

individuals. together.

WHISTLEBLOWER POLICY

1. Purpose

The purpose of this policy is to establish procedures for the receipt, retention, and treatment of complaints received by The Commonwell Mutual Insurance Group, (the “Company”) regarding but not limited to, accounting, internal accounting controls, auditing matters or fraud.

The policy applies to all employees of the Company, including Board Directors and officers of the Company (collectively, the “employees”), as well as, but not restricted to, any broker, supplier, contractor, consultant, auditor, financial institution or any other person or organization who supplies goods or services to the Company (collectively, “other person”).

It is the policy of the Company to require all employees and any other person to comply with all applicable legal and regulatory requirements relating to corporate reporting and disclosure, and accounting and auditing controls and procedures, and any matter relating to fraud against shareholders. Every employee has the responsibility to assist the Company in meeting these requirements.

2. Responsibility of the Audit Committee

The Board of the Company has delegated to the Audit Committee the following responsibilities:

- a) to develop, maintain and periodically review the procedures intended by this policy;
- b) to receive and investigate through to satisfactory resolution each alleged violation or concern received, and to provide recommendations, where appropriate, to remedy any finding of inappropriate or illegal activity;
- c) to report all such complaints received under this policy to Management and to the Board, including recommendations to resolve complaints, where appropriate;

- d) to ensure implementation of recommendations; and,
- e) to ensure Management has communicated this policy and the procedures set out herein to all persons or organizations included in the policy.

3. Reporting Alleged Violations or Concerns

If any employee or other person reasonably believes based on the facts available to them that the Company or any employee or other person engaged with or by the Company has violated any accounting standard, internal accounting controls, auditing matters, fraud, or any law or regulation in any jurisdiction in which the Company conducts business, the employee should immediately report the concern to his or her supervisor. If an employee is not comfortable reporting the concern to his or her supervisor, the concern may be reported to the CFO or CEO. For other persons and any employee who is not comfortable reporting the concern to the CFO or CEO the concern should be reported via email to the following address:

whistleblower@thecommonwell.ca

Any concern received by email is received by the Chair of the Audit Committee immediately. The Chair of the Audit Committee will direct the concern to the Board Chair, as appropriate.

All reports of alleged violation or concern will be kept in strict confidence, whether or not they are submitted anonymously. Anonymity must be maintained to the fullest extent possible, consistent with the need for the appropriate Board or Committee investigation.

The Chair of the Audit Committee will respond to the employee or other person within ten working days of receipt of the reported violation or concern confirming receipt and providing the procedure with which the report will be dealt.

4. Content of Report of Alleged Violation or Concern

Reports of alleged violation or concern should be as factual as possible, rather than speculative. As much detail as possible should be contained in the report to enable a proper assessment. All information that the employee or other person knows should be set forth, including names, dates, violation descriptions and numbers where possible. Such information will be a deciding factor in whether an investigation can proceed. It is possible that no investigation is commenced for an alleged violation or concern if a report contains only unspecified or broad allegations without appropriate factual support.

5. Investigation of Alleged Violation or Concern

Upon receipt of an alleged violation or concern, the Audit Committee will make a determination whether a reasonable basis exists for commencing an investigation. If the Audit Committee determines that an investigation should proceed, it will ensure that all appropriate and reasonable measures are taken to ensure and completed for a thorough investigation.

Any Committee so charged with an investigation will have the authority to obtain assistance from the Company's management, auditor or legal counsel, or to retain outside legal or accounting expertise as it deems appropriate to complete the investigation.

6. Corrective Action

The Audit Committee is responsible for determining the validity of each alleged violation or concern, and using the advice of its advisors and Management, for developing a recommendation for appropriate remedial action. Where legal or regulatory noncompliance is evident, the Committee shall report that to Management, and ensure that Management takes corrective action.

Any employee deemed to have violated or participated in the violation of any law or regulation or to have knowingly breached or participated in the breach of any internal policy for accounting or internal accounting controls, or violation of the external audit of the Company's financial statements, or to have knowingly conducted or participated in the conduct of fraud, may be subject to disciplinary action, up to and including termination.

7. No Retaliation

This policy is intended to protect the Company, its employees and its stakeholders. As such, it is intended to encourage and support employees and other persons to raise serious concerns that can be substantiated so that they can be resolved internally.

No employee or other person who reports an alleged violation or concern in good faith shall suffer harassment, retaliation or adverse employment or compensatory consequence. Any employee who retaliates against any employee or other person who has reported an alleged violation or concern in good faith is subject to disciplinary action, up to and including termination.

8. Requirement of Good Faith

To be effective, this policy requires that good faith be exhibited by all involved, including those filing a report of alleged violation or concern. Anyone filing a report must have reasonable grounds for their report. Any proven, unsubstantiated allegations or concerns that are proven to have been made maliciously, or that have been reported when they were known to be false will be considered to be a serious disciplinary offense.

Approvals

Anne-Marie Thomas
Audit Committee Chair

Terry Malcolm
Board of Directors Chair