



**FARMERS EDGE INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

to be held on May 31, 2023 and

**MANAGEMENT PROXY CIRCULAR**

dated March 31, 2023

## FARMERS EDGE INC.

March 31, 2023

Dear shareholders of Farmers Edge Inc.:

On behalf of the directors and management team of Farmers Edge Inc. (the “**Company**”), we are pleased to invite you to attend the Company’s annual and special shareholder meeting (the “**Meeting**”), taking place at 9:00 a.m. (Central Daylight Time) on May 31, 2023. Similar to last year, we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast, to provide shareholders with equal opportunity to participate at the Meeting online regardless of geographic location.

At the Meeting, the holders of the common shares of the Company (“**Shareholders**”) will be asked to receive the financial statements for the year ended December 31, 2022 and the auditors’ report thereon, elect the directors for the ensuing year, re-appoint PricewaterhouseCoopers LLP as the auditors of the Company, consider and, if thought appropriate, pass an ordinary resolution ratifying and approving the Company’s amended and restated long-term incentive plan and the unallocated options, rights or other entitlements under such plan and consider and, if thought appropriate, pass an ordinary resolution confirming By-law No. 3 of the Company in accordance with the *Canada Business Corporations Act*.

As a valued Shareholder, your views and involvement in the Company are important to us. At the Meeting you will have the opportunity to vote on the Meeting matters, hear about the Company’s direction and plans for the coming year and ask questions.

Your vote matters. You may exercise it by completing the proxy form or voting instruction form or by virtually attending the Meeting. The accompanying management proxy circular describes the business to be conducted at the Meeting, important additional information and detailed instructions on voting and participation at the Meeting, and the Company’s governance practices.

Thank you for your investment and we look forward to connecting with you at the Meeting.

Sincerely,

*(signed) “R. William McFarland”*

**R. William McFarland**

**Chair of the Board**

**Farmers Edge Inc.**  
**Notice of Annual and Special Meeting of Shareholders**  
**To Be Held On May 31, 2023**

All capitalized terms used herein but not otherwise defined have the meaning ascribed thereto in the accompanying management proxy circular dated March 31, 2023 (the “**Circular**”).

Notice is hereby given that the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Farmers Edge Inc. (“**Farmers Edge**” or the “**Company**”) will be held on May 31, 2023 at 9:00 a.m. (Central Daylight Time) virtually via live audio webcast online at <https://meetnow.global/MGGXTMP> for the following purposes:

- (a) to receive the financial statements for the year ended December 31, 2022 and the auditors’ report thereon;
- (b) to re-appoint PricewaterhouseCoopers LLP as the auditors of the Company for the ensuing year and to authorize the directors of the Company (the “**Directors**”) to fix their remuneration;
- (c) to elect the Directors for the ensuing year;
- (d) to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution (the “**Amended and Restated LTIP Resolution**”), the full text of which is reproduced in Schedule A to the Circular, approving, ratifying and confirming the adoption of the Company’s amended and restated long-term incentive plan (the “**Amended and Restated LTIP**”) and the unallocated options, rights or other entitlements thereunder;
- (e) to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution (the “**By-law Resolution**”), the full text of which is reproduced in Schedule B to the Circular, confirming By-law No. 3 of the Company, which was approved by the board of directors of the Company on August 15, 2022 and must be confirmed by the Shareholders pursuant to the *Canada Business Corporations Act* (the “**CBCA**”), the whole as described in the Circular; and
- (f) to transact such other business as may properly come before the Meeting and any adjournment or postponement thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Circular under “*Particulars of Matters to be Acted Upon at the Meeting*”, accompanying and forming part of this Notice of Annual and Special Meeting (the “**Notice**”).

Shareholders of record at the close of business on April 14, 2023 are entitled to receive notice of and attend the Meeting and are entitled to one vote for each Common Share registered in the name of such Shareholder in respect of each matter to be voted upon at the Meeting. If unable to attend the Meeting, a registered Shareholder may, in advance of the Meeting, submit their proxy by mail, telephone or over the internet in accordance with the instructions below.

Similar to last year, we will hold our Meeting in a virtual only format. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location.

Registered Shareholders and duly appointed proxyholders will be able to attend the Meeting online, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the Circular. Non-registered Shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote or ask questions at the Meeting.

A Shareholder who wishes to appoint a person other than the management nominees identified on the form of proxy or voting instruction form (including a non-registered Shareholder who wishes to appoint themselves to attend) must carefully follow the instructions in the Circular and on their form of proxy or voting instruction form. **These instructions include the additional step of registering such proxyholder with our transfer agent, Computershare Investor Services Inc., after submitting their form of proxy or voting instruction form. Failure to register the proxyholder with our transfer agent will result in the proxyholder not receiving an invite code to participate in the Meeting and only being able to attend as a guest.**

**To register a proxyholder, Shareholders MUST visit <http://www.computershare.com/farmersedge> by no later than 5:00 p.m. (Central Daylight Time) on May 29, 2023 and provide Computershare Investor Services Inc. with their proxyholder's contact information, so that Computershare Investor Services Inc. may provide the proxyholder with an invite code via email.**

Voting by Internet Before the Meeting. Enter the 15-digit control number printed on the form of proxy or voting instruction form at [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the website.

Voting by Telephone Before the Meeting. Enter the 15-digit control number printed on the form of proxy or voting instruction form at 1-866-732-8683 (Canada and the U.S. only) or (312) 588-4290 (outside Canada and the U.S.) and follow the instructions on the recorded messages.

Voting by Mail or Delivery Before the Meeting. Complete, sign and date the form of proxy or voting instruction form and mail the form of proxy to:

Computershare Investor Services Inc.  
Attention: Proxy Department  
8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1

A non-registered Shareholder should follow the instructions included on the voting instruction form provided by their Intermediary (as defined in the Circular).

A proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to Computershare Investor Services Inc. no later than 5:00 pm. (Central Daylight Time) on May 29, 2023 (or, if the Meeting is adjourned or postponed, 48 hours (Saturdays, Sundays and holidays excepted) prior to the time of holding the Meeting) in accordance with the delivery instructions above. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

## **Notice-and-Access**

The Company has elected to send out proxy-related materials to Shareholders using the notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”, and together with NI 51-102, the “**Notice-and-Access Provisions**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that allow issuers to post electronic versions of proxy-related materials on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to securityholders.

Shareholders will be provided with electronic access to this Notice, the Circular, the Company's management's discussion and analysis of the results of operations and financial condition of the Company for the year ended December 31, 2022 (the “**MD&A**”) and the audited consolidated financial statements of the Company and accompanying notes for the year ended December 31, 2022 (together with the MD&A,

the “**MD&A and Financials**”) together with the auditors’ report thereon on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.farmersedge.ca](http://www.farmersedge.ca).

Shareholders are reminded to review the Circular before voting. Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via pre-paid mail containing a notice with information prescribed by the Notice-and-Access Provisions and a form of proxy (if you are a registered Shareholder) or a voting instruction form (if you are a non-registered Shareholder). The Company will not use procedures known as ‘stratification’ in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Circular to some securityholders with a Notice Package.

Shareholders with questions about notice-and-access can call the Company’s transfer agent, Computershare Investor Services Inc., toll-free at 1-866-964-0492 (Canada and the U.S. only) or direct at (514)-982-8714 (outside Canada and the U.S.). Shareholders may obtain paper copies of the Circular and the MD&A and Financials free of charge by calling 1-866-724-3343 at any time up until and including the date of the Meeting, including any adjournment or postponement thereof. Any Shareholder wishing to obtain a paper copy of the meeting materials should submit their request no later than 2:00 p.m. (Central Daylight Time) on May 17, 2023 in order to receive paper copies of the meeting materials in time to vote before the Meeting. Under the Notice-and-Access Provisions, meeting materials will be available for viewing on the Company’s website for one year from the date of posting.

DATED March 31, 2023

By Order of the Board of Directors

*(signed) “Laura Workman”*

Laura Workman  
Corporate Secretary

# MANAGEMENT PROXY CIRCULAR

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## PROXY AND VOTING INFORMATION

### Solicitation of Proxies

This management proxy circular (the “Circular”) dated as of March 31, 2023 and accompanying form of proxy are furnished in connection with the solicitation, by management of Farmers Edge Inc. (“we”, “us”, “our”, the “Company” or “Farmers Edge”), of proxies to be used at the annual and special meeting of the holders (the “Shareholders”) of common shares (“Common Shares”) of the Company (the “Meeting”) referred to in the accompanying Notice of Annual and Special Meeting (the “Notice”) to be held on May 31, 2023 at 9:00 a.m. (Central Daylight Time) for the purposes set forth in the Notice. The Meeting will be held in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person. A summary of the information shareholders will need to attend the Meeting online is provided below. See “*Voting Information*” below.

The solicitation will be made primarily by mail, subject to the use of Notice-and-Access Provisions (as defined below) in relation to delivery of the meeting materials, but proxies may also be solicited personally or by telephone by directors (“**Directors**”) and/or officers of the Company. The cost of solicitation by management will be borne by the Company.

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of the Common Shares. The cost of any such solicitation will be borne by the Company.

### Notice-and-Access

The Company is sending out proxy-related materials to Shareholders using the notice-and-access provisions under National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) and NI 54-101 (together with NI 51-102, the “**Notice-and-Access Provisions**”). These securityholder materials are being sent to both registered Shareholders and Non-Registered Holders utilizing the Notice-and-Access Provisions. The Company anticipates that use of the Notice-and-Access Provisions will benefit the Company by reducing the postage and material costs associated with the printing and mailing of the proxy-related materials and will also reduce the environmental impact of such actions.

Shareholders will be provided with electronic access to the Notice, this Circular, the Company’s management’s discussion and analysis of the results of operations and financial condition of the Company for the year ended December 31, 2022 (the “**MD&A**”) and the audited consolidated financial statements of the Company and accompanying notes for the year ended December 31, 2022 (together with the MD&A, the “**MD&A and Financials**”) together with the auditors’ report thereon on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.farmersedge.ca](http://www.farmersedge.ca).

Shareholders are reminded to review the Circular before voting. Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via pre-paid mail containing a notice with information prescribed by the Notice-and-Access Provisions and a form of proxy (if you are a registered Shareholder) or a voting instruction form (if you are a non-registered Shareholder (a “**Non-Registered Holder**”). The Company will not use procedures known as ‘stratification’ in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Circular to some securityholders with a Notice Package.

Shareholders with questions about notice-and-access can call the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”) toll-free at 1-866-964-0492 (Canada and the U.S. only) or direct at (514)-982-8714 (outside Canada and the U.S.). Shareholders may obtain paper copies of the Circular and the MD&A and Financials free of charge by calling 1-866-724-3343 at any time



up until and including the date of the Meeting, including any adjournment or postponement thereof. Any Shareholder wishing to obtain a paper copy of the meeting materials should submit their request no later than 2:00 p.m. (Central Daylight Time) on May 17, 2023 in order to receive paper copies of the meeting materials in time to vote before the Meeting. Under the Notice-and-Access Provisions, meeting materials will be available for viewing on the Company's website for one year from the date of posting.

## Record Date

Shareholders of record at the close of business on April 14, 2023 are entitled to receive notice of and attend the Meeting and are entitled to one vote for each Common Share registered in the name of such Shareholder in respect of each matter to be voted upon at the Meeting.

## Meeting Information

Similar to last year, we will hold our Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will have an equal opportunity to participate at the Meeting online regardless of their geographic location, including the opportunity to ask questions and vote as set out in this Circular.

The Meeting will be held on May 31, 2023 at 9:00 a.m. (Central Daylight Time) virtually via live audio webcast online at <https://meetnow.global/MGGXTMP>. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting. Non-Registered Holders who have not duly appointed themselves as proxyholders may attend the Meeting as guests. Guests will not be able to vote or ask questions at the Meeting. **See "Voting Information" below.**

Registered Shareholders and duly appointed proxyholders who participate at the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided they are connected to the internet and comply with all of the requirements set out below under "Voting Information". Non-Registered Holders who have not duly appointed themselves as proxyholders may still attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to vote or ask questions at the Meeting. See "Voting Information – Voting at the Meeting" below.

## Voting Information

Shareholders may vote before the Meeting or vote at the Meeting, as described below.

### 1. Voting Before the Meeting

#### *Appointment of Proxies*

The persons named in the form of proxy accompanying this Circular are Directors and/or officers of the Company. **Each Shareholder submitting a proxy has the right to appoint a person or company (who need not be a Shareholder), other than the persons named in the accompanying form of proxy, to represent such Shareholder at the Meeting or any adjournment or postponement thereof.** Such right may be exercised by inserting the name of such representative in the blank space provided in the accompanying form of proxy. **The additional registration step outlined below under "Voting at the Meeting – Appointment of a Third Party as Proxy" must also be followed.** All proxies must be executed by the Shareholder or their attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized.

A proxy will not be valid for the Meeting or any adjournment or postponement thereof unless it is completed and delivered to Computershare no later than 5:00 pm. (Central Daylight Time) on May 29, 2023 (or, if the Meeting is adjourned or postponed, 48 hours (Saturdays, Sundays and holidays excepted) prior to the time of holding the Meeting) in accordance with the delivery instructions below. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

A registered Shareholder may submit, in advance of the Meeting, their proxy by mail, by telephone or over the internet in accordance with the instructions below.

Voting by Internet Before the Meeting. Enter the 15-digit control number printed on the form of proxy or voting instruction form at [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the website.

Voting by Telephone Before the Meeting. Enter the 15-digit control number printed on the form of proxy or voting instruction form at 1-866-732-8683 (Canada and the U.S. only) or (312) 588-4290 (outside Canada and the U.S.) and follow the instructions on the recorded messages.

Voting by Mail or Delivery Before the Meeting. Complete, sign and date the form of proxy or voting instruction form and mail the form of proxy to:

Computershare Investor Services Inc.  
Attention: Proxy Department  
8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1

A Non-Registered Holder should follow the instructions included on the voting instruction form provided by their Intermediary (as defined below).

#### *Revocation of Proxies*

Proxies given by Shareholders for use at the Meeting may be revoked at any time prior to their use. Subject to compliance with the requirements described in the following paragraph and below under “*Voting at the Meeting*”, the giving of a proxy will not affect the right of a Shareholder to attend, and vote at, the Meeting.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or their attorney duly authorized in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized and deposited with Computershare, in a manner provided above under “*Proxy and Voting Information – Appointment of Proxies*”, at any time up to and including 5:00 p.m. (Central Daylight Time) on May 29, 2023 (or, if the Meeting is adjourned or postponed, 48 hours (Saturdays, Sundays and holidays excepted) prior to the holding of the Meeting).

If you have followed the process for attending and voting at the Meeting online (see below under “*Voting at the Meeting*”), voting at the Meeting online will revoke your previous proxy.

#### *Non-Registered Holders*

Only registered Shareholders, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a Non-Registered Holder are registered either:

- A. in the name of an intermediary (each, an “**Intermediary**” and collectively, the “**Intermediaries**”) that the Non-Registered Holder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans; or
- B. in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

In accordance with the requirements of NI 54-101, the Company has distributed copies of the form of proxy and supplemental mailing card (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will generally use service companies (such as Broadridge Financial Solutions, Inc.) to forward the Meeting Materials to Non-Registered Holders. Generally, a Non-Registered Holder who has not waived the right to receive Meeting Materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, **in addition, if applicable, to the procedures set out below under “*Voting at the Meeting – Appointment of a Third Party as Proxy*”**, depending on the type of form they receive:

- (1) **Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form. If the Non-Registered Holder does not wish to attend and vote at the Meeting (or have another person attend and vote on the Non-Registered Holder’s behalf), but wishes to direct the voting of the Common Shares they beneficially own, the voting instruction form must be submitted by mail, telephone or over the internet in accordance with the directions on the form. If a Non-Registered Holder wishes to attend and vote at the Meeting (or have another person attend and vote on the Non-Registered Holder’s behalf), the Non-Registered Holder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Holder; or
- (2) **Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. If the Non-Registered Holder does not wish to attend and vote at the Meeting (or have another person attend and vote on the Non-Registered Holder’s behalf), but wishes to direct the voting of the Common Shares they beneficially own, the Non-Registered Holder must complete the form of proxy and submit it to Computershare as described above. If a Non-Registered Holder wishes to attend and vote at the Meeting (or have another person attend and vote on the Non-Registered Holder’s behalf), the Non-Registered Holder must strike out the persons named in the proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided.

**In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or the voting instruction form is to be delivered. In addition, if applicable, Non-Registered Holders should follow the procedures set out below under “*Voting at the Meeting – Appointment of a Third Party as Proxy*”.**

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote given to an Intermediary at any time by written notice to the Intermediary in accordance with the instructions received from the Intermediary, except that an Intermediary may not act on a revocation of a voting instruction form or a waiver of the right to receive Meeting Materials and to vote that is not received by the Intermediary in sufficient time prior to the Meeting.

A Non-Registered Holder may fall into two categories – those who object to their identity being made known to the issuers of the securities which they own (“**Objecting Beneficial Owners**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**Non-Objecting Beneficial Owners**”). In accordance with the requirements of NI 54-101, the Company has elected to send copies of the Meeting Materials indirectly through Intermediaries for onward distribution to Non-Objecting Beneficial Owners and Objecting Beneficial Owners. The Company will also pay the fees and costs of Intermediaries and agents for their services in delivering the meeting materials to Non-Objecting Beneficial Owners and Objecting Beneficial Owners in accordance with NI 54- 101.

## *Exercise of Discretion By Proxies*

Common Shares represented by properly executed proxies in favour of the persons named in the accompanying form of proxy will be voted on any ballot that may be called for and, where the person whose proxy is solicited specifies a choice with respect to the matters identified in the proxy, the Common Shares will be voted or withheld from voting in accordance with the specifications so made. **Where Shareholders have properly executed proxies in favour of the persons named in the accompanying form of proxy and have not specified in the form of proxy the manner in which the named proxies are required to vote the Common Shares represented thereby, such shares will be voted for the matters set forth in the Notice.** If a Shareholder appoints a representative other than the persons designated in the form of proxy, the Company assumes no responsibility as to whether the representative so appointed will attend the Meeting on the day thereof or any adjournment or postponement thereof.

The accompanying form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice and with respect to other matters that may properly come before the Meeting. At the date hereof, the management of the Company and the Directors know of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which at present are not known to the management of the Company and the Directors should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

### 2. Voting at the Meeting

#### *General*

Registered Shareholders may vote at the Meeting by completing a ballot online during the Meeting, as further described below under “*How do I Attend and Participate at the Meeting?*”

Non-Registered Holders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting but will be able to participate as a guest. This is because the Company and Computershare, do not have a record of the Non-Registered Holders, and, as a result, will have no knowledge of your shareholdings or entitlement to vote unless you appoint yourself as proxyholder.

**If you are a Non-Registered Holder and wish to vote at the Meeting, you have to appoint yourself as proxyholder by inserting your own name in the space provided on the voting instruction form sent to you and you must follow all of the applicable instructions, including the deadline, provided by your Intermediary. See “*Appointment of a Third Party as Proxy*” and “*How do I Attend and Participate at the Meeting?*” below.**

#### *Appointment of a Third Party as Proxy*

The following applies to Shareholders who wish to appoint someone as their proxyholder other than the management nominees named in the form of proxy or voting instruction form. This includes Non-Registered Holders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Shareholders who wish to appoint someone other than the management nominees as their proxyholder to attend and participate at the Meeting as their proxy and vote their Common Shares **MUST** submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder **AND register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving an invite code that is required to vote at the Meeting.**

**Step 1: Submit your form of proxy or voting instruction form:** To appoint someone other than the management nominees as proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form.

**If you are a Non-Registered Holder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your Intermediary, follow all of the applicable instructions provided by your Intermediary AND register yourself as your proxyholder, as described below.** By doing so, you are instructing your Intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary. Please also see further instructions below under the heading "*How do I Attend and Participate at the Meeting?*"

If you are a Non-Registered Holder located in the United States and wish to vote at the Meeting or, if permitted, appoint a third party as your proxyholder, in addition to the steps described below under "*How do I Attend and Participate at the Meeting?*", you must obtain a valid legal proxy from your Intermediary. Follow the instructions from your Intermediary included with the legal proxy form and the voting instruction form sent to you, or contact your Intermediary to request a legal proxy form or a legal proxy if you have not received one. After obtaining a valid legal proxy from your Intermediary, you must then submit such legal proxy to Computershare. Requests for registration from Non-Registered Holders located in the United States that wish to vote at the Meeting or, if permitted, appoint a third party as their proxyholder must be sent by e-mail or by courier to: [uslegalproxy@computershare.com](mailto:uslegalproxy@computershare.com) (if by e-mail), or Computershare, Attention: Proxy Dept., 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, Canada (if by courier), and in both cases, must be labeled "Legal Proxy" and received no later than the voting deadline of 5:00 p.m. (Central Daylight Time) on May 29, 2023.

**Step 2: Register your proxyholder:** To register a third party proxyholder, Shareholders must visit <http://www.computershare.com/FarmersEdge> by 5:00 p.m. (Central Daylight Time) on May 29, 2023 and provide Computershare with the required proxyholder contact information so that Computershare may provide the proxyholder with an invite code via email. **Without an invite code, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.**

#### *How do I Attend and Participate at the Meeting?*

The Company is holding the Meeting in a virtual only format, which will be conducted via live audio webcast. Shareholders will not be able to attend the Meeting in person.

Attending the Meeting online enables registered Shareholders and duly appointed proxyholders, including Non-Registered Holders who have duly appointed themselves as proxyholder, to participate at the Meeting and ask questions, all in real time. Registered Shareholders and duly appointed proxyholders can vote at the appropriate times during the Meeting.

Guests, including Non-Registered Holders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote or ask questions.

In order to participate in the Meeting, Registered Shareholders must have a valid 15-digit control number and duly appointed proxyholders must have received an email from Computershare containing an invite code. To attend the meeting, Registered Shareholders, duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder) and guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder) must log in online as set out below:

**Step 1:** Log in online at <https://meetnow.global/MGGXTMP> on your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Edge or Firefox. We recommend that you log in at least fifteen minutes before the Meeting starts, but you will be able to log in up to 60 minutes prior to the start of the Meeting. If you have any difficulties logging in during the 60 minutes before the Meeting, you will be able to contact Computershare at the toll-free telephone number posted on the login screen.

**Step 2:** Follow the instructions below:

*Registered shareholders:* To join, you must have a control number. Once the webpage above has loaded into your web browser, click “Join Meeting Now” then select “Shareholder” on the login screen and enter your 15-digit control number. The 15-digit control number is located on your form of proxy or in the email notification you received from Computershare. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the meeting.

*Duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder):* To join, you must have an invite code. Once the webpage above has loaded into your web browser, click “Join Meeting Now” then select “Invitation” on the login screen and enter your invite code. Proxyholders who have been duly appointed and registered with Computershare as described in “Appointment of a Third Party as Proxy” above will receive an invite code by email from Computershare after the proxy voting deadline has passed.

*Guests (including Non-Registered Holders who have not duly appointed themselves as proxyholder):* To join, follow the login link above. Once the webpage has loaded into your web browser, select “Guest” on the login screen. As a guest, you will be prompted to enter your name and email address. Non-Registered Holders who have not appointed themselves as proxyholder must attend the meeting as guests. Guests can listen to the Meeting but are not able to vote or ask questions.

**If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences**, if you wish to do so. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedure. For more information about accessing and participating in the Meeting online, Shareholders are encouraged to consult the document entitled "How to Participate in the Meeting Online" available on SEDAR and on the Company's website at [www.farmersedge.ca](http://www.farmersedge.ca).

*How do I Ask Questions at the Meeting?*

If Registered Shareholders and duly appointed proxyholders (including Non-Registered Holders who have duly appointed themselves as proxyholder) who are attending the Meeting online wish to ask any questions, such Registered Shareholders and duly appointed proxyholders are to select the “Q&A” tab on the virtual meeting platform, type their questions into the text box at the bottom of the screen and, once they have finished typing their message, click the “send” button. Questions sent through the virtual meeting platform will be moderated by counsel to the Company before being sent to the Chair of the Meeting.

Only questions which are procedural in nature or directly related to the motions before the Meeting will be addressed at the Meeting. Questions that relate to a specific motion must indicate which motion they relate to at the start of the question and must be submitted prior to voting on the motion so they can be addressed at the appropriate time during the Meeting. If questions do not indicate which motion they relate to or are received after voting on the motion, they will not be addressed during the Meeting. Proper questions or comments submitted online through the virtual meeting platform will be read or summarized by a representative of the Company, after which the Chair of the Meeting will respond or direct the question to the appropriate person to respond. If several questions relate to the same or similar topic, the Company may group the questions and state that it has received similar questions. The Chair of the Meeting reserves the right to edit or reject questions that he or she considers inappropriate. The Chair of the Meeting has

broad authority to conduct the Meeting in a manner that is fair to all Shareholders and may exercise discretion in the order in which questions are asked and the amount of time devoted to any one question.

## GENERAL INFORMATION

The information contained herein is provided as of March 31, 2023, unless indicated otherwise. No person has been authorized to give any information or make any representation in connection with matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by Farmers Edge or the management of Farmers Edge.

Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars. All references to “\$” are to Canadian dollars.

## FORWARD-LOOKING INFORMATION

Certain statements contained in this Circular contain “forward-looking information” within the meaning of applicable securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, plans and objectives of our Company. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects”, “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “outlook”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding future events or circumstances.

The forward-looking information contained in this Circular is based on management’s opinions, estimates and assumptions in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe to be appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. The forward-looking information contained in this Circular represents management’s expectations as at March 31, 2023 or as of the specific date of such forward-looking information and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that management considered appropriate and reasonable as of the date such statements are made and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including the factors discussed under “*Forward-Looking Information*” and “*Risk Factors*” in our most recent annual information form and under “*Risk Factors*” in our most recent MD&A, each of which is available under our profile on SEDAR at [www.sedar.com](http://www.sedar.com). We caution that the list of risk factors and uncertainties is not exhaustive and other factors could also adversely affect our results. Readers are urged to consider the risks, uncertainties and assumptions associated with these statements carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such information.

All of the forward-looking information contained in this Circular is expressly qualified by this cautionary statement.

## VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Company consists of (i) an unlimited number of Common Shares; and (ii) an unlimited number of preference shares ("**Preference Shares**"), issuable in series. Except as required by law or in accordance with any voting rights attaching to any series of Preference Shares issued from time to time, the Preference Shares will not be entitled to receive notice of, attend or vote at any meeting of the Shareholders.

As at March 31, 2023, there were 42,008,554 Common Shares issued and outstanding and no Preference Shares issued and outstanding.

Pursuant to the Company's by-laws, a quorum for the transaction of business at the Meeting is two persons present in person or by telephonic or electronic means and each entitled to vote at the Meeting and holding or representing by proxy not less than 25% of the votes entitled to be cast at the Meeting.

To the knowledge of the Directors and the officers of the Company, no person other than certain subsidiaries (the "**Fairfax Shareholders**") of Fairfax Financial Holdings Limited ("**Fairfax**") beneficially owns, directly or indirectly, or exercises control or direction over Common Shares carrying more than 10% of the voting rights attached to the Common Shares which may be voted at the Meeting or any adjournment or postponement thereof. To the knowledge of the Company, as at March 31, 2023, the Fairfax Shareholders hold 25,718,393 Common Shares comprising approximately 61.2% of the issued and outstanding Common Shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### Financial Statements

The MD&A and Financials, together with the auditors' report thereon are available on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.farmersedge.ca](http://www.farmersedge.ca). The Company's MD&A and Financials will be placed before the Shareholders at the Meeting.

### Appointment of Auditors

At the Meeting, Shareholders will be requested to re-appoint PricewaterhouseCoopers LLP as auditors of the Company, to hold office until the next annual meeting of Shareholders, and to authorize the Directors to fix the auditors' remuneration.

The audit committee of the Board ("**Audit Committee**") reviews and approves all audit and non-audit services performed by our auditors in advance of services being performed.

Unless the Shareholder directs that their Common Shares are to be withheld from voting in connection with the appointment of auditors, the persons named in the accompanying form of proxy intend to vote for the re-appointment of PricewaterhouseCoopers LLP as auditors of the Company until the next annual meeting of Shareholders and to authorize the Directors to fix their remuneration.

### Election of Directors

Pursuant to the terms of the investor rights agreement dated as of March 3, 2021 between the Company, Osmington Inc. ("**Osmington**"), the Fairfax Shareholders and any affiliates thereof who become a shareholder of the Company from time to time, in respect of, among other things, certain governance matters related to the Company (the "**Investor Rights Agreement**"), the Fairfax Shareholders and Osmington have certain rights, including certain rights to nominate Directors to the Board, based on their associated ownership of Common Shares. Currently, the Fairfax Shareholders have the right to nominate three Directors to the Board (the "**Fairfax Nominees**") and Osmington does not have the right to nominate



any Directors to the Board. The Fairfax Shareholders are also entitled to have one of the Fairfax Nominees (as selected by Fairfax) serve as Chair of the Board (the “**Chair**”).

Including the Fairfax Nominees, the number of Directors to be elected at the Meeting is six. Directors are elected annually and, unless re-elected, retire from office at the end of the next annual general meeting of Shareholders. Four of the six nominated directors, including the Chair, are independent directors (“**Independent Directors**”) as set forth in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Vibhore Arora is not independent because he currently is the Chief Executive Officer of the Company, and Quinn McLean is not independent because he is a Managing Director at Hamblin Watsa Investment Counsel Ltd. (“**Hamblin Watsa Investment Counsel**”), a wholly owned subsidiary of Fairfax. All six nominated directors are qualified and experienced, and have agreed to serve on our Board.

The proxy permits Shareholders to vote in favour of all nominees, to vote in favour of some nominees and to vote against other nominees, or to vote against all nominees. The Chair of the Meeting will ensure that the number of Common Shares voted in favour or against each nominee is recorded and promptly made public after the Meeting. The Board has repealed the Company's majority voting policy as a result of certain amendments to the CBCA, which came into effect on August 31, 2022, that require majority voting for individual directors in uncontested director elections. The election of Directors is subject to Section 106(3.4) of the CBCA, which provides that if there is only one nominee for each position available on the Board, as is the case at the Meeting, each nominee is only elected if the number of votes cast in their favour represents a majority of the votes cast for and against them by the Shareholders who are present in person or represented by proxy, unless the articles require a greater number of votes (which the Company's articles do not). However, the CBCA also provides for a transitional period for any incumbent director who is not re-elected at the Meeting as a result of not receiving a majority of votes in their favour, which permits such director to continue in office until the earlier of (a) the 90<sup>th</sup> day after the day of the election; and (b) the day on which their successor is appointed or elected.

The tables on the following pages set forth certain information in respect of each Director to be elected or re-elected to the Board. Unless otherwise indicated, the information provided as to Common Shares, options to purchase Common Shares (“**Options**”), restricted share units (“**RSUs**”) and performance share units (“**PSUs**”) beneficially owned or controlled, directly or indirectly, has been furnished by each of the nominees, as of March 31, 2023.

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**Directors**

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**R. William McFarland<sup>(1)</sup>**  
**Richmond Hill, Ontario, Canada**

**Director since: 2019**

**Age: 65**

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**History**

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R. William McFarland is the Chair of our Board and has served as a member of our Board since July 2019. His term of office expires the date of the Meeting, and as such, the Company is seeking his reappointment.

Mr. McFarland brings significant financial and management experience to our Company. Mr. McFarland was the Chief Executive Officer of PricewaterhouseCoopers Canada from 2011 to 2018. Prior thereto, Mr. McFarland was a member of the executive team at PricewaterhouseCoopers Canada from 2005 to 2011 and led the Greater Toronto Area audit practice from 2002 to 2005. Mr. McFarland is a member of the board of directors, the lead director and Chair of the audit committee of Fairfax Financial Holdings Limited, the Chair of the board of directors of Dexterra Group Inc., a member of the board of directors of Fairfax India Holdings Corporation, formerly Chair of the board of directors of The Conference Board of Canada and Chair of the board of directors of AGT Food & Ingredients Inc.

Mr. McFarland is a Chartered Professional Accountant, a fellow of the Chartered Professional Accountants of Ontario and a member of the Institute of Corporate Directors. Mr. McFarland holds a Bachelor of Commerce degree from the University of Toronto.

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**Board and Committee Membership**

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Board (Chair)

Audit Committee

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**Securities Held**

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Common Shares	86,047
Outstanding Options	100,000
Outstanding RSUs	60,000

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**Other Public Company Board Membership During the Last Three Years**

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Fairfax Financial Holdings Limited

Fairfax India Holdings Corporation

Dexterra Group Inc.

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(1) Fairfax Nominee

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**Directors**

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**Vibhore Arora**  
Surrey, British Columbia, Canada

Director since: 2022 (August)

Age: 44

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**History**

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Vibhore Arora joined Farmers Edge as CEO, effective June 6, 2022 and joined the board in August 2022. His term of office expires the date of the Meeting, and as such, the Company is seeking his reappointment.

Mr. Arora is a highly respected leader with over 20 years of operational management, strategy development, and project execution experience. Prior to starting at Farmers Edge, Mr. Arora served as President of Amazon Canada Fulfillment Services where he played an instrumental role in growing and scaling Amazon's fulfillment organization from the ground up. Throughout his career, Mr. Arora held various senior leadership positions across the e-commerce, information technology, and hospitality industries. He has a proven track record for driving profitable global growth initiatives, making significant operational improvements, and building best-in-class teams.

Mr. Arora earned his Master of Business Administration (MBA) from MIT Sloan School of Management in Cambridge, MA. He also holds a Bachelor of Science from the Institute of Hotel Management and an Advanced Supply Chain Management certification from the Indian Institute of Management, Bangalore.

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**Board and Committee Membership**

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Board

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**Securities Held**

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Common Shares

266,861

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**Other Public Company Board Membership During the Last Three Years**

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N/A

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**Directors**

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**Steven Mills**  
**St. Louis, Missouri, USA**

**Director since: 2015**

**Age: 67**

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**History**

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Steven Mills has served as a member of our Board since April 2015 and his term of office expires the date of the Meeting, and as such, the Company is seeking his reappointment.

Mr. Mills has more than 40 years of experience in the fields of accounting, corporate finance, strategic planning, risk management, and mergers and acquisitions. He served as Chief Financial Officer of Amyris, Inc., a renewable products company, from May 2012 to December 2013. Prior to joining Amyris, Inc., Mr. Mills had a 33 year career at Archer Daniels Midland Company, one of the world's largest agricultural processors and food ingredient providers. At Archer Daniels Midland Company, he held various senior executive roles, including Chief Financial Officer, Controller, and responsibility for leading company strategic efforts globally. Mr. Mills serves on the board of directors of Black Hills Corporation, a customer focused, growth oriented utility company, where he serves as Chair of the board. Mr. Mills also serves on the boards of Amyris, Inc., Arianna S.A., Illinois College and First Illinois Corporation (along with its wholly owned banking subsidiary, Hickory Point Bank & Trust).

Mr. Mills holds a Bachelor of Science degree in Mathematics from Illinois College.

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**Board and Committee Membership**

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Board

Audit Committee (Chair)

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**Securities Held**

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Common Shares	8,823
Outstanding Options	100,000
Outstanding RSUs	15,000

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**Other Public Company Board Membership During the Last Three Years**

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Black Hills Corporation

Amyris, Inc

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**Directors**

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**James Borel**  
**Naples, Florida, USA**

**Director since: 2016**

**Age: 67**

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**History**

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James Borel has served as a member of our Board since May 2016 and his term of office expires the date of the Meeting, and as such, the Company is seeking his reappointment.

Mr. Borel has over 40 years of experience in the global agriculture and food industry. Mr. Borel currently serves as the Chair of the board of directors and audit committee member of Neogen Corporation, board member of AeroFarms, Inc., and board member, compensation committee member and audit committee member of Eat Just, Inc. Mr. Borel also advises selected agriculture and food ventures and serves on the board of trustees of the University of Delaware, the board of directors of Alpha Gamma Rho Fraternity and the Board of Governors of Iowa State University.

Mr. Borel is a member of and an accredited Board Leadership Fellow with the National Association of Corporate Directors. Mr. Borel holds a Bachelor of Science degree in Agricultural Business from Iowa State University.

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**Board and Committee Membership**

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Board

Audit Committee

Corporate Governance and Compensation Committee (Chair)

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**Securities Held**

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Common Shares	14,706
Outstanding Options	100,000
Outstanding RSUs	15,000

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**Other Public Company Board Membership During the Last Three Years**

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Neogen Corporation

Renewable Energy Group, Inc.

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**Directors**

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**Quinn McLean<sup>(1)</sup>**  
**Toronto, Ontario, Canada**

**Director since: 2017**

**Age: 43**

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**History**

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Quinn McLean has served as a member of our Board since March 2017 and his term of office expires the date of the Meeting, and as such, the Company is seeking his reappointment.

Mr. McLean is a Managing Director at Hamblin Watsa Investment Counsel, a wholly owned subsidiary of Fairfax Financial Holdings Limited and has been with such company since 2011. His initial work experience was in the public accounting profession including work in audit and tax. Subsequently, Mr. McLean entered the investment management profession as an investment analyst working for an institutional investment manager in Toronto, Canada focusing on international equities (Europe and Asia). Currently, Mr. McLean is responsible for the Fairfax Financial Holdings Limited insurance subsidiary investment portfolios in the Middle East/Turkey/North Africa (Gulf Insurance Group) and South Africa/Botswana (Bryte Insurance). Mr. McLean is currently on the board of Gulf Insurance Group, Helios Fairfax Partners Corporation and Boat Rocker Media Inc.

Mr. McLean is a Chartered Professional Accountant and Chartered Financial Analyst. He holds a Bachelor of Arts degree in Accounting and a Master of Business Administration degree from the University of Toronto.

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**Board and Committee Membership**

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Board

Corporate Governance and Compensation Committee

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**Securities Held**

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Common Shares	54,640
Outstanding Options	100,000

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**Other Public Company Board Membership During the Last Three Years**

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Gulf Insurance Group

Helios Fairfax Partners Corporation

Boat Rocker Media Inc

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(1) Fairfax Nominee

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**Directors**

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**Natacha Mainville<sup>(1)</sup>**  
**Saint-Léonard, Québec, Canada**

**Director since: 2021**

**Age: 43**

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**History**

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Natacha Mainville has served as a member of our Board since March 2021 and her term of office expires the date of the Meeting, and as such, the Company is seeking her reappointment.

Ms. Mainville is a seasoned engineering executive and a fintech veteran. Ms. Mainville is a Senior Research Program Manager, Google Brain for Google, Inc. Prior to joining Google Brain in 2018, Ms. Mainville was Chief Innovation Officer for TandemLaunch Inc. and worked for nearly a decade with one of Canada's largest insurance companies. She also has held various engineering roles for other financial services companies.

Ms. Mainville currently serves as a director of The Institute for Data Valorisation (IVADO) and mentors young founders in the startup community. She holds a Bachelor of Applied Science degree in Computer Engineering from Polytechnique Montréal.

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**Board and Committee Membership**

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Board

Corporate Governance and Compensation Committee

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**Securities Held**

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Outstanding Options	100,000
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**Other Public Company Board Membership During the Last Three Years**

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N/A

(1) Fairfax Nominee

As of March 31, 2023, our directors and executive officers (as a group) beneficially owned, or controlled or directed, directly or indirectly, 501,268 Common Shares representing approximately 1.2% of our outstanding Common Shares.

Unless the Shareholder directs that their Common Shares are to be withheld from voting in connection with the election of the nominees described above, the persons named in the accompanying form of proxy intend to vote for the election of the nominees described above as Directors to hold office until the next annual meeting of Shareholders.

*Additional Disclosure Relating to Proposed Directors*

To the knowledge of the Company, no director or executive officer of the Company, is, or has been in the last ten years, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order or similar order or an order that denied the issuer access to any exemptions under Canadian securities legislation, for a period of more than 30 consecutive days, (a) while that person was acting as a director, chief executive officer or chief financial officer or (b) after that person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting as a director, chief executive officer or chief financial officer.

Further, to the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, or has been within the last ten years, a director or executive officer of any company 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.

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the last ten years, become 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 their assets.

To the knowledge of the Company, no director or executive officer of the Company, or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to (a) 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 (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder making an investment decision.

### **Special Business – Amended and Restated LTIP Resolution**

The Company's long-term incentive plan ("**Long-Term Incentive Plan**" or "**LTIP**") was adopted on March 2, 2021. On March 14, 2023, the Board approved, subject to Shareholder approval at the Meeting and the approval of the Toronto Stock Exchange ("**TSX**"), the Amended and Restated LTIP. The Amended and Restated LTIP is substantially similar to the Long-Term Incentive Plan other than with respect to the following amendments:

- (a) setting the maximum number of Common Shares that may be subject to awards under the Amended and Restated LTIP to 20% of the issued Common Shares outstanding from time to time;
- (b) removing the maximum number of Common Shares that may be subject to awards granted to insiders of the Company in any single calendar year and at any time;
- (c) removing the maximum number of Common Shares that may be subject to awards granted to any single participant in any single calendar year; and
- (d) certain other changes of a "housekeeping nature" as more particularly set out below.

The Long-Term Incentive Plan, prior to the foregoing amendments, had a maximum number of Common Shares that may be subject to awards equal to 10% of the issued Common Shares outstanding from time to time. As of March 31, 2023, the number of Common Shares available for issuance pursuant to awards under the LTIP is 4,200,855 (representing 10% of the number of Common Shares outstanding as at March 31, 2023). If the Amended and Restated LTIP receives the requisite Shareholder approval at the Meeting and the approval of the TSX, the number of Common Shares available for issuance pursuant to awards under the Amended and Restated LTIP will be 8,401,710 (representing 20% of the number of Common Shares outstanding as at March 31, 2023). Accordingly, an additional 4,200,855 Common Shares will be available for issuance pursuant to awards under the Amended and Restated LTIP.

Awards granted under the Long-Term Incentive Plan (including under the terms of the Amended and Restated LTIP, if approved) may consist of Options, SARs, restricted Common Shares ("**Restricted Shares**"), RSUs, DSUs and PSUs. All prior awards granted under the Long-Term Incentive Plan will continue to be governed by such plan in accordance with its terms at the time of grant until the Long-Term Incentive Plan Resolution receives the requisite Shareholder approval at the Meeting and the approval of the TSX. Following such approval, all awards will be governed by the terms of the Amended and Restated LTIP.



Each award will be subject to the terms and conditions set forth in the Amended and Restated LTIP and to those other terms and conditions specified by the Board and the Corporate Governance and Compensation Committee. As at December 31, 2022, RSUs, PSUs and Options have been granted under the Long-Term Incentive Plan, with 321,392 RSUs, 415,329 PSUs and 333,000 Options issued and outstanding, collectively representing approximately 2.5% of the issued and outstanding Common Shares. As at March 31, 2023, awards to acquire 1,449,815 Common Shares were issued and outstanding under the Long-Term Incentive Plan (3.5% of the number of issued and outstanding Common Shares), with 259,486 RSUs, 402,129 PSUs and 788,200 Options issued and outstanding. Accordingly, as at March 31, 2023, there were 2,751,040 unallocated awards to acquire Common Shares under the Long-Term Incentive Plan (6.6% of the number of Common Shares issued and outstanding as of March 31, 2023) which, together with the outstanding awards under the Long-Term Incentive Plan, equal 10% of the issued and outstanding Common Shares as at March 31, 2023. If the Amended and Restated LTIP Resolution is approved, the number of unallocated awards to acquire Common Shares will increase to 6,951,895 based on the number of issued and outstanding Common Shares as of March 31, 2023 (16.6% of the number of issued and outstanding Common Shares as of March 31, 2023).

The LTIP, prior to amendment, contains insider participation limits, which restrict the maximum number of Common Shares that may be issued to insiders of the Company in any single calendar year and at any time to 10% of the Common Shares issued and outstanding at the time of issuance, and restrict the maximum number of Common Shares that may be subject to awards granted to any single participant in any single calendar year to 5% of the issued and outstanding Common Shares. As described above, these insider participation limits will not apply to the Amended and Restated LTIP.

In addition to the foregoing changes, the Amended and Restated LTIP includes the following amendments of a “housekeeping nature” to the LTIP: (a) defining “Fair Market Value” as the volume weighted average trading price of the Common Shares for the five days preceding the applicable reference date where the Common Shares are traded on the TSX or another principal securities exchange; (b) clarifying what constitutes active employment for the purposes of the Amended and Restated LTIP; (c) clarifying that the exercise of any Option is subject to compliance with any legal requirement or requirement of any stock exchange or other regulatory authority; (d) clarifying that RSUs and PSUs will have vesting conditions such that the RSUs and PSUs are exempt from the definition of “salary deferral arrangement” in the *Income Tax Act* (Canada); (e) providing discretion to the Board to make changes to the Amended and Restated LTIP or any award granted thereunder, subject to the limitations set forth in the Amended and Restated LTIP; (f) providing discretion to the Board to accelerate the vesting of any or all awards under the Amended and Restated LTIP; and (g) other minor typographical corrections and clarifications.

A description of the LTIP is set out in this Circular under “*Compensation of Executive Officers – Long-Term Incentive Plan*”. A copy of the Amended and Restated LTIP will be filed and available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Up to 20% of the Common Shares issued and outstanding from time to time may be issued pursuant to awards under the Amended and Restated LTIP. The Amended and Restated LTIP is considered an “evergreen plan” because (i) the Common Shares covered by awards granted under the Amended and Restated LTIP which have been exercised or cancelled will be available for subsequent grants under the Amended and Restated LTIP; and (ii) the Common Shares issued pursuant to the Amended and Restated LTIP will increase as the number of issued and outstanding Common Shares increases.

The rules of the TSX require that, every three years after institution, all unallocated options, rights or other entitlements under a security based compensation arrangement that does not have a fixed maximum number of securities issuable, such as an evergreen plan, must be approved by shareholders. The Amended and Restated LTIP is an evergreen security based compensation arrangement under the rules of the TSX Company Manual. If approval of the unallocated awards is obtained at the Meeting, the Company will not be required to seek further approval of the unallocated awards under the Amended and

Restated LTIP until the Company's annual and special meeting of Shareholders in 2026 (provided that such meeting is held on or prior to May 31, 2026).

Accordingly, at the Meeting, Shareholders will be asked to consider and, if deemed advisable, ratify and approve the Amended and Restated LTIP and the unallocated awards under the Amended and Restated LTIP. Whether or not the Amended and Restated LTIP Resolution is approved, all awards currently outstanding under the Long-Term Incentive Plan will remain in effect in accordance with their terms. If the Amended and Restated LTIP Resolution is not approved, any currently unallocated awards under the Long-Term Incentive Plan will no longer be available for grant. In addition, any awards which subsequently are cancelled, expire or terminate will not be available for re-granting under the Long-Term Incentive Plan.

The Amended and Restated LTIP does not limit the participation of insiders. The aggregate number of Common Shares: (i) issued to insiders within any one-year period; and (ii) issuable to insiders at any time under the Amended and Restated LTIP, could exceed 10% of the Company's issued and outstanding Common Shares. TSX rules provide that the votes attached to the securities held by all insiders eligible (the "**Eligible Insiders**") to participate in the Amended and Restated LTIP must be excluded from the vote on the Amended and Restated LTIP Resolution. Accordingly shareholders of the Company, other than the Eligible Insiders, are being asked to approve the Amended and Restated LTIP by a majority of votes cast in person or represented by proxy at the Meeting. As of the date of this Circular, 501,268 Common Shares held by Eligible Insiders will be excluded from the vote.

The foregoing description of the Company's Long-Term Incentive Plan and the Amended and Restated LTIP is intended as a summary only and does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Amended LTIP, which is set out as Appendix I to Schedule A of this Circular. See "*Compensation of Executive Officers – Long-Term Incentive Plan*" herein for a more detailed description of the Amended and Restated LTIP.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the Amended and Restated LTIP Resolution. **The Board has determined that the Amended and Restated LTIP Resolution is in the best interests of the Company and unanimously recommends that Shareholders vote "FOR" the Amended and Restated LTIP Resolution. To pass, the Amended and Restated LTIP Resolution must be approved by a majority of votes cast by Shareholders (excluding the Eligible Insiders) in person or represented by proxy at the Meeting.**

Unless the Shareholder directs that their Common Shares are to be voted against the Amended and Restated LTIP Resolution, the persons named in the accompanying form of proxy intend to vote in favour of the Amended and Restated LTIP Resolution.

### **Special Business – By-law Resolution**

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the By-law Resolution to confirm By-law No. 3 of the Company in accordance with the CBCA. **The Board has determined that the By-law Resolution is in the best interests of the Company and unanimously recommends that Shareholders vote "FOR" the By-law Resolution. To pass, the By-law Resolution must be approved by a majority of votes cast by Shareholders in person or represented by proxy at the Meeting.**

By-law No. 3 was approved by the board of directors of the Company on August 15, 2022, following the continuance of the Company from *The Corporations Act* (Manitoba) to the CBCA, and repeals and replaces By-law No. 2. Should Shareholders fail to approve the By-law Resolution, By-law No. 3 will cease to be effective.

By-law No. 3 sets out how the business and affairs of the Company are regulated, including directors, shareholders' meetings, indemnification of directors and officers, banking arrangements and

execution of instruments. By-law No. 3 is substantially in the form of By-law No. 2, other than the changes necessary to conform By-law No. 2 to the CBCA.

The foregoing description of By-law No. 3 is intended as a summary only and does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of By-law No. 3, which are set out in Appendix I to Schedule B of the Circular. Shareholders should consult their legal advisors regarding implications of the By-law Resolution which may be of particular importance to them.

Unless the Shareholder directs that their Common Shares are to be voted against the By-law Resolution, the persons named in the accompanying form of proxy intend to vote in favour of the By-law Resolution.

### **Other Matters Which May Come Before the Meeting**

Management of the Company and the Directors know of no matters to come before the Meeting other than the matters referred to in the Notice. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

## **COMPENSATION OF EXECUTIVE OFFICERS**

### **Introduction**

The following discussion describes the significant elements of our executive compensation program with particular emphasis on the process for determining compensation payable to the chief executive officer of our Company (the “**Chief Executive Officer**”), chief financial officer of our Company (the “**Chief Financial Officer**”), and other than the Chief Executive Officer and the Chief Financial Officer, each of the additional executive officers listed below (collectively, the “**NEOs**”).

Our 2022 NEOs were:

- Vibhore Arora, Chief Executive Officer;
- Wade Barnes, former Chief Executive Officer ;
- Cindy Yuan, Chief Financial Officer;
- Ron Osborne, former Chief Technology Officer;
- Anita Wortzman, former President; and
- Robert Meijer, former Executive Vice President, Corporate Development.

Wade Barnes departed as Chief Executive Officer of the Company, effective June 6, 2022, and Vibhore Arora was appointed as Chief Executive Officer of the Company, effective as of the same date. Further, Ron Osborne as Chief Technology Officer departed effective May 31, 2022; Anita Wortzman as President departed effective June 30, 2022; and Robert Meijer as Executive Vice President of Corporate Development departed effective November 18, 2022.

### **Objectives of the Company’s Executive Compensation Program**

Our executive compensation program has been designed to motivate, reward, attract and retain a highly talented team of executive officers. The program seeks to align executive compensation with our

annual and longer term business objectives. Our executive compensation program is designed to achieve the following objectives:

- provide competitive compensation opportunities in order to attract and retain talented, high-performing and experienced executive officers, whose knowledge, skills and performance are critical to our success;
- motivate our executive officers to achieve our business and financial objectives;
- align the interests of our executive officers with those of our Shareholders by tying a meaningful portion of compensation directly to the long-term value and growth of our business; and
- provide incentives that encourage appropriate levels of risk-taking and do not encourage excessive risk-taking behaviour by our executive officers.

As we recently transitioned from being a privately-held company to a publicly-traded company, we are continuing to evaluate our compensation philosophy and program. In 2020, we retained Global Governance Advisors (“**GGA**”) as an independent compensation advisor, and GGA continued in 2022 to assist the Board’s corporate governance and compensation committee (the “**Corporate Governance and Compensation Committee**”) with the further development of our compensation philosophy and program (see below under “*Executive Compensation-Related Fees*” for further information on GGA’s mandate). As part of this review process, we are guided by the philosophy and objectives outlined above, as well as other factors which may become relevant.

### **Determination of Compensation**

The Corporate Governance and Compensation Committee is responsible for assisting our Board in fulfilling its governance and supervisory responsibilities, and overseeing our human resources, succession planning, and compensation policies, processes and practices. The Corporate Governance and Compensation Committee is also responsible for ensuring that our compensation policies and practices provide an appropriate balance of risk and reward consistent with our risk appetite and do not encourage excessive risk-taking behaviour by our executive officers.

Our Board has adopted a written charter for the Corporate Governance and Compensation Committee setting out its responsibilities for administering our compensation programs and reviewing and making recommendations to our Board concerning the level and nature of the compensation payable to Directors and the officers of the Company. A copy of the charter is attached hereto as Schedule C. The Corporate Governance and Compensation Committee oversight includes reviewing objectives, evaluating performance and ensuring that total compensation paid to executive officers is fair, reasonable and consistent with the objectives of our philosophy and compensation program.

The current members of the Corporate Governance and Compensation Committee are James Borel, R. William McFarland, Quinn McLean and Natacha Mainville, with Mr. Borel acting as Chair. None of the members of the Corporate Governance and Compensation Committee is an officer, employee or former officer of the Company or any of its affiliates (other than Quinn McLean who is an employee of Fairfax, an affiliate of the Company) or is eligible to participate in the Company’s executive compensation programs. All of the members have experience in executive compensation by virtue of their experience as current or former chief executive officers and as current or former senior executives. The Board believes the members of the Corporate Governance and Compensation Committee collectively have the knowledge, experience and background required to fulfill its mandate. For a description of the relevant education and experience of each of the members of the Corporate Governance and Compensation Committee, see “*Particulars of Matters to be Acted Upon at the Meeting – Election of Directors*”.

## Executive Compensation-Related Fees

The Corporate Governance and Compensation Committee engaged a third party independent advisory firm to review compensation levels and understand trends and best practices with respect to compensation good governance and executive compensation program design in 2021. In 2022, the Corporate Governance and Compensation Committee worked with GGA on executive officer and Director compensation matters, including, among other things, the following:

- reviewing the compensation philosophy and developing the updated peer group for our Company;
- assisting in reviewing the competitiveness of our current cash and equity-based compensation program for executive officers;
- assisting in reviewing a new incentive awards framework for executive officers and other key management; and
- assisting in designing an updated compensation program for our Board.

GGA is directly accountable to the Corporate Governance and Compensation Committee for all compensation advisory work. For the year ended December 31, 2022, \$4,873.16 was paid to GGA in connection with such services (2021 - \$78,106.90).

GGA also conducted a market compensation review of Director compensation including benchmarking against the Peer Group (as defined below) in 2021.

## Benchmarking

During 2021, the Corporate Governance and Compensation Committee mandated GGA to determine Farmers Edge's peer group of companies and to ensure the suitability of such group, as certain of Farmers Edge's compensation matters are compared against the peer group. Based on the review by GGA and in consultation with the Corporate Governance and Compensation Committee and the Board, a peer group of Canadian and international companies was chosen on the basis of the following characteristics in relation to Farmers Edge: (i) similar size; (ii) belonging to similar industry segments (Internet of Things and Software); (iii) operating in similar geographical locations; (iv) currently in a high-growth stage of business; (v) having a similar business strategy and scope of operations; and (vi) trading on major Canadian or U.S. exchanges. International companies are included as they face similar operational challenges within the agricultural technology industry to those of Farmers Edge. The peer group companies (the "**Peer Group**") are listed below:

- Absolute Software Corp.
- Blackline Safety Corp.
- CubicFarm Systems Corp.
- Dialogue Health Technologies Inc.
- Docebo Inc.
- Dye & Durham Ltd.
- Inseego Corp.
- Iteris, Inc.
- Kinaxis Inc.
- Tecsys Inc.
- Vecima Networks Inc.

## Compensation Risk

In reviewing our compensation policies and practices each year, the Corporate Governance and Compensation Committee seeks to ensure that (i) the executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of our Company; and (ii) compensation practices do not encourage excessive risk-taking behaviour by the executive team. Our Long-Term Incentive Plan has been designed to focus on our long-term performance which should discourage executives from taking excessive risks in order to achieve short-term, unsustainable performance.

### *Insider Trading and Anti-Hedging Policies*

All of our executives, other employees and Directors are subject to our disclosure and insider trading policy (the “**Disclosure and Insider Trading Policy**”), which prohibits trading in our securities while in possession of material undisclosed information about us. Under this policy, such individuals are also prohibited, without exceptions, from entering into hedging transactions involving our securities, such as short sales, puts and calls. Furthermore, we permit executives, including the NEOs, to trade in our securities only during prescribed trading windows.

## Forfeiture and Clawback of Incentive Compensation

Awards under the Legacy Option Plan (as defined below) and the Long-Term Incentive Plan are subject to clawback provisions:

- Pursuant to the Legacy Option Plan if a participant’s employment is terminated for cause, the Option will immediately terminate and be forfeited effective as of the termination date.
- Pursuant to the Long-Term Incentive Plan:
  - If a participant has been terminated for cause: (i) any Option or stock appreciation right (“**SAR**”) not already exercised will automatically expire as of the date of such termination; and (ii) any Common Shares for which the Company has not yet delivered share certificates or the participant has not received a customary confirmation through the facilities of The Canadian Depository for Securities Limited (or its successor) in respect thereof, as applicable, will be immediately and automatically forfeited and the Company will, in the case of an Option, refund to the participant the Option exercise price paid for such Common Shares, if any.
  - If a participant has been terminated for cause, any RSU, PSU or deferred share unit (“**DSU**”) (whether vested or unvested) held by the participant, or any restricted Common Share (“**Restricted Share**”) to which a participant is then entitled, will terminate or be forfeited and all rights to receive any payment thereunder will be forfeited following the date on which the individual ceases to be a participant.

See below under “*Legacy Option Plan*”, “*Long-Term Incentive Plan*” and “*Annual Bonuses*” for further discussion.

## Share Ownership Guidelines

The Company approved share ownership guidelines for executive officers effective May 13, 2021, as amended from time to time. Each executive officer is required to own and maintain during such executive officer’s employment with the Company, Common Shares, RSUs, PSUs and Options at least equal in value to a multiple of the executive officer’s annual salary. Only 50% of any unvested PSUs will be eligible to be

included in any calculation made to determine compliance with the share ownership guidelines. Each executive officer will be required to achieve compliance with the share ownership guidelines within five years from the later of the effective date and the start of the executive officer's employment. In addition, each executive officer will be required to retain and hold seventy five percent (75%) of any after-tax vested RSUs, PSUs and Common Shares from exercised Options until compliance is achieved. The share ownership requirements for executive officers are as follows:

<b>Position</b>	<b>Share Ownership Requirements</b>
Chief Executive Officer	3x Annual Salary
Chief Financial Officer	2x Annual Salary
All other Executive Officers	1x Annual Base Salary

Compliance will be determined if at any time following the approval of the share ownership guidelines the executive officer is onside based on the executive officer's annual salary and: (i) with respect to Common Shares and unvested RSUs and PSUs, the closing price of Common Shares on the TSX, (ii) with respect to Options, the in-the-money value of vested options. Once compliance with the share ownership guidelines has been achieved, the executive officer is deemed compliant notwithstanding any subsequent decrease in the market price of the Common Shares. Executives below the threshold level will be encouraged to apply all or a portion of any annual bonus to buy common shares of the Corporation.

### **Base Salary**

Base salary is provided as a fixed source of compensation for our executive officers. Adjustments to base salaries are determined annually and may be increased based on the executive officer's success in meeting or exceeding individual objectives, as well as to maintain market competitiveness. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope of breadth of an executive officer's role or responsibilities.

### **Annual Bonuses**

Annual bonuses are designed to motivate our executive officers to meet our business and financial objectives generally and our annual financial performance targets in particular. The program is reviewed and approved annually by the Board. Annual bonuses are earned and measured with weighting of 75% for corporate performance, including reference to revenue growth, free cash flow and other selected KPIs and weighting of 25% for personal objectives, measured against targets for such measures or objectives. Individual bonus payouts increase or decrease depending on the variance of actual revenue growth, free cash flow, other selected KPIs and/or certain personal objectives, as applicable, to targets for such measures or objectives. Annual bonuses are currently set at a maximum of 100% of base salary for the CEO and 50% of base salary for the remaining NEOs. We currently make bonus payments in cash and anticipate continuing to do so.

### **Long-Term Incentive Plan**

Upon the closing of our initial public offering (the "IPO") on March 3, 2021, we adopted the Long-Term Incentive Plan, which we have amended and restated as the Amended and Restated LTIP, subject to Shareholder approval of the Amended and Restated LTIP Resolution at the Meeting and the approval of the TSX. The following summary describes the terms of the Long-Term Incentive Plan which, except as described herein or above under "*Special Business – Amended and Restated LTIP Resolution*", apply to the Amended and Restated LTIP if adopted.

The Long-Term Incentive Plan provides eligible participants with compensation opportunities that encourage ownership of Common Shares, enhance our ability to attract, retain and motivate our Directors, executive officers and other key management and incentivize them to increase the long term growth and equity value of our Company in alignment with the interests of Shareholders. The Board and the Corporate

Governance and Compensation Committee will grant long-term incentives to Directors, officers, employees and others consistent with the provisions of the LTIP.

The process that the Company uses to grant awards under the LTIP (and will continue to use with respect to the Amended and Restated LTIP), including the NEOs, and the factors that are taken into account when considering new grants under the LTIP, are based upon a number of criteria to be determined, including the performance of the individual and the Company, the number of awards available for grant under the LTIP, the number of awards anticipated to be required to meet the future needs of the Company, as well as the number of awards previously granted to the relevant individual. In 2021, the Corporate Governance and Compensation Committee worked with GGA to, among other things, review the competitiveness of our current equity-based compensation program for executive officers, designed a new long-term incentive awards framework for executive officers and other key management and designed an updated compensation program for our Board (see above under “*Executive Compensation-Related Fees*” for further information on GGA’s mandate).

Awards granted under the LTIP may consist of Options, SARs, Restricted Shares, RSUs, DSUs and PSUs. Each award is subject to the terms and conditions set forth in the LTIP and to those other terms and conditions specified by the Board and the Corporate Governance and Compensation Committee.

As at December 31, 2022, RSUs, PSUs and Options have been granted under the Long-Term Incentive Plan, with 321,392 RSUs, 415,329 PSUs and 333,000 Options issued and outstanding, collectively representing approximately 2.5% of the issued and outstanding Common Shares.

#### *Shares Subject to the LTIP*

Up to 10% of the Common Shares issued and outstanding from time to time (including shares issued under any other security based compensation arrangement of the Company) may be issued pursuant to awards under the LTIP. Following the adoption of the Amended and Restated LTIP, upon to 20% of the Common Shares issued and outstanding from time to time may be issued pursuant to awards under the Amended and Restated LTIP. Under the Long-Term Incentive Plan, the maximum number of Common Shares that: (i) are issuable to insiders (as defined in the Company Manual of The Toronto Stock Exchange (the “TSX”), including such staff notices of the TSX which may supplement the same); and (ii) may be issued to insiders within a one-year period, in each case, pursuant to awards under the Long-Term Incentive Plan and any other share-based compensation arrangement we adopt is 10% of the Common Shares outstanding from time to time. These insider participation limits will not apply to the Amended and Restated LTIP. The number of Common Shares subject to each award, the exercise price, the expiry time, the extent to which such award is exercisable and other terms and conditions relating to such awards will be determined by the Board and the Corporate Governance and Compensation Committee. The aggregate number of Common Shares that remain available for grant under the Long-Term Incentive Plan as of March 31, 2023 (prior to the adoption of the Amended and Restated LTIP) was 2,751,040, representing approximately 6.6% of the issued and outstanding Common Shares.

An annual grant of awards (excluding any one-time grant such as those made in the fiscal year of the Director’s initial service or upon closing of the IPO) issued to any Director who is not an officer or employee of the Company under the LTIP (including following the adoption of the Amended and Restated LTIP) and any other share-based compensation arrangement adopted by the Company will not exceed an aggregate grant value of \$150,000 in total equity, of which no more than \$100,000 may be issued in the form of Options.

If, and to the extent, awards granted under the LTIP: (i) are exercised; or (ii) terminate, expire, cancel or are forfeited, Common Shares subject to such awards will again be available for grant under the LTIP. In addition, if and to the extent an award is settled for cash, the Common Shares subject to the award will again be available for grant under the plan.

In the event of any recapitalization, reorganization, arrangement, amalgamation, stock split or consolidation, stock dividend or other similar event or transaction, substitutions or adjustments will be made



by the Board and the Corporate Governance and Compensation Committee to: (i) the aggregate number, class and/or issuer of the securities reserved for issuance under the LTIP; (ii) the number, class and/or issuer of securities subject to outstanding awards; and (iii) the exercise price of outstanding Options or SARs, in each case (A) in a manner that reflects equitably the effects of such event or transaction and (B) is subject to the TSX's consent for so long as the Common Shares or any of the securities of the Company are listed on the TSX.

Awards under the LTIP are non-assignable and non-transferable although they are assignable to and may be exercisable by a participant's legal heirs or personal representatives in certain cases.

#### *Amendments*

The Board may amend the LTIP or the terms of any award agreement, provided that (1) no such amendment, modification, change, suspension or termination of the LTIP or any LTIP award may materially impair any rights of a participant or materially increase any obligations of a participant under the LTIP without the consent of the participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements, and (2) shareholder approval is required to: (i) reduce the exercise price or purchase price of awards under the LTIP; (ii) extend the term under an award; (iii) permit awards to be transferable or assignable by participants, other than by will or by the laws of descent and distribution; (iv) remove or increase the insider participation limits; (v) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of our outstanding capital represented by such securities; (vi) increase the limits on the total annual grant of awards permitted to be issued to any one Independent Director; and (vii) amend an amending provision within the LTIP.

Our Board and the Corporate Governance and Compensation Committee may, without shareholder approval, further amend the LTIP with respect to (i) amendments of a "housekeeping nature"; (ii) changes to the vesting or exercise provisions of the LTIP or any award; (iii) changes to the provisions of the LTIP relating to the expiration of awards prior to their respective expiration dates upon the occurrence of certain specified events; or (iv) the cancellation of an award.

#### *Termination of Service*

Unless provided otherwise in the award agreement, if a participant's service with us or any of our affiliates terminates due to resignation, the right to exercise any Option or SAR that is exercisable at the time of resignation, or in the case of a DSU, RSU or PSU that is unvested at the time of such resignation, will terminate on the date that is 60 days following the earlier of (i) the date of resignation; and (ii) the award's original expiration date. Unless provided otherwise in the award agreement, if a participant's service with us or any of our affiliates terminates due to death or total disability, the right to exercise an Option or SAR will terminate on the earlier of one year following such termination and the award's original expiration date, and any DSUs, RSUs or PSUs will vest on the date of such death or total disability and will settle in accordance with the LTIP. If a participant's relationship with us or any of our affiliates terminates for cause, any award (whether vested or unvested) not already exercised will automatically expire and terminate as of the date of such termination. Unless provided otherwise in the award agreement, if a participant's relationship with us or any of our affiliates terminates due to termination without cause or retirement, any unvested awards will be prorated to the date of termination.

Unless provided otherwise in the award agreement, if a participant's service with us or any of our affiliates terminates for cause during the period that restrictions on Restricted Shares granted to the participant remain unfulfilled or uncompleted, those Restricted Shares will be forfeited to us. In the event of the death or total disability of a participant, we will cause the trustee or custodian to distribute to the participant or their legal representative any Restricted Shares held by the participant subject to any restrictions specified by the Board and the Corporate Governance and Compensation Committee. In the event of termination without cause or retirement of a participant, we will cause the trustee or custodian to distribute to the participant or their legal representative a pro rata number of Restricted Shares to the date

of termination or retirement held by the participant subject to any restrictions specified by the Board and the Corporate Governance and Compensation Committee.

#### *Change of Control*

In the event of a change of control of our Company, the Board will have discretion to, among other things, accelerate the vesting of outstanding awards, settle outstanding awards in cash or exchange outstanding awards for similar awards of a successor company. In exercising its discretion to redeem any PSU for cash and/or other substitute consideration, the Board will consider, among other factors, the level of achievement towards the performance goals applicable to such PSU prior to the change of control.

#### *Options*

The exercise price of any Option granted under the LTIP will not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date on which the Option is granted. Our Board and the Corporate Governance and Compensation Committee will determine the Option term for each Option; provided, however, that the exercise period of any Option may not exceed ten years from the date of grant. Vesting for each Option is also determined by our Board and the Corporate Governance and Compensation Committee.

#### *SARs*

Upon exercise of a SAR, the participant will be entitled to receive an amount equal to the excess (if any) of (i) the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of exercise, over (ii) the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant. Such amount is payable in cash or Common Shares as determined by the Board and the Corporate Governance and Compensation Committee.

#### *Restricted Shares*

Restricted Shares may consist of either treasury Common Shares or outstanding Common Shares purchased for purposes of the LTIP . Restricted Shares will be granted subject to restrictions which will be determined by, and may be varied by, our Board and the Corporate Governance and Compensation Committee. All Restricted Shares will be held for the benefit of participants in the name of a trustee appointed for purposes of the LTIP or, in the case of non-treasury Restricted Shares, by a custodian with whom shares are deposited by the trustee. Participants will have no custody or control of the Restricted Shares granted to them while they are held by the trustee or the custodian. Restricted Shares will only be released to the participant after the shares become free of all restrictions.

#### *RSUs*

Each RSU represents the right to receive from the Company, after fulfilment of any applicable conditions specified by our Board or Corporate Governance and Compensation Committee, a distribution in an amount equal to the fair market value (determined at the time of distribution) of one Common Share. Prior to settlement, an RSU will carry no voting or dividend rights or other rights associated with share ownership. Unless otherwise specified in the award agreement, an RSU award may be settled in Common Shares, cash or in any combination of both; however, a determination to settle an RSU in whole or in part in cash may be made by our Board and the Corporate Governance and Compensation Committee, in their discretion. Our Board and the Corporate Governance and Compensation Committee will also determine the vesting and any conditions for RSUs.

#### *DSUs*

Each DSU provides for the right to receive from the Company, on a deferred payment basis, a Common Share or the cash equivalent of a Common Share in an amount equal to the fair market value

(determined at the applicable payment date) on the terms contained in the LTIP. The amount will not be paid out until the earlier of the death, retirement, or loss of office or employment of the recipient with the Company or any of its affiliates, thereby providing an ongoing equity stake throughout the recipient's period of service. Unless otherwise specified in the award agreement, a DSU award may be settled in Common Shares, cash, or in any combination of both, however, a determination to settle a DSU in whole or in part in cash may be made by our Board and the Corporate Governance and Compensation Committee, in their discretion.

### *PSUs*

Each PSU represents the right to receive from the Company, after fulfillment of any applicable conditions specified by our Board or Corporate Governance and Compensation Committee (including achievement of certain performance criteria) a distribution in an amount equal to the fair market value (determined at the time of distribution) of one Common Share. Prior to settlement, a PSU will carry no voting or dividend rights or other rights associated with share ownership. Unless otherwise specified in the award agreement, a PSU award may be settled in Common Shares, cash, or in any combination of both, however, a determination to settle a PSU in whole or in part in cash may be made by our Board and the Corporate Governance and Compensation Committee, in their discretion. Our Board and the Corporate Governance and Compensation Committee will also determine the performance period, vesting and any performance criteria for PSUs.

Certain NEOs received an initial grant of PSUs at the closing of IPO that vest in Common Shares at the end of the 48th month following the closing of the IPO based on the level of achievement of consolidated revenue goals for our Company. The vesting schedule is outlined below, depending on the level of consolidated annual revenue achieved for fiscal 2024.

<b>Consolidated Annual Revenue Performance, for Fiscal 2024 Grant Vesting</b>	<b>% of PSU Grant Vesting</b>
\$200 million .....	100%
\$190 million .....	80%
\$170 million .....	75%
Less than \$170 million .....	0%

Certain NEOs received a grant of PSUs in March, 2022 that vest in Common Shares at the end of the 36th month following the date of the grant based on the level of achievement of EBITDA goals for our Company. However, the EBITDA goals were not met and, as such, there will be no PSUs vesting in connection with the March, 2022 grant.

### *Annual Burn Rate*

The following table outlines the Burn Rate (as defined below) for the Long-Term Incentive Plan (prior to the adoption of the LTIP) for the past three fiscal years.

	<b>2022</b>	<b>2021<sup>(2)</sup></b>	<b>2020<sup>(3)</sup></b>
Burn Rate <sup>(1)</sup>	1.15%	0.13%	N/A

#### **Notes:**

<sup>(1)</sup> The Burn Rate is calculated using the TSX prescribed methodology, which is the total number of Options granted under the arrangement during the applicable fiscal year, divided by the weighted average number of Common Shares outstanding for the fiscal year ("Burn Rate").

<sup>(2)</sup> The Burn Rate for the year ended December 31, 2021 is based on the Options granted since the IPO, which closed on March 3, 2021.

<sup>(3)</sup> The Long-Term Incentive Plan was adopted on March 2, 2021.

## Legacy Option Plan

In March 2013, we established an equity incentive plan (the “**Legacy Option Plan**”), which was amended and restated upon the closing of the IPO on March 3, 2021 (the “**Effective Date**”), to enhance our ability to retain and motivate our employees, officers, Directors and consultants and to further align their incentives with those of our Shareholders. The Legacy Option Plan allowed for the grant of Options to any employee, officer, Director or consultant of the Company or of an affiliate. In connection with the IPO, the Legacy Option Plan was amended such that no further awards can be made under the Legacy Option Plan. As at December 31, 2022, there were 539,057 Options issued and outstanding under the Legacy Option Plan, representing approximately 1.3% of then issued and outstanding Common Shares. As of March 31, 2023, all Options under the Legacy Option Plan have been exercised, or have expired in accordance with their terms.

For more information on our Legacy Option Plan, please refer to Schedule E hereto.

## Group Retirement Savings Plans

The Company maintains a deferred profit sharing plan (the “**Company DPSP**”) which allows for full-time permanent employees, including NEOs, based in Canada to contribute up to 3% of their regular earnings (excluding overtime and bonuses) into a Group RRSP and the Company will contribute an equal amount to the employee’s DPSP account. The Company also maintains a 401K plan (the “**401K Plan**”) which allows for fulltime permanent and seasonal employees, including NEOs, based in the United States to contribute up to 3.5% of their regular earnings (excluding bonuses and other forms of compensation) into the 401K Plan and the Company will contribute an equal amount to the employee’s 401K Plan account.

## Securities Authorized for Issuance Under Equity Compensation Plans

### Equity Compensation Plan Information

The following is a summary of the securities authorized for issuance under the equity compensation plans of the Company for the year ended December 31, 2022:

Plan category	Number of units to be issued upon exercise of outstanding options, warrants and rights (a) <sup>(1)</sup>	Weighted-average exercise price of outstanding options, warrants and rights (b) <sup>(2)</sup>	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) <sup>(3)</sup>
Equity compensation plans approved by Shareholders	1,608,778	\$8.58	2,548,653
Equity compensation plans not approved by Shareholders	—	—	—
<b>Total</b>	<b>1,608,778</b>	<b>\$8.58</b>	<b>2,548,653</b>

### Notes:

(1) Inclusive of the 321,392 RSUs and 415,329 PSUs issued under the Long-Term Incentive Plan which are to be settled in Common Shares.

(2) Exercise price of Options issued under the Long-Term Incentive Plan and Legacy Option Plan.

(3) Up to 10% of the Common Shares issued and outstanding from time to time may be issued pursuant to awards under the Long-Term Incentive Plan and any other security based compensation arrangement of the Company, including the Legacy Option Plan. See “*Compensation of Executive Officers – Legacy Option Plan*” and “*Compensation of Executive Officers – Long-Term Incentive Plan*” for further information.

For details on the key features of these plans, see the sections “Legacy Option Plan” and “Long-Term Incentive Plan” above.

### Incentive Plan Awards

The following table sets forth the outstanding option-based and share-based awards for the NEOs at the end of the most recently completed financial year of the Company:

Name and principal position	Option-based Awards					Share-based Awards		
	Award date	Number of Common Shares underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(1)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$)
Vibhore Arora, Director and Chief Executive Officer <sup>(2)</sup>	—	—	—	—	—	— <sup>(3)</sup>	—	—
<b>Total</b>		—			—	—	—	—
Wade Barnes, former Director and Chief Executive Officer <sup>(4)</sup>	July 18, 2017	98,976	13.30	March 8, 2023	—	300,000	—	—
<b>Total</b>		<b>98,976</b>			—	<b>300,000</b>	—	—
Cindy Yuan, Chief Financial Officer	December 6, 2021 March 30, 2022	30,000 40,700	3.33 3.02	Sept 7, 2031 March 30, 2027	—	25,900	—	—
<b>Total</b>		<b>70,700</b>			—	<b>25,900</b>	—	—
Ron Osborne, former Chief Technology Officer <sup>(5)</sup>	—	—	—	—	—	—	—	—

<b>Total</b>		—			—	—	—	—
Anita Wortzman, former President <sup>(6)</sup>	March 8, 2013	1,429	7.28	March 8, 2023	—	—	—	—
	January 1, 2018	114,286	13.30	March 8, 2023				
	December 17, 2019	17,857	8.75	March 8, 2023				
	March 30, 2022	163,600	1.92	March 30, 2027				
<b>Total</b>		<b>297,172</b>			—	—	—	—
Robert Meijer, former Executive Vice President, Corporate Development <sup>(7)</sup>	March 30, 2022	44,800	3.02	March 30, 2027	—	13,200	—	—
<b>Total</b>		<b>\$44,800</b>			—	<b>13,200</b>	—	—

**Notes:**

- (1) Represents the share-based awards made as PSUs and RSUs. PSUs provide for different payouts depending on the achievement of different performance targets at settlement. Additional details on the terms of the PSUs are described under “*Compensation of Executive Officers — Long-Term Incentive Plan*”. The values provided represent the expected payout with respect to such PSUs at settlement based on the fair market value of the Common Shares as of December 31, 2022 and assume there will be no PSUs vesting at settlement as the Company does not anticipate the lowest performance target for vesting will be met.
- (2) Mr. Arora was appointed Chief Executive Officer of the Company effective June 6, 2022 and a Director of the Company effective August 15, 2022.
- (3) While Mr. Arora was awarded an aggregate of 292,213 RSUs as a signing bonus and initial grant in June 2022, the terms of his employment were subsequently amended to provide for the cancellation of such RSUs, the payment of an aggregate initial signing bonus \$850,000 in cash and the granting of a cash LTIP award in the aggregate amount \$262,500 that will vest over three years, with one-third (1/3) vesting per year commencing on the first anniversary of his employment.
- (4) Mr. Barnes ceased to be Chief Executive Officer of the Company effective June 6, 2022 and a Director of the Company effective September 22, 2022.
- (5) Mr. Osborne ceased to be Chief Technology Officer of the Company effective May 31, 2022 and his options and PSUs were subsequently terminated in accordance with the underlying plans.
- (6) Ms. Wortzman ceased to be President of the Company effective June 30, 2022.
- (7) Mr. Meijer ceased to be Executive Vice President of Corporate Development of the Company effective November 18, 2022. His options and PSUs were terminated in January, 2023 in accordance with the underlying plans.

The following is a summary of the value of the incentive plan awards that vested or was earned during the year ended December 31, 2022:

Name and principal position	Option-based awards— Value vested during the year (\$)	Share-based awards— Value vested during the year (\$)	Non-equity incentive plan compensation— Value earned during the year (\$)
Vibhore Arora, Director and Chief Executive Officer <sup>(1)</sup>	—	—	1,097,917
Wade Barnes, former Director and Chief Executive Officer <sup>(2)</sup>	—	—	—
Cindy Yuan, Chief Financial Officer	—	—	24,882
Ron Osborne, former Chief Technology Officer <sup>(3)</sup>	—	—	—
Anita Wortzman, former President <sup>(4)</sup>	—	—	25,000

Robert Meijer, former Executive Vice President, Corporate Development <sup>(5)</sup>	—	—	30,000
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**Notes:**

- <sup>(1)</sup> Mr. Arora was appointed Chief Executive Officer of the Company effective June 6, 2022 and a Director of the Company effective August 15, 2022.
- <sup>(2)</sup> Mr. Barnes ceased to be Chief Executive Officer of the Company effective June 6, 2022 and a Director of the Company effective September 22, 2022
- <sup>(3)</sup> Mr. Osborne ceased to be Chief Technology Officer of the Company effective May 31, 2022.
- <sup>(4)</sup> Ms. Wortzman ceased to be President of the Company effective June 30, 2022.
- <sup>(5)</sup> Mr. Meijer ceased to be Executive Vice President of Corporate Development of the Company effective November 18, 2022.

**Employment Agreements, Termination Benefits and Change of Control Benefits**

We have written employment agreements with each of our NEOs (the “**NEO Employment Agreements**”) and pursuant to such agreements, each NEO is entitled to receive compensation established by us as well as other benefits in accordance with plans available to the most senior employees of the Company.

Wade Barnes ceased to be Chief Executive Officer of the Company effective June 6, 2022. Mr. Barnes’ NEO Employment Agreement provided for his base salary and an annual incentive bonus of up to 70% of base salary (calculated based on 70% Company performance and 30% personal performance) and included, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 24 months following the termination date) and assignment of intellectual property to the Company. Mr. Barnes also was eligible to participate in the Long-Term Incentive Plan and the Legacy Option Plan. In the case of termination of employment without cause, Mr. Barnes’ NEO Employment Agreement provided that he was entitled to an amount equal to two times: (i) Mr. Barnes’ base salary; and (ii) the bonus paid or payable to Mr. Barnes by the Company with respect to the most recently completed fiscal year of the Company. The payments Mr. Barnes received in connection with the cessation of his employment with the Company are outlined in the Summary Compensation Table below.

Vibhore Arora was appointed Chief Executive Officer effective June 6, 2022. Mr. Arora’s NEO Employment Agreement, as amended from time to time, provides for his base salary and an annual discretionary bonus of up to 100% of his base salary (calculated based on the Company’s established annual scorecard and with approval of the Board) and includes, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 12 months following the termination date), assignment of intellectual property to the Company, and eligibility for benefit plans provided by the Company. Subject to Shareholders passing the Amended and Restated LTIP Resolution and following the Company’s adoption of the Amended and Restated LTIP, Mr. Arora will be granted 1.2 million PSUs with a vesting date in 2026, with the possibility to earn up to an additional 1.8 million PSUs if certain financial performance targets are met. Mr. Arora is also eligible to participate in the Long-Term Incentive Plan and the Company DPSP with Company contributions matching his RRSP contributions up to 3% of salary. In the case of termination of employment without cause, Mr. Arora’s NEO Employment Agreement provides that he is entitled to an amount equal to 18 months of his annual base salary plus an amount equal to his annual bonus in the prior year, if any (to a maximum of 100% of his annual base salary). If Mr. Arora is terminated without cause during his first year of employment, the bonus portion of his separation payment prorated for the number of months between the Start Date and the date of termination. If Mr. Arora terminates his employment for good reason upon, or within six months immediately following, a change of control of the Company, Mr. Arora’s NEO Employment Agreement provides that he is entitled to the same benefits as those that he is entitled to in the event of termination without cause, as described above, plus an additional separation payment equal to 12 months’ of his annual base salary in the case of a change of control of the Company.

Cindy Yuan’s NEO Employment Agreement, as amended from time to time, provides for her base salary and an annual bonus of up to 50% of her base salary (calculated based on 75% Company

performance and 25% personal performance) and includes, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 24 months following the termination date), assignment of intellectual property to the Company and eligibility for benefit plans provided by the Company. Ms. Yuan is also eligible to participate in the Long-Term Incentive Plan, and the Company DPSP with Company contributions matching her RRSP contributions up to 3% of salary. In the case of termination of employment without cause, Ms. Yuan's NEO Employment Agreement provides that she is entitled to one times her annual base salary plus one times the previous three year average of annual bonus plan payments to Ms. Yuan.

Ron Osborne resigned from his position as Chief Technology Officer effective May 31, 2022. Mr. Osborne's NEO Employment Agreement provided for his base salary and an annual bonus of up to 50% of his base salary and included, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 24 months following the termination date), assignment of intellectual property to the Company and eligibility for benefit plans provided by the Company. Mr. Osborne was also eligible to participate in the 401K Plan with Company contributions matching his 401K contributions up to 3.5% of salary. In the case of termination of employment without cause, Mr. Osborne's NEO Employment Agreement provided that he was entitled to 12 months' pay in lieu of notice based on his annual salary, not including any bonus.

Anita Wortzman resigned from her position as President effective June 30, 2022. Ms. Wortzman's NEO Employment Agreement, as amended from time to time, provided for her base salary and an annual bonus of up to 60% of her base salary (calculated based on 70% Company performance and 30% personal performance) and included, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 24 months following the termination date), assignment of intellectual property to the Company and eligibility for benefit plans provided by the Company. Ms. Wortzman was also eligible to participate in the Long-Term Incentive Plan, the Legacy Option Plan and the Company DPSP with Company contributions matching her RRSP contributions up to 3% of salary. In the case of termination of employment without cause or in connection with a change of control, Ms. Wortzman's NEO Employment Agreement provided that she was entitled to one times her annual base salary plus the bonus paid to Ms. Wortzman in the previous 12 month period (if any) in lieu of notice.

Robert Meijer resigned from his position as Executive Vice President, Corporate Development effective November 18, 2022. Mr. Meijer's NEO Employment Agreement provided for his base salary and an annual bonus of up to 50% of his base salary (calculated based on 70% Company performance and 30% personal performance) and included, among other things, provisions regarding confidentiality, non-competition (for a period of 12 months following the termination date), non-solicitation (for a period of 24 months following the termination date), assignment of intellectual property to the Company and eligibility for benefit plans provided by the Company. Mr. Meijer was also eligible to participate in the Long-Term Incentive Plan, and the Company DPSP with Company contributions matching his RRSP contributions up to 3% of salary. In the case of termination of employment without cause during the first 24 months of employment, Mr. Meijer's NEO Employment Agreement provides that he was entitled to 10 months' base salary. If termination without cause occurred following 24 months of employment, Mr. Meijer's NEO Employment Agreement provided that he was entitled to 12 months' base salary.

The table below shows the incremental payments that would be made to our NEOs under the terms of their NEO Employment Agreements upon the occurrence of certain events.

Name and principal position	Event	Severance (\$) <sup>(1)</sup>	Share-based Awards <sup>(2)</sup>	Option-based Awards <sup>(3)</sup>	Other Compensation (\$) <sup>(4)</sup>	Total (\$)
	Termination without cause	855,000	—	—	570,000	1,425,000



Vibhore Arora, Director and Chief Executive Officer <sup>(6)</sup>	Termination for change of control <sup>(5)</sup>	1,425,000	—	—	570,000	<b>1,995,000</b>
Cindy Yuan, Chief Financial Officer	Termination without cause	280,000	1,335	3,027	140,000	<b>424,362</b>
	Termination for change of control	280,000	1,335	3,027	140,000	<b>424,362</b>

**Notes:**

- (1) Based on annual salary and contractual severance.
- (2) The NEOs are entitled to retain a prorated portion of their RSUs following termination without cause in accordance with the Long-Term Incentive Plan. Under the Long-Term Incentive Plan, a pro rata portion of the NEO's unvested RSUs will be retained at the date of termination, which is calculated based on the applicable NEO's completed active employment up to the termination date relative to the number of months in the settlement period. This column sets forth the value of any PSUs that will be retained as a result of a termination without cause, assuming that the triggering event took place on December 31, 2022, based on the fair market value of the Common Shares on December 31, 2022 and assuming vesting at settlement based on achievement of the lowest performance target that would result in any PSUs vesting, being consolidated annual revenue of \$170 million achieved for fiscal 2024.
- (3) The NEOs are entitled to exercise vested Options following termination without cause or termination for change of control in accordance with the Legacy Option Plan or Long-Term Incentive Plan, as applicable. Under the Long-Term Incentive Plan, a pro rata portion of the NEO's unvested Options will vest at the date of termination. This column sets forth the value of any unvested Options that will vest as a result of a termination without cause, assuming that the triggering event took place on December 31, 2022.
- (4) Includes the maximum bonus payment that could be payable upon termination in accordance with the terms of the applicable employment agreement. Actual bonus payments may be pro-rated in accordance with the terms of the applicable NEO Employment Agreement.
- (5) Termination for change of control includes resignation by the applicable NEO within one month of a change of control.
- (6) Mr. Arora was appointed Chief Executive Officer of the Company effective June 6, 2022.

Wade Barnes departed as Chief Executive Officer of the Company, effective June 6, 2022, and as an employee of the Company effective June 30, 2022, Ron Osborne departed as Chief Technology Officer, effective May 31, 2022, Anita Wortzman departed as President effective June 30, 2022, and Robert Meijer departed as Executive Vice President of Corporate Development effective November 18, 2022. The Summary Compensation Table below sets out all payments made to such NEOs in connection with their respective departures from the Company.

**Summary Compensation Table**

The following table provides a summary of the compensation earned by NEOs during the year ended December 31, 2022.

Name and principal position	Year	Salary <sup>(1)</sup> (\$)	Share-based Awards <sup>(2)</sup> (\$)	Option-based Awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation (Bonus) (\$)		All other compensation <sup>(4)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans		
Vibhore Arora, Director and Chief Executive Officer <sup>(5)</sup>	2022	250,962	—	—	196,875	51,047	857,529	1,356,412
	2021	—	—	—	—	—	—	—
Wade Barnes, Director and Chief Executive Officer <sup>(6)</sup>	2022	167,500	—	—	—	—	844,320	1,011,820
	2021	316,346	4,080,000	—	40,000	—	—	4,436,346
	2022	260,000	39,109	78,144	24,882	—	—	402,135

Name and principal position	Year	Salary <sup>(1)</sup> (\$)	Share-based Awards <sup>(2)</sup> (\$)	Option-based Awards <sup>(3)</sup> (\$) <sup>(3)</sup>	Non-equity incentive plan compensation (Bonus) (\$)		All other compensation <sup>(4)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans		
Cindy Yuan, Chief Financial Officer	2021	15,000	—	66,600	—	—	20,000	101,600
Ron Osborne, former Chief Technology Officer <sup>(7)</sup>	2022	164,560	42,884 <sup>(7)</sup>	277,824 <sup>(7)</sup>	—	—	154,716	639,984
	2021	329,322	1,632,000 <sup>(7)</sup>	—	40,721	—	9,753	2,011,796
Anita Wortzman, former President <sup>(8)</sup>	2022	157,192	61,004 <sup>(8)</sup>	314,112	25,000	—	87,561	644,869
	2021	301,538	1,904,000 <sup>(8)</sup>	—	44,061	—	9,046	2,258,643
Robert Meijer, former Executive Vice President, Corporate Development <sup>(9)</sup>	2022	171,231	19,932 <sup>(9)</sup>	86,016 <sup>(9)</sup>	—	—	76,015	353,193
	2021	—	—	—	—	—	—	—

**Notes:**

<sup>(1)</sup> Represents the base salary actually paid in fiscal 2022.

<sup>(2)</sup> Additional details on the terms of the PSUs granted in connection with the IPO are described under “*Compensation of Executive Officers — Long-Term Incentive Plan*”. The values provided represent the expected payout with respect to such PSUs based on the fair market value of the Common Shares as of the date of grant and assume vesting at settlement based on achievement of the lowest performance target that would result in any PSUs vesting. However, the Company does not anticipate this performance target will be met and, as such, does not anticipate the vesting of any of the PSUs.

<sup>(3)</sup> Represents the fair market value of Options granted to NEOs on the date of such grant as determined using the Black Scholes model. Several assumptions are used in the underlying calculation of values using the Black Scholes model, including exercise price, vesting period, interest rate and volatility.

<sup>(4)</sup> None of our NEOs are entitled to perquisites or other personal benefits which, in the aggregate, are worth over \$50,000 or over 10% of their base salary. The compensation listed in this column represents the Company’s maximum contribution for the NEO to the Company DPSP or the 401K Plan, as applicable, plus any vacation payout upon termination, vehicle allowances, signing bonuses and severance payments.

<sup>(5)</sup> Mr. Arora was appointed Chief Executive Officer of the Company effective June 6, 2022.

<sup>(6)</sup> Mr. Barnes ceased to be Chief Executive Officer of the Company effective June 6, 2022 and a Director of the Company effective September 22, 2022

<sup>(7)</sup> Mr. Osborne ceased to be Chief Technology Officer of the Company effective May 31, 2022. The PSUs granted in 2021 and 2022 and the Options granted in 2022 to Mr. Osborne were terminated following cessation of Mr. Osborne’s employment with the Company.

<sup>(8)</sup> Ms. Wortzman ceased to be President of the Company effective June 30, 2022. The PSUs granted to Ms. Wortzman in 2021 and 2022 were terminated following cessation of Ms. Wortzman’s employment with the Company. Ms. Wortzman was paid \$63,050 in consulting fees for the period of July 1, 2022 to December 31, 2022.

<sup>(9)</sup> Mr. Meijer ceased to be Executive Vice President of Corporate Development of the Company effective November 18, 2022. The PSUs and Options granted to Mr. Meijer in 2022 were terminated in January, 2023 following cessation of Mr. Meijer’s employment with the Company.

## COMPENSATION OF DIRECTORS

The Directors’ compensation program is designed to attract and retain the most qualified individuals to serve on our Board. Our Board, through the Corporate Governance and Compensation Committee, will be responsible for reviewing and approving any changes to the Directors’ compensation arrangements. In consideration for serving on our Board, each Director that is not an employee of our Company or one of our subsidiaries will be compensated as indicated below:

Type of Fee	Amount
Director Annual Retainer .....	Chair Board Member
	\$150,000/year \$50,000/year
Committee Retainer .....	Audit Committee Chair
	\$20,000/year

Type of Fee	Amount
Corporate Governance and Compensation Committee Chair	\$12,000/year

The Directors are reimbursed for their reasonable out of pocket expenses incurred in acting as Directors. In addition, Directors are entitled to receive compensation for services rendered to our Company in any other capacity, except in respect of their service as Directors of any of our subsidiaries. Directors who are employees of and who receive a salary from our Company or one of our subsidiaries (as of March 31, 2023, being Vibhore Arora) are not entitled to receive any compensation for their services in acting as Directors, but are entitled to reimbursement of their reasonable out of pocket expenses incurred in acting as Directors.

The following table provides a summary of the compensation earned by each of the applicable Directors during the year ended December 31, 2022:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
R. William McFarland	150,000	—	—	—	—	—	150,000
Steven Mills	66,358	—	—	—	—	—	66,358
James Borel	59,263	—	—	—	—	—	59,263
Quinn McLean	50,000	—	—	—	—	—	50,000
Natacha Mainville	50,000	—	—	—	—	—	50,000
Wade Barnes	11,413	—	—	—	—	—	11,413

Directors were also reimbursed for all out-of-pocket expenses incurred in their capacities as members of the Board.

## Incentive Plan Awards

The following table sets forth the outstanding option-based and share-based awards for the Directors who hold option-based or share-based awards at the end of the most recently completed financial year of the Company:

Name	Award date	Option-based Awards			Share-based Awards			
		Number of Common Shares underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$) <sup>(1)</sup>	Market or payout value of vested share-based awards not paid out or distributed (\$)
R. William McFarland	December 17, 2019	28,571	8.75	March 8, 2023	—	60,000	16,500	—
<b>Total</b>		28,571			—			
Steven Mills	June 11, 2015	20,714	12.88	March 8, 2023	—	15,000	44,125	—
	January 1, 2018	7,143	13.30		—			
<b>Total</b>		27,857			—			
James Borel	May 19, 2016	20,714	12.88	March 8, 2023	—	15,000	44,125	—
	November 29, 2016	14,286	12.88		—			
	January 1, 2018	7,143	13.30		—			
<b>Total</b>		42,143			—			

### Notes:

<sup>(1)</sup> Represents the share based awards made in fiscal 2021 as RSUs in connection with the IPO. RSUs will fully vest and be settled in equity on the third anniversary of the grant date, which was March 3, 2021. The values provided represent the fair market value of RSUs as of December 31, 2022.

## Share Ownership Guidelines

The Company approved share ownership guidelines for directors effective May 13, 2021, as amended from time to time. Each director is required to own and maintain Common Shares, DSUs and Options at least equal in value to three times (3x) such director's annual fee retainer. Each director will be required to achieve compliance with the share ownership guidelines within five years from the later of the effective date and the director's initial election to the Board.

Compliance will be determined if at any time during a director's term, the director is onside based on the director's annual fee retainer and: (i) with respect to Common Shares and DSUs, the closing price of Common Shares on the TSX, (ii) with respect to Options, the in-the-money value of vested Options. Once compliance with the share ownership guidelines has been achieved, the director is deemed compliant notwithstanding any subsequent decrease in the market price of Common Shares. Directors who do not achieve compliance during the applicable timeframe will be encouraged to apply all or a portion of their annual fee retainer to purchase Common Shares.

## Directors' and Officers' Liability Insurance

Our Directors and officers are covered by directors' and officers' liability insurance. Under this insurance coverage, we will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of our Directors and officers, subject to a deductible for each loss, which will be paid by us. Individual Directors and officers of our Company and our subsidiaries will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by our Company or our subsidiaries. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

We consider transparent corporate governance practices to be an important factor in the overall success of the Company and we are committed to ensuring that a healthy governance culture exists at the Company.

As a Canadian reporting issuer with securities listed on the TSX, Farmers Edge continuously reviews and updates its corporate governance practices in order to best comply with all applicable rules adopted by the Canadian Securities Administrators. The Company's corporate governance practices have been and continue to be in compliance with applicable Canadian securities law requirements including National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”). NP 58-201 provides guidance on governance practices for Canadian issuers, while NI 58-101 requires issuers to make the prescribed disclosure regarding their governance practices. Our Board has approved the disclosure of Farmers Edge's corporate governance practices described below, on the recommendation of the Corporate Governance and Compensation Committee.

Farmers Edge also complies with NI 52-110, which includes requirements regarding audit committee composition and responsibilities, as well as reporting obligations with respect to audit related matters. For certain information with respect to the Audit Committee, including its charter and composition, the relevant education and experience of its members, and services fees paid to the Company's external auditors, please refer to the section entitled “*Directors and Executive Officers of the Company – Audit Committee*” in the Company's annual information form dated March 14, 2023, copies of which are available on SEDAR at [www.sedar.com](http://www.sedar.com) and provided free of charge to Shareholders upon request to the Company.

### Board of Directors

The Board is responsible for developing our approach to corporate governance issues and is committed to ensuring that a healthy governance culture exists at the Company. Subject to the requirements of the Investor Rights Agreement, the Directors periodically review the size, composition and compensation of the Board, the effectiveness of the Board and its individual members, and appropriate committee structures, mandates, composition, membership and effectiveness (see “*Assessments*” below). Our Board believes that given its size and structure, it is able to facilitate independent judgment in carrying out its responsibilities. To enhance such independent judgment, our Independent Directors regularly meet in the absence of senior executive officers or any non-independent Directors.

The Board is currently composed of six members. All Board members, with the exception of Vibhore Arora and Quinn McLean, are independent according to the definition of “independence” set out in NI 58-101 as it applies to the Board. Vibhore Arora is not independent because he is an executive officer and employee of the Company. Quinn McLean is not independent because he is an executive at Hamblin Watsa Investment Counsel, a wholly owned subsidiary of Fairfax. As four of the six existing Directors are independent, the Company has deemed the majority of the Board to be independent.

The Board is currently chaired by R. William McFarland, who is an Independent Director. The Chair provides leadership to the Board and is responsible for, among other things (i) setting the agenda of all Board meetings; (ii) ensuring the provision of accurate, timely and clear information to the Directors; and (iii) supervising the Chairs of the committees of the Board. Pursuant to the Company's by-laws, the Chair will have a second or casting vote.

See “*Particulars of Matters to be Acted Upon at the Meeting – Election of Directors*” for information on Directors who currently sit on the board of directors of an issuer other than the Company, including in foreign jurisdictions.

## **Board Mandate**

The Board has adopted a formal mandate which is attached as Schedule C to this Circular. On an annual basis, the Board will assess the adequacy of the Board mandate. Additionally, the Board has established a Board workplan.

## **Position Descriptions**

The Board has developed and approved written position descriptions for the Chair, Chief Executive Officer, Chair of the Audit Committee and the Chair of the Corporate Governance and Compensation Committee.

The position description of the Chair of the Board provides for the Chair to provide leadership to the Board and to serve as chair at Shareholders' annual meetings. The Chair sets the agenda of all Board meetings, and ensures the provision of accurate, timely and clear information to the directors. In addition, the Chair supervises the committee Chairs.

The position descriptions of the committee Chairs provide for their participation in the development of committee meeting calendars and agenda. Committee Chairs preside over all committee meetings and ensure the orderly and efficient use of time in committee meetings. Committee Chairs provide reports to the Board on a regular basis.

The position description of the Chief Executive Officer includes the following duties and responsibilities: providing executive leadership and operational management, strategic leadership, financial leadership, administrative leadership, governance leadership and public leadership; providing updates to the Board on corporate activities; and annually determining the goals and objectives to be made by management in the performance of their duties.

## **Orientation and Continuing Education**

The Corporate Governance and Compensation Committee has put in place an orientation and education program for new Directors which includes written information about the duties and obligations of Directors, the business and operations of the Company, provides them with documents from recent Board meetings and discussion with senior management and other Directors. New Directors are provided with comprehensive orientation and education as to the nature and operation of our Company and its business, the role of our Board and its committees, and the contribution that an individual Director is expected to make. In addition, Directors are provided with guidance concerning trading in the Company's securities, blackout periods and the Company's disclosure practices. Directors are expected to attend all scheduled Board and committee meetings in person, although attendance by telephone is permissible in appropriate circumstances. Directors are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing Director education and the need for each Director to take personal responsibility for this process. The Corporate Governance and Compensation Committee is responsible for coordinating development programs for Directors to enable the Directors to maintain any professional designation that they may have and to stay current on relevant issues such as corporate governance, financial and accounting practices. Each Director is expected to participate in programs that are necessary to maintain a level of expertise in order to perform his or her responsibilities as a Director and to provide ongoing guidance and direction to management. Further, each Director is required to engage in a minimum of three (3) hours annually of education, which may include a combination of presentations, webinars, conferences and written materials, developed by an entity specializing in governance.

## **Ethical Business Conduct**

### *Code of Conduct and Business Ethics*

We have adopted a code of conduct and business ethics ("**Code of Ethics**"). The Corporate Governance and Compensation Committee has the responsibility for monitoring compliance with the Code of Ethics and ensures that management encourages and promotes a culture of ethical business conduct.

The Board, through the Chair of the Audit Committee, also receives reports of all financial or accounting and other appropriate issues raised through the Company's anonymous toll-free whistleblower hotline to be established.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to Directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Corporate Governance and Compensation Committee monitors the disclosure of conflicts of interest by Directors and ensures that no Director will vote or participate in a discussion on a matter, in respect of which, such Director has a material interest. As a standing agenda item at each meeting of the Board and at each committee meeting, Directors are required to advise of any conflicts of interest or duty regarding agenda items that will appear on Board or committee agendas at the beginning of each meeting and before discussion of any substantive agenda items.

### *Disclosure and Insider Trading Policy*

The Company has established the Disclosure and Insider Trading Policy. Under this policy, the Directors and officers and certain others are prohibited from (i) buying or selling securities of the Company with knowledge of a material fact or material change that has not generally been disclosed; and (ii) informing others of a material fact or material change that has not generally been disclosed. Under the Disclosure and Insider Trading Policy, the Chief Executive Officer, the President, the Chief Financial Officer and the Corporate Secretary (the "**Disclosure Committee**") will be responsible for the implementation of the disclosure matters under such policy, and the Corporate Secretary will be responsible for the implementation of the insider trading matters under such policy. In addition, outside legal counsel will participate in meetings of the Disclosure Committee in an advisory capacity where deemed appropriate by the Disclosure Committee.

The Code of Ethics, Disclosure and Insider Trading Policy and whistleblower policy are available on [www.farmersedge.ca](http://www.farmersedge.ca) or upon request to the Company.

## **Related Party Transactions and Conflicts of Interest**

A Director who has a material interest in a matter before our Board or any committee on which he or she serves is required to disclose such interest as soon as the Director becomes aware of it. In situations where a Director has a material interest in a matter to be considered by our Board or any committee on which he or she serves, such Director may be required to excuse himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors will also be required to comply with the relevant provisions of the CBCA regarding conflicts of interest.

## **Nomination of Directors**

A core responsibility of the Corporate Governance and Compensation Committee is to identify prospective Board members, consistent with Board-approved criteria, and to recommend such individuals as nominees for election to the Board at each annual meeting of Shareholders or to fill vacancies on the

Board. For the Corporate Governance and Compensation Committee to recommend an individual for Board membership, candidates are assessed on their individual qualifications, experience and expertise and must exhibit the highest degree of integrity, professionalism, values and independent judgement. The Corporate Governance and Compensation Committee and the Board do not adhere to any quotas in determining Board membership. The Corporate Governance and Compensation Committee believes that the Board should be comprised of Directors with a broad range of experience and expertise and utilizes a skills matrix to identify those areas which are necessary for the Board to carry out its mandate effectively, allowing the Corporate Governance and Compensation Committee to identify criteria that a new candidate for the Board should possess. Before making a recommendation on a new Director candidate to the Board, the Chair of the Corporate Governance and Compensation Committee meet with the candidate to discuss the candidate's interest and ability to devote the time and commitment required to serve on the Company's Board.

In addition, the composition of the Board and certain governance matters in respect the Company are subject to the terms of the Investor Rights Agreement for so long as it is in force and effect. Under the terms of the Investor Rights Agreement, the Fairfax Shareholders and Osmington have certain rights, including the right to nominate Directors to the Board, based on their associated ownership of Common Shares. Particulars of the nomination rights of the Fairfax Shareholders and Osmington are set out in the Investor Rights Agreement, which is available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

The Corporate Governance and Compensation Committee is comprised of three Directors who are charged with reviewing, overseeing and evaluating the corporate governance, compensation and nominating policies of our Company. The Corporate Governance and Compensation Committee is comprised of James Borel, who acts as Chair of this committee, Quinn McLean and Natacha Mainville. No member of the Corporate Governance and Compensation Committee is an officer of our Company, and, as such, the Board believes the Corporate Governance and Compensation Committee is able to conduct its activities in an objective manner.

The charter of the Corporate Governance and Compensation Committee sets out its responsibilities, powers and operation terms. The Corporate Governance and Compensation Committee, amongst other items, evaluates potential nominees to the Board by reviewing qualifications of prospective members and determines their relevance taking into consideration current Board composition and the anticipated skills required to round out the capabilities of the Board. Subject to the Investor Rights Agreement, the Corporate Governance and Compensation Committee is responsible for annually recommending to the Board the nominees for election or re-election to the Board and annually reviewing and assessing the adequacy of its charter. Additionally, the Corporate Governance and Compensation Committee has established a committee workplan. If vacancies occur on the Board, the Corporate Governance and Compensation Committee may recommend nominees to the Board, subject to the application of the Investor Rights Agreement.

The Board and the Corporate Governance and Compensation Committee believe that Directors should possess two types of qualifications: (i) general qualifications that all Directors must exhibit; and (ii) particular skills and experience that should be represented on the Board as a whole, but not necessarily by each Director.

The Corporate Governance and Compensation Committee strives to maintain an engaged, independent Board with broad diverse experience and judgment that is committed to representing the long-term interests of its Shareholders and stakeholders. As such, to serve on the Board, all Directors must have extensive experience, meet expectations and have certain core competencies, which the Company believes they all do.

The powers and responsibilities of the Corporate Governance and Compensation Committee are set out in the Corporate Governance and Compensation Committee's written charter, a copy of which is attached as Schedule D hereto.



## **Risk Management Oversight**

The Board, in conjunction with management, is responsible for identifying the principal risks of the Company's business and overseeing management's implementation of appropriate systems to seek to effectively monitor, manage and mitigate the impact of such risks. The principal mechanisms through which the Board reviews risks are: (i) regular updates from management regarding the risks and opportunities identified by management and the risk management processes and systems in place to manage and mitigate risks; (ii) the execution of the duties of Audit Committee, in respect of financial and related risk management, and the Corporate Governance and Compensation Committee, in respect of risks associated with compensation policies and practices, which have been delegated responsibilities with regard to the Board's oversight over the Company's risk management policies, processes and systems; and (iii) through the strategic planning process.

## **Compensation**

The Board has established the Corporate Governance and Compensation Committee which is responsible for reviewing and making recommendations to the Board regarding the adequacy and form of the compensation for the Company's officers and Directors. The Corporate Governance and Compensation Committee regularly reviews the compensation practices of comparable companies with a view to aligning the compensation of the Company's officers and Directors with the median of its comparator group. Directors who are officers of the Company receive no additional compensation for their services as Directors.

In particular, the Corporate Governance and Compensation Committee: (a) reviews and approves, at least annually, the Company's goals and objectives relevant to the compensation of the Chief Executive Officer and the Chief Executive Officer's compensation is based on that review; (b) reviews, at least annually, and recommends to the Board compensation, incentive plans and equity based plans for non-Chief Executive Officer officers and Directors, and for other key employees as identified by the Chief Executive Officer and approved by the Corporate Governance and Compensation Committee, and in particular, reviews and recommends to the Board the annual bonus payments for the Chief Executive Officer and executive officers; and (c) reviews executive compensation disclosure before the Company publicly discloses such information.

The Board, through the Corporate Governance and Compensation Committee, determines fees and compensation for the Directors and officers of the Company. See "*Compensation of Executive Officers - Determination of Compensation*" in this Circular for additional information on how such compensation is determined and an outline of the responsibilities, powers and operation of the Corporate Governance and Compensation Committee.

## **Other Board Committees**

Other than the Audit Committee and Corporate Governance and Compensation Committee, the Board does not have any other committees in place.

## **Assessments**

Subject to the Investor Rights Agreement, the Corporate Governance and Compensation Committee has the mandate and responsibility to ensure that a process is in place for the annual review of the performance of individual Directors, the Board as a whole and the members of each Board committee. Typically, annual board evaluations will be conducted at the start of each year. The annual evaluations will require Directors to complete a questionnaire rating items such as structure and size of the Board and each committee, the knowledge and diversity of membership as well as the quality and timeliness of information received for discussion and the overall effectiveness in decision making. The completed questionnaires will be forwarded to the Corporate Secretary to compile the results into a single document that includes any comments that may have been forwarded, for presentation to the Chair of the Corporate Governance and

Compensation Committee. The anonymity of any particular submitter is maintained with the aggregate results presented to the Chair of the Corporate Governance and Compensation Committee. The results will then be communicated to the full Board for discussion and recommendations as necessary.

### **Term Limits**

The Board has not adopted term limits for the Directors on the Board or other mechanisms of Board renewal given the size of the Board, the application of the Investor Rights Agreement and the recentness of the IPO. Instead, subject to the Investor Rights Agreement, the Corporate Governance and Compensation Committee has the mandate and responsibility to ensure that a process is in place for the annual review of the performance of individual Directors, the Board as a whole and the Board committees. Through this annual review process, such committee determines whether an individual Director is able to continue to make an effective contribution. The Board is of the view that such annual review process is more effective than terms limits or other mechanisms of Board renewal such as a mandatory retirement age.

### **Diversity and Inclusion**

The Board recognizes the importance of diversity and inclusion when making business decisions to ensure different perspectives are considered. In 2021, the Board approved a Diversity, Equity & Inclusion Policy to outline the Company's commitment to respecting and incorporating the unique attributes and perspectives of current and potential employees and encouraging differences in age, colour, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics among employees of the Company.

The Company's diversity initiatives are applicable—but not limited—to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- Respectful communication and cooperation between all employees.
- Teamwork and employee participation, permitting the representation of all groups and perspectives.
- Work/life balance through flexible work schedules to accommodate employees' varying needs.
- Employer and employee contributions to the communities we serve to promote a greater understanding and respect for the diversity.

#### *Board*

Our Company recognizes the benefits that diversity brings to our Board. Given the size of the Board, the application of the Investor Rights Agreement and the recentness of the IPO, the Company has not adopted a written policy relating to the identification and nomination of members of designated groups for Directors. Despite the lack of a formal policy, the Board aims to be comprised of Directors who have a range of perspectives, insights and views in relation to the issues affecting our Company. We believe that the Board should include individuals from diverse backgrounds, having regard to, among other things, gender, status, age, business experience, professional expertise, education, nationality, race, culture, language, personal skills and geographic background. Subject to the application of the Investor Rights Agreement, the Corporate Governance and Compensation Committee and the Board will annually evaluate potential nominees to the Board by reviewing the qualifications of prospective members and determine their relevance taking into consideration current Board composition and the anticipated skills required to round out the capabilities of the Board, including knowledge and diversity of membership.

Currently, one (16.7%) of the Directors has identified to the Company as female and no Directors have identified to the Company as a member of a visible minority, Aboriginal or persons with disabilities. Our Company recognizes the value of the contribution of members with diverse attributes on the Board. However, the Company does not intend to establish a target regarding the number of Directors from designated groups on the Board. We believe a target would not be the most effective way of ensuring the Board is comprised of individuals with diverse attributes and backgrounds.

### *Senior Management*

Currently, four (50%) members of senior management of our Company have identified to the Company as female and three (37.5%) members of senior management of our Company have identified to the Company as members of visible minorities. There are currently no members of senior management of the Company who have identified to the Company as Aboriginal or persons with disabilities. We do not intend to establish a target regarding the number of members of designated groups in senior management positions and the Board does not currently consider the level of representation of members of designated groups in such positions when making senior management appointments. We believe that the most effective way to achieve our goal of increasing the representation of members of designated groups in leadership roles at all levels of the organization is to identify high-potential members of designated groups within our Company and work with them to ensure they develop the skills, acquire the experience and have the opportunities necessary to become effective leaders.

## **Shareholder Communication and Engagement**

### *Overview*

The Board understands the importance of constructive communication and engagement with Shareholders as part of its oversight and direction of the Company. The Company and the Board believe that by engaging with a broad range of stakeholders through open dialogue, both formally and informally, the Company gains a better understanding of key topics and matters of importance to its Shareholder base.

### *Investor Relations*

Management of the Company engages with its Shareholders on an ongoing basis and in a variety of ways. The Company communicates with Shareholders and other stakeholders through various channels, including news releases and other continuous disclosure documents, website, industry conferences and other meetings.

### *Board Engagement with Shareholders*

Shareholders may write to the Board or any member of the Board in care of the Corporate Secretary at the head office of the Company, at the following address: 25 Rothwell Road, Winnipeg, Manitoba, R3P 2M5.

The Board also encourages Shareholder participation at the Meeting as it provides a valuable opportunity to discuss the Company's activities and general business, financial situation, corporate governance and other important matters.

The Board recognizes that engagement with Shareholders is a constantly evolving practice, and it will periodically review its actions in this area to ensure that they are effective and suit the stakeholders.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former Directors, proposed nominees for election as a Director, executive officers or employees of the Company or any of its subsidiaries, or any associate or affiliate of any such person, is as of the date hereof, or has been since January 1, 2022, indebted to the Company.

## **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

To the knowledge of the Directors, no Director or executive officer of the Company at any time since the beginning of the Company's last completed financial year, no proposed nominee for election as a Director nor any associate of any such Director, executive officer or nominee, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of Directors.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as set out in the below paragraph, no informed person (as such term is defined under securities laws) of the Company, proposed Director of the Company or any associate or affiliate of any informed person or proposed Director has or had a material interest, direct or indirect, in any transaction since the commencement of 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.

Each of R. William McFarland and Quinn McLean, current Directors of the Company, disclosed an interest in the credit agreement (the "**Credit Agreement**") dated May 12, 2022 between the Company, as borrower, and Hamblin Watsa Investment Counsel Ltd., an affiliate of Fairfax ("**HWIC**"), as lender and as administrative agent for an on behalf of the lenders, pursuant to which HWIC agreed to provide a secured \$75 million credit facility to the Company, which bears interest at a rate of 6% per annum and matures on January 31, 2025. Farmers Edge is required to pay an annual commitment fee of 1% of the total undrawn amount of the credit facility. The obligations of the Company under the Credit Agreement are guaranteed by the Company's subsidiaries and secured by all of the present and after-acquired personal property of the Company and its subsidiaries.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found by visiting the Company's website at: [www.farmersedge.ca](http://www.farmersedge.ca). In addition, more information, including additional financial information which is provided in the MD&A and Financials, can be found on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.farmersedge.ca](http://www.farmersedge.ca). Shareholders may contact the Company to request a copy of the MD&A and Financials. Any such request should be directed to the Corporate Secretary of the Company at:

Farmers Edge Inc.  
25 Rothwell Road  
Winnipeg, Manitoba  
R3P 2M5

Telephone: 1 (866) 724-3343  
Email: [laura.workman@farmersedge.ca](mailto:laura.workman@farmersedge.ca)

**DIRECTORS' APPROVAL**

The contents of this Circular and the delivery thereof to the applicable Shareholders, the Directors and the auditors of the Company has been approved by the Board.

**DATED** the 31st day of March, 2023.

**ON BEHALF OF THE BOARD OF DIRECTORS**

*(signed) "Laura Workman"*

Laura Workman

Corporate Secretary

## Schedule A

### Long-Term Incentive Plan Resolution

**BE IT RESOLVED** as an ordinary resolution of the shareholders of Farmers Edge Inc. (the "**Company**") that:

1. The amended and restated long-term incentive plan (the "**Amended and Restated LTIP**") of the Company, as approved by the Company's board of directors (the "**Board**") on March 14, 2023 and reflected in the copy of such Amended and Restated LTIP attached as Appendix I to Schedule A to the Company's management proxy circular dated March 31, 2023 (the "**Circular**"), be and is hereby ratified, approved, and authorized.
2. The maximum number of common shares of the Company ("**Common Shares**") reserved and available for grant and issuance under the Amended and Restated LTIP be and is hereby set at 20% of the issued Common Shares outstanding from time to time.
3. All unallocated options, rights, or other entitlements under the Company's Amended and Restated LTIP are hereby authorized and approved, which approval shall be effective until May 31, 2026, being the date that is three years from the date of the shareholder meeting at which shareholder approval is being sought.
4. The Board is hereby authorized to make such amendments to the Amended and Restated LTIP from time to time as may be required or requested by the applicable securities regulatory authorities or the Toronto Stock Exchange without requiring the further approval of the Company's shareholders.
5. Each director and officer of the Company, acting alone, is hereby authorized for and on behalf of the Company to execute (whether under the corporate seal of the Company or otherwise) and to deliver all such documents, agreements and instruments, and to do all such other acts and things in such directors' or officers' opinion may be necessary or desirable in order to carry out the intent of this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument or the doing of any such act or thing.

## Appendix I

### Amended and Restated LTIP

#### FARMERS EDGE INC.

#### AMENDED AND RESTATED LONG-TERM INCENTIVE PLAN

##### 1. Purpose; Interpretation.

(a) Purpose. The purposes of the Farmers Edge Inc. Amended and Restated Long-Term Incentive Plan are to enable Farmers Edge Inc. (the “**Corporation**”) and its Affiliates to recruit and retain highly qualified directors, officers and employees; to provide those persons with an incentive for productivity and an opportunity to share in the growth and value of the Corporation; and align the interests of Participants with those of the shareholders of the Corporation.

(b) Definitions. In this Plan, unless something in the subject matter or context is inconsistent therewith:

“**Affiliate**” means any person that is a subsidiary of the Corporation, or directly or indirectly controls, or is controlled by, or is under common control with, the Corporation (or their successors).

“**associate**” has the meaning ascribed thereto in the Securities Act.

“**Award**” means a grant of Options, SARs, DSUs, Restricted Shares, RSUs or PSUs pursuant to the provisions of this Plan.

“**Award Agreement**” means, with respect to any particular Award, the written document that sets forth the terms and conditions of that particular Award, including any Restrictions applicable to Restricted Shares, granted under this Plan.

“**Blackout Period**” means any period during which a policy of the Corporation prevents an Insider of the Corporation from trading in the Shares.

“**Board**” means the board of directors of the Corporation, as constituted from time to time; *provided, however,* that if the board of directors appoints a Committee to perform some or all of the Board’s administrative functions hereunder pursuant to Section 2, references in this Plan to the “Board” will be deemed to also refer to that Committee in connection with matters to be performed by that Committee.

“**Broker**” has the meaning set out in Section 13(e).

“**Business Day**” means being a day other than a Saturday, Sunday or statutory holiday in Winnipeg, Manitoba.

“**Cause**” will mean such Participant’s:

(i) misappropriation or theft of the Corporation’s or any of its subsidiaries’ funds or property;

- (ii) indictment for, conviction of or entering of a plea of *nolo contendere* of any fraud, misappropriation, embezzlement or similar act, or other crime involving dishonesty, disloyalty or moral turpitude;
- (iii) commission of any act or omission involving dishonesty or fraud with respect to the Corporation or any of its subsidiaries or any of their customers, suppliers or other business relations;
- (iv) the willful and continued failure or refusal to substantially perform the duties reasonably required of the Participant as an employee of the Corporation or any subsidiary to whom such Participant reports, directly or indirectly;
- (v) failure to observe all material and lawful policies of the Corporation or any of its subsidiaries applicable to such Participant;
- (vi) material breach of contractual obligations (including, without limitation, non-competition, non-solicitation, non-disclosure or similar obligations) owed to the Corporation or any subsidiary thereof or failure to perform any of the Participant's material duties owed to the Corporation or any subsidiary;
- (vii) any act or omission by such Participant that aids or abets, or is intended to aid or abet, any person to the disadvantage or detriment of the Corporation and/or its subsidiaries;
- (viii) subject to compliance with applicable human rights legislation, continued or repeated absence by such Participant from the workplace (to the extent such continued or repeated absences continue to occur after written notice thereof), unless such absence is in compliance with Corporation policy or approved or excused by the Board or the applicable board of directors of a subsidiary of the Corporation in advance of such absence;
- (ix) engaging in any willful misconduct which is or could reasonably be expected to be materially injurious to the financial condition or business reputation of the Corporation or its subsidiaries;
- (x) commission of any act involving willful malfeasance or gross negligence or the Participant's failure to act involving material nonfeasance;
- (xi) Misconduct;
- (xii) any other material breach by such Participant of any agreement by and between such Participant and the Corporation or any of its subsidiaries or any policies of the Corporation and its Affiliates, including, without limitation, those relating to unlawful discrimination, harassment or retaliation, and/or those set forth in the employee manuals or statements of policy of the Corporation or any of its subsidiaries; or
- (xiii) any other conduct or misconduct that constitutes just cause pursuant to applicable laws;
- (xiv) provided, however, that, in the case of the above sub-clauses (v), (vi) and (x), termination of employment by the Corporation or the Corporation's Affiliate, if applicable, will not be for "Cause" unless (A) such breach is not capable of being cured, or (B) such Participant has first been given written notice of such breach by the Corporation or its Affiliate, as applicable, and, if such breach is capable of being



cured, such breach remains uncured for a period of five Business Days after such notice to the Participant or, if cured, recurs within 180 days.

**“Change in Control”** means, at any time the occurrence of any of the following, in one transaction or a series of related transactions:

- (i) the acquisition by any person or persons acting jointly or in concert (as determined by the Securities Act), whether directly or indirectly, of beneficial ownership of voting securities of the Corporation that, together with all other voting securities of the Corporation held by such persons, constitute in the aggregate more than 50% of all of the then outstanding voting securities of the Corporation.
- (ii) an amalgamation, arrangement, consolidation, share exchange, take-over bid or other form of business combination of the Corporation with another person that results in the holders of voting securities of that other person holding, in the aggregate, more than 50% of all outstanding voting securities of the person resulting from the business combination;
- (iii) the sale, lease, exchange or other disposition of all or substantially all of the property of the Corporation or any of its Affiliates to another person, other than (A) in the ordinary course of business of the Corporation or of an Affiliate of the Corporation or (B) to the Corporation or any one or more of its Affiliates;
- (iv) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
- (v) as a result of, or in connection, with: (A) a contested election of directors of the Corporation, or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another person, the nominees named in the most recent management proxy circular of the Corporation for election to the Board will not constitute a majority of the Board; or
- (vi) any other transaction that is deemed to be a “Change in Control” for the purposes of this Plan by the Board in its sole and absolute discretion.

Notwithstanding the foregoing, a transaction or a series of related transactions will not constitute a Change in Control if such transaction(s) result(s) in the Corporation, any successor to the Corporation, or any successor to the Corporation’s business, being controlled, directly or indirectly, by the same person or persons who controlled the Corporation, directly or indirectly, immediately before such transaction(s).

**“Code”** means the United States Internal Revenue Code of 1986, as amended.

**“Committee”** means a committee appointed by the Board in accordance with Section 2.

**“Custodian”** means the custodian appointed by the Corporation under the Custodian Agreement.

**“Custodian Agreement”** means the custodian agreement between the Corporation and the Custodian under which the Custodian will hold Restricted Shares that are Non-treasury Shares as nominee for certain Participants and distribute Released Restricted Shares that are Non-treasury Shares as such Participants may request after the expiry of the Restrictions applicable to such Shares.

**“Director”** means a member of the Board or of the board of directors of any Affiliates of the Corporation.

**“DSU”** means a deferred share unit granted under, and subject to restrictions imposed pursuant to, Section 7 hereof.

**“Exchange Manual”** means the Company Manual of the TSX, as amended or varied from time to time, including such staff notices of the TSX which may supplement the same.

**“Exercise Notice”** has the meaning set out in Section 5(a)(iv).

**“Fair Market Value”** means, as of any date: (i) if the Shares are not then publicly traded, the value of such Shares on that date, as determined by the Board in good faith and in its sole and absolute discretion; or (ii) if the Shares are publicly traded, the volume weighted average trading price for such Shares on the TSX or the principal securities exchange on which the majority of the trading in the Shares occurs for the five days preceding the date of reference, or, if the Shares are not listed or admitted to trading on the TSX or any other securities exchange, but are traded in the over-the-counter market, the closing sale price of a Share on that date or, if no sale is publicly reported, the average of the closing bid and asked prices on that date, as furnished by two registered Canadian investment dealers.

**“Governmental Authorities”** means any domestic or foreign legislative, executive, judicial or administrative body or person having purporting to have jurisdiction in the relevant circumstances.

**“Independent Director”** means a Director that is “independent” within the meaning of “independence” set forth in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

**“Insider”** means any “insider”, as such term is defined in the Exchange Manual from time to time.

**“Misconduct”** means gross negligence, intentional misconduct, fraud or other misconduct or wilful act engaged in by the Participant which resulted in a financial restatement by the Corporation.

**“Non-Treasury Shares”** means previously issued Shares acquired by the Trustee under Trust B, using funds deposited with it by the Corporation.

**“Option”** means an option to purchase Shares granted under, and subject to restrictions imposed pursuant to, Section 5.

**“Participant”** means an employee, officer or Director of the Corporation or of any of its Affiliates to whom an Award is granted.

**“Plan”** means this amended and restated long-term incentive plan, as further amended from time to time;

**“PSU”** means a performance share unit granted under, and subject to restrictions imposed pursuant to, Section 9.

**“Released Restricted Shares”** means the unrestricted Shares distributed or delivered to or at the direction of Participants on request pursuant to a grant of Restricted Shares, following the expiry of any applicable Restrictions.

**“Restrictions”** means, in respect of any particular grant of Restricted Shares under this Plan, the vesting or other restrictions applicable to such Restricted Shares, as determined by the Board in its sole and absolute discretion, after taking into account any relief therefrom which the Board may provide in specific circumstances in its sole and absolute discretion.

**“Restricted Shares”** has the meaning set out in Section 10(a).

**“Retirement”** means, in respect of a Participant who is an employee, the cessation of the office or employment of the Participant on or immediately following age 65 or any other age and or years of service, as approved by the Committee for a Participant, and in respect of a Participant who is a Director, the cessation of being a Director and not otherwise being an employee (whether as a result of the resignation, not standing for re-election to the relevant board or not being elected or re-elected as a member of the relevant board by the shareholders at a meeting).

**“RSU”** means a restricted share unit granted under, and subject to restrictions imposed pursuant to, Section 8.

**“SAR”** means a stock appreciation right granted under, and subject to restrictions imposed pursuant to, Section 6.

**“Securities Act”** means the *Securities Act* (Manitoba).

**“Shares”** mean the common shares of the Corporation, and any shares of the Corporation that a Participant may become entitled to acquire pursuant to Section 3(c).

**“subsidiary”** means with respect to any person, an entity which is controlled by such person; when used without reference to a particular person, “subsidiary” means a subsidiary of the Corporation.

**“Treasury Shares”** means Shares that are issued by the Corporation from treasury and held in Trust A.

**“Trust A”** means the trust established by the trust agreement between the Corporation and the Trustee which provides for the issue of Treasury Shares to the Trustee as Restricted Shares hereunder and from which the Trustee distributes Released Restricted Shares that are Treasury Shares to Participants on request after the expiry of the Restrictions applicable to such Treasury Shares.

**“Trust B”** means the trust established by the trust agreement between the Corporation and the Trustee which provides for the Corporation to fund the purchase of Non-treasury Shares by the Trustee for use as Restricted Shares hereunder and for deposit under the Custodian Agreement on behalf of Participants.

**“Trustee”** means the trustee appointed by the Corporation under the Trust A and Trust B and includes any replacement trustee appointed under Trust A or Trust B, as applicable.

**“TSX”** means the Toronto Stock Exchange.

**“Withholding Obligations”** has the meaning set out in Section 13(e)(i).

(c) Control.

(i) For the purposes of this Plan,

- A. a person controls a body corporate if securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are beneficially owned by the person and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate;
- B. a person controls an unincorporated entity, other than a limited partnership, if more than 50% of the ownership interest, however designated, into which the entity is divided are beneficially owned by that person and the person is able to direct the business and affairs of the entity;
- C. the general partner of a limited partnership controls the limited partnership.
- (ii) A person who controls an entity is deemed to control any entity that is controlled or deemed to be controlled, by the entity.
- (iii) A person is deemed to control, within the meaning of Section 1(c)(i)A or 1(c)(i)B, an entity if the aggregate of
  - A. any securities of the entity that are beneficially owned by that person, and
  - B. any securities of the entity that are beneficially owned by an entity controlled by that person

is such that, if that person and all of the entities referred to in Section 1(c)(iii)B that beneficially own securities of the entity were one person, that person would control the entity.

- (d) Term of Award. In the event the term of an award is set to expire within a Blackout Period, the term of such Award will expire 10 Business Days after the date on which the Blackout Period has ended.
- (e) Termination. With respect to this Plan only, and for greater certainty, the date of termination will be the Participant's last day of active employment with, or service to, the Corporation or any of its Affiliates. For all purposes of this Plan, the term "active employment" shall include the period during which the Participant is actively reporting to work, performing the Participant's customary duties for the Corporation or any of its Affiliates, and earning the Participant's regular salary or wages, and shall expressly include the minimum period of statutory notice, if any, required by applicable employment standards legislation, but shall expressly exclude any additional period in respect of which the Participant may be entitled to receive (i) contractual or common law notice, or (ii) compensation in-lieu-of such notice, severance or termination pay, wrongful or constructive dismissal damages, damages for the failure to provide reasonable notice or salary continuation (in each case, whether arising by way of contract or at common law). The Participant shall not be entitled to damages or other compensation under contract, common law or otherwise arising from or related to cessation of rights under the Plan that would have continued after the date on which the Participant ceases to be in active employment with the Corporation or any of its Affiliates. In no event will the Participant receive less than the Participant's minimum entitlements, if any, under applicable employment standards legislation.
- (f) Headings. The discussion of this Plan into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan. Unless something in the subject matter or context is inconsistent therewith, references in this Plan to Sections are to Sections of this Plan.

- (g) Extended Meanings. In this Plan words importing the singular number only include the plural and vice versa; words importing any gender include all genders; and words importing persons include individuals, corporations, limited and unlimited liability corporations, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing”.
- (h) Statutory References. In this Plan, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

## 2. **Administration.**

- (a) Administration. This Plan will be administered by the Board; provided, however, that the Board may at any time appoint a Committee, including the Governance, Compensation and Nominating Committee of the Board, to perform some or all of the Board's administrative functions hereunder; and provided further, that the authority of any Committee appointed pursuant to this Section 2 will be subject to such terms and conditions as the Board may prescribe from time to time and will be coextensive with, and not in lieu of, the authority of the Board hereunder.
- (b) Directors Entitled to Vote. Directors who are eligible for Awards or have received Awards may vote on any matters affecting the administration of this Plan or the grant of Awards, except that no such member will act upon the grant of an Award to himself or herself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board during which action is taken with respect to the grant of Awards to himself or herself.
- (c) Authority of the Board. The Board will have the authority to grant Awards under this Plan. In particular, subject to the terms of this Plan, the Board will have the authority to:
  - (i) select the persons to whom Awards may from time to time be granted hereunder (consistent with the eligibility conditions set forth in Section 4);
  - (ii) determine the type of Award to be granted to any person hereunder;
  - (iii) determine the number of Shares, if any, to be covered by each Award; and
  - (iv) establish the terms and conditions of each Award Agreement, including any Restrictions applicable to any Restricted Shares granted under this Plan.
- (d) Idem. The Board will have the authority to adopt, alter and repeal such administrative rules, guidelines and practices governing this Plan as it, from time to time, deems advisable; to interpret the terms and provisions of this Plan and any Award issued under this Plan, and any Award Agreement; and to otherwise supervise the administration of this Plan. The Board may correct any defect, supply any omission or reconcile any inconsistency in this Plan or in any Award or Award Agreement in the manner and to the extent it deems necessary to carry out the intent of this Plan.
- (e) Decisions of the Board Final. All decisions made by the Board pursuant to the provisions of this Plan will be final and binding on all persons, including the Corporation and Participants. No Director will be liable for any good faith determination, act or omission in connection with this Plan or any Award.

3. **Shares Subject to the Plan.**

(a) Shares Subject to the Plan.

- (i) The Shares to be subject to or related to Awards under this Plan will be authorized and unissued shares of the Corporation. The maximum number of Shares that may be subject to Options, SARs, DSUs, Restricted Shares, RSUs or PSUs under this Plan and any other security based compensation arrangement of the Corporation is 20% of the issued Shares outstanding from time to time. For greater certainty, if and to the extent that any Option, SAR, DSU, Restricted Share, RSU or PSU granted pursuant to this Plan or any other security based compensation arrangement of the Corporation is exercised, a number of Shares equal to the number of Shares associated with that Option, SAR, DSU, Restricted Share, RSU or PSU, as applicable, will again become available for grant under this Plan. The Corporation will reserve for the purposes of this Plan, out of its authorized and unissued Shares, such number of Shares.
- (ii) Notwithstanding the foregoing, the annual grant of Awards (excluding any one-time grant made in the fiscal year of the Director's initial service) issued to any one Independent Director under this Plan and any other share-based compensation arrangement adopted by the Corporation will not exceed an aggregate grant value of \$150,000 in total equity, of which no more than \$100,000 may be issued in the form of Options.

(b) Effect of the Expiration or Termination of Awards. If and to the extent that an Option or SAR expires, terminates or is cancelled or forfeited for any reason without having been exercised in full, the Shares associated with that Option or SAR will again become available for grant under this Plan. Similarly, if and to the extent an Award of DSUs, RSUs or PSUs is cancelled or forfeited for any reason, the Shares subject to that Award will again become available for grant under this Plan. In addition, if and to the extent an Award is settled for cash, the Shares subject to that Award will again become available for grant under this Plan. Any Treasury Shares subject to a Restricted Share Award under this Plan which have been cancelled or forfeited in accordance with the terms of this Plan will again become available for grant under this Plan.

(c) Other Adjustment. In the event of any recapitalization, reorganization, arrangement, amalgamation, subdivision or consolidation, stock dividend or other similar event or transaction, substitutions or adjustments will be made by the Board: (i) to the aggregate number, class and/or issuer of the securities reserved for issuance under this Plan; (ii) to the number, class and/or issuer of securities subject to outstanding Awards; and (iii) to the exercise price of outstanding Options or SARs, in each case (A) in a manner that reflects equitably the effects of such event or transaction and (B) is subject to the TSX's consent for so long as the Shares or any of the securities of the Corporation are listed on the TSX.

(d) Change in Control. Notwithstanding anything to the contrary set forth in this Plan, upon or in anticipation of any Change in Control of the Corporation or any of its Affiliates, the Board may, in its sole and absolute discretion and without the need for the consent of any Participant, take one or more of the following actions contingent upon the occurrence of that Change in Control:

- (i) cause any or all outstanding Options or SARs to become vested and immediately exercisable immediately before the Change in Control, in whole or in part;
- (ii) cause any or all outstanding DSUs, RSUs or PSUs to become vested and non-forfeitable, in whole or in part;

- (iii) cause any outstanding Option to become fully vested and immediately exercisable for a reasonable period in advance of the Change in Control and, to the extent not exercised prior to that Change in Control, cancel that Option upon closing of the Change in Control;
- (iv) cancel any Option, SAR, DSU, RSU or PSU in exchange for a substitute award with respect to the share capital of any successor person or its parent;
- (v) redeem any DSU, RSU or PSU for cash and/or other substitute consideration with a value equal to the Fair Market Value of a Share on the date of the Change in Control;
- (vi) without limiting the generality of Section 3(d)(iv), cancel any SAR in exchange for cash and/or other substitute consideration with a value equal to: (A) the number of Shares subject to that SAR, multiplied by (B) the difference, if any, between the Fair Market Value per Share on the date of the Change in Control and the exercise price of that SAR; provided, that if the Fair Market Value per Share on the date of the Change in Control does not exceed the exercise price of any such SAR, the Board may cancel that SAR without any payment of consideration for such SAR;
- (vii) without limiting the generality of Section 3(d)(v), in exercising its discretion to redeem any PSU for cash and/or other substitute consideration, the Board will consider, among other factors, the level of achievement towards the performance goals applicable to such PSU prior to the Change in Control; and/or
- (viii) determine that some or all of any remaining Restriction on any Restricted Shares will immediately expire, in which event the Corporation will instruct the Trustee or the Custodian, as applicable, to distribute all such Released Restricted Shares to the applicable Participants.

In the sole and absolute discretion of the Board, any cash or substitute consideration payable upon cancellation of an Award may be subject to (i) vesting terms or other Restrictions substantially identical to those that applied to the cancelled Award immediately prior to the Change in Control; or (ii) earn-out, escrow, holdback or similar arrangements, to the extent such arrangements are applicable to any consideration paid to shareholders in connection with the Change in Control.

4. **Eligibility.** Employees of the Corporation or any of its Affiliates, officers of the Corporation or of any of its Affiliates and Directors are eligible to be granted Awards under this Plan.

5. **Options.**

- (a) Any Option granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any Option will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
  - (i) Option Price. The exercise price per Share purchasable under an Option will be determined by the Board and will not be less than the Fair Market Value of a Share on the date of the grant.
  - (ii) Option Term. The term of each Option will be fixed by the Board; provided, however, that no Option, subject to earlier cancellation, will be exercisable more than 10 years after the date the Option is granted, or in the event the 10 year

anniversary of the date of grant falls within a Blackout Period, the date which is 10 days after the date on which the Blackout Period has ended.

- (iii) Exercisability. Options will vest and be exercisable at such time or times and subject to such terms and conditions as determined by the Board.
- (iv) Method of Exercise. Subject to the exercisability and termination provisions set forth in this Plan and in the applicable Award Agreement, Options may be exercised, in whole or in part, at any time and from time to time during the term of the Option, by the delivery of written notice of exercise by the Participant to the Corporation specifying the number of Shares to be purchased (the “**Exercise Notice**”). Subject to Section 5(a)(v), the aggregate exercise price in respect of the Options being exercised will be paid at the time of exercise in cash, certified cheque or bank draft. The Exercise Notice will contain the Participant’s undertaking to comply, to the satisfaction of the Corporation and its counsel, with all applicable provisions of this Plan and the Award Agreement which, by their terms, are intended to be binding on Shares issued pursuant to the exercise of Options granted pursuant to this Plan. The Participant will not have the right to distributions or dividends or any other rights of a shareholder with respect to the Shares subject to any Options until the Participant has given the Exercise Notice, has paid in full for such Shares in accordance with this Section 5(a)(iv), and fulfills such other conditions as may be set forth in the Plan or the applicable Award Agreement.
- (v) Cashless Exercise. At the election of a Participant and to the extent permitted by the Board, a Participant may, instead of paying the applicable exercise price in cash, certified cheque or bank draft in accordance with Section 5(a)(iv), elect a cashless exercise of Options by way of a broker-assisted exercise. A Participant who elects such a cashless exercise of Options is deemed to have assigned to such broker such Participant’s right to receive Shares and is deemed to release the Corporation from any further obligation to issue Shares to such Participant in respect of the Options exercised in connection with the cashless exercise. When a Participant elects such a cashless exercise of Options by providing the prescribed form of notice of cashless exercise, the Corporation will issue directly to the broker the number of Shares in respect of such Options exercised in connection with the cashless exercise and the broker will sell at market, at the Participant’s election:
  - A) all of the Shares in respect of which the Options have been exercised and deliver to the Participant the cash balance remaining after deducting the aggregate purchase price of such Shares, the amount of any Withholding Obligations and any commission payable to the broker; or
  - B) such number of Shares required to realize cash proceeds equal to the sum of (1) the aggregate purchase price of the Shares in respect of which Options have been exercised, (2) the amount of any Withholding Obligations, and (3) any commissions payable to the broker.
- (vi) Termination of Service. Unless otherwise specified in the Award Agreement, Options will be subject to the terms of Section 11 with respect to exercise upon or following termination of employment or other service with the Corporation or any of its Affiliates.
- (vii) Non-Transferability. (A) no Option may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution,



and (B) all Options will be exercisable only by the Participant or by his or her legal representative.

- (viii) Compliance. The exercise of any Option will be subject to the condition that if at any time the Corporation or any of its Affiliates determines in its sole discretion that it is necessary or desirable to take action to comply with any legal requirement or the requirements of any stock exchange or other regulatory authority as a condition of, or in connection with, such exercise or the issue of Shares as a result thereof, and then in any such event, such exercise will not be effective unless such compliance will have been effected on conditions satisfactory to the Corporation or any of its Affiliates, as applicable.

## 6. **Stock Appreciation Rights.**

- (a) Nature of Award. Upon the exercise of a SAR, its holder will be entitled to receive an amount equal to the excess (if any) of: (i) the Fair Market Value of the Shares as to which the SAR is then being exercised, over (ii) the Fair Market Value of those Shares as of the date the SAR was granted (subject to adjustment in accordance with Section 3(b)). Such amount may be paid in either cash and/or Shares, as determined by the Board in its sole and absolute discretion.
- (b) Terms and Conditions. Any SAR granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any SAR will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
  - (i) Term of SAR. Unless otherwise specified in the Award Agreement, the term of a SAR will be 10 years;
  - (ii) Exercisability. SARs will vest and become exercisable at such time or times and subject to such terms and conditions as will be determined by the Board;
  - (iii) Method of Exercise. Subject to the exercisability and termination provisions set forth herein and in the applicable Award Agreement, SARs may be exercised in whole or in part from time to time during their term by delivery of written notice to the Corporation specifying the portion of the SAR to be exercised;
  - (iv) Termination of Service. Unless otherwise specified in the Award Agreement, SARs will be subject to the terms of Section 11 with respect to exercise upon termination of employment or other service, with the Corporation or any of its Affiliates; and
  - (v) Non-Transferability. (A) SARs may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) during the Participant's lifetime, SARs will be exercisable only by the Participant or by his or her legal representative.

## 7. **DSUs.**

- (a) Nature of Award. Each DSU will provide the right to receive, on a deferred payment basis, a Share or the cash equivalent of a Share in an amount equal to the Fair Market Value of the Share (at the applicable payment date) as described in this Section 7. Vested DSUs will not be redeemable and paid except upon the earlier of the death, Retirement, or loss

of office or employment of the Participant with the Corporation and/or any of its Affiliates terminates. A DSU award may be settled in Shares, cash, or in any combination of Shares and cash. The determination to settle a DSU in whole or in part in cash may be made by the Board, in its sole and absolute discretion. DSUs will be settled by the Corporation as soon as practicable following the death, Retirement, or loss of office or employment of the Participant with the Corporation and/or each of its Affiliates and, in any event, no later than the end of the first calendar year following the year in which such death, Retirement or loss of office or employment occurs.

- (b) Terms and Conditions. Any DSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any DSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
  - (i) Termination of Service. Unless otherwise specified in the Award Agreement, DSUs will be subject to the terms of Section 11 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
  - (ii) Non-Transferability. (A) no DSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) distributions in settlement of a DSU will be made only to the Participant or to his or her legal representative.

## 8. **RSUs.**

- (a) Nature of Award. Each RSU will represent the right to receive from the Corporation, after fulfillment of any applicable conditions, a distribution from the Corporation in an amount equal to the Fair Market Value (at the time of the distribution) of one Share. Distributions may be made in Shares, cash, or in any combination of Shares and cash. The determination to settle an RSU in whole or in part by Shares, cash or in any combination will be made by the Board, in its sole and absolute discretion.
- (b) Terms and Conditions. Any RSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any RSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
  - (i) Termination of Service. Unless otherwise specified in the Award Agreement, RSUs will be subject to the terms of Section 11 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
  - (ii) Non-Transferability. (A) no RSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) distributions in settlement of an RSU will be made only to the Participant or to his or her legal representative.
  - (iii) No Salary Deferral Arrangement. All vesting conditions for a RSU in the Award Agreement shall be such that the RSU complies at all times with the exception in

paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the *Income Tax Act* (Canada).

9. **PSUs.**

- (a) Nature of Award. Each PSU will represent the right to receive from the Corporation, after fulfillment of any applicable conditions (including achievement of certain performance criteria) a distribution from the Corporation in an amount equal to the Fair Market Value (at the time of the distribution) of one Share. Distributions may be made in Shares, cash, or in any combination of Shares and cash. The determination to settle a PSU in whole or in part by Shares, cash or any combination will be made by the Board, in its sole and absolute discretion.
- (b) Terms and Conditions. Any PSU granted under this Plan will be in such form as the Board may at the time of such grant approve. The Award Agreement evidencing any PSU will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion:
  - (i) Termination of Service. Unless otherwise specified in the Award Agreement, PSUs will be subject to the terms of Section 11 with respect to settlement upon termination of employment or other service, with the Corporation or any of its Affiliates; and
  - (ii) Non-Transferability. (A) no PSU may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) distributions in settlement of a PSU will be made only to the Participant or to his or her legal representative.
  - (iii) No Salary Deferral Arrangement. All vesting conditions for a PSU in the Award Agreement shall be such that the PSU does not constitute a “salary deferral arrangement” as defined in subsection 248(1) of the *Income Tax Act* (Canada).

10. **Restricted Shares**

- (a) Grant of Restricted Shares. The Board may, from time to time, grant to employees, officers or Directors of the Corporation under this Plan any number of Shares (“**Restricted Shares**”) in consideration of services provided to the Corporation, subject to such Restrictions and other terms and conditions not inconsistent with the terms of this Plan, as the Board may impose in its sole and absolute discretion. Restricted Shares granted under this Plan may be Treasury Shares, Non-Treasury Shares or any combination of Treasury Shares and Non-Treasury Shares. Prior to the grant of any Restricted Shares, the Corporation will have established Trust A or Trust B, as applicable, and, in the case of Non-Treasury Shares, entered into a Custodian Agreement.
- (b) Treasury Shares or Non-Treasury Shares. Upon each Award of Restricted Shares under this Plan, the Corporation will:
  - (i) in the case of an Award of Treasury Shares, issue and deliver to the Trustee under Trust A the number of Treasury Shares equal in number to the Released Restricted Shares to be distributed upon the expiry of any Restrictions applicable to such Restricted Shares granted;

- (ii) in the case of an Award of Non-Treasury Shares, provide to the Trustee under Trust B funds sufficient to purchase a number of Shares equal to the Released Restricted Shares to be distributed upon the expiry of any Restrictions applicable to the Restricted Shares and direct such Trustee to deposit the Restricted Shares with the Custodian as nominee for the Participant to whom such Restricted Shares were granted for holding on behalf of such Participant in accordance with the terms of the Custodian Agreement; or
  - (iii) a combination of clauses (i) and (ii) of this Section 10(b).
- (c) Distribution of Released Restricted Shares.
  - (i) In the case of Treasury Shares, after fulfillment or completion of the Restrictions applicable to particular Restricted Shares and without the payment of additional consideration on the part of the Participant granted such Restricted Shares, the Corporation will instruct the Trustee to distribute to such Participant, following receipt of a written request from the Participant, one Share for each Restricted Share held by the Participant for which the Restrictions have been fulfilled or completed.
  - (ii) In the case of Non-Treasury Shares, after fulfillment or completion of the Restrictions applicable to particular Restricted Shares delivered to the Custodian on behalf of the Participant and without the payment of additional consideration on the part of the Participant granted such Restricted Shares, the Corporation will instruct the Custodian to transfer or dispose of such Shares as directed in writing by the Participant.
- (d) Termination of Service (Other than by Reason of Death, Disability, Termination Without Cause or Retirement).

If a Participant's employment or service with the Corporation or any of its Affiliates terminates for any reason other than the death, total disability, termination without Cause or Retirement of the Participant during the period that Restrictions on Restricted Shares granted to such Participant remain unfulfilled or uncompleted, or if the Participant's employment or service with the Corporation or any of its Affiliates terminates for Cause:

  - (i) if the Participant's Restricted Shares are Treasury Shares, those Restricted Shares in respect of which Restrictions remain unfulfilled or uncompleted, or in the case of a Participant who has been terminated for Cause, all of such Participant's Restricted Shares, will be forfeited to the Corporation and the Participant will have no rights whatsoever in respect of those Restricted shares, and the grant thereof will terminate and be of no further force or effect; and
  - (ii) if the Participant's Restricted Shares are Non-Treasury Shares held by the Custodian on behalf of the Participant, those Restricted Shares in respect of which Restrictions remain unfulfilled or uncompleted, or in the case of a Participant who has been terminated for Cause, all of such Participant's Restricted Shares, will be transferred by the Participant to or at the direction of the Corporation for no consideration and the Participant will execute and deliver all such instruments and documents as the Corporation may request to effect such transfer.
- (e) Termination of Service by Reason of Death or Disability. In the event of the death or total disability of a Participant, the Corporation will deliver instructions to the Trustee or the Custodian, as applicable, to immediately distribute any Restricted Shares held by the Participant in accordance with and subject to the Restrictions established at the time of

grant or such reduced Restrictions, including the elimination of any such Restrictions in their entirety, as the Board may specify to apply in such circumstances.

(f) Termination of Service by Reason of Termination Without Cause or Retirement.

If a Participant's employment or service with the Corporation or any of its Affiliates terminates by reason of termination without Cause or Retirement of the Participant during the period that Restrictions on Restricted Shares granted to such Participant remain unfulfilled or uncompleted:

(i) if the Participant's Restricted Shares are Treasury Shares, a pro-rata portion of such Restricted Shares, based on the Participant's completed active employment up to the termination date relative to the number of months in the restricted period, will become unrestricted and without the payment of additional consideration on the part of the Participant granted such Restricted Shares, the Corporation will instruct the Trustee to distribute to such Participant, following receipt of a written request from the Participant, one Share for each Restricted Share held by the Participant for which the Restrictions have been lifted pursuant to this Section 10(f)(i) and any other Restricted Shares in respect of which Restrictions remain unfulfilled or uncompleted will be forfeited to the Corporation and the Participant will have no rights whatsoever in respect of those Restricted shares, and the grant thereof will terminate and be of no further force or effect; and

(ii) if the Participant's Restricted Shares are Non-Treasury Shares held by the Custodian on behalf of the Participant, a pro-rata portion of such Restricted Shares, based on the Participant's completed active employment up to the termination date relative to the number of months in the restricted period, will become unrestricted and without the payment of additional consideration on the part of the Participant granted such Restricted Shares, the Corporation will instruct the Custodian to transfer or dispose of such Shares as directed in writing by the Participant and any other Restricted Shares in respect of which Restrictions remain unfulfilled or uncompleted will be transferred by the Participant to or at the direction of the Corporation for no consideration and the Participant will execute and deliver all such instruments and documents as the Corporation may request to effect such transfer.

(g) General – Termination: The provisions of Sections 10(d), 10(e) and 10(f) will not apply in respect of such termination if such Participant will continue to serve the Corporation or one or more of its other Affiliates following such termination.

(h) Forfeiture of Restricted Shares with Unfulfilled or Uncompleted Restrictions. In the event that the Restrictions on a Participant's Restricted Shares remain unfulfilled or uncompleted at the date designated in the applicable Award Agreement as the cut-off date by which such Restrictions must be fulfilled or completed:

(i) if the Participant's Restricted Shares are Treasury Shares, those Restricted Shares for which Restrictions remain unfulfilled or uncompleted will be forfeited to the Corporation by the trustee of Trust A on behalf of the Participant and the Participant will have no rights whatsoever in respect of those Restricted Shares, and the grant thereof will terminate and be of no further force or effect; and

(ii) if the Participant's Restricted Shares are Non-Treasury Shares held by the Custodian on behalf of the Participant, those Restricted Shares for which Restrictions remain unfulfilled or uncompleted will be transferred by the Custodian on behalf of the Participant to or at the discretion of the Corporation for no consideration and the Participant will execute and deliver all such instruments and

documents as the Corporation and the Custodian may request to effect such transfer.

- (i) Corporation's Use of Forfeited or Transferred Restricted Shares. If Restricted Shares are forfeited or transferred to the Corporation under Section 10(d) or (g), the Restricted Shares will be deemed to have been donated to the Corporation and the Corporation may either:
  - (i) return such Restricted Shares to treasury for cancellation; or
  - (ii) deposit such Restricted Shares with the Trustee under Trust A for other Awards to be made under subsection 10(a).
- (j) Payment of Dividends. Unless otherwise determined by the Board, Participants will be entitled to dividends declared and paid on Restricted Shares in respect of which Restrictions remain unfulfilled or uncompleted; provided that, all dividends declared and paid in respect of Restricted Shares subject to such determination will be held by the Trustee or the Custodian, as applicable, and will be held by the Trustee or the Custodian for the benefit of the Corporation.
- (k) Voting. Neither the Trustee, the Custodian nor any Participant will be entitled to exercise voting rights attached to any Restricted Shares during the period when Restrictions with respect to voting remain applicable to such Restricted Shares.
- (l) Non-Transferability. (A) no Restricted Share may be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution, and (B) all Restricted Shares will be distributable only to the Participant or to his or her legal representative.

11. **Termination of Employment or Service (Options, SARs, DSUs, RSUs and PSUs).**

- (a) Termination by Reason of Death or Total Disability. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's employment or service with the Corporation or any of its Affiliates terminates by reason of the death or total disability of the Participant:
  - (i) Options and SARs: (i) any unvested Option or SAR held by such Participant will immediately and automatically expire and terminate as of the date of such Participant's death or total disability, other than those Options or SARs which would have otherwise vested within the one year period following such death or total disability, which Options or SARs will for this purpose be deemed to be vested upon the date of death or total disability, and (ii) any vested Option or SAR held by such Participant, to the extent it was exercisable at the time of his or her death, in the case of each of (i) and (ii), may thereafter be exercised by the legal representative of the Participant, for a period ending the earlier of (A) 12 months following the date of such Participant's death or total disability, and (B) on the last day of the stated term of such Option or SAR; and
  - (ii) DSUs, RSUs and PSUs: any DSUs, RSUs or PSUs held by such Participant will vest on the date of such death or total disability and be capable of settlement pursuant to and subject to the terms of this Plan, provided that, with respect to PSUs, the Board will determine the extent of satisfaction of the performance criteria associated with the Award of PSUs in determining the number of PSUs that will be eligible for vesting and settlement.

- (b) Cause. If a Participant's service with the Corporation or any of its Affiliates is terminated for Cause, (i) any Award (whether vested or unvested) held by the Participant will immediately and automatically expire and terminate as of the date of such termination, (ii) all rights to receive payment thereunder will be forfeited by the Participant following the date of termination, and (iii) any Shares for which the Corporation has not yet delivered share certificates or the Participant has not received a customary confirmation through the facilities of The Canadian Depository for Securities Limited (or its successor) in respect thereof, as applicable, will be immediately and automatically forfeited and the Corporation will, in the case of an Option, refund to the Participant the Option exercise price paid for such Shares, if any.
- (c) Termination Without Cause and Retirement. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's service with the Corporation or any of its Affiliates terminates due to termination by the Corporation without Cause or Retirement:
- (i) Options and SARs: a pro-rata portion of the Participant's unvested Options and SARs, based on the Participant's completed active employment up to the termination date relative to the number of months in the vesting period, will vest and any such Options or SARs held by such Participant, together with any other Options or SARs held by such Participant that were vested at the date of termination or that vest during the 60 day period following the date of termination, may thereafter be exercised by the Participant for a period ending the earlier of (i) 60 days following the date of such termination, and (ii) the last day of the stated term of such Option or SAR. Any remaining unvested Options and SARs will terminate effective as of the date which is 60 days after the date of termination, and all rights to receive payment thereunder will be forfeited; and
- (ii) DSUs, RSUs and PSUs: a pro-rata portion of the Participant's unvested DSUs, RSUs and PSUs, based on the Participant's completed active employment up to the termination date relative to the number of months in the vesting period, will continue to vest and be paid out in accordance with their terms. Any remaining unvested DSUs, RSUs and PSUs, will terminate effective as of the date which is 60 days after the date of termination, and all rights to receive payment thereunder will be forfeited. With respect to PSUs, the Board will determine the extent of satisfaction of the performance criteria associated with the Award of PSUs in determining the number of PSUs that will be eligible for vesting and settlement.
- (d) Other. Unless otherwise specified by the Board with respect to a particular Award, if a Participant's service with the Corporation or any of its Affiliates terminates for any other reason, (A) any Option or SAR held by such Participant that was vested at the date of termination or that vests during the 60 day period following the date of termination may thereafter be exercised by the Participant for a period ending the earlier of (i) 60 days following the date of such termination, and (ii) the last day of the stated term of such Option or SAR, and (B) any unvested DSU, RSU or PSU held by such Participant will terminate effective as of the date which is 60 days after the date of termination, and all rights to receive payment thereunder will be forfeited.
- (e) General: The provisions of this Section 11 will not apply in respect of such termination if such Participant will continue to serve the Corporation or one or more of its other Affiliates following such termination.

## 12. **Amendment and Termination.**

- (a) Amendments Requiring Shareholders Approval. The Board may amend, alter or discontinue this Plan or amend the terms of any Award or Award Agreement at any time, provided that shareholder approval will be required for amendments to: (i) reduce the

exercise price or purchase price of any Award under this Plan; (ii) extend the term under an Award under this Plan beyond its initial expiry; (iii) have the effect of cancelling any Awards and concurrently reissuing such Awards on different terms; (iv) permit Awards to be transferable or assignable by Participants, other than by will or by relevant laws of descent and distribution; (v) remove or exceed the limits in this Plan on participation by Insiders of the Corporation; (vi) increase the maximum number of securities issuable, either as a fixed number or a fixed percentage of the Corporation's outstanding capital represented by such securities; (vii) increase the limits on the total annual grant of Awards permitted to be issued to any one Independent Director as provided in Section 3(a)(ii); or (viii) amend an amending provision within this Plan.

- (b) Amendments Not Requiring Shareholder Approval. Notwithstanding Section 12(a) but subject to the requirements of any stock exchange upon which the Shares are then listed and applicable law, no shareholder approval will be required for (i) amendments to this Plan of a "housekeeping nature"; (ii) changes to the vesting or exercise provisions or other Restrictions applicable to any Award, Award Agreement or this Plan not inconsistent with the provisions of Section 12(a); (iii) changes to the provisions of this Plan relating to the expiration of Awards prior to their respective expiration dates upon the occurrence of certain specified events determined by the Board; or (iv) the cancellation of an Award.
- (c) Amendments to Awards. The Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, the Plan or any Award previously granted, prospectively or retroactively; provided that no such amendment, alteration, suspension, discontinuance, cancellation or termination of the Plan or any Awards granted hereunder may materially impair any rights of a Participant or materially increase any obligations of a Participant under the Plan without the consent of the Participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements.

13. **General Provisions.**

- (a) Acceleration. The Board may, in its sole discretion, at any time permit the acceleration of vesting of any or all Awards.
- (b) Compliance with Applicable Law. Shares will not be issued hereunder unless, in the judgment of counsel for the Corporation, the issuance complies with the requirements of any stock exchange or quotation system on which the Shares are then listed or quoted, the Securities Act and all other applicable laws.
- (c) Legends. All certificates for Shares or other securities delivered under this Plan will be subject to such share-transfer orders and other restrictions as the Board may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Shares are then listed, the Securities Act and any applicable laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (d) No Employment Rights or Representation or Warranty. Neither the adoption of this Plan nor the execution of any document in connection with this Plan will (i) confer upon any employee of the Corporation or any of its Affiliates any right to continued employment or engagement with the Corporation or any such Affiliate, or (ii) interfere in any way with the right of the Corporation or any such Affiliate to terminate the employment of any of its employees at any time. The Corporation makes no representation or warranty as to the future market value of any Share distributed pursuant to this Plan.
- (e) Taxes - General.



- (i) With respect to any Award, the Participant will pay to the Corporation, or make arrangements satisfactory to the Board regarding the payment of, taxes of any kind required by applicable law to be withheld. The obligations of the Corporation under this Plan will be conditioned on such payment or arrangements and the Corporation will have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant ("**Withholding Obligations**"). Unless the Participant has made arrangements with the Corporation to remit the amount of such Withholding Obligations to the Corporation prior to or in connection with such Withholding Obligations arising, the Corporation has the right, in its sole discretion, to satisfy any Withholding Obligations by:
  - A. selling or causing to be sold, on behalf of any Participant, such number of Shares issuable to the Participant pursuant to an Award as is sufficient to fund the Withholding Obligations;
  - B. retaining the amount necessary to satisfy the Withholding Obligations from any amount (whether cash, Shares or other property) which would otherwise be delivered, provided or paid to the Participant by the Corporation, whether under this Plan or otherwise;
  - C. requiring the Participant, as a condition of exercise of any Award or the payment of any kind otherwise due to the Participant with respect to any Award to (1) remit the amount of any such Withholding Obligations to the Corporation in advance; (2) reimburse the Corporation for any such Withholding Obligations; or (3) cause a broker who sells Shares acquired by the Participant on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligation and to remit such amount directly to the Corporation;
  - D. directing the Trustee or the Custodian without any further action by, consent from or notice to the Participant, to transfer Released Restricted Shares to the Corporation in such amount as may be required to satisfy any such Withholding Obligations, and by the Corporation selling, or causing a broker to sell, on behalf of the Participant, such Shares in the open market and use the proceeds from such sale to satisfy such Withholding Obligations and any Withholding Obligations arising from such sale, with any surplus proceeds paid to the Participant; and/or
  - E. making such other arrangements as the Corporation may reasonably require.

The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**") under this Section 13(e) will be made on a public stock exchange. The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold will be, at a minimum, sufficient to fund the Withholding Obligations net of all selling costs, which costs are the responsibility of the Participant and which the Participant hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of such sale of the Shares including any loss relating to the pricing, manner or timing of the sales or any delay in transferring any Shares to a Participant or otherwise. The Participant further acknowledges that the sale price of the Shares will fluctuate with the market price of the Shares and no assurance can be given that any particular price will be received upon any sale.

- (f) Taxes – Section 409A of the Code. With respect to Participants who are subject to taxation in the United States, Awards under the Plan are intended to be exempt from, or to the extent subject thereto, to comply with Section 409A of the Code, and, accordingly, to the maximum extent permitted, the Plan will be interpreted in accordance therewith. Notwithstanding anything contained herein to the contrary, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A of the Code, a Participant will not be considered to have terminated employment or service with the Corporation for purposes of the Plan until the Participant would be considered to have incurred a “separation from service” from the Corporation and its Affiliates within the meaning of Section 409A of the Code. Any payments described in the Plan that are due within the “short term deferral period” as defined in Section 409A of the Code will not be treated as deferred compensation unless applicable law requires otherwise. Notwithstanding anything to the contrary in the Plan, to the extent that any Awards (or any other amounts payable under any plan, program or arrangement of the Corporation or any of its Affiliates) are payable upon a separation from service and such payment would result in the imposition of any individual tax and penalty interest charges imposed under Section 409A of the Code, the settlement and payment of such awards (or other amounts) will instead be made on the first Business Day after the date that is six months following such separation from service (or death, if earlier). Each amount to be paid or benefit to be provided under this Plan will be construed as a separate identified payment for purposes of Section 409A of the Code. The Corporation makes no representation that any or all of the payments or benefits described in this Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. Participants will be solely responsible for the payment of any taxes and penalties incurred under Section 409A.
- (g) No Guarantees Regarding Tax Treatment. Participants (or their beneficiaries) will be responsible for all taxes with respect to any Award under the Plan. The Board and the Corporation make no guarantees to any person regarding the tax treatment in respect of the Awards or payments made under the Plan.
- (h) Right of Set-off. If a payment or release of or settlement in Shares is to be made to a Participant on account of the Participant’s Award, including any payment in respect of dividends declared and paid on the Shares, the Corporation may, or may direct the Trustee or the Custodian to, as applicable, without any further action by or consent from the Participant, pay all or any portion of such payment to or at the direction of the Corporation in satisfaction of outstanding indebtedness owing by the Participant to the Corporation or indebtedness which the Corporation has guaranteed or indemnified on the Participant’s behalf.
14. **Effective Date of Plan.** This Plan was initially adopted by the Board on March 2, 2021 and effective March 3, 2021 and amended and restated effective May 31, 2023.
15. **Term of Plan.** This Plan will continue in effect until terminated in accordance with Section 12.
16. **Invalid Provisions.** In the event that any provision of this Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.
17. **Governing Law.** This Plan and all Awards granted hereunder will be governed by and will be construed in accordance with the laws of the Province of Manitoba and the laws of Canada applicable therein.

18. **Notices.** Any notice to be given to the Corporation pursuant to the provisions of this Plan must be given by registered mail, postage prepaid, and, addressed, if to the Corporation to its principal executive office to the attention of its Chief Financial Officer (or such other person as the Corporation may designate in writing from time to time), and, if to a Participant, to his or her address contained in the Corporation's personnel records, or at such other address as such Participant may from time to time designate in writing to the Corporation. Any such notice will be deemed given or delivered three Business Days after the date of mailing.

## Schedule B

### By-law Resolution

#### BY-LAW NO. 3

**BE IT RESOLVED** as an ordinary resolutions of the shareholders of the Company that:

1. The shareholders of the Company hereby confirm By-Law No. 3, as approved by the Company's board of directors on August 15, 2022 and substantially in the form set out in Appendix I to Schedule B to the Company's management proxy circular dated March 31, 2023, as a by-law of the Company pursuant to Section 103(2) of the *Canada Business Corporations Act*.
2. Each director and officer of the Company, acting alone, is authorized to do all such acts and things and to execute (whether under the corporate seal of the Company or otherwise) and deliver all such documents as in such director's or officer's opinion may be necessary or desirable to complete the transactions hereby approved and authorized.

## Appendix I

### By-law No. 3

A by-law relating generally to  
the transaction of the business  
and affairs of

#### **FARMERS EDGE INC. (the "Corporation")**

#### DIRECTORS

1. Calling of and notice of meetings Meetings of the board of directors will be held on such day and at such time and place as the Chief Executive Officer or Corporate Secretary of the Corporation or any two directors may determine. Notice of meetings of the board will be given to each director not less than 48 hours before the time when the meeting is to be held. The notice may be in writing and delivered or mailed or may be given by telephone, telegraph, facsimile or email and need not specify the purpose of business to be transacted at the meeting. A meeting of the board may be held and duly constituted at any time without notice if all the directors are present or, if any be absent, those absent have waived notice or signified their consent in writing to the meeting being held in their absence. Each newly elected board may without notice hold its first meeting for the purposes of organization and the appointment of officers immediately following the meeting of shareholders at which such board was elected.
2. Quorum A majority of the directors in office constitutes a quorum at any meeting of directors.
3. Meetings by telephonic or electronic means A director may participate in a meeting of directors or of a committee of directors by means of a telephonic, electronic or other communication facility that permits all participants in the meeting to communicate adequately with each other, and a director participating in the meeting by that means is deemed, for the purposes of the *Canada Business Corporations Act* to be present at the meeting.
4. Votes to govern At all meetings of the board every question will be decided by a majority of the votes cast on the question; and in case of an equality of votes the chair of the meeting will be entitled to a second or casting vote.
5. Voting while participating by telephonic or electronic means Any person participating in a meeting of directors and entitled to vote at that meeting may vote by means of the telephonic, electronic or other communication facility that the corporation has made available for that purpose.
6. Interest of directors and officers generally in contracts No director or officer will be disqualified by his or her office from contracting with the Corporation nor will any contract or arrangement entered into by or on behalf of the Corporation with any director or officer or in which any director or officer is in any way interested be liable to be voided nor will any director or officer so contracting or being so interested be liable to account to the Corporation for any profit realized by any such contract or arrangement by reason of such director or officer holding that office or of the fiduciary relationship thereby established provided that, in each case, the director or officer has complied with the provisions of the *Canada Business Corporations Act*.

#### SHAREHOLDERS' MEETINGS

7. Quorum At any meeting of shareholders a quorum will be two persons present in person or by telephonic or electronic means and each entitled to vote at the meeting and holding or representing by proxy not less than 25% of the votes entitled to be cast at the meeting.

8. Meetings by telephonic or electronic means A person entitled to attend a meeting of shareholders may participate in the meeting by means of a telephonic, electronic or other communication facility that permits all participants in the meeting to communicate adequately with each other, and a shareholder participating in the meeting by that means is deemed, for the purposes of the *Canada Business Corporations Act*, to be present at the meeting.

9. Voting while participating by telephonic or electronic means Any person participating in a meeting of shareholders and entitled to vote at that meeting may vote by means of the telephonic, electronic or other communication facility that the corporation has made available for that purpose.

10. Postponement or cancellation of meetings A meeting of shareholders may be postponed or cancelled by the board at any time prior to the date of the meeting.

11. Procedures at meetings The board may determine the procedures to be followed at any meeting of shareholders including, without limitation, the rules of order. Subject to the foregoing, the chair of a meeting may determine the procedures of the meeting in all respects.

## 12. Advance Notice Provisions

The purpose of this Section 12 is to provide shareholders, directors and management of the Corporation with a transparent, fair and structured framework under which shareholders may submit director nominations, by fixing a deadline by which such nominations must be submitted by a shareholder prior to any annual or special meeting of shareholders of the Corporation. This Section 12 sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form and other procedures to be followed, in respect of director nominations, in order to:

- a) facilitate an orderly and efficient annual or, where the need arises, special meeting process;
- b) ensure that all shareholders, including those voting by proxy, receive adequate notice of director nominations and sufficient information with respect to all director nominees; and
- c) allow shareholders to cast an informed vote with respect to the election of directors.

The provisions of this Section 12 will be subject to periodic review and, subject to the *Canada Business Corporations Act*, may be amended for the purposes of, among other things, complying with the requirements of applicable securities regulatory authorities or stock exchanges, or to meet evolving industry standards.

For purposes of this Section 12:

“**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada;

“**public announcement**” means disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com); and

“**Representatives**” of a person means the affiliates and associates of such person, all persons acting jointly or in concert with any of the foregoing, and the affiliates and associates of any of such persons acting jointly or in concert, and “**Representative**” means anyone of them.

- (a) Subject only to the *Canada Business Corporations Act*, and for so long as the Corporation is a distributing corporation, only persons who are nominated in accordance with the

following procedures will be eligible for election as directors of the Corporation. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors,

- (i) by or at the direction of the board, including pursuant to a notice of meeting;
  - (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Canada Business Corporations Act* or a requisition of the shareholders made in accordance with the provisions of the *Canada Business Corporations Act*; or
  - (iii) by any person (a “**Nominating Shareholder**”):
    - A. who, at the close of business on the date of the giving of the notice provided for below in this Section 12 and at the close of business on the record date for notice of such meeting of shareholders, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and
    - B. who complies with the notice procedures set forth below in this Section 12.
- (b) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof (in accordance with Section 12(c) below) in proper written form to the board (in accordance with Section 12(d) below).
- (c) To be timely, a Nominating Shareholder’s notice to the board must be made:
- (i) in the case of an annual meeting of shareholders (which includes an annual and special meeting), not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is called for a date that is less than 50 days after the date (the “**Notice Date**”) that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth day following the Notice Date; and
  - (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes as well), not later than the close of business on the 15<sup>th</sup> day following the day that is the earlier of the date that a notice of meeting is filed for such meeting or the date on which the first public announcement of the date of the special meeting of shareholders was made,

provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy related materials in respect of a meeting described in Section 12(c)(i) or Section 12(c)(ii), and the Notice Date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40<sup>th</sup> day before the applicable meeting. In the event of any adjournment or postponement of an annual meeting of shareholders or special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes as well) or the announcement

thereof, a new time period will commence for the giving of a Nominating Shareholder's notice as described in Section 12(c)(i) or Section 12(c)(ii), as applicable.

- (d) To be in proper written form, a Nominating Shareholder's notice to the board must:
- (i) set forth, as to each person whom the Nominating Shareholder proposes to nominate for election as a director (each, a "**Proposed Nominee**"):
    - A. the name, age, business address and residential address of the person;
    - B. the principal occupation, business or employment of the person, both present and for the past five years;
    - C. the status of such person as a "**resident Canadian**" (as such term is defined in the *Canada Business Corporations Act*);
    - D. the class or series and number of shares which are controlled or which are owned beneficially or of record by the person;
    - E. full particulars regarding any contract, agreement, arrangement, understanding or relationship (collectively, "**Arrangements**"), including without limitation financial, compensation and indemnity related Arrangements, between the Proposed Nominee or any associate or affiliate of the Proposed Nominee and any Nominating Shareholder or any of its Representatives;
    - F. whether the Proposed Nominee is party to any existing or proposed relationship, agreement, arrangement or understanding with any competitor of the Corporation or its affiliates or any other third party which may give rise to a real or perceived conflict of interest between the interests of the Corporation and the interests of the Proposed Nominee;
    - G. whether the Proposed Nominee is eligible for consideration as an independent director under the relevant standards contemplated by Applicable Securities Laws or any stock exchange rules that may be applicable to the Corporation; and
    - H. any other information relating to the Proposed Nominee or his or her associates or affiliates that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Canada Business Corporations Act* and Applicable Securities Laws.
  - (ii) set forth, as to each Nominating Shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:
    - A. the name, business address and, if applicable, residential address of such person;
    - B. the class or series and number of shares in the capital of the Corporation which are controlled, or over which control or direction is exercised, directly or indirectly, by such person and its Representatives (and for each such person any options or other rights to acquire shares in the capital of the Corporation, any derivatives or other securities, instruments or arrangements for which the price or value or delivery, payment or



settlement obligations are derived from, referenced to, or based on any such shares, and any hedging transactions, short positions and borrowing or lending arrangements relating to such shares);

- C. full particulars regarding (1) any proxy or other Arrangement pursuant to which such person or any of its Representatives has a right to vote or direct the voting of any shares of the Corporation, and (2) any other Arrangement of such person or any of its Representatives relating to the voting of any shares of the Corporation or the nomination of any person(s) to the board;
- D. full particulars regarding any Arrangement of such person or any of its Representatives, the purpose or effect of which is to alter, directly or indirectly, the economic interest of such person or any of its Representatives in a security of the Corporation or the economic exposure of any such person or any of its Representatives to the Corporation;
- E. a representation as to whether such person or any of its Representatives intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
- F. any other information relating to such person or any of its Representatives that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Canada Business Corporations Act* and Applicable Securities Laws.

- (iii) be accompanied by a written consent duly signed by each Proposed Nominee to being named as a nominee for election to the board and to serve as a director of the Corporation, if elected.

Reference to "Nominating Shareholder" throughout this Section 12 will be deemed to refer to each shareholder that nominates a person for election as a director in the case of a nomination where more than one shareholder is involved in making such nomination proposal.

The Corporation may require any Proposed Nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility, under the various rules and standards (including any stock exchange requirements) applicable to the Corporation, of such Proposed Nominee to serve as an independent director of the Corporation and/or a member of any committee of the board, in the same manner as would be required and disclosed by the Corporation's other directors.

In addition to the provisions of this by-law, a Nominating Shareholder and any Proposed Nominee will also comply with all of the applicable requirements of the *Canada Business Corporations Act*, Applicable Securities Laws and applicable stock exchange rules regarding the matters set forth herein.

- (e) All information to be provided in a timely notice pursuant to Section 12(d) above will be provided as of the record date for determining shareholders entitled to vote at the meeting (if such date will then have been publicly announced) and as of the date of such notice. The Nominating Shareholder will update such information forthwith if there are any material changes in the information previously disclosed.

- (f) For the avoidance of doubt, Section 12(a) above will be the exclusive means for any person to bring nominations for election to the board before any annual or special meeting of shareholders of the Corporation. No person will be eligible for election as a director of the Corporation unless such person has been nominated in accordance with the provisions of this Section 12; provided, however, that nothing in this Section 12 will be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the *Canada Business Corporations Act*. The chair of the meeting will have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination will be disregarded.
- (g) Notwithstanding any other provision of this Section 12 or any other by-law of the Corporation, any notice or other document or information required to be given to the board pursuant to this Section 12 may only be given by personal delivery or by email (at the email address set out in the Corporation's issuer profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com)), and will be deemed to have been given and made only at the time it is served by personal delivery to the board at the address of the principal executive offices of the Corporation or emailed (to the address as aforesaid) (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day, then such delivery or electronic communication will be deemed to have been made on the next following day that is a business day.
- (h) Notwithstanding the foregoing, the board may, in its sole discretion, waive all or any of the requirements in this Section 12.

## INDEMNIFICATION

13. Indemnification of directors and officers The Corporation will indemnify any director or officer of the Corporation, any former director or officer of the Corporation or any individual who acts or acted at the Corporation's request as a director or officer, or in a similar capacity, of another entity, and his or her heirs and legal representatives to the extent permitted by the *Canada Business Corporations Act*.

14. Indemnity of others Except as otherwise required by the *Canada Business Corporations Act* and subject to Section 13, the Corporation may from time to time indemnify and save harmless any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as an employee, agent of or participant in another entity, against expenses (including legal fees), judgments, fines and any amount actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which he or she served at the Corporation's request and, with respect to any criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that his or her conduct was lawful. The termination of any action, suit or proceeding by judgment, order, settlement or conviction will not, of itself, create a presumption that the person did not act honestly and in good faith with a view to the best interests of the Corporation or other entity and, with respect to any criminal or administrative action or proceeding that is enforced by a monetary penalty, had no reasonable grounds for believing that his or her conduct was lawful.

15. Right of indemnity not exclusive The provisions for indemnification contained in the by-laws of the Corporation will not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any agreement, vote of shareholders or directors or otherwise, both as to action in

his or her official capacity and as to action in another capacity, and will continue as to a person who has ceased to be a director, officer, employee or agent and will inure to the benefit of that person's heirs and legal representatives.

16. No liability of directors or officers for certain matters To the extent permitted by law, no director or officer for the time being of the Corporation will be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation will be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or body corporate with whom or which any moneys, securities or other assets belonging to the Corporation will be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto unless the same will happen by or through his or her failure to act honestly and in good faith with a view to the best interests of the Corporation and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. If any director or officer of the Corporation is employed by or performs services for the Corporation otherwise than as a director or officer or is a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact that the person is a director or officer of the Corporation will not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

#### BANKING ARRANGEMENTS, CONTRACTS, ETC.

17. Banking arrangements The banking business of the Corporation, or any part thereof, will be transacted with such banks, trust companies or other financial institutions as the board may designate, appoint or authorize from time to time and all such banking business, or any part thereof, will be transacted on the Corporation's behalf by one or more officers or other persons as the board may designate, direct or authorize from time to time.

18. Execution of instruments Contracts, documents or instruments in writing requiring execution by the Corporation will be signed by hand by any one officer or director of the Corporation (whether under the corporate seal of the Corporation, if any, or otherwise) and all contracts, documents or instruments in writing so signed will be binding upon the Corporation without any further authorization or formality. The board is authorized from time to time by resolution

- (a) to appoint any officer or any other person on behalf of the Corporation to sign by hand (whether under the corporate seal of the Corporation, if any, or otherwise) and deliver either contracts, documents or instruments in writing generally or to sign either by hand or by electronic transmission or mechanical signature or otherwise (whether under the corporate seal of the Corporation, if any, or otherwise) and deliver specific contracts, documents or instruments in writing, and
- (b) to delegate to any two officers of the Corporation the powers to designate, direct or authorize from time to time in writing one or more officers or other persons on the Corporation's behalf to sign either by hand or by electronic transmission or mechanical signature or otherwise (whether under the corporate seal of the Corporation, if any, or otherwise) and deliver contracts, documents or instruments in writing of such type and on such terms and conditions as such two officers see fit.

Contracts, documents or instruments in writing that are to be signed by hand may be signed electronically. The term "contracts, documents or instruments in writing" as used in this by-law includes without limitation deeds, mortgages, charges, conveyances, powers of attorney, transfers and assignments of property of all

kinds (including specifically but without limitation transfers and assignments of shares, warrants, bonds, debentures or other securities), proxies for shares or other securities and all paper writings.

#### MISCELLANEOUS

19. Invalidity of any provisions of this by-law The invalidity or unenforceability of any provision of this by-law will not affect the validity or enforceability of the remaining provisions of this by-law.

20. Omissions and errors The accidental omission to give any notice to any shareholder, director, officer or auditor or the non-receipt of any notice by any shareholder, director, officer or auditor or any error in any notice not affecting its substance will not invalidate any action taken at any meeting to which the notice related or otherwise founded on the notice.

#### INTERPRETATION

21. Interpretation In this by-law and all other by-laws of the Corporation words importing the singular number only include the plural and *vice versa*; words importing any gender include all genders; words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities; "board" means the board of directors of the Corporation; "**Canada Business Corporations Act**" means *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 as from time to time amended, re-enacted or replaced; terms that are not otherwise defined in this by-law have the meanings attributed to them in the *Canada Business Corporations Act*; and "meeting of shareholders" means an annual meeting of shareholders or a special meeting of shareholders.

22. Investor Rights Agreement All of the provisions of this by-law will be subject to the terms and provisions of the investor rights agreement dated March 3, 2021 between the Corporation, certain subsidiaries of Fairfax Financial Holdings Limited and Osmington Inc. for so long as such agreement remains in force and effect.

#### REPEAL

23. Repeal By-law No. 2 of the Corporation is repealed as of the coming into force of this by-law provided that such repeal will not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation or liability acquired or incurred under or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed will continue to act as if appointed by the directors under the provisions of this by-law or the *Canada Business Corporations Act* until their successors are appointed.

## Schedule C

### Board Mandate

#### STEWARDSHIP OF THE COMPANY

1. The Board of Directors of the Company (the “**Board**”) is responsible for:
  - (a) the stewardship of the business and affairs of the Company;
  - (b) supervising the management of the business and affairs of the Company;
  - (c) providing leadership to the Company by practicing responsible, sustainable and ethical decision making;
  - (d) ensuring that all major issues affecting the Company are given proper consideration; and
  - (e) directing management to ensure legal, regulatory and stock exchange requirements applicable to the Company have been met.

#### DIRECTOR OBLIGATION

2. Each director has the responsibility to:
  - (a) attend all regularly scheduled meetings of the Board and all of the Committees on which he or she serves and to be prepared for such meetings by reviewing materials provided in advance of meetings;
  - (b) act honestly and in good faith with a view to the best interests of the Company; and
  - (c) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

#### BOARD COMPOSITION

3. A majority of the Board will, at all times, be independent directors as defined in the current laws applicable to the Company.
4. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of the Company.

#### BOARD MEETINGS

5. The Board is responsible to:
  - (a) meet in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board; and
  - (b) hold meetings of the independent directors without management and non-independent directors present.

## **BOARD CHAIR**

6. Subject to the provisions of any investor rights or other securityholder rights agreement of the Company in existence from time to time, the Board is responsible to annually select an independent member of the Board to serve as Board chair, to:
  - (a) provide leadership to all directors;
  - (b) manage the affairs of the Board; and
  - (c) ensure that the Board functions effectively in fulfillment of its duties to the Company.

## **COMMITTEES OF THE BOARD**

7. The Board discharges its responsibilities directly and through its Committees. As such the Board will:
  - (a) establish such Committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board which Committees will include:
    - (i) an Audit Committee; and
    - (ii) a Corporate Governance and Compensation Committee;
  - (b) appoint directors to serve as members of each Committee;
  - (c) appoint a chair of each Committee to:
    - (i) provide leadership to the Committee;
    - (ii) manage the affairs of the Committee;
    - (iii) ensure that the Committee functions effectively in fulfilling its duties to the Board and the Company; and
    - (iv) to develop position descriptions for each Chair and the Board Chair; and
  - (d) regularly receive and consider reports and recommendations of each Committee, in particular:
    - (i) Audit Committee reports and recommendations, particularly with respect to the Company's annual audit and quarterly reports; and
    - (ii) Corporate Governance and Compensation Committee reports regarding governance issues and the nomination process and recommendations regarding nominees and candidates for election to the Board and reports regarding recommendations with respect to corporate goals and objectives, Chief Executive Officer compensation and Board assessments and compensation.

## **SUPERVISION OF MANAGEMENT**

8. The Board is responsible to:

- (a) select and appoint the Chief Executive Officer, and with the assistance of the Corporate Governance and Compensation Committee, establish Chief Executive Officer goals and objectives and evaluate Chief Executive Officer performance and develop a position description for the Chief Executive Officer which includes delineating management's responsibilities;
- (b) assist the Chief Executive Officer to select and appoint executive officers, establish executive officers' goals and objectives and monitor their performance; and
- (c) with the assistance of the Corporate Governance and Compensation Committee, maintain a succession plan for the replacement of the Chief Executive Officer and executive officers.

## GOVERNANCE

9. The Board is responsible to:

- (a) annually review and on the advice of the Corporate Governance and Compensation Committee either approve or require revisions to the mandates of the Board and each Committee, position descriptions, the code of conduct and business ethics (the "Code") and all other policies of the Company (collectively the "Governance Documents");
- (b) together with the Corporate Governance and Compensation Committee, take reasonable steps to satisfy itself that each director, the Chief Executive Officer and the executive officers are:
  - (i) performing their duties ethically;
  - (ii) conducting business on behalf of the Company in accordance with the requirements and the spirit of the Governance Documents;
  - (iii) fostering a culture of integrity throughout the Company; and
  - (iv) arrange, on the advice of the Corporate Governance and Compensation Committee, for the Governance Documents to be publicly disclosed;
- (c) ensure that all new directors receive a comprehensive orientation and that all new directors should fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Company expects from its directors) and that all new directors should also understand the nature and operation of the Company's business; and
- (d) provide continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as to ensure their knowledge and understanding of the Company's business remains current.

## COMMUNICATIONS

10. The Board is responsible to:

- (a) approve and implement a communications policy which provides for disclosure and communications practices governing the Company; and

- (b) approve and maintain a process for the Company's stakeholders to contact the independent directors directly with concerns and questions regarding the Company.

## **WAIVERS AND CONFLICTS**

- 11. The Board is responsible, with the assistance of the Corporate Governance and Compensation Committee, for:
  - (a) reviewing departures from the Code;
  - (b) providing or denying waivers from the Code; and
  - (c) disclosing departures from the Code including by filing required material change reports for material departures from the Code containing:
    - (i) the date of the departure;
    - (ii) the parties involved;
    - (iii) the reason why the Board has or has not sanctioned the departure; and
    - (iv) any measures taken to address or remedy the departure.

## **STRATEGIC PLANNING**

- 12. The Board has the duty to:
  - (a) adopt a strategic planning process, annually approve a strategic plan for increasing shareholder value taking into account, among other things, the opportunities and risks of the Company's business, and regularly monitor the Company's performance against its strategic plan;
  - (b) approve capital and operating budgets to implement the strategic plan; and
  - (c) conduct periodic reviews of the Company's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan; and evaluate management's analysis of the strategies of existing and potential competitors and their impact, if any, on the Company's strategic plan.

## **RISK MANAGEMENT**

- 13. The Board has the duty to:
  - (a) adopt a process to identify business risks and ensure appropriate systems to manage risks; and
  - (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Company's:
    - (i) disclosure controls and procedures;
    - (ii) internal controls over financial reporting; and
    - (iii) management information systems.



## **FINANCIAL MANAGEMENT**

14. The Board has the duty to:
  - (a) review and on the advice of the Audit Committee, approve, prior to their public dissemination:
    - (i) interim and annual consolidated financial statements and notes thereto;
    - (ii) management's discussion and analysis of financial condition and results of operations;
    - (iii) forecasted financial information and forward looking statements; and
    - (iv) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed;
  - (b) review and approve the relevant sections of the annual report, annual information form and management information circular, as required, prior to their public dissemination; and
  - (c) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.

## **MATERIALS**

15. The Board will have access to all books, records, facilities and personnel of the Company necessary for the discharge of its duties.

## **ADVISORS**

16. The Board has the power, at the expense of the Company, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

## Schedule D

### Corporate Governance and Compensation Committee Charter

#### PURPOSE

With respect to corporate governance, the overall purpose of the Corporate Governance and Compensation Committee (the “**Committee**”) is to:

- (a) assist the Board of Directors (“**Board**”) of the Company in the discharge of the Board’s duties with respect to adopting and ensuring compliance with the Code of Conduct and Business Ethics (the “**Code**”) and governance policies of the Company;
- (b) assist the Board in developing the Board Mandate for approval by the Board;
- (c) identify suitable Board candidates and recommend those candidates to the Board for nomination;
- (d) assist the Board in the discharge of the Board duties with respect to orientation of new directors and continuing education of the Company’s directors;
- (e) assist the Board in the discharge of the Board duties with respect to board and director assessments with respect to their effectiveness and contribution;
- (f) make recommendations as to members for the various committees of the Company;
- (g) assist the Board in discharging its responsibilities relating to compensation of the Company’s executives and directors; and
- (h) review an annual report on corporate governance practices and executive compensation to be included in the Company’s management proxy circular in accordance with applicable rules and regulations.

With respect to compensation, the overall purpose of the Committee is to:

- (a) develop and recommend to the Board, implementation and assessment of the compensation policies of the Company and recommend to the Board the compensation paid to the Chief Executive Officer (“**CEO**”), the President and the Chief Financial Officer (“**CFO**”) of the Company;
- (b) have oversight of director, officer and employee remuneration and compensation together with oversight of the evaluation of management of the Company; and
- (c) receive and or approve any other initiatives as may be necessary or desirable to enable the Board to provide an effective compensation system for the Company.

#### STRUCTURE AND AUTHORITY

1. The Board shall elect annually from the members of the Board a Committee which shall be composed of not less than three members of the Board. At least three members of the Committee shall be an independent director as defined in National Instrument 58-101 - Disclosure of Corporate Governance Practices. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.

2. Each member of the Committee shall serve at the pleasure of the Board and, in any event, only so long as he/she shall continue to be a director. The Board may fill vacancies in the Committee by election from their number, subject to new members satisfying the above stated requirements. The Board shall appoint the Chair of the Committee to serve in that capacity at the pleasure of the Board.
3. The Committee shall have the power to fix its quorum at not less than a majority of its members and to determine its own rules of procedures subject to any regulations imposed by the Board from time to time. The Committee shall meet at a minimum two times per year.
4. Each member will have, to the satisfaction of the Board, sufficient skills and/or experience which are relevant to the contribution in carrying out the mandate of the Committee.
5. The Committee shall have the sole authority to retain and terminate any advisors (legal, accounting or otherwise) to be used to assist in carrying out the Committee's duties and responsibilities and shall have the sole authority to approve the consultant's fees and other retention terms.
6. The Committee shall have the authority to delegate to committees of their own denomination, provided that the committees are composed entirely of independent directors. Any such committee must have a published committee charter.
7. Following each Committee meeting, the Chair of the Committee shall report to the Board on the activities, findings and recommendations of the Committee.

#### **DUTIES AND RESPONSIBILITIES**

8. With respect to corporate governance, and subject to the provisions of any investor rights or other securityholder rights agreement of the Company in existence from time to time, the Committee shall:
  - (a) set criteria for Board members, identify individuals qualified to become Board members and, at the direction of the Board, either select or recommend that the Board select the director nominees for each annual meeting of shareholders;
  - (b) in making its recommendations to the Board for Board nominees, the Committee shall consider:
    - (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
    - (ii) the competencies and skills that the Board considers each existing director to possess;
    - (iii) the competencies and skills each new nominee will bring to the Board; and
    - (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a Board member;
  - (c) develop and recommend a set of corporate governance principles applicable to the Company, including the implementation of a Communications Policy, an Insider Trading Policy, and the Code and the monitoring of the compliance content of such Code;
  - (d) develop and recommend a written Board Mandate for approval by the Board which explicitly acknowledges responsibility for the stewardship of the Company;

- (e) assess annually the size of the Board and the performance of the Board as a whole, the various committees of the Board (including the Committee) and the contribution of individual Directors, and make any necessary recommendations to the Board in relation thereto;
  - (f) make recommendations to the Board as to the members of the various committees of the Board, taking into account the eligibility for membership on such committees based upon applicable laws, rules and regulations;
  - (g) ensure the provision of appropriate orientation for new directors and availability of continuing education programs for all directors;
  - (h) ensure that the Board can function independently of management and ensure that the Chairs of the various committees of the Board shall have unimpeded access to management; and
  - (i) review and approve the annual corporate governance and executive compensation report to be included in the management proxy circular prepared in connection with the annual meeting of shareholders describing the corporate governance practices of the Company as may be required under applicable securities laws and the rules of any stock exchange on which the Company's shares are listed.
9. With respect to compensation, the Committee shall:
- (a) review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the CEO's performance in light of those goals and objectives and to determine and recommend for approval by the Board the CEO's compensation level based on this evaluation;
  - (b) recommend to the Board with respect to non-CEO officer and director compensation, incentive compensation plans and equity-based plans; and in particular, review and recommend to the Board the annual bonus payments for the CEO and other executive officers;
  - (c) annually review with the CEO, the position description for the CEO, and in the Committee's discretion, recommend any changes to the Board for consideration;
  - (d) annually review the senior executive officer and CEO succession and development plans and, after consultation with the CEO, make recommendations to the Board for consideration;
  - (e) make recommendations to the Board regarding the administration of and the granting of awards under the Company's security-based compensation arrangements;
  - (f) review the compensation philosophy and guidelines for executive management, for recommendation to the Board for its consideration and approval;
  - (g) subject to the approval of the Board, review and approve benefits other than those applicable to employees generally to be granted to executive management including levels and types of benefits;
  - (h) consider and make recommendations to the Board for its approval all matters concerning incentive awards, perquisites and other remuneration matters with respect to executive management;

- (i) oversee the selection of and terms of reference for outside consultants to review the executive management compensation program as appropriate;
  - (j) review executive compensation disclosure before the Company publicly discloses such information; and
  - (k) consider any other matter properly referred to the Committee by the Board or CEO for review, decision or recommendation.
10. The Committee shall conduct an annual review and assessment of its performance including compliance with this Charter, and its role, duties and responsibilities.

## Schedule E

### Legacy Option Plan

#### *Shares Subject to the Legacy Option Plan*

Although no further awards will be granted under the Legacy Option Plan, as at December 31, 2022, there were 562,745 Options issued and outstanding under the Legacy Option Plan, representing approximately 1.3% of the issued and outstanding Common Shares as of March 31, 2023. As of March 31, 2023, all Options under the Legacy Option Plan have been exercised, or have expired in accordance with their terms.

The maximum number of Common Shares that: (i) are issuable to insiders (as defined in the Company Manual of the TSX, including such staff notices of the TSX which may supplement the same); and (ii) may be issued to insiders within a one-year period, in each case, pursuant to awards under the Legacy Option Plan and any other share-based compensation arrangement we adopt is 10% of the Common Shares outstanding from time to time. No insider will be granted awards in any single calendar year with respect to more than 5% of the issued and outstanding Common Shares. All Options that had been issued under the Legacy Option Plan vested in conjunction with the IPO.

The Legacy Option Plan provides that appropriate adjustments, if any, will be made by our Board in connection with any subdivision, combination or reclassification of the Common Shares, or other change in our share capital, including adjustments to the exercise price and/or the number of Common Shares to which an optionee is entitled upon exercise of Options.

Awards under the Legacy Option Plan are generally non-assignable and non-transferable except in the event of the optionee's death or disability or in the event that the optionee's employment is deemed to be terminated (as set forth in the Legacy Option Plan).

#### *Termination of Options*

The Legacy Option Plan provides for the termination of each award on the earlier of (i) the specified termination date, (ii) if the optionee's position as an employee, Director, officer or consultant of the Company or an affiliate is terminated for cause, the date of termination for such cause, (iii) if the optionee's position as an employee or consultant terminates for a reason other than the optionee's disability, death or termination for cause, 90 days after the occurrence of such date, (iv) if the optionee's position as a director or officer terminates for a reason other than the optionee's disability, death or termination for cause, one year, and (v) the date of any sale, transfer, assignment or hypothecation, or any attempted sale, transfer, assignment or hypothecation in breach of the Legacy Option Plan.

#### *Option Amending Agreements*

In connection with the amendment and restatement of the Legacy Option Plan at the closing of the IPO, the Company also entered into option amending agreements with certain Directors and executive officers of the Company, which amending agreements provided for restrictions on the exercise by such Director or executive officer of their Options, or the transfer of Common Shares issued upon the exercise of such Options, for a period of time following the closing of the IPO.

#### *Amendments to the Legacy Option Plan*

Shareholder approval is required for amendments to the Legacy Option Plan to: (i) reduce the exercise price or purchase price of any Options granted under the Legacy Option Plan; (ii) extend the term under any option agreement; (iii) remove or exceed the limits in the Legacy Option Plan on participation by Insiders of the Company; (iv) increase the maximum number of securities issuable, either as a fixed number

or a fixed percentage of the Company's outstanding capital represented by such securities; or (v) amend an amending provision within the Legacy Option Plan.

Our Board or the Corporate Governance and Compensation Committee may, without Shareholder approval, amend the Legacy Option Plan with respect to: (i) amendments of a "housekeeping nature"; (b) changes to the vesting provisions applicable to any Option, option agreement or the Legacy Option Plan; (c) changes to the provisions of the Legacy Option Plan relating to the expiration of Options prior to their respective expiration dates upon the occurrence of certain specified events determined by the Board; (d) changes in the exercise price of an Option granted to an optionee who is not an Insider of the Company; or (e) the cancellation of an Option.

#### *Annual Burn Rate*

The following table outlines the Burn Rate for the Legacy Option Plan for the past three fiscal years.

	<b>2022<sup>(2)</sup></b>	<b>2021<sup>(2)</sup></b>	<b>2020<sup>(3)</sup></b>
Burn Rate <sup>(1)</sup>	0%	0%	N/A

**Notes:**

<sup>(1)</sup> The Burn Rate is calculated using the TSX prescribed methodology.

<sup>(2)</sup> The Burn Rate for the years ended December 31, 2022 and December 31, 2021 are based on the Options granted since the IPO, which closed on March 3, 2021. No Options have been awarded under the Legacy Option Plan since the IPO.

<sup>(3)</sup> Farmers Edge was a private company for the year ended December 31, 2020.