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AMENDING AGREEMENT**Between:****McKinsey & Company Canada****(“McKinsey”)**

and

The Manitoba Public Insurance Corporation**(“MPI”)****WHEREAS:**

- A. MPI and McKinsey entered into a Consulting Agreement dated March 8, 2022 (the “Agreement”), by virtue of which MPI engaged McKinsey to identify program and enterprise level requirements to implement MPI’s Project Nova;
- B. On July 12, 2022, MPI requested McKinsey to provide a proposal for McKinsey to help shape MPI 2.0 vision (the “MPI 2.0 assessment”), which is necessary for the correct implementation of MPI’s Project Nova (release 3 and 4); and
- C. MPI and McKinsey wish to amend certain terms of the Agreement to include the MPI 2.0 assessment as part of the Services.

NOW THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **DEFINITIONS.** Any capitalized terms used herein shall have the meanings given to them in the Agreement unless otherwise defined herein.

2. **AMENDMENTS.** The Agreement is amended as follows:

2.1. The following is added to Section 3 (Services) of the Agreement:

Background and description of services for MPI 2.0 assessment:

MPI is at an inflection point where the organization needs to define its “MPI 2.0” vision in order to:

- Align on an enterprise-wide view on how MPI can calibrate itself to the changes in the market, & what MPI should aspire to change
- Provide strategic guidance to Nova Release 3 and 4 – for the discovery & prioritization of work (incl. decisions on what’s in Nova vs. not) to be more intentional

MPI expects McKinsey to conduct the work over 5 weeks including a Top-down benchmarking of key enterprise capabilities, along with overall financial and operational performance, and crafting the high-level recommendation that will be taken to the board for consideration. McKinsey will prioritize the capabilities with the highest relevance to MPI and We will also benchmark overall MPI financial metrics.

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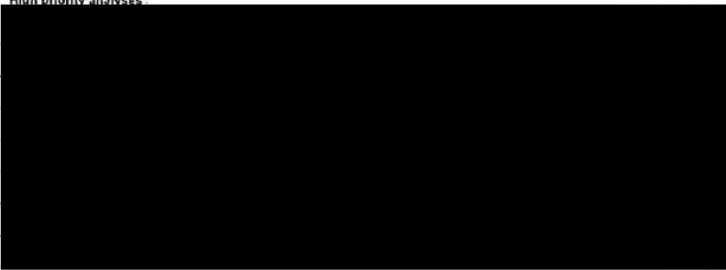
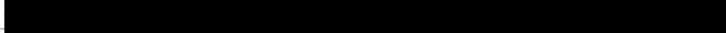
The services for MPI 2.0 assessment will be provided based on the following assumptions:

- The effort will launch in parallel to R3 pre-discovery with MPI Product, CX, Strategy, BPA and Technology leaders providing oversight to the R3 work. McKinsey will provide help as needed and plug back in more deeply post the assessment effort.
- Support for R1, R2 and governance refinements will continue as is.
- McKinsey will benchmark overall MPI financial metrics (aggregate performance including DVA) with comparable organizations; however, DVA will be excluded from the detailed assessment of core capabilities

Assumptions on scope for MPI 2.0 assessment:

- McKinsey will benchmark overall MPI financial metrics (aggregate performance including DVA) with comparable organizations; however, DVA will be excluded from the detailed assessment of core capabilities
- The scope of the remaining Insurance and Corporate Function related topics are as per the exhibit below

Scope of the assessment: Impact areas to be covered in detail over the next 5 weeks

Impact areas	High priority analyses
<input checked="" type="checkbox"/> 1 Sales and Distribution	
<input checked="" type="checkbox"/> 2 Product	
<input type="checkbox"/> 3 Marketing	
<input checked="" type="checkbox"/> 4 Underwriting/New Business/Actuarial	
<input checked="" type="checkbox"/> 5 Policy Administration	
<input checked="" type="checkbox"/> 6 Claims Management	
<input type="checkbox"/> 7 Technology	
<input checked="" type="checkbox"/> 8 In Force Management	
<input type="checkbox"/> 9 Reinsurance	<i>N/A: Separate effort ongoing; exclude from the assessment scope</i>
<input type="checkbox"/> 10 General Account Management	<i>N/A: Recently explored and improvements underway; exclude from the assessment scope</i>
<input checked="" type="checkbox"/> 11 Corporate Functions	
<input checked="" type="checkbox"/> 12 External Spend; procurement	<i>N/A: Not relevant/required for immediate high-level assessment – to be covered in bottom-up planning if relevant</i>
<input type="checkbox"/> 13 Organization spans etc.	<i>N/A: Not relevant/required for immediate high-level assessment – to be covered in bottom-up planning if relevant</i>

2.2. The following is added to Section 7 (Deliverables) of the Agreement:

Timeline and Deliverables for MPI 2.0 assessment:

In order to help shape MPI 2.0 vision, McKinsey will conduct a five-week assessment including:

- **Top-down calibration of MPI against current external environment:** What is changing in the industry and why and where MPI needs to transform (~20% of the effort)

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- **Deeper internal analysis of MPI's core functions:** What are MPI's current capabilities and how do they compare against prevalent standards (~70% of the effort)
- **High level initial recommendation** on what MPI needs to do to achieve the vision (~10% of the effort)

The exhibit below outlines the phases of effort and deliverables, and is followed by a deliverables table with milestone dates:

Key focus for the 5-week assessment phase		End outcome to solve for
A Establish a baseline of where MPI stands against current external environment	<ul style="list-style-type: none"> • Benchmark MPI's key financial metrics (combination of Insurance and DVA operations) against comparable organizations in the industry • Benchmark MPI's key operating metrics (or KPIs) against industry standard • Compare strategic direction of business against predominant market forces and latest market trends 	Rationalize the MPI's need for enterprise transformation Create high level recommendation where and how MPI needs to pivot to get started
B Detailed internal assessment of core capabilities	<ul style="list-style-type: none"> • Maturity assessment of key outcomes and enablers across all core and supporting functions - through interviews/walkthroughs at various levels of the organization • Deep dives in selected areas to further illustrate the opportunity identified 	
C Implementation readiness assessment	<ul style="list-style-type: none"> • Calibrate forward looking execution abilities needed – how far is MPI from being able to address the gaps • Recommend key structural changes/decisions that may be needed to move forward on the transformation journey successfully 	

	Deliverable	Timeframe
1	Ensure MPI team is fully set-up to launch R3 pre-discovery on Jul 18 th (templates, workplan etc. locked in), and onboard McKinsey experts for the assessment effort, prepare data requirements and set up meetings, etc.	Within 2 weeks of project start
2	Launch assessment – starting with data analysis and interviews/walkthroughs to develop deeper functional assessments	By July 25
3	Finalize report	By August 31
4	Review report with Tech committee and the Board	By August 31

2.3. The following is added to Section 10 (Team Composition) of the Agreement:

Team Support Model for MPI 2.0 assessment:

The following is a table describing the team members and their commitments of time and effort to the program. This includes both new resources/expertise added, as well as resources diverted from the existing "Phase 1" engagement.

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Name	Position, Role	Time Commitment as FTE%
	Senior Partner, Project Sponsor	
	Partner, Director of Consulting Services provided	
	Partner, Engagement Director more hands on with day-to-day delivery	
	Junior Partner, co-Engagement Director - hands on with day-to-day delivery and deep expert on Insurance functions	
	Day to day program manager	
	Execution owner for a specific workstream, with skilled aligned to the workstream assigned	
	Execution owner for a specific workstream, with skilled aligned to the workstream assigned	
	Experts, engaged based on topical requirements – to participate in McKinsey's internal or MPI facing interviews and problem-solving sessions	

2.4. The following is added to Section 11 (Compensation) of the Agreement:

Fees for MPI 2.0 assessment:

Fees for the proposed period are \$200,000, inclusive of all expenses, and exclusive of taxes. Fees will be billed monthly.

This Amending Agreement forms an integral part of the Agreement. All other terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, duly authorized representatives of the parties have signed this Amending Agreement on the dates noted below.

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Manitoba Public Insurance Corporation

McKinsey & Company Canada



Name: Eric Herbelin

Name: Erez Eizenman

Title: President and CEO

Title: Senior Partner

Date: 8/9/22

Date:

Manitoba Public Insurance Corporation

Shayon Mitra

Digitally signed by
Shayon Mitra
Date: 2022.08.10
09:55:07 -05'00'

Name: Shayon Mitra

Title: VP and Chief Transformation Officer

Date: