person or proposed director nominee, has any material interest in any transactions since the Company's most recently completed financial year or in any proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries.

Shareholder Engagement

The Board values open dialogue and the exchange of ideas with the Company's shareholders. In addition to stakeholder feedback measures outlined in the Company's Board Mandate, the Board has adopted a Shareholder Engagement Policy that outlines how the Board communicates with shareholders, including through the management information circular and participation

at the annual meeting of shareholders, and how shareholders can communicate with the Board or Management throughout the year. Under the terms of the Shareholder Engagement Policy, the Board welcomes shareholder inquiries and comments relating to the following matters:

- Board performance, structure and composition;
- Chief Executive Officer performance;
- executive compensation;
- succession planning;
- corporate governance practices and disclosure;
- material strategic decisions; and
- overall corporate performance.

To communicate with the Board, shareholders can contact the Board Chair, other independent directors, or the Board as a whole by mail (marking the envelope “Confidential”) at Definity Financial Corporation, 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary.

The Board Chair will consider each request, in consultation with the Corporate Secretary. Any request should indicate if the requesting person is a shareholder (or a shareholder representative), and the number and type of shares held; identify anyone other than the shareholder (or shareholder representative) who is proposed to attend the requested meeting; and describe the topic(s) proposed to be discussed. The Board Chair may accept or decline requests for meetings for any reasons the Board Chair deems appropriate, including declining requests where proposed topics are not appropriate or in order to limit the number of such meetings to a reasonable level or to prioritize acceptances based on the interests of all shareholders.

Management communicates with shareholders in many ways, including annual and quarterly reports, management proxy circulars, annual information forms, news releases, the corporate website, and presentations at investor conferences. Management also holds conference calls for quarterly earnings releases and, as appropriate, major corporate developments as soon as practical after they are publicly released. In September 2024, Definity hosted its first Investor Day. Questions or feedback from shareholders regarding the Company’s general business operations, financial results, strategic direction and similar matters should be directed to Management. Shareholders may provide their questions and feedback to Management by writing to Definity Financial Corporation, 333 Bay Street, Suite 2900, Toronto, Ontario M5H 2R2, Attention: Investor Relations Department, or by e-mail at ir@definity.com.

A copy of the Shareholder Engagement Policy is available on our website at www.definity.com.

Shareholder Proposals

Shareholder proposals for our 2026 annual meeting must be sent to us in writing in accordance with applicable law. Shareholder proposals may be submitted during the period from December 17, 2025 until 5:00 p.m. (Eastern time) on February 16, 2026 to be considered for inclusion in our management information circular for the 2026 meeting. The proposal must be sent to Definity Financial Corporation at 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary.

For More Information

Further information relating to the Company may be obtained from its website at www.definity.com and from the SEDAR+ website at www.sedarplus.ca.

Financial information is provided in the Company’s comparative financial statements and MD&A for the fiscal year ended December 31, 2024 and these documents are accessible through SEDAR+ and on our website. To obtain a copy of these documents at no cost, please contact: Definity Financial Corporation, 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, Attention: Corporate Secretary, or call toll free, within North America, at 1-866-902-4724.

Approval of the Board

The Board has approved the contents of the Circular and the distribution of the Circular to the shareholders of the Company.



MICHAEL PADFIELD

Senior Vice President, General Counsel and Corporate Secretary
April 4, 2025

Appendix A – Statement of Corporate Governance Practices

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We believe that sound and effective corporate governance is fundamental to enhancing our Board's ability to guide Management in its efforts to generate long-term value. We uphold standards of corporate governance that reflect applicable legal and regulatory requirements and a thoughtful approach to emerging practices. The Company's corporate governance disclosure obligations are primarily set out in the Canadian Securities Administrators' National Instrument 52-110 ("NI 52-110"), National Instrument 58-101 ("NI 58-101") and National Policy 58-201 ("NP 58-201"). These instruments set out a series of guidelines and requirements for effective corporate governance (collectively, the "Guidelines"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. NI 58-101 requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines.

Certain of the documents and information referred to in this Appendix A are available on our website. Our website and any information located on it do not form part of this Appendix A. The Board has approved the Statement of Corporate Governance Practices on the recommendation of its Corporate Governance Committee.

Highlights of Corporate Governance Practices

- Separation of CEO and Chair of the Board
- Independent Board and Chair: All members of the Board of Directors are independent, except the CEO
- Only independent directors on all committees of the Board
- 31% women representation on the Board of Directors and policy addressing board diversity
- Minimum director share ownership requirement equivalent to 3x annual retainer
- Private meetings of independent directors at all board and committee meetings
- Robust majority voting policy
- Policy on external positions and interlocking for directors
- Regular director continuing education programs
- Effective board evaluation and assessment process

Ethical Business Conduct

Code of Conduct

We have adopted a code of business conduct (our “Code of Conduct”) that governs the behaviour of our directors, officers and employees and the directors, officers and employees of certain of our subsidiaries, and describes expected business conduct grounded in our belief that trust and integrity are the foundation of our business. A copy of our Code of Conduct is available on the Company’s website at <https://www.definity.com> and on SEDAR+ at <https://www.sedarplus.ca>.

We are committed to the highest level of legal and ethical standards in business conduct. Each person covered by our Code of Conduct is required to act responsibly, ethically and professionally. The Code of Conduct sets out procedures for monitoring compliance and describes other steps taken to encourage and promote a culture of ethical business conduct. Covered persons are required to disclose actual and potential conflicts of interest and are subject to obligations regarding, among other things, the protection and proper use of corporate assets and opportunities, confidentiality of corporate information, and compliance with applicable laws.

Covered persons are required to acknowledge their obligations and confirm their compliance under our Code of Conduct annually and to disclose, at that time and throughout the year, any known or potential conflicts of interest that arise. Every new employee is required to review the Code of Conduct upon beginning work. Every year, each director, officer and employee is required to provide written confirmation that they have read, and will comply with, the Code of Conduct. We also have a mandatory online learning program to enhance understanding throughout our organization of the values and principles outlined in our Code of Conduct.

As part of its commitment to support ethical decision-making, our Board ensures that effective mechanisms are in place for employees to raise ethical concerns. Our ethics reporting program provides for a toll-free hotline and website that are maintained by an independent third party. Employees can use either of those channels to anonymously and confidentially report any accounting or auditing concern, suspected fraudulent activity or breach of our Code of Conduct. If employees prefer, they can refer concerns to their leader. Our ethics reporting program has processes in place to protect employees who report an incident in good faith or participate in the investigation of a report. Compliance with our Code of Conduct is monitored by Management and reported to Board committees. Significant concerns regarding questionable accounting, controls or auditing matters are automatically communicated to the Chair of the Audit Committee. Alleged breaches of the Code of Conduct are investigated promptly. If, after an investigation, it has been determined that a breach of the Code of Conduct has occurred, a decision will be made as to the appropriate corrective and/or disciplinary action that will be taken.

The Board monitors compliance with the Code of Conduct primarily through the Corporate Governance Committee, which receives regular reports from Management on the attestation process and compliance status, including notices of any material deviation from the Code of Conduct and any corrective action taken. The Board may grant a specific, limited waiver under our Code of Conduct if it determines that the waiver is appropriate under the circumstances. Each situation is considered separately on its merits and a decision in one case has no bearing on any other.

In addition, the Audit Committee is responsible for monitoring compliance with the Code of Conduct in relation to concerns or complaints relating to questionable accounting, or auditing matters, internal controls with respect to financial reporting and disclosure controls and procedures, and for ensuring all such issues are resolved in a satisfactory manner.

Conflicts of Interest

Our directors and executive officers are required by law to act honestly and in good faith with a view to the best interests of the Company, to disclose any personal interest which they may have in any material contract or transaction which is proposed to be entered into with the Company and, in the case of directors, to abstain from voting as a director for the approval of any such contract or transaction.

Pursuant to the terms of the HOOPP Governance Agreement, any director of the Company nominated on the direction of HOOPP will not be entitled to observe or participate in, and will upon the good faith request of the Board or any committee thereof, as applicable, recuse himself or herself from, any meeting or portion thereof at which the Board or any committee thereof, as applicable, is evaluating and/or taking action with respect to (or receive copies of materials or written resolutions in connection with) the exercise of any of our rights or enforcement of any of the obligations of HOOPP under the HOOPP Governance Agreement or the HOOPP Subscription Agreement, as applicable. There are no known existing or known potential material conflicts of interest between the Company and its proposed directors or executive officers as a result of their outside business interests.

Edouard Schmid serves as an underwriting advisor to Swiss Re, and Swiss Re or its affiliates may participate as reinsurers in our reinsurance program from time to time; however, this relationship does not constitute known existing or known potential material conflicts of interest between the Company and Mr. Schmid.

We use onboarding and annual directors' questionnaires, in which directors are asked to identify relevant outside business dealings and other companies or entities with which they have relationships, to assist the Board and Management in identifying actual or potential conflict of interest situations in advance. If a director's business or personal relationships present a material personal interest in a business matter or relationship that conflicts, or appears to conflict, with the interests of the Company or its subsidiaries, the issue is referred to the Chair of the Board. Appropriate steps will then be taken to determine whether an actual or apparent conflict exists and to determine whether it is necessary for the director to be excused from discussions relating to the issue.

Related party transactions

Since the Company's insurer subsidiaries are governed by the *Insurance Companies Act* (ICA), procedures with respect to related party transactions have been established in accordance with the provisions of the ICA, and those subsidiaries are also subject to the guidelines and policies published by OSFI. These guidelines, policies and procedures govern transactions between entities within the corporate group as well as directors and officers of such entities and parties and individuals related to them, and establish criteria to identify and assess related-party transactions. The Corporate Governance Committee oversees the systems, policies and procedures for the identification, evaluation and approval of related party transactions and periodically reviews and evaluates their effectiveness. It also reviews a report with respect to related party transactions on an annual basis.

Board of Directors

Independence of Directors

Under NI 58-101, a director is considered to be independent if they are independent within the meaning of NI 52-110. Pursuant to NI 52-110, a director is considered to be independent provided the director is free from any direct or indirect relationship which could, in the view of our Board, be reasonably expected to interfere with a director's independent judgment. Our Board annually determines whether each director is an independent director within the meaning of NI 58-101 by analyzing the director's conduct and relationships with the Company, its affiliates, and others.

Our Board has determined that all of the current members of the Board are independent within the meaning of NI 58-101, other than Rowan Saunders, the Company's CEO.

Independent Chair of the Board

We recognize the importance of independent leadership on the Board and the Board has appointed John Bowey, an independent director, as Chair of the Board. See "— Position Descriptions".

Meetings of independent directors

All Board and board committee meetings include *in camera* sessions during which directors meet separately without Management present.

External positions and director interlock

Certain proposed directors serve on the boards of other public companies. The Board has adopted guidelines regarding the maximum number of non-Definity boards our directors should serve on and related matters, which include (i) a limit of no more than two of our directors serving on an external public company board together, (ii) directors holding a maximum of three public company directorships, in addition to their membership on our Board (except our CEO or any other director who is a CEO of a public company, who may hold a maximum of one public company directorship, in addition to membership on our Board), (iii) members of the Audit Committee not serving on the audit committees of more than two public companies (in addition to our Audit Committee) and (iv) a limit of no more than one-third of the members of the Human Resources and Compensation Committee being sitting chief executive officer(s) of another company.

All directors are in compliance with the above-mentioned guidelines.

Board Size

Our by-laws provide that our Board will consist of a minimum of seven and a maximum of 21 directors.

Our Board and the Corporate Governance Committee assess the overall size of the Board, having regard to the results of the annual Board, committee, and director evaluation processes and relevant information concerning prevailing Canadian corporate governance practices, with a view to maintaining a board that is large enough to include the requisite expertise and resources but small enough to promote effective decision-making.

Our directors will hold office for a term expiring at the close of the next annual meeting or until their respective successors are elected or appointed. The nominees for election as directors of the Company are determined by our Board based on the recommendation of its Corporate Governance Committee in accordance with applicable corporate law, the mandate of our Board, the mandate of the Corporate Governance Committee and the HOOPP Governance Agreement. See Nomination and Assessment of Directors below.

Mandate of our Board

The Board is responsible for supervising the management of the business and affairs of the Company and, in doing so, is required to act in our best interests. The Board has adopted a written mandate to confirm and formalize the Board's duties and responsibilities for the stewardship of the Company in the form set forth in Appendix B to the Circular.

The Board will discharge its responsibilities either directly or through its committees. Specific responsibilities set out in the Board's mandate include:

- Appointing and Supervising Management – including final approval of all officer appointments, their compensation and the oversight of succession planning;
- Strategic Planning – including oversight over our business, financial and strategic plans and annual operating budget;
- Monitoring Financial Performance – including the review of our ongoing financial performance and results of operations and review and approval of our public financial disclosure and certain regulatory filings;
- Risk Management – including the identification of principal business risks including cybersecurity risk and climate change risk and the implementation of appropriate systems to effectively monitor and manage such risks;
- Establishing Policies and Procedures – including the approval and monitoring of policies and procedures related to corporate governance, internal controls and ethical business practices;
- Communication and Reporting – including the oversight of the timely and accurate disclosure of financial reports and other material corporate developments; and
- Other Responsibilities – including those related to position descriptions, orientation and continuing education, nomination of directors and Board evaluations.

The Board has delegated certain responsibilities to its committees and requires each to perform certain advisory functions and make recommendations to the Board in accordance with written mandates.

Management is expected to provide effective leadership in all aspects of the activities of Definity, to maintain our corporate culture and motivate employees, and to communicate effectively with employees, brokers, policyholders, and other industry participants. The Board also requires from Management timely information concerning the business and affairs of Definity, including financial and operating information and information concerning industry developments as they occur, all with a view to enabling the Board to discharge its stewardship obligations effectively.

Board Oversight Responsibility

Sustainability matters

The proactive management of material sustainability issues is an important element of our corporate strategy which we believe creates long-term value for our stakeholders. Given that a variety of sustainability topics can materially impact Definity's business operations, the associated risks and opportunities are overseen by the Board of Directors and its committees which are engaged on specific components of our sustainability agenda. The Board of Directors oversees our sustainability strategy as a whole.

At the committee level, physical and transition climate risks (including insurance and investment risks) are reported quarterly to the Risk Review Committee of the Board. This committee reviews our progress against our enterprise climate change strategy annually or more frequently, as required. The Audit Committee oversees Definity's annual sustainability disclosures, which are currently made in accordance with the Sustainability Accounting Standards Board (SASB) indicators. The Human Resources and Compensation Committee governs talent, succession, engagement and culture, pension, and executive compensation – including the incorporation of sustainability-related performance objectives in compensation programs. It also oversees our inclusion, diversity, equity, and accessibility efforts for employees. The Corporate Governance Committee oversees conduct, governance framework, and community investment activities.

Climate objectives

Definity has established an ambition to achieve net-zero emissions in our operations and investment portfolio (listed equity and corporate bonds only) by the year 2040 or sooner. "Net zero" means that at the date of target achievement, any residual emissions (less than 10% of the baseline) are balanced by an equivalent amount of emissions removed from the atmosphere. These targets are supported with interim milestones to guide our progress.

Our operational emissions targets include all Scope 1 and 2 emissions market-based (tonnes of carbon dioxide equivalent) and are calculated on an absolute basis relative to a 2019 baseline that reflects operational conditions prior to the COVID-19 pandemic.

Our investment emissions targets are measured on an intensity basis of GHG emissions (tonnes of carbon dioxide equivalent) per million dollars invested relative to a 2020 baseline and applies to listed equity and corporate bonds, according to the methodology developed by the Partnership for Carbon Accounting Financials.

Risk management

The Board, directly or through its Risk Review Committee, oversees the effective implementation of the enterprise risk management framework, providing challenge, advice and guidance to senior management to confirm appropriate risk management policies are in place, the effectiveness and outcomes of risk management processes and the decisions and actions of senior management are consistent with our business plans, strategy, and risk appetite. Regular reports on our risk profile, including significant risks, risk appetite exposures, and significant exceptions to risk management policies and controls, are provided to senior management, the Board, and its committees.

Our enterprise risk management framework sets out guidance in relation to the responsibility and authority for risk-taking, risk governance and oversight, and risk control.

Governance Structure

BOARD OF DIRECTORS				
Audit Committee	Corporate Governance Committee	Human Resources & Compensation Committee	Risk Review Committee	Ad hoc committees (as required)
<p>Senior Management</p> <p>(including management committees e.g. Executive Leadership Committee, Management Risk Committee, Executive Investment Committee, Management Pension Committee, Public Disclosure Committee, ESG Steering Committee, Capital and Treasury Steering Committee)</p>				

Risk management occurs at all levels of the organization. The Board approves and oversees, among other things, our business plans, strategy, risk appetite, internal control framework, Code of Business Conduct, and significant policies, plans, and strategic initiatives related to the management of, or that materially impact, capital and liquidity. It also provides challenge, advice, and guidance to senior management on the ORSA, our business performance, and the effectiveness and outcomes of risk management and regulatory compliance practices, as well as significant capital, operational, business, risk, and crisis management policies. To assist the Board in confirming that the key risks are appropriately identified, critically assessed, and adequately managed, certain risk management accountabilities have been delegated to the following Board committees:

BOARD OF DIRECTORS COMMITTEES	
Audit Committee	The Audit Committee, composed entirely of independent directors, is responsible for overseeing the integrity of our financial statements and related public disclosures; the qualifications, independence, appointment, and performance of our internal and external auditors; and the design, implementation, and evaluation of our internal controls, including internal controls over financial reporting and our disclosure controls.
Corporate Governance Committee	The Corporate Governance Committee, composed entirely of independent directors, is responsible for overseeing development of effective corporate governance guidelines and processes, reviewing policies and processes to sustain ethical conduct, assessing the effectiveness of the Board and its committees as well as the contributions of individual directors, and identifying and recommending for election as directors those individuals with appropriate competencies, skills, and experience.
Human Resources and Compensation Committee	The Human Resources and Compensation Committee, composed entirely of independent directors, is responsible for overseeing our human resources practices and policies. This includes reviewing our overall compensation philosophy, approving compensation for our senior executives, and reviewing retention, development, and succession plans.

Risk Review Committee	<p>The Risk Review Committee, composed entirely of independent directors, is responsible for the oversight of the enterprise risk management framework and the regulatory compliance management program. The Risk Review Committee reviews and provides challenge, advice, and guidance on the ORSA and the results of our regulatory compliance management program. It approves significant enterprise risk management policies and articulation of risk appetite. It also monitors our key and emerging risks.</p>
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From time to time, the Board may also strike ad hoc committees to provide dedicated oversight to key strategic initiatives.

The Board has delegated certain risk management responsibilities to the following executive management committees:

- Management Risk Committee
- Executive Investment Committee
- Management Pension Committee

For more information on the Company’s approach to risk management, please see Section 11 – Risk Management and Corporate Governance at pages 48-69 of our MD&A for the year ended December 31, 2024, available on our web site at www.definity.com and on SEDAR+ at www.sedarplus.ca.

Climate change risk

The Board of Directors is ultimately responsible for oversight with regard to climate change risk. It is supported by its Committees in this regard. Through our governance processes and enterprise risk management framework, climate change risk is identified as being among the top risks for the organization and is monitored by the Board’s Risk Review Committee. The Chief Risk and Actuarial Officer, supported by other members of senior management, has been assigned responsibility for our climate change strategy.

For more information on climate change risk and how we mitigate them, please see pages 64-66 of our MD&A for the year ended December 31, 2024, available on our web site at www.definity.com and on SEDAR+ at www.sedarplus.ca.

Technology, cybersecurity and artificial intelligence risk

Advanced technologies provide opportunities and risks either through our adoption or through the use of such technologies by other parties. There is an increasing prevalence and sophistication of cyber-attacks, leveraging advanced capabilities offered by GenAI, affecting a variety of businesses with increasing financial, operational, and reputational impact. Our risk management practices generally, and our AI and GenAI governance processes specifically, place additional emphasis on the identification and mitigation of risks specific to, or exacerbated by, the usage of AI and GenAI models and technology – including the risks of bias, inaccuracy, data or privacy breach, or misuse. The Board of Directors, through its Risk Review Committee, oversees the development of strategies to manage and mitigate these risks.

Through our cyber security program, our cyber security practices are periodically tested and benchmarked against industry leading practices and standards to assess and prioritize areas for investment, and we regularly enhance systems, networks, processes, and data protection measures to detect and reduce the risk of unauthorized access, increase system resilience, and minimize the impact of a cyber-attack if it were to occur.

For more information on our technology, cybersecurity, model and artificial intelligence risks and how we mitigate them, please see pages 59-61 of our MD&A for the year ended December 31, 2024, available on our web site at www.definity.com and on SEDAR+ at www.sedarplus.ca.

Committees

Our Board has four standing committees: the Audit Committee, the Human Resources and Compensation Committee, the Corporate Governance Committee and the Risk Review Committee. Each committee has a written mandate, which it is required to reassess at least once every three years. The results of those assessments are reported to the full Board.

Audit Committee

Composition of the Audit Committee

The Audit Committee consists of Robert McFarlane (Chair), Sonia Baxendale, Dick Freeborough, Adrian Mitchell and Edouard Schmid. Our Board has determined that each member of the Audit Committee is an independent director and financially literate, in each case within the meaning of NI 52-110.

In addition, both Mr. Freeborough, as a Fellow of the Chartered Professional Accountants of Ontario, and Mr. McFarlane, who served as EVP and CFO of Telus Communications until 2012, are considered audit financial experts. An “audit financial expert” is defined as (i) a chartered accountant; (ii) a certified public accountant; (iii) a former or current CFO of a public company or corporate controller of similar experience; (iv) a current or former partner of an audit company; or (v) having similar demonstrably meaningful audit experience.

If elected at the Meeting, the current members of the Audit Committee will continue to serve in those capacities.

Audit Committee Mandate

The Board has adopted a written mandate of the Audit Committee, as included in the Company's Annual Information Form (filed on SEDAR+ at <https://www.sedarplus.ca>) and on our website (<https://www.definity.com>), setting forth the committee's purpose and responsibilities, consistent with NI 52-110. The Audit Committee mandate outlines the Audit Committee's responsibility for, among other things:

- overseeing the integrity of our financial statements, financial reporting process and control environment;
- reviewing our annual and interim financial statements, MD&A and related public disclosure prior to their release to the public;
- recommending to the Board the external auditor to be appointed for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for us;
- approving annual internal and external audit plans and overseeing the Board's relationship with internal and external auditors including their independence, performance and compensation;
- pre-approving permitted non-audit services provided to us by our internal or external auditors and its affiliates;
- establishing policies and procedures for the receipt, retention, and treatment of complaints regarding questionable accounting or auditing matters, internal controls with respect to financial reporting and disclosure controls and procedures, and the confidential, anonymous submission by our employees of concerns regarding any of the foregoing; and
- reviewing and approving our hiring policies regarding past and present partners and employees of our external auditor.

Human Resources and Compensation Committee

Composition of the Human Resources and Compensation Committee

The HRCC consists of Elizabeth DelBianco (Chair), Daniel Fortin, Dick Freeborough, Micheál Kelly and Susan Monteith. Our Board has determined that each member of the HRCC is an independent director within the meaning of NI 52-110.

If elected at the Meeting, the current members of the HRCC will continue to serve in those capacities.

Human Resources and Compensation Committee Mandate

The Board has adopted a written mandate which outlines the responsibilities of the HRCC with respect to, among other things:

- recommending to the Board the compensation paid to our CEO and, after obtaining the recommendation of our CEO, approving the compensation paid to other members of senior management;
- reviewing retention, development, and succession plans for senior management, including the CEO;
- reviewing the Company's culture, including matters relating to employee equity, diversity, accessibility and inclusion as well as employee engagement and the results of the Company's employee engagement surveys;
- approving the adoption of, or amendments to, incentive compensation plans and grants or awards under such plans, subject to Board approval, as appropriate; and
- approving the "Statement of Executive Compensation" section of the Circular.

Corporate Governance Committee

Composition of the Corporate Governance Committee

The Corporate Governance Committee consists of Micheál Kelly (Chair), Elizabeth DelBianco, Adrian Mitchell, Edouard Schmid and Michael Stramaglia. Our Board has determined that each member of the Corporate Governance Committee is an independent director within the meaning of NI 52-110.

If elected at the Meeting, the current members of the Corporate Governance Committee will continue to serve in those capacities, with the exception of Micheál Kelly, who will leave the Corporate Governance Committee and Susan Monteith, who will join the Corporate Governance Committee as its Chair, effective April 15, 2025.

Corporate Governance Committee Mandate

The Board has adopted a written mandate which outlines the responsibilities of the Corporate Governance Committee with respect to, among other things:

- reviewing the overall size, composition and independence of the Board;
- recommending to the Board candidates for Board membership;
- recommending to the Board candidates qualified for appointment or reappointment to Board committees;

- supervising the annual Board, committee and director evaluation process;
- overseeing director orientation and continuing education;
- acting as our Conduct Review Committee, and fulfilling the Board's statutory obligations with respect to related party transaction oversight;
- approving the "Statement of Corporate Governance Practices" and "Director Compensation" sections of our annual proxy circular; and
- periodically reviewing and making recommendations to the Board regarding the adequacy and form of directors' compensation.

Risk Review Committee

Composition of the Risk Review Committee

The Risk Review Committee consists of Daniel Fortin (Chair), Sonia Baxendale, Sabrina Geremia, Robert McFarlane, Susan Monteith and Michael Stramaglia. Our Board has determined that each member of the Risk Review Committee is an independent director within the meaning of NI 52-110.

In addition, both Mr. Fortin, with more than 35 years of experience in the technology industry, including as a former president of IBM Canada, and Ms. Geremia, with significant experience and expertise in the information technology and artificial intelligence sectors, including as an executive with Google, are considered to possess key skills and expertise with respect to information technology, cybersecurity and artificial intelligence.

Ms. Baxendale possesses significant experience in risk management in the financial services sector, including with respect to climate risk through her position as CEO of the Global Risk Institute and the experience gained over the course of her career with a number of financial institutions. Similarly, Mr. Stramaglia is the President and founder of Matrisc Advisory Group Inc., a risk management consulting firm, an Executive in Residence at the Global Risk Institute in Financial Services, and a former Chief Risk Officer and Executive Vice-President of Investments at Sun Life Financial Inc. He is a qualified actuary and a Chartered Enterprise Risk Analyst.

If elected at the Meeting, the current members of the Risk Review Committee will continue to serve in those capacities, with the exception of Susan Monteith who will leave the Risk Review Committee and Micheál Kelly who will join the Risk Review Committee, effective April 15, 2025.

Risk Review Committee Mandate

The Board has adopted a written mandate which outlines the responsibilities of the Risk Review Committee with respect to, among other things, assisting the Board in fulfilling its oversight responsibilities with respect to the management of the enterprise risk management framework with a view to promoting the achievement of agreed upon risk-adjusted returns and allocating capital accordingly. Specific responsibilities include overseeing:

- the initial identification of major risks facing the Company and the development of strategies to manage and mitigate those risks, including but not limited to cyber security risk and climate change risk;
- the review of Management's assessment of compliance with approved risk management policies, practices and controls related to the Company's capital structure;
- the review of the annual report on the Company's financial condition and periodic stress testing;
- the review of the Company's own risk solvency assessment;
- the effectiveness of the Company's enterprise-wide regulatory compliance management program and framework; and
- the review and monitoring of the Company's capital management plan to support continued solvency based upon both regulatory requirements and its own assessment of the Company's risk profile.

Board and Committee Meetings

The Board meets regularly to review our business operations and financial results. In addition to meeting in relation to annual and quarterly financial results, the Board meets to approve non-financial disclosure documents and as part of our business and strategic planning process. Special meetings are called as necessary, the frequency and nature of which depend on the circumstances and the particular opportunities or risks that we face.

The Chair of any committee may, at any time but with appropriate notice, call a meeting of the Board to consider any matter of concern to it. In addition, meetings of the Audit Committee or the Risk Review Committee may be called at any time at the request of the external auditor, the appointed actuary, the Chief Risk and Actuarial Officer, or the Chief Financial Officer.

Board and committee meetings include management reports to review and discuss specific aspects of our operations. The independent directors meet *in camera* at all Board and committee meetings without the presence of management.

Position Descriptions

We have adopted written position descriptions for our Chair of the Board, Committee Chairs, individual directors and the CEO. In accordance with its mandate, the Corporate Governance Committee meets periodically to review position descriptions and recommend changes to the Board where necessary.

The Chair of the Board is responsible for the management, development and effective performance of the Board, and for providing leadership to the Board in carrying out its duties. The Chair's specific responsibilities include:

- guiding the conduct of the Board;
- acting as a liaison between the Board and Management; and
- ensuring that appropriate procedures are in place to allow the Board and its committees to function effectively, efficiently and independently of Management.

Chairs of Board committees are responsible for, among other things, scheduling, setting agendas for and presiding over committee meetings and acting as a liaison between the committee and the Board.

Directors are generally expected to possess appropriate knowledge of the business of the Company, and regulatory and industry issues, to effectively contribute to the Board and its committees, and to apply independent judgment on matters brought before them.

The CEO is responsible for, among other things, overseeing day-to-day business affairs, leading our strategic planning and budgeting processes, supervising senior Management, and implementing systems to ensure the integrity of our internal controls, management information systems, and financial reporting.

The position description of the CEO assists with the Board's CEO succession planning process.

Management Succession Planning

The Company has a comprehensive succession planning program in place to ensure that talent is being developed at all levels such that successor candidates are prepared for future roles as well as any departures, planned or otherwise.

As part of its mandate, the HRCC is responsible for reviewing the retention, development, and succession plans for senior management, including the CEO. The HRCC supports the Board of Directors in this regard and takes into account the Company's commitments with respect to management diversity, namely having the following representation at the Vice-President level and above by 2026: at least 30% women as well as at least 15% Black, Indigenous, People of Colour, LGBTQ+, and/or persons with disabilities.

The Board of Directors is responsible for the CEO succession planning process, supported by the HRCC. The HRCC reviews the process on a regular basis and reports to the Board of Directors, reviewing the CEO position description, the list of potential candidates identified for the CEO position, and the emergency succession plan. A similar process is in place for the other Executive Leadership Team positions.

Compensation

Director compensation

The Board sets the level of compensation for directors, based on the recommendations of the Corporate Governance Committee. Directors who are also employees of the Company or of any of our subsidiaries do not receive any additional compensation for acting as a director of the Company or of any of our subsidiaries. From time to time, the Corporate Governance Committee reviews the amount and form of compensation paid to directors, taking into account the workload, responsibilities, and risks involved in being an effective director. The committee's review may be conducted with the assistance of outside consultants. For additional information regarding the compensation of our directors, see "Director Compensation" above in the Circular.

Executive Compensation

The HRCC is responsible for making recommendations to the Board regarding the employment terms of our CEO, and for reviewing the recommendations of our CEO and approving the compensation of our other executive officers. The HRCC is also responsible for reviewing and approving awards under our incentive plans. The HRCC meets *in camera* to discuss the base salary, annual incentives, and other compensation awarded to our CEO.

See "Committees – Human Resources and Compensation Committee" for more information about that committee. Details of executive compensation and our compensation consulting arrangements are disclosed in the "Statement of Executive Compensation" above in the Circular.

Diversity

Board Diversity

We believe that a board of directors made up of strong directors with the right skill sets, who also represent diverse personal experiences and backgrounds, promotes better corporate governance.

Our Board has adopted a written board diversity policy relating to multiple dimensions of diversity, over and above the identification and nomination of women directors. The objective of the policy is to promote better corporate governance by enabling the Board to deliberate with broader perspectives and deeper insight. Under the policy, when identifying candidates to recommend for election to the Board, the Corporate Governance Committee gives consideration to diversity factors, along with business experience, functional expertise, personal skills, and integrity, taking into account the level of diversity on the Board and representation of women, members of visible minorities, members of Indigenous Peoples, persons with disabilities and LGBTQ+, provided women and men shall each represent at least 30% of all directors. In addition, the Corporate Governance Committee may engage a qualified independent external advisor to conduct a search for candidates that meet our diversity factors.

Every year, the Corporate Governance Committee assesses the effectiveness of the board diversity policy by considering the extent to which its objectives have been met and making such recommendations to the Board as it deems necessary or appropriate. The board diversity policy requires the Corporate Governance Committee to consider the level of representation of women, members of visible minorities, members of Indigenous Peoples, persons with disabilities and LGBTQ+, when identifying candidates to recommend for election to the Board. Further, to reflect the Board's continued commitment to diversity, the policy has a target to have at least one director that identifies as a member of a visible minority or an Indigenous People, a person with a disability, or LGBTQ+ by its annual meeting in 2026, and we aspire to have at least two directors who each identify as a member of these communities by that time and maintain at least that level thereafter.

The CGC in its recruiting efforts has integrated diversity factors into the board renewal and recruitment process with a view to meeting the board diversity targets and aspirational objective.

Targets for representation of designated groups on the board of directors

Designated groups	Target	Expected timeframe to achieve target	Progress toward achieving target
Women	30% of all directors	In force	Met
Indigenous peoples	At least one director and aspire for two directors on the Board	By annual meeting in 2026	Met
Members of visible minorities			
Persons with disabilities			
LGBTQ+			

The Board and the Corporate Governance Committee wish to underscore the importance with which they consider factors related to diversity, business experience and skills in our efforts to recruit new directors. Our emphasis on diversity is consistent with our board diversity policy, and the importance of diversity, equity, inclusion and accessibility to Definity's corporate strategy.

We make these commitments taking account of our belief that a board of directors made up of strong directors with the right skill sets, who also represent diverse personal experiences and backgrounds, promotes better corporate governance.

As of the date of this Circular, the Company has met its respective targets for representation of designated groups on the Board, as well as its aspiration to have two directors from among the following designated groups: Indigenous peoples, members of visible minorities, persons with disabilities and LGBTQ+. Women comprise 31% (four individuals) of our Board and 33% of the independent members of our Board. The Board is also comprised of one director who self-identifies as a member of the visible minority designated group and one director who self-identifies as a member of the LGBTQ+ designated group.

It is also expected that the Board will have two women in positions of Board leadership at the time of the Company's annual meeting: Betty DelBianco, as Chair of the Human Resources and Compensation Committee, and Susan Monteith, as Chair of the Corporate Governance Committee.

Representation of designated groups on the board of directors (as of the date of this Circular)

Designated groups	Number	Percentage
Women	4	31%
Indigenous peoples	0	0%
Members of visible minorities	1	7.7%
Persons with disabilities	0	0%
LGBTQ+	1	7.7%
Number of individuals that are members of more than one designated group	0	0%

Management Diversity

Our HRCC oversees the diversity programs we have in place for employees at all levels of the Company, including our executives.

We believe that diversity, inclusion, equity, and accessibility are key drivers in contributing to our success. We actively promote a culture that recognizes the importance of having employees who bring diverse perspectives and experiences that reflect the customers and communities that we serve.

We have a strategic commitment to sourcing and developing diverse talent. When making decisions on executive officer appointments, we consider the leadership capability, business experience, functional expertise and diverse backgrounds and experiences of candidates, as well as the level of representation of women in executive officer positions. As of December 31, 2024, women represented 58% of our overall workforce and comprised 23% (three individuals) of our executive officers (as defined in applicable securities laws in Canada) and 43% of our leadership roles (manager and above). To reflect our active promotion of a culture of inclusion and collaboration, we have established diversity targets, such that at our vice-president and executive leadership levels, women and men each represent at least 30%, and Black, Indigenous, people of colour, LGBTQ+, and persons with disabilities represent at least 15%, by 2026. Please note that our categories for designated groups at the management level are different from the categories for board diversity noted above.

Targets for representation of designated groups at vice-president level and above (including executive officers)

Designated groups	Target	Expected timeframe to achieve target	Progress toward achieving target
Women	30%	By 2026	Explicit metrics added to individual executive objectives that address increasing the proportion of women in leadership positions
Black	15%		Target and timeline established for achieving target; dimensions of diversity considered when making vice-president and executive officer appointments
Indigenous peoples			
Members of visible minorities / people of colour			
Persons with disabilities			
LGBTQ+			

We have established a committee on diversity and inclusion which plays a critical role in developing our diversity and inclusion strategy including its plans and measures. We have four employee groups in place: Anti-Racism and Culture Equity; LGBTQ+; Women's Empowerment; Disability and Accessibility Awareness. These employee groups are connected to our diversity and inclusion committee and advocate for diversity awareness, identify barriers and opportunities for inclusion, and champion the advancement of underrepresented groups into leadership roles.

We have also established a Management role that has responsibility for facilitating inclusion across our organization through partnership with our leaders and employees, and by contributing financial support to charitable organizations that help create inclusive communities. As of 2023, we added explicit metrics to individual executive objectives that address increasing the proportion of women in leadership positions. This goal is aligned with the goals established for our sustainability-linked loan facility.

Representation of designated groups among executive officers

Designated groups	Number	Percentage
Women	3	23%
Black	0	0%
Indigenous peoples	0	0%
Members of visible minorities / people of colour	1	7.7%
Persons with disabilities	2	15.4%
LGBTQ+	0	0%

Director Term Limits and Other Mechanisms of Board Renewal

We have not adopted fixed term limits or a mandatory retirement age for directors on the basis that imposing an arbitrary term limit or retirement age would unnecessarily expose the Company to losing the contribution of directors who have valuable business experience and insight into the Company's operations, and who could continue to make significant contributions to the Board and the Company. Given our Board's current composition, average director tenure of approximately eight years, and regular evaluation process, we believe that term limits or a mandatory retirement age are not necessary to achieve the objective of bringing fresh ideas and viewpoints to the Board. Instead, the Corporate Governance Committee uses its annual assessment of Board effectiveness as a principal board renewal mechanism to determine if changes to Board composition are appropriate. Further details can be found below at "Nomination and Assessment of Directors".

Board and Director Evaluation

The Corporate Governance Committee is responsible for annually assessing the effectiveness and contribution of the Board as a whole, of each Board committee and of individual directors. A formal assessment process is conducted every other year, involving the circulation of self-assessment questionnaires to the full Board (in the case of Board and director evaluations) and to each committee member (for the relevant committee evaluation). The results of the assessment questionnaires are compiled and forwarded to the Chair of the Corporate Governance Committee. Evaluation results are reported to the Corporate Governance Committee and each committee (in relation to its own performance) and the Board after the assessment is complete. The Board evaluation process has led to improvements in Board and committee operation including the provision of feedback surveys to directors subsequent to our scheduled Board meetings as well as revising the format and scheduling of Board education sessions.

Every year, the Chair of the Board and the Chair of the Corporate Governance Committee together interview each director to obtain their feedback and discuss any aspect of the Company's corporate governance that the director may wish to discuss. The Chair of the Board meets with each director to discuss views on the performance of their fellow directors through a peer review. The Chair of the Corporate Governance Committee also meets with each director to discuss the performance of the Chair of the Board. The Chair of the Corporate Governance Committee evaluates the performance of the Chair of the Board in that role based on feedback and evaluation results and meets privately with the Chair of the Board to share the results of that evaluation. Interview insights are reported to the Corporate Governance Committee and the Board after the interviews are complete.

All assessment questionnaires and interviews are strictly confidential to encourage full and frank commentary from our directors.

The Chair of the Board meets annually with each independent director to provide and receive feedback on their individual contributions to the Board and related matters.

Nomination and Assessment of Directors

The responsibilities of the Corporate Governance Committee include serving as our nominating committee. It recommends nominees for election at our annual meeting to the Board and also new candidates for Board membership as the need arises and informed by the Board and Director Evaluation process described above. See " – Corporate Governance Committee" above.

The Corporate Governance Committee uses its annual assessment of Board effectiveness as a principal board renewal mechanism to determine if changes to Board composition are appropriate.

Candidates for nomination as director may come to the attention of the Corporate Governance Committee from time to time through incumbent directors, Management or third parties and may be considered at meetings of the committee at any point during the year. An evergreen list of prospective director candidates is maintained, along with a skills matrix that is used as an additional tool to assess the areas of experience and expertise that the Board would benefit from adding, taking into account the current and anticipated needs of the Board and its committees in light of the opportunities and risks facing the Company, its strategy and its succession planning needs. If the committee believes at any time that the Board requires additional candidates for nomination, it may poll directors and Management for suggestions or conduct research to identify possible qualified candidates. The Committee may also retain an external recruitment search firm.

At a minimum, candidates are required to have demonstrated: the highest personal and professional integrity; significant achievement in their field; experience and expertise relevant to our business; a reputation for sound and mature business judgment; the commitment to devote the necessary time and effort in order to fulfil their duties effectively; and, where required, financial literacy. Consistent with our board diversity policy, when identifying candidates to recommend for election to the Board, the Corporate Governance Committee considers diversity factors, along with business experience, functional expertise, personal skills, and integrity, and takes into account the level of diversity on the Board and representation of women, members of visible minorities, members of Indigenous Peoples, persons with disabilities and LGBTQ+, provided that the Company shall maintain a Board in which women and men each represent at least 30% of all directors. Candidates are also screened for conflicts of interest and material relationships that could impact their independence. In addition, the composition of the Board must meet statutory residence requirements.

The Corporate Governance Committee's process for identifying and evaluating director nominees generally involves (with or without the assistance of an external recruitment search firm) compiling names of potentially eligible candidates, vetting those candidates against the factors described above and the skills matrix, conducting background and reference checks, conducting interviews with candidates and/or others, meeting to consider and approve final candidates and, as appropriate, preparing and presenting to the Board the committee's recommendations.

The Company has pursued the renewal of its Board since its IPO, adding Edouard Schmid in 2021, Sabrina Geremia and Adrian Mitchell in 2022 and Sonia Baxendale in 2024, following the departure of Barbara Fraser from the Board in 2024.

Orientation and Continuing Education

Director orientation

The Corporate Governance Committee oversees orientation for new directors, which includes information on the role of the Board, its committees, and individual directors, as well as relevant Company and industry information. Each new director is provided access to up-to-date information on our corporate and organizational structure, recent public disclosure documents and financial information, our corporate documents (including our constating documents), Board and committee mandates, key corporate policies, including our Code of Conduct, and details regarding directors' and officers' indemnification and insurance coverage. Each new director attends orientation presentations by our senior management. As well, new directors are assigned experienced directors as their mentors and have regular and ready access to fellow directors and to senior management.

Director continuing education

The Corporate Governance Committee reviews information on available external education opportunities and ensures that directors are aware of selected relevant opportunities. We provide our directors with an annual budget of \$3,000 each to fund participation in external education and development opportunities, and we also provide them with membership in the Institute of Corporate Directors.

Presentations are made regularly to the Board and committees to educate and keep them informed about industry trends, changes within the Company and in legal, regulatory and industry requirements and standards, and directors' duties and the corporate governance landscape. In addition to attending sessions provided by other boards our directors serve on, our directors attended sessions in 2024 that were organized by third parties including:

- AI Tsunami
- Bennett Jones LLP
- Blake, Cassels and Graydon LLP
- Business Council of Canada
- Canadian Club
- Canadian Institute of Actuaries
- Canadian Investor Relations Institute
- Canadian Public Accountability Board
- C.D. Howe Institute
- Professor David R. Beatty
- Deloitte LLP
- Director Connect
- Eurasia Group / GZERO Media
- EY LLP
- Financial Services Regulatory Authority of Ontario
- Google
- Global Risk Institute
- Institute of Corporate Directors
- KPMG LLP
- McKinsey
- NASDAQ
- Office of the Superintendent of Financial Institutions (Canada)
- Osler, Hoskin and Harcourt LLP
- Perimeter Institute
- PH&N RBC Global Asset Management
- Proviti
- PwC LLP
- Queen's University Smith School of Business
- RiskConnect
- Risk Institute Managers' Society
- Strathmore University Business School
- Swiss Re
- TD Securities
- The Logic
- Western University Ivey School of Business

During 2024, the Board and its committees engaged in numerous in-depth “deep dive” sessions addressing aspects of the Company and its business, which often included elements of general education as well as deeper insights into ongoing and emerging aspects of our business and operating environments. Educational topics presented in 2024 to the Board and its various committees include those described below:

Date	Audience	Topic
April 2024	Board of Directors	Organizational resilience
May 2024	Board of Directors	Artificial Intelligence: Context and market trends
May 2024	Risk Review Committee	Climate risk update
August 2024	Board of Directors	Technology trends impacting the Canadian P&C insurance industry
September 2024	Board of Directors	Macroeconomic and industry context for P&C insurers
November 2024	Audit Committee	Accounting developments
November 2024	Human Resources and Compensation Committee	Executive compensation trends

The Board also held a two-day Board strategy meeting addressing various business, industry and Company-specific topics, with presentations from both Management and external groups.

Appendix B – Board of Directors Mandate

This mandate provides terms of reference for the Board of Directors (the “Board”) of Definity Financial Corporation (the “Company”).

Primary Responsibilities of the Board

(a) General

The Board is responsible for the stewardship of the Company and for supervising the management of the business and affairs of the Company. In doing so, each director must act honestly and in good faith with a view to the best interests of the Company, and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board must stay informed of the Company’s affairs, be actively engaged in the development of the Company’s strategic direction and oversee how management executes direction. In doing so, the Board is responsible for appointing a competent executive management team and for monitoring the management of the business of the Company by that team.

This mandate sets out the primary responsibilities of the Board, but shall in no way be construed as limiting the matters that the Board may consider in the course of discharging its duties or as limiting the exercise of a director’s independent judgment.

The Board will carry out its mandate either directly or through the following standing committees of the Board: Audit Committee, Human Resources and Compensation Committee, Corporate Governance Committee and Risk Review Committee. Subject to applicable law, the Board may establish other Board committees on a temporary or permanent basis or merge or dispose of any Board committee.

Each such committee will be governed by a written mandate outlining the committee’s purpose and responsibilities, committee membership criteria, structure and operations (including any authority of the committee to delegate powers to individual members, subcommittees and management), and the manner in which the committee will report to the Board.

(b) Integrity of management

The Board will satisfy itself that management is acting in the best interests of the Company, upholding the highest standards of ethical behavior, and creating a culture of integrity throughout the Company. The Board will satisfy itself that management is striving to enhance the financial value and long-term sustainability of the Company.

The Board will satisfy itself as to the integrity of the president and chief executive officer, senior management and other employees of the Company through monitoring compliance with the Company’s Code of Business Conduct (the “Code”) and its ethics reporting procedures. The Board will satisfy itself that the president and chief executive officer and senior management create and maintain a culture of integrity throughout the organization.

(c) Strategic planning and execution

The Board will:

- require the president and chief executive officer to develop and present to the Board the objectives and strategies which the president and chief executive officer proposes to pursue in managing the business and affairs of the Company, together with an implementation plan, which takes into account, among other things, the Company’s strengths and weaknesses, the opportunities for and threats to the Company’s business and the Company’s risk tolerance level established by the Board;
- assess the appropriateness of the Company’s objectives, whether the strategies are reasonably capable of being executed successfully, and whether its strategies, if successfully executed, are reasonably likely to achieve the stated objectives;
- monitor management’s implementation of the strategies and the Company’s progress toward achieving its objectives; and
- ensure that all significant corporate transactions are submitted for its approval.

(d) Principal risks and risk management systems

The Board will:

- review with management the principal business risks to the Company and gain and maintain reasonable assurance that appropriate procedures are implemented to identify, monitor, manage and mitigate those risks;
- gain and maintain reasonable assurance that effective systems are in place to monitor the integrity of the Company’s internal controls and management information systems;
- gain and maintain reasonable assurance that management processes are in place to address and comply with applicable laws and regulations, including applicable corporate, securities and regulatory requirements; and
- confirm and monitor that processes are in place to comply with the Company’s bylaws, Code and ethics reporting program.

(e) Financial reporting, controls and public disclosure

The Board will gain reasonable assurance that the Company has a system in place for communicating to relevant stakeholders and, where appropriate, to the public, including processes for consistent, transparent and timely public disclosure. In doing so, the Board will:

- gain and maintain reasonable assurance that the Company maintains the communications systems to effectively communicate with its stakeholders and provide full, accurate and timely public disclosure where appropriate;
- gain and maintain reasonable assurance that the Company has information and reporting systems that are reasonably designed to provide timely accurate information sufficient to allow management and the Board to reach informed decisions;
- gain and maintain reasonable assurance as to the integrity, comprehensiveness and effectiveness of the Company's internal control environment;
- nominate a firm of public accountants for appointment as the external auditor and fix the compensation and engagement terms for the external auditor;
- when appropriate, pre-approve all non-audit services proposed to be provided to the Company or its subsidiary entities by the external auditor, or adopt specific policies and procedures for the engagement of such services;
- establish policies regarding the hiring of partners, employees and former partners and employees of the present and any former external auditor;
- appoint, direct and oversee the work of the Company's internal audit function;
- review the Company's financial statements, management's discussion and analysis and related disclosures, including financial information extracted or derived from the Company's financial statements, before such information is released to the Company's stakeholders or the public;
- gain and maintain reasonable assurance that the Company complies with applicable laws, regulations, rules, policies and other regulatory requirements; and
- receive reports from the chair of the Board regarding the reasonableness of expenses incurred by the president and chief executive officer and receive reasonable assurance from the internal auditors that expenses of all senior executives conform to Company policy.

(f) Investment management

The Board will gain and maintain reasonable assurance:

- that the assets of the Company are invested in compliance with applicable law, including (to the extent applicable) the *Insurance Companies Act* (Canada);
- that the Company's Investment Policy Statement ("IPS") is prudent and aligns with the risk appetite established by the Board;
- as to the Company's investment performance and compliance with the IPS;
- that the investment management and performance of the Company's pension plans are appropriately monitored, including as to compliance with the Pension Plan Statement of Investment Policies and Procedures;
- as to the quality and effectiveness of the work of investment managers for the pension plans; and
- as to management's assessment of the economic, capital markets and regulatory environments and the impact of these influences on the Company's investment portfolios, strategies and operations.

(g) People

The Board will:

- select and appoint a president and chief executive officer;
- establish a written position description for the president and chief executive officer, which reflects the Board's delegation to the president and chief executive officer of powers and authority to manage the business and affairs of the Company and which delineates the president and chief executive officer's responsibilities;
- approve the terms and conditions of the president and chief executive officer's employment by the Company, including any changes to such terms and conditions;
- establish, maintain and implement a process for annually assessing the performance of the president and chief executive officer, taking into account the president and chief executive officer's position description and the goals and objectives of the Company which have been approved by the Board and which the president and chief executive officer is responsible for meeting;
- be responsible for approving the compensation of the president and chief executive officer;

- receive the recommendation of the president and chief executive officer regarding the appointment of the chief executive officer's executive direct reports and any other executives responsible for the corporate oversight functions as may be designated by the Human Resources and Compensation Committee for this purpose and, upon agreement, approve such appointments;
- review and approve the terms and conditions of each such executive's employment by the Company, including any material changes to such terms and conditions;
- review and approve all written employment contracts of such executives;
- approve any termination of the president and chief executive officer;
- receive the recommendation of the president and chief executive officer concerning the designation of corporate officers and approve all such designations;
- review and oversee the Company's succession plans for senior management; and
- oversee and monitor the Company's initiatives with respect to equity, diversity, inclusion and accessibility.

In addition, the Board will gain and maintain reasonable assurance regarding the adequacy and effectiveness of:

- the Company's policies and practices to attract, develop and retain the human resources required by the Company to meet its objectives;
- the Company's staff-level and executive compensation and incentive programs;
- the design, operation and governance of the Company's benefit programs and pension plans;
- the Company's policies and processes relating to the health and safety of the Company's employees; and
- the Company's policies and practices for monitoring and developing the skills of management and employees.

(h) Corporate governance

To support the Company's high standard in governance practices, the Board will:

- establish an appropriate framework to allow the Board to function independently of management;
- appoint a Corporate Governance Committee composed of independent directors;
- clearly articulate what is expected from a director by developing position descriptions for directors, the Board chair, and the chair of each Board committee;
- establish limits of authority delegated to management;
- periodically review Board compensation and succession planning;
- review and assess the adequacy of the mandates of the Board and each Board committee and determine on an annual basis the degree to which those mandates have been fulfilled;
- promote among its directors a culture that embodies:
 - acceptance of the Board's accountability for the Company's performance;
 - the conviction that directors owe each other their best efforts in carrying out their duties and exercising their authority;
 - the highest level of honesty and integrity in all actions of the Board, management and other senior managers and employees of the Company;
 - open sharing of all relevant information among directors and among directors and management; and
 - trust, respect and the acceptance and respect of differing opinions; and
- oversee and monitor the Company's environmental, social and governance initiatives, including with respect to equity, diversity, inclusion and accessibility.

Board Organization

(a) Qualifications

The Board will determine Board member qualifications from time to time, taking into consideration the Company's strategic direction, the competencies and skills the Board as a whole is expected to possess, and the competencies and skills possessed by existing directors with a view to optimizing the contribution that each director makes to the Board. The Board will only recruit Board members who have sufficient time and energy to devote to the task of being a director, and will take into account the needs of the Company over the short, medium and long terms when recruiting.

Each director must have an understanding of the Company's principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstances, including a change in their principal occupation, are expected to advise the chair of the Corporate Governance Committee.

(b) Composition

The Board will consist of directors who represent a range of personal experiences and backgrounds. At a minimum, each director candidate will have demonstrated: the highest personal and professional integrity; significant achievement in their field; experience and expertise relevant to the Company's business; a reputation for sound and mature business judgment; the commitment to devote the necessary time and effort to conduct their duties effectively; and, where required, financial literacy. The Board will also ensure compliance with any applicable legislation related to Canadian residency requirements for directors.

(c) Size

The Board will periodically review the size of the Board with a view to ensuring that it reflects applicable independence requirements, facilitates effective decision-making and complies with the Company's constating documents.

(d) Term of office

The Board has not established a specific number of years a director may serve on the Board. Directors are elected annually and may stand for re-election upon approval by the Board based on the recommendation of the Corporate Governance Committee.

(e) Board chair

The directors will select from among their number a Board chair who will assume responsibility for providing leadership to enhance the effectiveness and independence of the Board. The Board chair also manages the affairs of the Board so as to assist the directors in carrying out their responsibilities with a view to enhancing the effectiveness of the Board as a whole. The Board chair will be an independent, non-management director. If in any year, the Board does not appoint a chair, the incumbent chair will continue in office until a successor is appointed.

(f) Board committees and selection

The Board shall approve mandates for each Board committee. The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. At least once every three years, each mandate shall be reviewed by the Corporate Governance Committee and any suggested amendments brought to the Board for consideration and approval.

The Corporate Governance Committee, in consultation with the Board chair as well as with the committee chairs in respect of the committees which they respectively chair, will recommend to the Board those directors it considers qualified for appointment to each Board committee. Committee assignments will be reviewed annually and rotation of assignments will be considered periodically, taking into account the special expertise and knowledge required for each position, applicable regulatory requirements, directors' interests, abilities and prior committee service, and the directors' available time to devote for committee service.

In addition, the Board will select, upon recommendation from the Corporate Governance Committee, from among committee members a chair for each committee who will assume responsibility for providing leadership to enhance the effectiveness and independence of their committee. Each such Committee chair will be an independent director. If in any year, the Board does not appoint a chair for a particular committee, the incumbent chair of that committee will continue in office until a successor is appointed.

(g) Independent directors

The Board will ensure that director candidates presented for election or appointed by the Board to fill vacancies are such that, after giving effect to such election or appointment, the Board is composed of a majority of independent directors.

In addition, every member of the Human Resources and Compensation Committee, the Corporate Governance Committee, the Audit Committee and the Risk Review Committee shall be an independent director. Each member of the Audit Committee shall also be financially literate and shall have such accounting or financial management expertise as may be required to comply with applicable regulations as may be in effect from time to time.

For these purposes, director independence and financial literacy will be determined in relation to Canadian securities legislation and stock exchange rules which would apply to the Company as a publicly traded company in Canada.

(h) Change of occupation, directorships or independence

Directors may serve on the boards of other companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Board chair in advance of accepting an invitation to serve on the board of any company, entity or government board, agency or commission.

Each director shall promptly advise the Company's corporate secretary in writing of each directorship held in relation to a company, entity or government board, agency or commission in any jurisdiction, and any material change in their principal employment (including retirement from their principal employment). In addition, directors have an ongoing obligation to inform the Board (by advising the chair of the Corporate Governance Committee) of any changes in their circumstances or relationships that may affect the Board's determination as to their independence.

(i) Conflicts of interest

A director's business or personal relationships may occasionally give rise to a personal interest in a material business matter or relationship of the Company that conflicts, or appears to conflict, with the interests of the Company. In such circumstances, the issue should be raised with the Board chair. Appropriate steps will then be taken to determine whether an actual or apparent conflict exists, and in accordance with statutory requirements, determine whether it is necessary for the director to be excused from discussions on the issue.

In addition, each director must ensure that they are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from holding shares or insurance policies of the Company.

Board and Committee Meetings

The Board will meet as often as the Board considers appropriate to fulfill its duties. The Board chair or the chair of any committee may, at any time but with appropriate notice, call a meeting of the Board to consider any matter of concern to it.

Notice of the time and place of each meeting of the Board shall be given to each director not less than 48 hours before the time when the meeting is to be held. Notwithstanding the foregoing, in the event that the Board fixes by resolution the time and place of one or more meetings of the Board and a copy of such resolution is sent to each director, no other notice shall be required to be given to the directors for the meetings whose times and places are so fixed.

The chair of the Board is responsible, in consultation with the president and chief executive officer and the corporate secretary, for establishing the agenda for each Board meeting. Each director may suggest items for inclusion on the agenda, and may raise at any Board meeting subjects that are not on the meeting agenda.

Directors are expected to regularly attend Board meetings and committee meetings (as applicable) and to review in advance all materials for such meetings. The corporate secretary, their delegate or any other person requested by the Board or a committee shall act as secretary of Board meetings and committee meetings, as applicable, and shall record minutes for such meetings.

The Board shall be entitled to meet in private session or, at its option, with one or more members of management, other employees of the Company or its subsidiaries, and/or the Company's appointed actuary, external auditor, internal auditor, counsel or other advisors. Unless the Board chair determines otherwise, the agenda for each Board meeting will afford an opportunity for the independent directors to meet separately without management at its beginning and its end.

With limited exceptions, *in camera* sessions should not be used to conduct Board business and are generally not minuted. The chair of the Board should discuss relevant follow up items and other issues raised *in camera* with the appropriate members of senior management without attribution as soon as practicable following the meeting.

Board committees shall conduct themselves in accordance with the Committee Operating Procedures set out in Appendix A.

Ethical Business Conduct

To encourage and promote a culture of ethical business conduct throughout the Company, the Board will establish, maintain and monitor compliance with the Code, which applies to all directors, officers and employees of the Company and addresses (at a minimum):

- conflicts of interest, including transactions and agreements in respect of which a director or member of management has a material interest;
- protection and proper use and exploitation of the Company's assets and opportunities;
- confidentiality of private information relating to the business and affairs of the Company;
- fair and ethical dealing with the Company's customers, suppliers, competitors and employees;
- compliance with applicable laws, rules and regulations; and
- reporting of any illegal or unethical behavior or other breaches of the Code.

Waivers of compliance with the Code granted for the benefit of any director or member of management are to be granted only by the Board or an appropriately empowered committee of the Board.

Independent Advice

Any director may, in consultation with the chair of the Corporate Governance Committee and at the Company's expense, engage and terminate independent counsel or other advisors to provide advice to them with respect to the discharge of their duties as a director. In addition, each Board committee shall have the authority to engage and terminate independent counsel and such other outside advisors as the committee deems necessary to carry out its duties, and to set and (at the expense of the Company) pay the compensation for any independent counsel or other outside advisor engaged by the committee.

Evaluation

The Board will establish appropriate processes for the regular evaluation of:

- the effectiveness and performance of the Board, Board committees, Board chair, Committee chairs and individual directors; and
- the adequacy and effectiveness of the Board and committee mandates, and the position descriptions applicable to the Board chair, Committee chairs and individual directors.

Orientation and Continuing Education

The corporate secretary will make arrangements for the orientation and education of new directors. New directors will be provided with written materials that outline the organization of the Board and its committees, the powers and duties of directors, the required standards of performance for directors, the Code (including its ethics reporting program) and this mandate.

The corporate secretary, in consultation with the president and chief executive officer, will arrange private meetings with members of senior management.

All directors shall be provided with continuing education opportunities to maintain and enhance directors' skills and abilities as directors and to permit directors' knowledge and understanding of the Company's business and affairs to remain current. These may include, among other things, presentations from management, site visits and/or presentations from industry experts.

Measures for Receiving Feedback from Stakeholders

The Company endeavours to keep its stakeholders informed of its progress through its public disclosure and regulatory filings.

Interested stakeholders are invited, after all significant public announcements (including the release of interim and annual financial information), to discuss with designated spokespersons the impact of such information on the Company. Stakeholders may also contact the Board with any questions or concerns regarding the Company by contacting the corporate secretary at:

111 Westmount Road South
Waterloo, Ontario N2L 2L6
Tel: 519-570-8200
Toll-free: 1-800-265-2180

All such correspondence will, when received, be promptly reviewed by the corporate secretary, who will determine whether the correspondence should be forwarded immediately to the Board as a whole or any particular member or whether the correspondence should be presented to the Board at its next regular meeting. The corporate secretary will consult with the chair of the Board if there is a question concerning the need for immediate review by the Board or by any member of the Board.

No Rights Created

This mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Board, assisted by its committees, directs the affairs of the Company. While it should be interpreted in the context of all applicable laws, regulations and listing requirements (if any), as well as in the context of the Company's letters patent and bylaws, it is not intended to establish any legally binding obligations.

Appendix A Committee Operating Procedures

The following operating procedures apply to each committee (each a "Committee") of the Board of Directors of the Company.

Frequency of meetings. The Committee shall meet as frequently as applicable regulatory requirements or circumstances dictate. Regular meetings of the Committee shall be held in accordance with a schedule prepared by the corporate secretary in consultation with the chair of the Board and the Committee chair. Additional meetings of the Committee may be called at any time by the Board chair or by the Committee chair, upon the request of any Committee member (a "Member"). In addition, meetings of

the Audit Committee and/or the Risk Review Committee may be called at any time by the Board chair or by the Committee chair upon the request of the external auditor, the appointed actuary, the chief risk officer, or the chief financial officer.

Notice of meetings. Notice of the time and place of each meeting of the Committee shall be given to each Member not less than 48 hours before the time when the meeting is to be held. Notwithstanding the foregoing, in the event that the Board or the Committee fixes by resolution the time and place of one or more meetings of the Committee and a copy of such resolution is sent to each Member, no other notice shall be required to be given to the Members for the meetings whose times and places are so fixed.

Meeting agendas. Committee meeting agendas shall be prepared in consultation with the Committee chair, in all cases having regard to the matters required to be considered by the Committee under its mandate and/or pursuant to a request of the Board, one or more individual directors, the Committee, or, in the case of the Audit Committee and/or the Risk Review Committee, the external auditor, the appointed actuary, the chief risk officer, or the chief financial officer. Unless the Committee chair determines otherwise, the agenda for each meeting will also afford an opportunity for Members to meet separately, without management, at its beginning and its end. Each Member may suggest items for inclusion on the agenda, and may raise at any Committee meeting subjects that are not on the meeting agenda.

Transaction of business. The powers of the Committee may be exercised at a meeting of the Committee at which a quorum is present or by resolution in writing signed by all of the Members who would have been entitled to vote on that resolution at a meeting of the Committee.

Meetings by telephone or electronic means. If all of the Members present at or participating in a meeting consent, then any Member may participate in such meeting by means of telephone, electronic or other communication facilities that permit all persons participating in the meeting to communicate simultaneously and instantaneously.

Quorum. A majority of the Members shall constitute a quorum for the transaction of business at all meetings of the Committee, except where the Committee has four Members, in which case a quorum shall be two Members. Meetings of the Committee shall be constituted so that any applicable Canadian residency requirements of the governing statute of the Company are met.

Votes to govern. At all meetings of the Committee, any question shall be decided by a majority of the votes cast on the question and in the case of an equality of votes the matter shall be referred to the Board as a whole. Any question at a meeting of the Committee shall be decided by a show of hands unless a ballot is required or demanded.

Attendance by other directors. Any director of the Company, whether or not they are a Member, shall be entitled to be present at and to participate in all meetings of the Committee as a non-voting participant.

Chair of meetings. The Committee chair shall act as chair of all meetings of the Committee at which the Committee chair is present. In the absence of the Committee chair at any meeting of the Committee, the Members shall appoint a Member to serve as acting chair at the meeting.

Work plans. Each Committee shall be provided with: (i) a work plan listing the duties of the Committee, (ii) prompt updates to such work plan describing any proposed or actual changes to it, and (iii) at each Committee meeting, assurance as to compliance with the work plan.

Reports to the Board. The chair of each meeting of the Committee shall report on the matters considered at that meeting to the next-following regularly-scheduled meeting of the Board.

Co-ordination with executive management. Each Committee shall have a designated executive sponsor with whom the Committee chair shall work to develop meeting agendas and monitor the execution of the Committee's workplan. The chair of each meeting of the Committee shall discuss relevant follow up items and other issues raised with the appropriate members of senior management as soon as practicable following the meeting.

In camera sessions. The Committee shall be entitled to meet in private session or, at the option of the Committee, with one or more members of Management, other employees of the Company or its subsidiaries, and/or the Company's appointed actuary, external auditor, internal auditor, counsel or other advisors. Unless the Committee chair determines otherwise, the agenda for each Committee meeting will afford an opportunity for the independent Members to meet separately without management at its beginning and its end. With limited exceptions, *in camera* sessions should not be used to conduct Committee business and are generally not minuted. The Committee chair should discuss relevant follow up items and other issues raised *in camera* with the appropriate members of senior management without attribution as soon as practicable following the meeting.

Appendix C – Securities Based Compensation Arrangements

Stock Option Plan

The Company has adopted a Stock Option Plan, which is a component of the Company's long-term incentive compensation arrangements available to eligible employees. The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating eligible employees and to advance the interests of the Company by providing such persons with the opportunity to acquire a proprietary interest in the Company.

Administration

The Stock Option Plan authorizes the HRCC to issue stock options ("Options") to employees of the Company or any affiliate.

Share Reserve and Limits on Issuance

The aggregate number of Common Shares that may be issued pursuant to the Stock Option Plan at any time shall not exceed the Equity Award Pool Limit. No Options may be granted on terms requiring settlement in newly issued Common Shares if such grant would have the effect of causing the total number of Common Shares subject to the Stock Option Plan (together with those Common Shares which may be issued pursuant to any other security based compensation arrangement provided by the Company) to exceed the Equity Award Pool Limit.

In addition, (a) the maximum number of Common Shares issued to insiders within any one-year period pursuant to the Stock Option Plan, together with Common Shares issued to insiders under all other security based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares, and (b) the maximum number of Common Shares issuable to insiders, at any time, pursuant to the Stock Option Plan, together with Common Shares issuable to insiders under all other security based compensation arrangements provided by the Company, shall not exceed 10% of the issued and outstanding Common Shares.

Terms and Conditions of Option Grants

Under the Stock Option Plan:

- subject to the rules of any stock exchange upon which the Common Shares may be listed or other securities regulatory authority, the HRCC may, (a) by resolution, accelerate the date on which any unvested Option may be exercised or extend the expiration date of any Option (with any such extension requiring shareholder approval, as indicated below); or (b) subsequent to the time of granting Options hereunder, permit a participant to exercise any or all of the unvested Options then outstanding and granted to the participant under this Stock Option Plan;
- the HRCC is authorized to determine, subject to any adjustments pursuant to the provisions of the Stock Option Plan, the exercise price of any Option, provided that the exercise price of any Option shall in no circumstances be lower than the Market Price (as defined in the Stock Option Plan) on the date of grant of the Option;
- the term of an Option shall not exceed ten (10) years from the date of the grant of the Option;
- Options are personal to the grantee and are non-assignable, except in certain limited circumstances; and
- notwithstanding anything else contained in the Stock Option Plan, if the expiration date for an Option occurs during a period of time during which the person granted Options cannot exercise an Option, or sell Optioned Common Shares, due to applicable policies of the Company in respect of insider trading (a "Blackout Period") applicable to the relevant participant, or within ten business days after the expiry of a Blackout Period applicable to the relevant participant, then the expiration date for that Option shall be the date that is the tenth (10th) business day after the expiry date of the Blackout Period.

Adjustments and Change in Control

The Stock Option Plan contains provisions for the treatment of Options in relation to capital changes and with regard to any stock dividend, stock split, combination or exchange of shares, capital reorganization, consolidation, spin-off, dividends (other than cash dividends in the ordinary course) or other distribution of the Company's assets to shareholders, or any other similar changes affecting the Common Shares.

In the event of a change in control of the Company prior to the vesting of an Option, and subject to the terms of a participant's employment agreement and the applicable option agreement, the HRCC has full authority to determine in its sole discretion the effect, if any, of the change in control on the vesting, exercisability, settlement, payment or lapse of restrictions applicable to an Option. In the absence of any action by the HRCC, upon a change in control: (i) to the extent the successor to or acquiror of the Company assumes all obligations under the Option, with appropriate adjustments to preserve the value of the Option, or provides a substitute award for the Option on substantially the same terms and conditions with substantially the same value, in either case as determined by the HRCC, in its sole discretion, the existing vesting schedule of such Option will continue to apply; (ii) to the extent the successor to or acquiror of the Company does not assume all obligations under or provide a substitute for the Options held by a participant at the time of the change in control on substantially the same terms and conditions with substantially the same value as of the effective date of the change in control, then (x) all vested Options shall be exercisable until the

consummation of the change in control, (y) all unvested Options shall be exercisable immediately prior to the consummation of the change in control and (z) any Options that are not exercised on or prior to the consummation of the change in control shall be cancelled for no consideration. Notwithstanding the foregoing, if a participant is terminated without cause or resigns with good reason during the 18 month period following a change in control, then any unvested Options (or substitute awards, as applicable) shall vest immediately and be exercisable for a period of 90 days following the effective day of termination or, if earlier, until the expiry date of the Options (or in the case of a substitute award, the expiry date of the Option for which the award has been substituted).

Termination of Options

The Stock Option Plan provides that, except with certain limitations, an Option and all rights to purchase Common Shares pursuant thereto shall expire and terminate immediately upon the participant who holds such Option ceasing to be an eligible person.

Where a participant ceases to be employed by the Company or any affiliate for any reason (other than retirement, death and long-term disability), the participant's unvested Options shall be immediately forfeited and the participant's vested options may be exercised for a period of 90 days after the date of resignation or termination.

Subject to the terms and conditions of the applicable Option agreement, where a participant retires from the Company, the participant's unvested Options then held by the participant shall remain outstanding and continue to vest and become exercisable as if the participant had been actively employed by Definity until the earlier of the expiry date of the Options or five years following the participant's retirement. All of the participant's vested Options then held by the participant remain eligible to be exercised until the earlier of the expiration date of the Options or five years following the participant's retirement.

In the event that a participant experiences a permanent disability while employed or dies, all unexercised Options held by such participant at the time of death immediately vest, and such participant's personal representatives may exercise all Options within one year after the date of such disability or death.

The HRCC may in certain circumstances decide that any of the provisions concerning the effect of termination of the participant's employment shall not apply to the participant for any reason acceptable to the HRCC.

Amendment or Discontinuance of the Plan

The Board may amend, modify or terminate the Stock Option Plan or any Option granted pursuant to the Stock Option Plan at any time without shareholder approval, provided that no amendment to the Stock Option Plan adversely affects the rights of any participant under any previously granted Option, except with the consent of such participant.

The Stock Option Plan may not be amended without shareholder approval to allow any of the following: (a) amendment for which shareholder approval is required under law; (b) increase to the maximum number or percentage of Common Shares issuable under the Stock Option Plan; (c) reduction of the option price, or cancellation and reissuance of Options or other entitlements, of Options granted under the Stock Option Plan; (d) extension of terms of Options beyond the original expiry date; (e) change in eligible persons that may permit the introduction or reintroduction of non-employee directors on a discretionary basis; (f) amendment that would allow Options granted under the Stock Option Plan to be transferable or assignable other than for estate settlement purposes; or (g) amendment to the Stock Option Plan's amendment provisions.

Shareholder approval is not required for the following amendments: (a) amendments of a "housekeeping" nature; (b) a change to the vesting provisions of any Options; (c) a change to the termination provisions of any Option that does not entail an extension beyond the original term of the Option; or (d) amendments to the provisions relating to a Change in Control.

Long-term Incentive Plan

The Company has adopted the Long-term Incentive Plan ("LTIP"). The purposes of the LTIP are (i) to promote further alignment of interests between employees of the Company and shareholders, (ii) to associate a portion of the compensation payable to employees of the Company with the returns achieved by shareholders; and (iii) to attract and retain employees with the knowledge, experience and expertise required by the Company.

Administration

The LTIP is administered by the HRCC.

Eligibility and Award Determination

Any individual employed by the Company, who, by the nature of the individual's position or job is, in the opinion of the HRCC, in a position to contribute to the success of the Company is eligible to receive grants ("Grants") of restricted share units ("RSUs") and performance share units ("PSUs") under the LTIP.

The number of RSUs and PSUs to be covered by each Grant is determined by dividing the value for such Grant by the Market Value of a Common Share as at the valuation date for such Grant, rounded up to the next whole number.

Share Reserve and Limits on Issuance

The aggregate number of Common Shares that may be issued pursuant to the LTIP at any time shall not exceed the Equity Award Pool Limit. The method of settlement (cash or shares) is determined at the discretion of the Board of Directors of the Company (or a committee thereof). No RSUs or PSUs will be granted on terms requiring settlement in newly issued Common Shares if such grant would have the effect of causing the total number of Common Shares subject to the LTIP (together with Common Shares which may be issued pursuant to any other security based compensation arrangement provided by the Company) to exceed the Equity Award Pool Limit.

In addition, (a) the maximum number of Common Shares issued to insiders within any one year period pursuant to the LTIP, together with Common Shares issued to insiders under all other security based compensation arrangements of the Company, shall not exceed 10% of the issued and outstanding Common Shares and (b) the maximum number of Common Shares issuable to insiders, at any time, pursuant to the LTIP, together with Common Shares issuable to insiders under all other security based compensation arrangements provided by the Company, shall not exceed 10% of the issued and outstanding Common Shares.

Vesting and Settlement of RSUs and PSUs

Under the LTIP, participants may be allocated share units in the form of RSUs or PSUs, which represent the right to receive an equivalent number of Common Shares or the Market Value on the vesting date.

Unless otherwise specified in the applicable Grant agreement, all RSUs and PSUs are settled no later than December 31 of the third year following the year in which the participant performed the services to which the RSUs or PSUs relate.

Except in limited circumstances, RSUs and PSUs granted under the LTIP are not assignable or transferable other than by operation of law.

Adjustments and Change in Control

The LTIP contains provisions for the equitable adjustment of Grants in relation to any stock dividend, stock split, combination or exchange of shares, capital reorganization, consolidation, spin-off, dividends (other than cash dividends in the ordinary course) or other distribution of the Company's assets to shareholders, or any other similar changes affecting the Common Shares.

In the event of a change in control of the Company prior to the vesting of a Grant, and subject to the terms of a participant's employment agreement and the applicable Grant agreement, the HRCC has full authority to determine in its sole discretion the effect, if any, of a change in control on the vesting, exercisability, settlement, payment or lapse of restrictions applicable to a Grant. In the absence of any action by the HRCC, upon a change in control: (i) to the extent the successor to or acquiror of the Company assumes all obligations under the Grant, with appropriate adjustments to preserve the value of the Grant, or provides a substitute award for the Grant on substantially the same terms and conditions with substantially the same value, in either case as determined by the HRCC, in its sole discretion, the existing vesting schedule of such Grant will continue to apply; (ii) to the extent the successor to or acquiror of the Company does not assume all obligations under or provide a substitute for the Grants held by a participant at the time of the change in control on substantially the same terms and conditions with substantially the same value as of the effective date of the change in control, then (x) any restrictions imposed on RSUs outstanding as of the effective date of the change in control shall lapse, (y) satisfaction of the performance conditions with respect to all PSUs outstanding as of the effective date of the change in control shall be determined based on performance up to the effective date of the change in control, or where the performance conditions relate to the quarterly financial performance of the Company, to the end of the most recent fiscal quarter of the Company preceding the effective date of the change in control, and (z) all RSUs and/or PSUs that have not previously vested shall immediately vest as of the effective date of the change in control. Notwithstanding the foregoing, if a participant is terminated without cause or resigns with good reason during the 18 month period following a change in control, then (x) any remaining restrictions applicable to the participant's outstanding RSUs shall lapse, (y) satisfaction of the performance conditions with respect to the participant's outstanding PSUs shall be determined based on performance up to the effective date of the change in control, or where the performance conditions relate to the quarterly financial performance of the Company, to the end of the most recent fiscal quarter of the Company preceding the effective date of the change in control, and (z) all RSUs and/or PSUs that have not previously vested shall immediately vest on the effective date of the participant's termination.

Amendment and Termination of the LTIP

The LTIP and any Grant made pursuant to the LTIP may be amended, modified or terminated by the Board without approval of Shareholders, provided that no amendment may be made without the consent of a participant if it adversely affects the rights of the participant in respect of any Grant previously made to such participant. For greater certainty, the LTIP may not be amended without shareholder approval to allow any of the following: (a) amendment for which shareholder approval is required under law; (b) increase in the maximum number or percentage of Common Shares issuable under the LTIP; (c) extension of the term of Share Units held by Insiders; (d) increase to the Insider participation limits under the LTIP; (e) change in Eligible Persons that may permit the introduction or reintroduction of non-employee directors on a discretionary basis; (f) amendment that would allow Share Units granted under the LTIP to be transferable or assignable other than for estate settlement purposes; or (g) amendment to the LTIP's amendment provisions.

Shareholder approval will not be required for the following amendments: (a) amendments of a “housekeeping” nature; (b) a change to the vesting provisions of any Grants; (c) a change to the termination provisions of any Grant that does not entail an extension beyond the original term of the Grant; or (d) amendments to the provisions relating to a Change in Control.

Executive DSU Plan

The Company has adopted the Executive DSU Plan, which is a component of the Company’s long-term incentive compensation arrangements available for our executive employees (the “Eligible Executives”). The purposes of the Executive DSU Plan are (a) to promote a further alignment of interests between the Eligible Executives and the shareholders of the Company, and (b) to associate a portion of Eligible Executives’ compensation with the returns achieved by shareholders of the Company.

Administration

The Executive DSU Plan is administered by the HRCC, in its sole and absolute discretion.

Election Process

The Executive DSU Plan provides Eligible Executives with the opportunity to elect to receive a portion of their short-term incentive compensation in the form of DSUs, representing a unit equivalent in value to a Common Share in accordance with the terms of the Executive DSU Plan. Such DSUs are fully vested upon being credited to an Eligible Executive’s account.

The HRCC may also award DSUs to an Eligible Executive as the HRCC deems advisable. Such DSUs vest in accordance with such terms and conditions as may be determined by the HRCC and set out in the DSU award agreement.

Redemption of DSUs

The Eligible Executive, or the beneficiary of an Eligible Executive, is entitled to redeem the Eligible Executive’s DSUs following the Eligible Executive’s death, disability, resignation or retirement from the Company or termination (with or without cause) as an employee, or if such Eligible Executive becomes a member of the Board, upon resignation or retirement as a director.

An Eligible Executive who redeems DSUs shall be entitled to receive a cash payment in an amount equal to the Market Value (as defined in the Executive DSU Plan) of the DSUs that are being redeemed as of the entitlement date applicable to such DSUs, net of any applicable withholding taxes and other required source deductions.

DSUs granted under the Executive DSU Plan are not assignable or transferable, other than by will or the laws of descent and distribution. The Executive DSU Plan does not include a maximum that may be issued to a participant.

Adjustments and Reorganizations

The Executive DSU Plan provides that appropriate adjustments, if any, will be made by the Board in connection with a stock dividend, split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Common Shares or distribution of rights to shareholders or any other form of corporation reorganization, to any DSUs then outstanding to preclude a dilution or enlargement of the benefits under the Executive DSU Plan.

Plan Amendment and Termination

The Board may amend or terminate the Executive DSU Plan as it deems necessary or appropriate, but no such amendment or termination shall adversely affect the rights of an Eligible Executive with respect to any amount in respect of which an Eligible Executive has then elected to receive DSUs which the Eligible Executive has then been granted under the Executive DSU Plan, without the consent of the Eligible Executive or unless required by law. All DSUs granted under the Executive DSU Plan, and any payments made under the Executive DSU Plan in respect of any DSUs, are subject to clawback or recoupment as permitted or mandated by applicable law, rules, regulations or any Company policy as enacted, adopted or modified from time to time.

Directors’ DSU Plan

The Company has adopted the Directors’ DSU Plan, which is a component of the Company’s long-term incentive compensation arrangements available for our non-employee directors (the “Eligible Directors”). The purposes of the Directors’ DSU Plan are (a) to promote a further alignment of interests between the Eligible Directors and the shareholders of the Company, (b) to associate a portion of Eligible Director’s compensation with the returns achieved by shareholders of the Company, and (c) to attract and retain directors with the knowledge, experience and expertise required by the Company.

Administration

The Directors' DSU Plan is administered by the Corporate Governance Committee, in its sole and absolute discretion.

Election Process

The Directors' DSU Plan provides Eligible Directors with the opportunity to receive a portion of their compensation in the form of DSUs, representing a unit equivalent in value to a Common Share in accordance with the terms of the Directors' DSU Plan.

Redemption of DSUs

The Eligible Director, or the beneficiary of an Eligible Director, is entitled to redeem the Eligible Director's DSUs following the Eligible Director's death, disability, resignation or retirement from our Board, or if such director becomes an employee of the Company, upon termination (with or without cause) as an employee.

An Eligible Director who redeems DSUs shall be entitled to receive a cash payment in an amount equal to the Market Value (as defined in the Directors' DSU Plan) of the DSUs that are being redeemed as of the entitlement date applicable to such DSUs, net of any applicable withholding taxes and other required source deductions.

DSUs granted under the Directors' DSU Plan are not assignable or transferable, other than by will or the laws of descent and distribution. The Directors' DSU Plan does not include a maximum that may be issued to a participant.

Adjustments and Reorganizations

The Directors' DSU Plan provides that appropriate adjustments, if any, will be made by the Board in connection with a stock dividend, split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Common Shares or distribution of rights to shareholders or any other form of corporation reorganization, to any DSUs then outstanding to preclude a dilution or enlargement of the benefits under the Directors' DSU Plan.

Plan Amendment and Termination

The Board may amend or terminate the Directors' DSU Plan as it deems necessary or appropriate, but no such amendment or termination shall adversely affect the rights of an Eligible Director with respect to any amount in respect of which an Eligible Director has then elected to receive DSUs which the Eligible Director has then been granted under the Directors' DSU Plan, without the consent of the Eligible Director or unless required by law.



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