

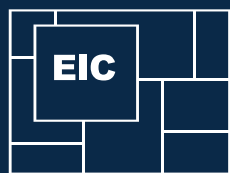
BUILT TO LAST

April 3, 2024

Notice of Annual and Special Meeting of Shareholders and Management Information Circular



MEETING DATE & TIME
MAY 8, 2024 10:30AM (CDT)



**Exchange
Income
Corporation**



MEETING DATE & TIME
MAY 8, 2024 10:30 AM (CDT)

We look forward to your participation in our meeting. Please see “How to Participate in the Meeting” on page 3 of the circular for an explanation on how you can vote your shares and ask questions or provide comments.

We hope you vote your shares **whether or not** you intend to attend the meeting and ask that you vote and send your proxy as soon as possible before the meeting.



Welcome to our 20th annual meeting of shareholders



Dear fellow shareholders,

We are pleased to invite you to Exchange Income Corporation's annual and special meeting in Winnipeg on May 8, 2024.

This management information circular provides shareholders with important information, including the Corporation's approach to corporate governance matters and executive compensation, as well as other business that will be conducted at the meeting. We encourage you to review this circular and vote your shares.

Shareholders may choose to attend our annual & special meeting either in person or online via a live webcast. Both options will allow for full shareholder participation by viewing the meeting, voting their shares, and submitting questions.

Amidst a challenging global economic environment, we are proud of the record results we achieved in 2023 and the foundation we have built for continued resilient growth in the future. The Corporation's board and leadership team thank you for your continued engagement and confidence in our company.

We look forward to hearing from our shareholders directly as we welcome you on May 8, 2024.

A handwritten signature in black ink, appearing to read "Don Streuber".

Don Streuber
Chair of the Board

A handwritten signature in black ink, appearing to read "Mike Pyle".

Mike Pyle
Chief Executive Officer

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NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION

Exchange Income Corporation (the "Corporation") will hold its annual and special meeting (the "Meeting") of the holders ("Shareholders") of its common shares ("Shares") as set forth below:



WHEN:

Wednesday, May 8, 2024
10:30 a.m. (Winnipeg Time)

WHERE:



In person:

Calm Air Hangar
958 Ferry Road
Winnipeg, MB R3H 0Y8



Via live webcast online:

at <https://web.lumiagm.com/496879943>
Password: eic2024 (case sensitive)

Details on how to participate electronically in the Meeting are included in the accompanying management information circular (the "**Circular**") and will also be available at the Corporation's website at www.ExchangeIncomeCorp.ca.

What the Meeting will cover:

- 1. TO RECEIVE** and consider the Corporation's consolidated financial statements for the period ended December 31, 2023, together with the auditor's report on those statements;
- 2. TO APPOINT** an auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation (the "Directors") to fix the auditor's remuneration;
- 3. TO ELECT** the Directors for the ensuing year as identified in the Circular;
- 4. TO APPROVE** the fifth amended and restated deferred share plan of the Corporation, the full text of which is set forth as Schedule B of the Circular;
- 5. TO APPROVE** the fifth amended and restated employee share purchase plan of the Corporation, the full text of which is set forth as Schedule C of the Circular;
- 6. TO CONSIDER AND APPROVE**, on an advisory basis, an ordinary resolution to accept the Corporation's approach to executive compensation; and
- 7. TO TRANSACT** any other business properly brought before the Meeting and at any and all adjournments thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular.

The record date for the determination of Shareholders entitled to receive notice of and to attend and vote at the Meeting is March 28, 2024. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on that date and holders of Shares issued by the Corporation after such date and prior to the Meeting will be entitled to receive notice of and to vote at the Meeting; provided that, to the extent a Shareholder transfers the ownership of any Shares after such date and the transferee of those Shares establishes that such transferee owns the Shares and demands, not later than ten days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting.

A Shareholder may attend the Meeting in person or virtually, as applicable, or may be represented by proxy. Shareholders who are unable to attend the Meeting in person or virtually, as applicable, or any adjournment thereof are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof.

To be effective, the enclosed proxy must be received by the Chair of the Corporation:

BY MAIL	BY FACSIMILE	BY SCAN AND EMAIL	BY INTERNET*
TSX Trust Company, Proxy Department, PO Box 721, Agincourt, Ontario, M1S 0A1	416-368-2502 (Toll Free: 1-866-781-3111 Canada & US Only)	proxyvote@tmx.com	www.meeting-vote.com

* Entering the 13-digit control number on the proxy not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof.

A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting. Non-Registered Shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

Winnipeg, Manitoba
April 3, 2024

By Order of the Directors

"Dianne Spencer"

Dianne Spencer
Corporate Secretary

GLOSSARY OF KEY TERMS

Capitalized terms used in this Circular have the meanings ascribed to them below.

Aerospace & Aviation Sector Advisory Committee	means the aerospace and aviation sector advisory committee of the Board
Annual Information Form	means the annual information form of the Corporation dated March 27, 2024
Amended Deferred Share Plan	means the fifth amended and restated deferred share plan of the Corporation approved by the Board and subject to the approval of the Shareholders at the Meeting
Amended Employee Share Purchase Plan	means the fifth amended and restated employee share purchase plan of the Corporation approved by the Board and subject to the approval of the Shareholders at the Meeting
Articles	means the articles of amalgamation of the Corporation dated January 1, 2010, as amended by the articles of amendment of the Corporation dated June 14, 2019
Audit Committee	means the audit committee of the Board
Board	means the board of directors of the Corporation
Board Diversity Policy	has the meaning ascribed to that term in “Corporate Governance – Diversity of Board and Executives”
CBCA	means the <i>Canada Business Corporations Act</i>
Circular	means this management information circular dated April 3, 2024 in respect of the Meeting
Compensation Committee	means the compensation committee of the Board
Corporation	means Exchange Income Corporation
Deferred Share Plan	means the Existing Deferred Share Plan and the Amended Deferred Share Plan, as applicable, if the Amended Deferred Share Plan is approved by Shareholders at the Meeting
Deferred Shares	means deferred shares issued by the Corporation pursuant to the Deferred Share Plan
Designated Group	has the meaning ascribed to that term in “Corporate Governance – Diversity of Board and Executives”
Director	means a director of the Corporation and “Directors” means all of the directors of the Corporation
Disclosure and Competition Committee	means the disclosure and competition committee of the Board
EBITDA	means earnings before interest, taxes, depreciation and amortization
Employee Share Purchase Plan	means the Existing Employee Share Purchase Plan and the Amended Employee Share Purchase Plan, as applicable, if the Amended Employee Share Purchase Plan is approved by Shareholders at the Meeting
ESG	means Environmental, Social and Governance, which includes, but is not limited to, topics such as stakeholder engagement, human resources, compensation, safety, health, environment, cybersecurity, and climate.
Existing Deferred Share Plan	means the fourth amended and restated deferred share plan of the Corporation dated May 9, 2018
Existing Employee Share Purchase Plan	means the fourth amended and restated employee share purchase plan of the Corporation dated May 8, 2019
Governance Committee	means the governance committee of the Board
ICD	means the Institute of Corporate Directors
IFRS	means International Financial Reporting Standards
Independent Directors	means the Directors who are independent within the meaning of NI 58-101
Management Nominees	means Michael Pyle and Donald Streuber
Manufacturing Sector Advisory Committee	means the manufacturing sector advisory committee of the Board
Meeting	means the annual and special meeting of Shareholders to be held on May 8, 2024 at the time and place set forth in the Notice of Meeting and, where the context requires, includes any adjournment thereof
NI 58-101	means National Instrument 58-101 Disclosure of Corporate Governance Practices
Notice of Meeting	means the notice of the Meeting accompanying this Circular
NP 58-201	means National Policy 58-201 Corporate Governance Guidelines
Ordinary Resolution	means the affirmative vote of not less than a majority of votes cast by Shareholders with respect to a particular matter
Record Date	means March 28, 2024
RSU	means a restricted share unit issued pursuant to the RSU Plan
RSU Plan	means the amended and restated restricted share unit plan of the Corporation dated November 7, 2018
SASB	means the Sustainability Accounting Standards Board
Say-on-Pay Vote	has the meaning ascribed to that term in “Particulars of Matters To Be Acted On At The Meeting - Advisory Vote on Executive Compensation”
Share	means a common share of the Corporation
Shareholder(s)	means the holder(s) of Shares
TCFD	means the Task force on Climate related Financial Disclosures
TSX	means the Toronto Stock Exchange

MANAGEMENT INFORMATION CIRCULAR SOLICITATION OF PROXIES

This Circular and the accompanying form of proxy are for use at the Meeting and any adjournments or postponements thereof for the purposes described in the accompanying Notice of Meeting. The Meeting is scheduled for:



WHEN:

Wednesday, May 8, 2024
10:30 a.m. (Winnipeg Time)



WHERE:

In person:

Calm Air Hangar
958 Ferry Road
Winnipeg, MB R3H 0Y8



Via live webcast online:

at <https://web.lumiagm.com/496879943>
Password: **eic2024** (case sensitive)

Details on how to participate electronically in the Meeting are included in the accompanying management information circular (the “**Circular**”) and will also be available at the Corporation’s website at www.ExchangeIncomeCorp.ca.

Proxies are being solicited by the management of the Corporation. Solicitations of proxies will be primarily by mail, but may also be solicited personally by officers or Directors of the Corporation, at a nominal cost. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of Shares held on the Record Date by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

Except as otherwise stated, the information contained herein is given as of the date of this Circular.

HOW TO PARTICIPATE IN THE MEETING

The Meeting will be held in person with a virtual live webcast for those who are unable to attend in person.

Please visit the Corporation’s website at https://www.exchangeincomecorp.ca/annual_general_meeting_materials in advance of the Meeting for the most current information about attending the Meeting.

Questions Prior to the Meeting

You can ask questions prior to the Meeting by contacting the Corporate Secretary using the contact details located in “Additional Information”.

Attending the Meeting In Person

If you are a registered Shareholder or a proxyholder (including Non-Registered Shareholders who have appointed themselves as proxyholder), you will be able to attend the Meeting in person, ask questions and vote. Participants that intend on attending the Meeting in person must check in at the registration desk at the Calm Air hangar.



How to Participate in the Meeting

Attending the Meeting Online


Participating Shareholders and guests will be able to view a live webcast of the Meeting on their device by logging in online at <https://web.lumiagm.com/496879943> in a web browser (not a Google search) on your smartphone, tablet or computer. The password is “**aic2024**” (case sensitive). Participating Shareholders will also be able to ask the Board questions and submit votes in real time. Participants will need the latest versions of Chrome, Safari, Edge and Firefox. Internet Explorer is not compatible with the platform. Participants should allow at least 15 minutes to check into the meeting and complete the related registration.

Participants should ensure their browsers are compatible by logging in prior to the Meeting. Internal network security protocols including firewalls and virtual private networks (VPN) connections may block access to the online platform for the Meeting. If participants experience any difficulty connecting or watching the meeting, they should ensure their VPN setting is disabled or use a computer or device on a network not restricted to security settings of their organization.

Please follow the step-by-step instructions below to participate in the Meeting virtually:

- If participants have voting rights, select “I have a login” and enter control number or username provided by the transfer agent and the password above.
- If participants do not have voting rights, select “I am a guest” and fill in the form.
- When successfully authenticated, the info screen  will be displayed.
- If participants would like to watch the webcast press the broadcast icon. .
- If viewing on a computer, the webcast will appear at the right-hand side of the screen automatically once the Meeting has started.
- Participants can also view documents by clicking on its icon.
- Once the voting has opened, the resolutions and voting choices will be displayed.
- To vote, simply select the participants voting direction from the options shown on screen.
- A confirmation message will appear to show the participant vote has been received.

For - Vote received

- To change the participant’s vote, simply select another direction. If the participant wishes to cancel their vote, press “cancel”.
- Any Shareholder attending the meeting is eligible to ask questions.
- If participants would like to ask a question, select the messaging icon. .
- Messages can be submitted at any time during the question and answer session up until the Chair of the Meeting closes the session. Participants may submit their message within the chat box at the bottom of the messaging screen.
- All questions sent via the online platform will be moderated before being sent to the Chair of the Meeting.

Details on how to connect to the Meeting will also be available at the Corporation’s website at www.ExchangeIncomeCorp.ca.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxies

The Management Nominees have been selected by the Directors and have indicated their willingness to represent Shareholders who appoint them as their proxy for the Meeting.

A Shareholder has the right to designate a person (who need not be a Shareholder) other than the Management Nominees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the enclosed instrument of proxy the name of the person to be designated and striking out the names of the Management Nominees, or by completing another proper instrument of proxy. Such Shareholder should notify the nominee of the appointment, obtain his or her consent to act as proxy and should provide instructions on how the Shareholder's Shares are to be voted. In any case, an instrument of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney has executed the instrument of proxy.

Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting and any adjournment thereof, except to the extent such Shareholder transfers any of such Shareholder's Shares after the Record Date and the transferee of those Shares establishes that the transferee owns the Shares and demands, not later than ten days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote, in which case the transferee shall be entitled to vote the Shares at the Meeting.

Shareholders unable to attend the Meeting are requested to read this Circular and the accompanying form of proxy and to complete, sign and date the proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof and deliver it to the Chair of the Corporation:

BY MAIL	BY FACSIMILE	SCAN AND EMAIL	BY INTERNET*
TSX Trust Company, Proxy Department, PO Box 721, Agincourt, Ontario, M1S 0A1	416-368-2502 (Toll Free: 1-866-781-3111 Canada and US Only)	proxyvote@tmx.com	www.meeting-vote.com

* Entering the 13-digit control number on the proxy not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof.

A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting. Non-Registered Shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

Revocation of Proxies

A Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been held pursuant to its authority by an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized and deposited at either the above mentioned office of TSX Trust Company or at the Corporation's head office, Attention: Chair of the Board, by no later than 3:30 p.m. (Winnipeg time) on or before the last business day preceding the day of the Meeting or any adjournment thereof. Notwithstanding the foregoing, if a registered Shareholder attends the Meeting, such Shareholder may revoke the proxy and vote at the Meeting. The head office of the Corporation is 101-990 Lorimer Boulevard, Winnipeg, Manitoba, R3P 0Z9.

Voting by Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders ("**Non-Registered Shareholders**") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. Shares

Appointment and Revocation of Proxies

beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees); or (ii) 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 applicable securities law requirements, the Corporation will have distributed copies of the Notice of Meeting, this Circular, the form of proxy and the request form (collectively, the “**Meeting Materials**”) to the applicable clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “voting instruction form”) which the Intermediary must follow. Typically, the voting instruction form will consist of one page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with the Chair of the Corporation, c/o Proxy Department, TSX Trust Company, PO Box 721, Agincourt, Ontario, M1S 0A1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the Non-Registered Shareholder’s name or such other person’s name in the blank space provided. In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

All references to Shareholders in this Circular and the accompanying proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

Voting of Proxies

The persons named in the accompanying form of proxy will vote or withhold from voting the Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing them. **In the absence of such direction, those Shares will be voted in favour of (“For”) each of the matters identified in the Notice of Meeting.**

Exercise of Discretion of Proxy

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and this Circular and with respect to matters that may properly come before the Meeting. At the date of this Circular, management of the Corporation does not know of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and this Circular.

INFORMATION RESPECTING EXCHANGE INCOME CORPORATION

General

The head office of the Corporation is located at 101-990 Lorimer Boulevard, Winnipeg, Manitoba, R3P 0Z9.

Authorized Capital

The Corporation currently has one class of shares issued and outstanding that entitles holders thereof to vote at the Meeting, such class being the Shares. The Corporation is entitled to issue an unlimited number of Shares. Each Share outstanding on the Record Date is entitled to one vote at the Meeting.

Voting Securities and the Principal Holders of Voting Securities

As at the date of this Circular, the Corporation has 47,281,764 Shares issued and outstanding. To the knowledge of management, no person beneficially owns, directly or indirectly, or controls or directs more than 10% of the outstanding Shares. The holders of Shares are entitled to receive notice of and attend any meeting of the Shareholders and are entitled to one vote thereat for each Share held by them respectively.

Each person who is a holder of a Share at the close of business on the Record Date will be entitled to notice of and to attend and vote at the Meeting except to the extent such Shareholder transfers the ownership of any of such holder's Shares after the Record Date and the transferee of those Shares produces properly endorsed Share certificates or otherwise establishes that the transferee owns such Shares and demands, not later than ten days before the Meeting, that such transferee's name be included in the list of Shareholders entitled to vote at the Meeting. Such transferee shall be entitled to vote such Shares at the Meeting.

To the knowledge of the Corporation's management, the only matters to be placed before the Meeting are the matters set forth in the Notice of Meeting as further described below.

Interest of Certain Persons in Matters to be Acted Upon

To the knowledge of management, none of the Directors or executive officers of the Corporation, or any nominees for election as a Director, or any associate or affiliate of any such person, has any material interest, direct or indirect, by way of securities or otherwise in any matters to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED ON AT THE MEETING

1. Appointment of Auditor

It is proposed that PricewaterhouseCoopers LLP be appointed as the Corporation's auditor until the next annual meeting of the Shareholders and that the Directors be authorized to fix the auditor's remuneration. PricewaterhouseCoopers LLP has been the Corporation's auditor since May 14, 2013.

TO BE EFFECTIVE, the resolution approving the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration must be passed at the Meeting. The Directors recommend a vote FOR the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration. In the absence of a contrary instruction, the Management Nominees intend to vote FOR the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration.

2. Election of Directors

The Articles provide for a minimum of one Director and a maximum of 15 Directors. At present, there are ten Directors. The Board of Directors has resolved there should be 11 directors effective upon the election of the directors at the meeting.

The Shareholders are entitled to elect the Directors. The Board has nominated eleven Directors for approval at the Meeting. The Directors are elected to hold office until the next annual meeting of the Shareholders or until their successors are appointed. The Board believes these nominees have the diversity of skills, experience and qualifications required for effective oversight of the Corporation.

Director Nominees Summary

There are eleven Director nominees. Except Carmele Peter, each nominee was elected at the last annual meeting of shareholders on May 10, 2023.

The following table is a summary of the eleven Directors nominated by the Board. For more information, see "Individual Director Nominees Information Tables" below.

Individual	Age	Director Since	Main Occupation	Independent	Committee ⁽¹⁾	Board Meeting Attendance	Share Ownership Requirement
Brad Bennett	66	July 2009	Chairman McIntosh Properties Ltd.	✓	C, E (Chair), F	100%	Met
Gary Buckley	64	July 2009 ⁽²⁾	President Wellington Paige Group Inc.	✓	B, C (Chair), F	100%	Met
Polly Craik	62	May 2018	Corporate Director	✓	B, E	100%	Met
Barb Gamey	66	May 2023	Co-Founder Payworks	✓	B, E	71% ⁽³⁾	Has until January, 2028 to comply
Bruce Jack	71	May 2022	Corporate Director	✓	A, B (Chair), F	100%	Met
Duncan Jessiman	77	July 2009 ⁽²⁾	Executive Vice-Chair	—	D (Chair), E, F	100%	Met
Carmele Peter	58	Nominated May 2024	President	—	N/A	N/A	Met
Michael Pyle	59	July 2009 ⁽²⁾	CEO	—	D, E, F	100%	Met
Melissa Sonberg	63	May 2018	Corporate Director and Professor of Practice	✓	A (Chair), C, E	100%	Met
Donald Streuber	67	July 2009 ⁽²⁾	Executive Chairman Bison Transport Inc.	✓	E	100%	Met
Edward Warkentin	74	July 2009 ⁽²⁾	Corporate Director	✓	A, C, F (Chair)	100%	Met

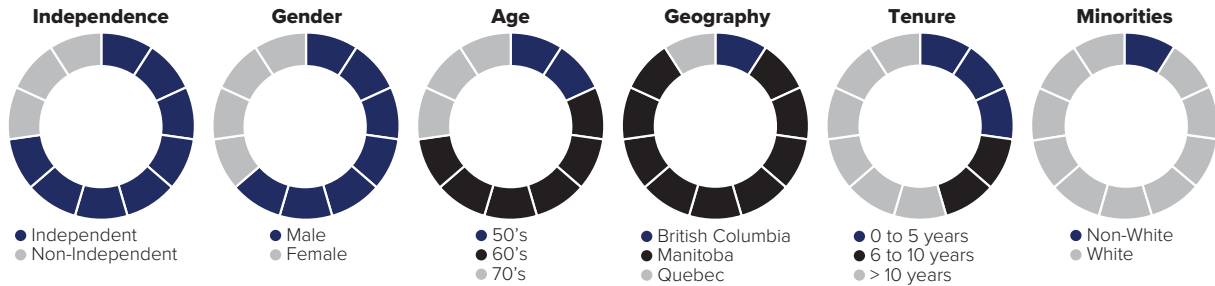
Notes:

- (1) Committees:
A) Governance Committee

Election of Directors

- B) Audit Committee
 - C) Compensation Committee
 - D) Disclosure and Competition Committee
 - E) Aerospace & Aviation Sector Advisory Committee
 - F) Manufacturing Sector Advisory Committee
- (2) These individuals were also trustees of a predecessor to the Corporation (Exchange Industrial Income Fund).
- (3) Ms. Gamey attended 100% of Board and committee meetings in 2023 after she was elected in May, 2023.

Board Nominees at a Glance:



All nominee data is based on self-identification and is voluntarily disclosed.

Members of visible minorities are defined as persons, other than Indigenous Peoples, who self-identify as non-white.

Indigenous Peoples is a term used to describe the original inhabitants of Canada and their descendants. This includes First Nations, Inuit, and Metis peoples.

In this circular we refer to Indigenous Peoples and members of visible minorities, which are members of racialized groups. These terms recognize the unique histories of racism that the groups have and continue to live through. Their meanings have significance worldwide. Similar and different terminologies are used in different regions. By referring to these groups of persons in this manner, we do not intend to suggest their experiences are the same. We recognize and acknowledge that Indigenous Peoples and members of visible minorities have been and continue to be affected by racism in different ways.

Director Skills Matrix

The following table identifies the specific expertise brought by each individual Director:

	Accounting and Finance	Strategic Planning	Risk Management	Corporate Governance	Corporate Development, Mergers and Acquisitions	Legal, Regulatory and Public Affairs	Capital Markets	Human Capital Management & Compensation	Aviation/Aeronautics	Manufacturing/Supply Chain Management	Marketing and Sales Strategy	Information Technology and Social Media/Cybersecurity	International Business	Executive Suite Line Management	Climate
Individual															
Brad Bennett	✓	✓		✓	✓		✓	✓	✓	✓					
Gary Buckley	✓	✓		✓	✓		✓	✓	✓	✓				✓	
Polly Craik		✓	✓	✓							✓	✓		✓	
Barb Gamey		✓	✓	✓				✓			✓	✓		✓	
Bruce Jack	✓		✓	✓	✓								✓		
Duncan Jessiman		✓			✓	✓	✓		✓	✓					
Carmele Peter		✓	✓	✓	✓	✓		✓	✓	✓				✓	✓
Michael Pyle	✓	✓			✓		✓	✓	✓	✓				✓	✓
Melissa Sonberg				✓				✓	✓		✓		✓	✓	✓
Donald Streuber	✓		✓		✓		✓		✓	✓	✓			✓	✓
Edward Warkentin	✓			✓	✓	✓	✓	✓	✓	✓					

Individual Director Nominees Information Tables

The following tables set forth the names of and certain additional information regarding the nominees for election as Directors (alphabetically). Except as noted, each nominee has held the principal occupation set forth below his/her name for the past five years. The additional information includes the number of Shares and Deferred Shares currently owned (directly or indirectly and over which control or direction is exercised) as of the date of this Circular and as of the date of the previous year's management information circular of the Corporation (April 5, 2023). The Share ownership requirements noted for each Director are more fully described in the Corporation's Director Share Ownership Policy which is described in "Corporate Governance – Director Share Ownership Policy". The Share ownership requirement for Michael Pyle as CEO is described in "Executive Compensation – Compensation Committee".

The estimated values of each Director's Shares and Deferred Shares is based on the closing price of the Shares on the TSX for the trading day immediately prior to the date of the management information circular of the Corporation for the current and prior year (as applicable), which are set forth below.

Year	Share Price	Closing Price Date
2024	\$48.66	April 2, 2024
2023	\$52.75	April 5, 2023

Election of Directors



Brad Bennett
C.M., O.B.C.

Kelowna, BC

Joined the
Board on
July 28, 2009

Age: 66

Status:
Independent

Mr. Bennett is currently chair of the Aerospace & Aviation Sector Committee.

Mr. Bennett is Chairman and former President of McIntosh Properties Ltd., a real estate and investment holding company. Mr. Bennett has served on a number of public and private company boards and is currently a director of UBC Properties Trust and a trustee of the Fraser Institute.

Past public service positions include Chair of British Columbia Hydro, director of Powerex Inc., Chair of MITACS, Chair of the University of British Columbia Board of Governors, Chair of Okanagan University College, Chair of Kelowna General Hospital Foundation, Chair of Rotary Centre for the Arts Building Committee in Kelowna, Co-Chair of the Central Okanagan Hospice Campaign and a member of the Premier's Technology Council.

Mr. Bennett received an honorary Alumni Award from the University of British Columbia in 2007, was awarded the Order of British Columbia in 2010 and received an honorary Doctorate of Law from the University of British Columbia in 2011. Mr. Bennett was awarded the Queen's Diamond Jubilee Medal in 2012 and became a member of the Order of Canada in 2019.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Compensation Committee	1 of 2	50%
Aerospace & Aviation Sector Advisory Committee (Chair)	4 of 4	100%
Manufacturing Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

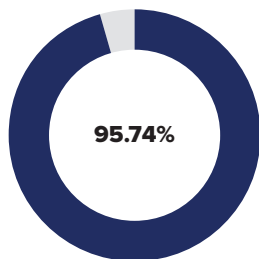
- Accounting and finance
- Strategic planning
- Corporate governance
- Corporate development, mergers and acquisitions
- Capital markets
- Human capital management and compensation
- Aviation & Aeronautics
- Manufacturing & supply chain management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (\$)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	1,763,568	85,815,219	37,454	1,822,512	1,801,022	87,637,731	525,000	100%
Previous	1,763,568	93,028,212	31,673	1,670,750	1,795,241	94,698,963	525,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,288,447	457,981	10,746,428

**Gary Buckley**

Winnipeg, MB

Joined the Board on July 28, 2009 (previously a trustee of a predecessor to the Corporation)

Age: 63

Status: Independent

Mr. Buckley is currently the Chair of the Compensation Committee.

Mr. Buckley holds a Bachelor of Commerce degree from the University of Alberta and is currently President of Wellington Paige Group Inc., a multifaceted holding company. Mr. Buckley has been involved in the hotel and hospitality industry since 1983. Since 1998, Mr. Buckley has been the co-owner and operator of the Elkhorn Resort & Conference Center in Clear Lake, Manitoba. Mr. Buckley is also the largest shareholder of Genesis Hospitality Inc., which owns various hotel properties in Alberta, Manitoba and Ontario. Mr. Buckley is also the owner of additional commercial and multi-family residential properties.

Mr. Buckley is a past director of Pavilion Global Markets, and past director of Temple Hotels Inc. (formerly Temple Real Estate Investment Trust) and of the Cancer Care Manitoba Foundation as well as other non-profit organizations.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Audit Committee	5 of 5	100%
Compensation Committee (Chair)	2 of 2	100%
Manufacturing Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

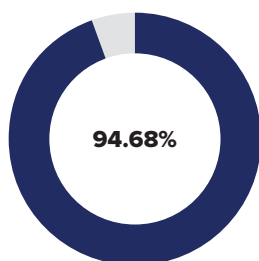
- Accounting and finance
- Strategic planning
- Corporate governance
- Corporate development, mergers and acquisitions
- Capital markets
- Human capital management & compensation
- Aviation & Aeronautics
- Manufacturing & supply chain management
- Executive suite line management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	457,995	22,286,037	35,775	1,740,812	493,770	24,026,848	525,000	100%
Previous	391,875	20,671,406	30,098	1,587,670	421,973	22,259,076	525,000	100%

**Prior Year Voting Results For Election as a Director**

For	Withheld	Total
10,175,164	571,264	10,746,428

Election of Directors



**Polly Craik,
ICD.D.**

Winnipeg, MB

**Joined the
Board on
May 9, 2018**

Age: 62

**Status:
Independent**

Ms. Craik is an experienced corporate director with a distinguished background in business and community leadership. Ms. Craik is a graduate of the Advanced Business Executive Program at the Massachusetts Institute of Technology and has received numerous accolades for her contributions to the community. Ms. Craik has extensive experience in the private sector, having owned and led the growth of Fine Line Communications Ltd., a Canadian business, for 30 years until its successful divestiture in 2015.

Ms. Craik is a founding director of Vexxit Inc. She is also currently a Director Emeritus of the Business Council of Manitoba and Director of Lake of the Woods Water Sustainability Foundation. She is past Chair of the Board of Manitoba Liquor & Lotteries Corporation, past Chair of the Business Council of Manitoba, past Chair of CentreVenture Development Corporation and past Board Member of the Winnipeg Chapter of Entrepreneurs' Organization (EO). Ms. Craik is a member of the ICD and received the ICD.D designation in 2022. Ms. Craik was a non-Director member on the Aerospace & Aviation Sector Advisory Committee prior to her election as a Director.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Audit Committee	5 of 5	100%
Aerospace & Aviation Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

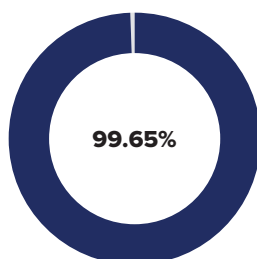
- Strategic planning
- Risk management
- Corporate governance
- Marketing and sales strategy
- Information technology/social media/
Cybersecurity
- Executive suite line management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	4,165	202,669	15,477	753,111	19,642	955,780	525,000	100%
Previous	4,060	214,165	12,107	638,644	16,167	852,809	525,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,709,506	36,922	10,746,428



Barb Gamey
Winnipeg, MB

Joined the
Board on May 10, 2023
Age: 66

Status:
Independent

Ms. Gamey is a co-founder of Payworks, a Manitoba based company and one of Canada's largest national providers of Payroll, Human Resource, Time and Absence Management solutions, serving 32,000 customers, paying 750,000 Canadians while handling \$40 billion in funds annually. Payworks currently employs 350 people in Manitoba and 550 nationwide. Prior to Payworks, Ms. Gamey was VP of Sales & Marketing at Comcheq (Ceridian) from 1984 – 1999. Ms. Gamey is a member of the ICD and received the ICD.D designation in 2018.

Ms. Gamey also serves, on a volunteer basis, in a number of roles. She currently sits on the Business Council of Manitoba's Board of Directors and the UM Properties Board. Ms. Gamey is also the Chancellor of the University of Winnipeg and sits on the board for the University of Winnipeg Foundation. Ms. Gamey is also a director of Manitoba First Investments Inc. Her extensive past volunteer community involvement includes: 2018 Campaign Chair, United Way Winnipeg, co-creator of the Manitoba Economic Growth Action Plan, Chair of the Premier's Enterprise Team in Manitoba, Chair of Prairie Theatre Exchange and Prairie Theatre Exchange Foundation Trust, Chair of Women's Enterprise Centre of Manitoba, Board Member of United Way Winnipeg, the Winnipeg Blue Bombers, Special Olympics Manitoba and Telus Manitoba Community Board.

Board / Committee Membership	Meeting attendance in 2023 ⁽¹⁾	
Board	5 of 7	71%
Audit Committee	3 of 5	60%
Aerospace & Aviation Sector Advisory Committee	2 of 4	50%

Key Areas of Expertise

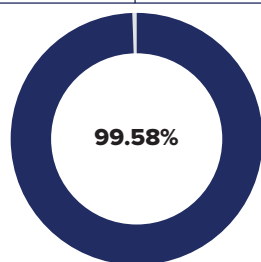
- Strategic planning
- Risk management
- Corporate governance
- Human capital management & compensation
- Marketing & sales strategy
- Information technology/social media/
Cybersecurity
- Executive suite line management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	2,000	97,320	6,020	292,933	8,020	390,253	525,000	Has until Jan'28 to comply
Previous	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,701,922	44,506	10,746,428

Note:

- (1) Ms. Gamey joined the Board on May 10, 2023. Ms. Gamey attended all Board and committee meetings in 2023 after her election as a Director.

Election of Directors



Bruce Jack,
FCPA, FCA

Winnipeg, MB

Joined the board
on May 11, 2022

Age: 71

Status:
Independent

Mr. Jack is currently chair of the Audit Committee.

Mr. Jack is a corporate director. Mr. Jack holds a Bachelor of Commerce (Honours) degree from the University of Manitoba, is a Chartered Professional Accountant and is a member of CPA Manitoba. In 2005, Mr. Jack was awarded the FCPA/FCA designation by CPA Manitoba for distinguished service to his profession and the community. Mr. Jack retired as a partner from Deloitte LLP after a distinguished 40-year career serving a variety of clients in the insurance, real estate, aviation, manufacturing, and health care sectors. During this time, he acted as global lead audit partner for several global life insurance companies.

Mr. Jack has served as a director of Wawanesa Insurance since 2014 and currently is the Chair of its audit committee and a member of its risk committee. He also is a trustee of Apartment + Real Estate Investment Trust and a director of several other private companies. He is a member of the ICD, Manitoba Chapter. Mr. Jack is a former trustee of Artis Real Estate Investment Trust, a trust listed on the TSX, and a former director of Vexxit Inc. His past volunteer community involvement includes serving on the boards of Canadian Cancer Society of Manitoba, Manitoba Children's Museum, Prairie Theatre Exchange and Junior Achievement of Manitoba and, in addition, served in leadership roles for several years on the United Way's annual campaign. He also served in the past on the TSX Venture Exchange Winnipeg Local Advisory Committee and the Manitoba Securities Commission Local Advisory Committee.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Governance Committee	2 of 2	100%
Audit Committee (Chair)	5 of 5	100%
Manufacturing Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

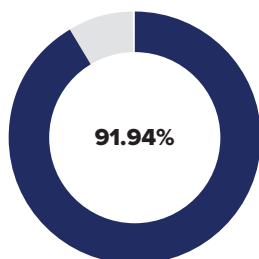
- Accounting and finance
- Risk management
- Corporate governance
- Corporate development, mergers and acquisitions
- International business

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	12,000	583,920	9,672	470,640	21,672	1,054,560	525,000	100%
Previous	12,000	633,000	5,640	297,510	17,640	930,510	525,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
9,880,448	865,980	10,746,428



**Duncan D.
Jessiman, K.C.**

Winnipeg, MB

**Joined the
Board on
July 28, 2009
(previously a trustee
of a predecessor to
the Corporation)**

Age: 77

**Status:
Non-Independent**

Mr. Jessiman is currently the Executive Vice-Chair in charge of special projects and chair of the Disclosure and Competition Committee.

Mr. Jessiman holds a Bachelor of Commerce degree and a law degree from the University of Manitoba and developed the concept for the Corporation with Mr. Pyle and started it in 2002. Mr. Jessiman originally served as Chair and Chief Executive Officer of the Corporation, but gave up the Chair in 2005 in accordance with good governance practices at the time. He then gave up the position of CEO on August 1, 2006 for family reasons and became Executive Vice-Chair in charge of special projects.

Before starting the Corporation, Mr. Jessiman practiced law in Winnipeg in the areas of corporate, commercial and securities law. Mr. Jessiman was a member of the TSX Venture Exchange Winnipeg Local Advisory Committee; former director of Consolidated Properties Ltd., a TSX listed company; former director of Geocrude Energy Inc., a TSX listed company which was taken over by Canada North West Energy Inc.; former director of Pan Cana Industries Ltd., a TSX listed company which was taken over by Geocrude Energy Inc.; and a former director of Enerplus Energy Services Ltd., the management company for Enerplus Resources Fund. Mr. Jessiman is currently the President of two private corporations: Progressive Holdings Inc. and 3882293 Manitoba Ltd. Mr. Jessiman is the co-founder and former director of Vexxit Inc. Mr. Jessiman devotes a significant amount of his working time to the business of the Corporation.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Disclosure and Competition Committee (Chair)	4 of 4	100%
Aerospace & Aviation Sector Advisory Committee	4 of 4	100%
Manufacturing Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

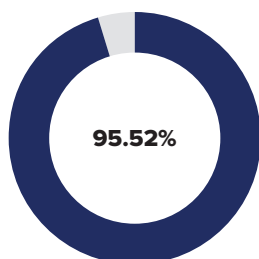
- Strategic planning
- Corporate development, mergers and acquisitions
- Legal, regulatory and public affairs
- Capital markets
- Aviation and aeronautics
- Manufacturing and supply chain management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	155,252	7,554,562	53,563	2,606,376	208,815	10,160,938	525,000	100%
Previous	158,102	8,358,343	50,190	2,647,523	208,642	10,985,346	525,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,265,823	480,605	10,746,428

Election of Directors



**Carmele Peter, K.C.
Winnipeg, MB**

**Nominated
in May, 2024**

Age: 58

**Status:
Non-Independent**

Ms. Peter is currently the President of the Corporation. Ms. Peter, a lawyer, joined the management team of the Corporation in November 2012 as Chief Administrative Officer. In July 2014 she became the President of the Corporation. Prior to joining the Corporation, Ms. Peter practiced law for over 24 years at the law firm of Aikins, MacAulay & Thorvaldson LLP (now MLT Aikins LLP), where she specialized in transactional and tax work. During her legal career she represented a number of clients and was involved in many significant transactions, including the sale of Craig Media Inc., the acquisition of Allstream Inc., the sale of MTS' yellow pages directory business, and the acquisition of the Winnipeg Jets.

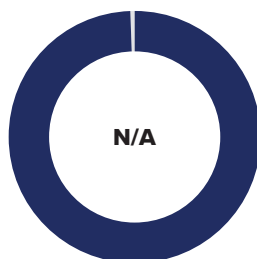
Ms. Peter is currently Chair of the Board of the Manitoba Civil Service Superannuation Board, a director of James Richardson & Sons Limited and is a director of Pollard Banknote and Chair of its Compensation Committee and of its Governance & Nominating Committee.

Ms. Peter has indicated that she intends to retire from the position as President of the Corporation by the end of 2024.

Board / Committee Membership	Meeting attendance in 2023	
N/A	N/A	N/A

Key Areas of Expertise	Other Current Public Company Directorships	Period
<ul style="list-style-type: none"> Strategic planning Risk management Corporate governance Corporate development, mergers and acquisitions Legal, regulatory, and public affairs Human capital management & compensation Aviation & aeronautics Manufacturing & supply chain management Executive suite line management Climate 	Pollard Banknote	May 2023 to present

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)								
As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	5,080	247,193	161,167	7,842,386	166,247	8,089,579	525,000	100%
Previous	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



Prior Year Voting Results For Election as a Director		
For	Withheld	Total
N/A	N/A	N/A



**Michael Pyle,
MBA ICD.D.**

Winnipeg, MB

Joined the Board on July 28, 2009 (previously a trustee of a predecessor to the Corporation)

Age: 59

Status: Non-Independent

Mr. Pyle is currently the Chief Executive Officer of the Corporation. Together with Mr. Jessiman, Mr. Pyle developed the initial concept of the Corporation in 2002. Mr. Pyle has held the position of CEO since August 1, 2006.

Mr. Pyle holds a Bachelor of Arts degree (Economics) and an MBA (Finance) from the University of Manitoba. He served in positions of increasing seniority culminating as President of The Arctic Glacier Income Fund (and its predecessor, The Arctic Group Inc.) from 1998 to 2002. He previously worked with Roynat Capital in Winnipeg from 1990 to 1996 and from 1997 to 1998. Mr. Pyle was employed as the Vice-President of Corporate Development for Westsun International Inc. in Winnipeg from 1996 to 1997.

Mr. Pyle is currently a Director of Sio Silica Corporation and Chair of its Audit Committee. Mr. Pyle also serves, on a volunteer basis, as the Chair of the Winnipeg Blue Bomber Football Club, the Chair of the Business Counsel of Manitoba, and Chair of Manitoba First Investments Inc. His past volunteer involvement includes sitting on the boards of Manitoba Hydro, CentrePort Canada Inc., and Next Hydrogen Solutions Inc. Mr. Pyle devotes the majority of his time to the Corporation. Mr. Pyle is a member of the ICD and received the ICD.D designation in 2017.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Disclosure and Competition Committee	3 of 4	75%
Aerospace & Aviation Sector Advisory Committee	4 of 4	100%
Manufacturing Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

- Accounting and finance
- Strategic planning
- Corporate development, mergers and acquisitions
- Human capital management & compensation
- Capital markets
- Aviation & Aeronautics
- Manufacturing & supply chain management
- Executive suite line management
- Climate

Other Current Public Company Directorships

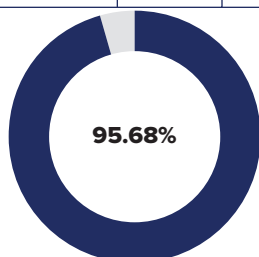
Sio Silica Corporation

Period

July 2023 to present

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	20,281	986,873	202,772	9,866,886	223,053	10,853,759	5,250,000	100%
Previous	18,248	962,582	190,005	10,022,764	208,523	10,985,346	5,040,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,281,964	464,464	10,746,428

Election of Directors



Melissa Sonberg
B.Sc., M.H.A.,
ICD.D.

Montreal, QC

Joined the
Board on
May 9, 2018

Age: 63

Status:
Independent

Ms. Sonberg currently chairs the Governance Committee. Ms. Sonberg is a corporate director and a Professor of Practice at McGill University's Desautel Faculty of Management where she focuses on compensation strategy, group dynamics, global talent management, and leadership development.

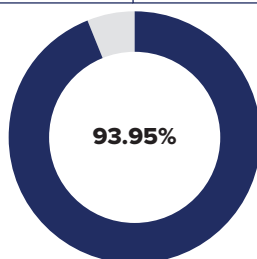
Ms. Sonberg spent the early part of her career in the health care industry before joining Air Canada in 1991. Over her ten years with the airline she held leadership positions in a range of customer facing, operational and corporate functions. In 2001, Ms. Sonberg became part of the founding executive team of Aeroplan and was a core member of the management of Aeroplan as it transitioned to a separate business entity, completed an initial public offering and expanded its global business, and established a global holding company, AIMIA, through multiple international acquisitions and joint ventures. During her 12 years with AIMIA, Ms. Sonberg held the positions of Senior Vice President, Human Resources and Corporate Affairs and Senior Vice President, Global Brands, Communications and External Affairs.

Ms. Sonberg has a wealth of experience on corporate and advisory boards. She currently serves on the boards of Hydro One Limited, Athenian, Canada Post Corporation, and Enghouse Systems Inc. Ms. Sonberg's past board experience includes MD Financial Holdings, VIA Rail Canada, Rideau Recognition Solutions Inc., Women in Capital Markets, EQUITAS International Centre for Human Rights Education, the McGill University Health Centre, the Montreal Children's Hospital Foundation, and on the advisory board of a significant family-owned corporation based in Québec.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Governance Committee (Chair)	2 of 2	100%
Compensation Committee	2 of 2	100%
Aerospace & Aviation Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise	Other Current Public Company Directorships	Period
<ul style="list-style-type: none"> Corporate governance Human capital management and compensation Aviation & aeronautics Marketing and sales strategy International business Executive suite line management Climate 	Hydro One Limited Enghouse Inc.	2018 to present 2022 to present

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)								
As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement	Percentage of Target Met
Current	0	0	24,065	1,171,003	24,065	1,171,003	525,000	100%
Previous	0	0	19,127	1,008,949	19,127	1,008,949	525,000	100%



Prior Year Voting Results For Election as a Director		
For	Withheld	Total
10,096,151	650,277	10,746,428



Donald Streuber,
FCPA, FCA

Winnipeg, MB

Joined the
Board on
July 28, 2009
(previously a trustee
of a predecessor to
the Corporation)

Age: 66

Status:
Independent

Mr. Streuber is currently Chair of the Board.

Mr. Streuber is Executive Chairman of Bison Transport Inc. Bison is one of Canada's largest van truckload carriers of freight and has been recognized as one of Canada's 50 best managed companies for 25 years. He is a Chartered Professional Accountant and is a member of CPA Manitoba. Mr. Streuber was awarded the FCPA/FCA designation by the CPA Manitoba in 2012.

Mr. Streuber is a director of James Richardson & Sons Limited and Chair of its audit committee. Mr. Streuber is the past Chairman of CentrePort Canada Inc., Mr. Streuber has also served, on a volunteer basis, as past Chairman of the Canadian Trucking Alliance, past Chairman of the Business Council of Manitoba, past Chairman for Providence College and Seminary, a past member of the Business Council of Canada and past Vice Chairman for the Assiniboine Park Conservancy.

Board / Committee Membership	Meeting attendance in 2023	
Board (Chair)	7 of 7	100%
Aerospace & Aviation Sector Advisory Committee	4 of 4	100%

Key Areas of Expertise

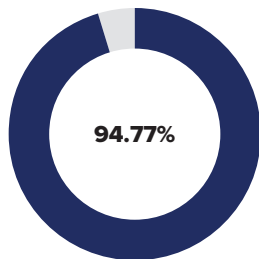
- Accounting and finance
- Risk management
- Corporate development, mergers and acquisitions
- Capital markets
- Aviation & Aeronautics
- Manufacturing & supply chain management
- Marketing and sales strategy
- Executive suite line management
- Climate

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$) Share Ownership Requirement	Percentage of Target Met
Current	407,946	19,850,652	43,383	2,111,017	451,329	21,961,669	825,000	100%
Previous	367,625	19,392,219	35,272	1,860,598	402,897	21,252,817	825,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,184,549	561,879	10,746,428

Election of Directors



**Edward Warkentin
LL.B.**

Winnipeg, MB

**Joined the
Board on
July 28, 2009
(previously a trustee
of a predecessor to
the Corporation)**

Age: 74

**Status:
Independent**

Mr. Warkentin is currently the Chair of the Manufacturing Sector Advisory Committee.

Mr. Warkentin holds an undergraduate degree from the University of Winnipeg, a law degree from the University of Manitoba and was a member of the Bars of Ontario and Manitoba for more than 35 years. Mr. Warkentin is the former Managing Partner of Aikins, MacAulay & Thorvaldson LLP (now MLT Aikins LLP) where he practiced in the area of corporate and commercial law.

Mr. Warkentin is a former director and Chair of Youth for Christ (Winnipeg) Inc., a former director of Manitoba Mineral Resources Ltd., a former director of Grace Hospital Board of Management and a former trustee and Chair of Artis Real Estate Investment Trust, a TSX listed issuer. He is a member of the ICD, Manitoba Chapter.

Board / Committee Membership	Meeting attendance in 2023	
Board	7 of 7	100%
Governance Committee	2 of 2	100%
Compensation Committee	2 of 2	100%
Manufacturing Sector Advisory Committee (Chair)	4 of 4	100%

Key Areas of Expertise

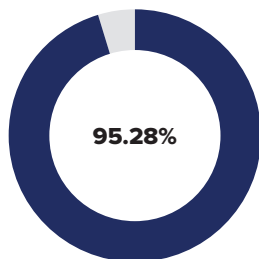
- Accounting and finance
- Corporate governance
- Corporate development, mergers and acquisitions
- Capital markets
- Legal, regulatory and public affairs
- Human capital management and compensation
- Aviation and aeronautics
- Manufacturing and supply chain management

Other Current Public Company Directorships

None

Number of Shares Owned (directly or indirectly, over which control or direction is exercised)

As of Circular Date	Shares (#)	Shares (\$)	Deferred Shares (#)	Deferred Shares (\$)	Total (#)	Total Value (\$)	(\$ Share Ownership Requirement)	Percentage of Target Met
Current	185,073	9,005,652	26,679	1,298,200	211,752	10,303,852	525,000	100%
Previous	182,843	9,644,968	23,286	1,228,337	206,129	10,873,305	525,000	100%



Prior Year Voting Results For Election as a Director

For	Withheld	Total
10,239,937	506,491	10,746,428

TO BE EFFECTIVE, the resolution electing the Directors must be passed at the Meeting. The Directors recommend a vote FOR the election of the Directors referenced above. In the absence of a contrary instruction, the Management Nominees intend to vote FOR the election of the Directors referenced above.

Majority Voting

On April 6, 2023, the Board repealed the Corporation's majority voting policy, which was first enacted in 2014. The decision to repeal the policy was made by the Board following and in consideration of the amendments to the CBCA that came into effect on August 31, 2022, which, if complied with, satisfy the majority voting requirements under the TSX Corporate Manual. In accordance with the CBCA, in the case of uncontested elections of Directors (that is, elections where there is only one candidate nominated for each position available on the Board): (i) Shareholders will be asked to vote "for" or "against" each Director nominee; (ii) only nominees receiving a majority of the votes will be elected; and (iii) a nominee who does not receive a majority of the votes and who is an incumbent Director may continue in office until the earlier of the 90th day after the election, or the day on which his or her successor is appointed or elected. In accordance with the CBCA the Board may appoint a Director nominee even if he or she did not receive majority support in the following limited and defined circumstances: (i) to satisfy Canadian residency requirements; or (ii) to satisfy the requirement that at least two Directors not be officers or employees of the Corporation or its affiliates.

Corporate Cease Trade Orders and Bankruptcies

For the purposes of this section "Order" means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation; that was in effect for more than 30 consecutive days.

None of the proposed Directors is, except for Mr. Warkentin as described below, as of the date of this Circular, or has been, within ten years before the date of this Circular, a director or executive officer of any company or other entity that:

- (a) was subject to an Order that was issued while the proposed Director was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) was subject to an Order that was issued after the proposed Director 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 in the capacity as a director, chief executive officer or chief financial officer; or
- (c) 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 proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Edward Warkentin was a director of All in West! Capital Corporation, a company that owned certain hotel properties located in Alberta and which was unable to meet its obligations to creditors during the downturn in the Alberta economy. Pursuant to enforcement action taken by the company's mortgage lenders, the Alberta Court of Queen's Bench issued an order appointing a receiver for the company's hotel properties in 2016 and issued an order approving the sale of the properties in 2017. In addition, as a result of the failure of the company to file audited financial statements, for the 2015 year, in 2016 securities regulatory authorities in the provinces of Manitoba, Ontario and British Columbia issued cease trade orders against the company. The company's corporate charter was cancelled in 2018 while such cease trade orders remained in effect.

Individual Bankruptcies

No current or proposed Director is, or has, within the ten years preceding the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors, or had a receiver, receiver manager or director appointed to hold the assets of the proposed Director.

Approval of Amended Deferred Share Plan

3. Approval of Amended Deferred Share Plan

At the Meeting, Shareholders will be asked to approve the Amended Deferred Share Plan and authorize the issuance of Shares pursuant to the Amended Deferred Share Plan for a period of three years from the date of the Meeting. This approval will be effective for three years from the date of the Meeting. If approval is not obtained at the Meeting no further grants of Deferred Shares will be made pursuant to the Deferred Share Plan. Previously allocated Shares will continue to be unaffected by the approval or disapproval of the resolution.

The Amended Deferred Share Plan makes only minor changes to the Existing Deferred Share Plan, which changes are noted in “Proposed Amendments to the Deferred Share Plan” below.

Summary of the Deferred Share Plan

Eligible Persons

The purpose of the Deferred Share Plan is to promote a greater alignment of interests between the Directors, officers and employees of the Corporation and its affiliates (each an “**Eligible Person**”) and the Shareholders. Eligible Persons may be selected from time to time to participate in the Deferred Share Plan at the discretion of the Compensation Committee (selected persons being “Participants” in the Deferred Share Plan) and granted such number of Deferred Shares from time to time as the Compensation Committee deems appropriate. Deferred Shares are not Shares and do not entitle a Participant to any rights as a Shareholder, including, without limitation, voting rights, dividend entitlements (other than as set out in the Deferred Share Plan and described below) or rights on liquidation. One Deferred Share is equivalent to one Share. Fractional Deferred Shares are permitted under the Deferred Share Plan.

Fair Value Methodology

The Deferred Share Plan is accounted for as an equity-settled method. Under this method the Deferred Shares granted are fair valued at the grant date when the grant is approved by the Board. The fair value of the grant is based on the market price of the Shares at the grant date.

Number of Shares Reserved for Issuance under the Deferred Share Plan

The total number of Shares authorized for issuance upon the redemption of all Deferred Shares granted under the Deferred Share Plan and all other security based compensation arrangements shall not exceed 4.5% of the issued and outstanding Shares from time to time; provided, however, that: (i) at no time shall the number of Shares reserved for issuance to insiders of the Corporation pursuant to outstanding Deferred Shares, together with the number of Shares reserved for issuance to such persons pursuant to any other compensation arrangements, exceed 4.5% of the then outstanding Shares, as calculated immediately prior to the issuance in question; and (ii) the number of Shares issued to insiders of the Corporation pursuant to outstanding Deferred Shares together with the number of Shares issued to such persons pursuant to any other compensation arrangements, within any one year period, shall not exceed 4.5% of the then outstanding Shares. There is no specific maximum number of Deferred Shares that may be issued to any one Eligible Person pursuant to the Deferred Share Plan.

Under the Existing Deferred Share Plan, the maximum aggregate number of Shares which may be reserved for issuance under the Deferred Share Plan to all Non-Executive Directors (as defined in the Deferred Share Plan) is 1% of the Shares issued and outstanding at the award date (on a non-diluted basis), and the aggregate number of securities granted under all security based compensation arrangements to any one Non-Executive Director within any one calendar year period shall not exceed a maximum value of \$150,000 worth of securities, in each case as determined in accordance with the Deferred Share Plan and calculated without reference to:

- (a) any Deferred Shares or other equity awards that are granted to or accepted by a Non-Executive Director in lieu of cash fees, provided that the equity award granted has an initial value that is equal to the value of the cash fees foregone; or

Approval of Amended Deferred Share Plan

(b) any Deferred Shares held by any former directors of the Corporation or by any officers or employees of the Corporation who are also serving as directors of the Corporation,

(such maximum aggregate number of Shares being hereinafter referred to as the “**Director Limitations**”). In the event that the Amended Deferred Share Plan is approved, the Director Limitations will be removed and, instead, Non-Executive Directors shall not be entitled to receive any Deferred Shares other than Deferred Shares or other equity awards that are issued in lieu of cash fees, provided that the equity award granted has an initial value that is equal to the value of the cash fees foregone. See “Proposed Amendments to the Deferred Share Plan” below.

The Deferred Share Plan permits directors of the Corporation to elect in each calendar year to receive their respective director’s retainer in cash, Deferred Shares or a combination thereof (which retainer, for the purposes of the Deferred Share Plan, does not include committee member/chairperson retainers, Board or committee meeting fees, or special remuneration for ad hoc services rendered to the Board). The number of Deferred Shares granted to a director electing to receive his or her retainer in Deferred Shares is determined based on the Market Value (as defined below) of the Shares on the date the Deferred Shares are awarded.

As at the date of this Circular, the total number of Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders is 2,127,679 (4.5% of the issued and outstanding Shares). As at the date hereof there are 947,788 Deferred Shares issued and outstanding (2% of the issued and outstanding Shares) and 100,270 Shares held pursuant to the Employee Share Purchase Plan (0.21% of the issued and outstanding Shares). Therefore, an additional 1,079,621 Shares (2.28% of the issued and outstanding Shares) may be reserved for issuance under the Deferred Share Plan and the Employee Share Purchase Plan, collectively. Since the date of inception of the Deferred Share Plan, the Corporation has issued 394,140 Shares pursuant to the Deferred Share Plan (0.83% of the issued and outstanding Shares).

In the event that the Amended Deferred Share Plan is approved, the percentage of issued and outstanding Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders shall be reduced from the current 4.5% of the issued and outstanding Shares to 3.5% of the issued and outstanding Shares. See “Proposed Amendments to the Deferred Share Plan” below.

Burn Rate

The burn rate of the Deferred Share Plan is expressed as a percentage and is equal to the number of Deferred Shares issued pursuant to the Deferred Share Plan in a particular year divided by the weighted average number of Shares outstanding for the particular year, calculated as prescribed by the TSX. The burn rate of the Deferred Share Plan for the past three financial years of the Corporation is as follows:

Year	2021	2022	2023
Burn Rate	0.1%	0.1%	0.03%

Vesting of Deferred Shares

Subject to the exceptions noted below, Deferred Shares granted to Participants pursuant to the Deferred Share Plan shall vest in accordance with the following schedule:

- (a) 33% of the Deferred Shares on the first anniversary of the initial grant;
- (b) 33% of the Deferred Shares on the second anniversary of the initial grant; and
- (c) 34% of the Deferred Shares on the third anniversary of the initial grant.

Deferred Shares are credited to the Participant’s “Deferred Share account” (as defined in the Deferred Share Plan) upon vesting. Notwithstanding the foregoing, Deferred Shares granted to non-management Directors who are “independent” within the meaning of NI 58-101 shall vest immediately. In addition, to the extent not already vested, Deferred Shares issued to a Participant after the Participant has reached

Approval of Amended Deferred Share Plan

the age of 55 and who has been a Director, officer or employee of the Corporation or an affiliate of the Corporation for a period of not less than ten years shall vest immediately. For the purposes of the foregoing, the time served by a Participant as a Director or officer of the Corporation or any predecessor of the Corporation or its subsidiaries shall be included in the calculation of the time served by such Participant as a Director or officer of the Corporation or an affiliate of the Corporation.

In addition, upon the happening of a “Change of Control” (as defined in the Deferred Share Plan) Deferred Shares will vest on the earlier of the next applicable vesting date as set out above or on the date that is immediately prior to the Change of Control. In addition, the Compensation Committee shall have discretion to vary the manner in which Deferred Shares vest for any Participant.

Additional Deferred Shares Credited with Cash Dividends

Whenever dividends are paid to the holders of the Shares, additional Deferred Shares will be credited to each Participant’s Deferred Share account. The number of such additional Deferred Shares shall be calculated by dividing:

- (a) the amount determined by multiplying:
 - (i) the number of Deferred Shares in such Participant’s Deferred Share account on the record date for the payment of such dividend by;
 - (ii) the dividend paid per Share;

by

- (b) 100% of the Market Value (as defined below) of a Share on the dividend payment date for such dividend,

in each case, with fractions computed to two decimal places. Such additional Deferred Shares shall vest at the same time and on the same basis as the Deferred Shares in respect of which they are credited.

For the purposes of the Deferred Share Plan, “Market Value” at any date in respect of the Shares is defined as the average of the closing prices (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the TSX for the ten trading days immediately preceding such date (or, if such Shares are not listed and posted for trading on the TSX, on such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Directors). In the event that such Shares are not listed and posted for trading on any stock exchange, the “Market Value” shall be the fair market value of such Shares as determined by the Compensation Committee in its sole discretion.

Redemption of Deferred Shares

For the purposes of the Deferred Share Plan, “Redemption Date” means, in respect of a Participant who is not a U.S. Participant (as defined below), the earliest of the date: (i) of the death of the Participant; (ii) that the Participant becomes unable, as a result of any physical or mental illness, to fulfill their significant duties as a Director, officer or employee of the Corporation or its affiliates, as the case may be, which will be deemed to have occurred if the Participant qualified under any disability insurance policy; (iii) that the Participant ceased to be a Director, officer or employee of the Corporation or its affiliates; or (iv) the Compensation Committee approves the redemption of Deferred Shares by the Participant. In this summary, a “U.S. Participant” means a Participant that is subject to the United States Internal Revenue Code of 1986, as amended (in this summary, the “Code”).

Following a Participant’s Redemption Date, the Participant shall select, in the form and manner prescribed by the Compensation Committee, an entitlement date on which the Deferred Shares credited to the Participant’s Deferred Share account, which have vested in accordance with the Deferred Share Plan, shall be redeemed (the “Entitlement Date”). The Entitlement Date shall be no later than the end of the first quarter immediately following the quarter in which the Participant’s Redemption Date occurred. In the event that the Participant does not select an Entitlement Date prior to the end of the first quarter

immediately following the quarter in which the Participant's Redemption Date occurred, the Entitlement Date shall be deemed to be the last day of the quarter immediately following the quarter in which the Participant's Redemption Date occurred.

Subject to: (i) the provisions of the Deferred Share Plan; and (ii) the receipt by The Canadian Depository for Securities Limited of the Participant's brokerage account information from his or her securities broker, the Participant shall receive (in a form and manner to be prescribed by the Compensation Committee), within ten business days after the Entitlement Date, a whole number of Shares from the Corporation equal to the whole number of Deferred Shares then recorded in the Participant's Deferred Share account that have vested in accordance with the provisions of the Deferred Share Plan, net of any applicable withholding taxes. To facilitate the payment of applicable withholding taxes, the Corporation may, in its sole discretion, provide a cash loan to the Participant in an amount equal to the estimated amount of the tax liability payable in respect of the Shares received by the Participant upon the redemption of the Deferred Shares, which loan shall bear interest at a rate and which shall be repayable on such terms as agreed upon by the Corporation and the Participant. In the event that the Participant and the Corporation cannot agree to the terms of the loan or cannot come to other mutually agreeable arrangements, the Corporation may as a condition of issuing the Shares to the Participant under the Deferred Share Plan (i) require the Participant to reimburse the Corporation for any applicable withholding taxes in respect of the issuance of the Shares to such Participant; (ii) reserve the right to withhold, consistent with any applicable law, from any compensation or other amounts payable to the Participant, any applicable withholding taxes required to be paid by the Corporation on behalf of the Participant or on its own behalf as a result of the issuance of Shares to such Participant; (iii) retain, acquire or sell on behalf of a Participant any Shares that would otherwise be issued to a Participant; or (iv) impose such other requirements as the Corporation in its discretion determines is necessary to ensure the payment of the applicable withholding taxes.

Upon redemption of the Deferred Shares held by a Participant that have vested in accordance with the Deferred Share Plan, all of the Deferred Shares held by such Participant, whether vested or unvested, shall be cancelled unless otherwise determined by the Compensation Committee in its sole discretion.

United States Participants

The Deferred Share Plan provides for a different definition of "Redemption Date" for U.S. Participants that is in compliance with the Code and has certain other differences for U.S. Participants. For a description of these provisions, see "Appendix for U.S. Participants" which is attached as an appendix to the Deferred Share Plan, which has been filed on SEDAR+ at www.sedarplus.ca.

Amendment, Suspension or Termination of the Deferred Share Plan

The Board may amend, suspend or terminate the Deferred Share Plan or any provision thereof at any time, without the approval of Shareholders. Without limiting the generality of the foregoing, the Board may make changes:

- (a) to correct errors, immaterial inconsistencies or ambiguities in the text of the Deferred Share Plan;
- (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies; and
- (c) to the vesting provisions applicable to Deferred Shares issued under the Deferred Share Plan.

Notwithstanding the foregoing, the Deferred Share Plan requires an affirmative vote by a majority of the votes cast by Shareholders at a meeting called for that purpose:

- (a) an amendment that would result in any increase in the number of Deferred Shares issuable under the Deferred Share Plan;
- (b) the addition of provisions that would permit Deferred Shares granted under the Deferred Share Plan to be transferable or assignable other than as set forth below under "Assignment of Deferred Shares";

Approval of Amended Deferred Share Plan

- (c) a change in the amendment provisions so as to grant the Board or the Compensation Committee additional powers to amend the Deferred Share Plan or entitlements without the approval of Shareholders; and
- (d) an amendment to the definition of “Participant” or the eligibility requirements for participating in the Deferred Share Plan where such amendment would have the potential of broadening or increasing insider participation; and
- (e) an amendment to the Director Limitation.

If the Board terminates the Deferred Share Plan, Deferred Shares previously credited to Participants shall remain outstanding and in effect and shall be settled subject to and in accordance with the applicable terms and conditions of the Deferred Share Plan in effect immediately prior to the termination.

Assignment of Deferred Shares

In no event may the rights or interest of a Participant under the Deferred Share Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that: (i) certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or by the laws of succession and distribution; and/or (ii) the Deferred Shares may be assigned or transferred to a Participant’s tax free savings account, if eligible to be held in such account.

Proposed Amendments to the Deferred Share Plan

The Amended Deferred Share Plan:

1. reduces the total number of Shares that may be reserved for issuance under the Amended Deferred Share Plan, and any other equity compensation plans approved by the Shareholders, from 4.5% to 3.5% of the issued and outstanding Shares. Accordingly, if the Amended Deferred Share Plan is approved, as of the date hereof the total number of Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders is 1,654,862 (3.5% of the issued and outstanding Shares). As at the date hereof there are 947,788 Deferred Shares issued and outstanding (2% of the issued and outstanding Shares) and 100,270 Shares held pursuant to the Employee Share Purchase Plan (0.21% of the issued and outstanding Shares). Therefore, an additional 606,804 Shares (1.28% of the issued and outstanding Shares) may be reserved for issuance under the Amended Deferred Share Plan and the Employee Share Purchase Plan, collectively;
2. removes the Director Limitations;
3. adds a limitation that no Deferred Shares or other equity awards shall be issued to Non-Executive Directors, other than Deferred Shares or other equity awards that are granted to or accepted by a Non-Executive Director in lieu of cash fees, provided that any equity award granted has an initial value that is equal to the value of the cash fees foregone;
4. aligns all references to non-Canadian restrictions on ownership of Shares with the Articles and the *Canada Transportation Act*; and
5. updates several outdated dates and definitions.

Approval

At the Meeting, Shareholders will be asked to approve an Ordinary Resolution (the “Deferred Share Plan Resolution”) approving the Amended Deferred Share Plan. The text of this resolution is set forth below. If the Deferred Share Plan Resolution is not passed at the Meeting, the Corporation will not be permitted to grant further awards of Deferred Shares under the Deferred Share Plan. However, all outstanding Deferred Shares will continue unaffected.

Recommendation of the Board

The Board has determined that it continues to be in the best interests of the Corporation that the Corporation have a Deferred Share Plan. Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the approval of the Amended Deferred Share Plan.

The text of the Deferred Share Plan Resolution is set forth below:

“BE IT RESOLVED, as an ordinary resolution of the shareholders of Exchange Income Corporation (the “Corporation”), that:

1. the fifth amended and restated deferred share plan of the Corporation, as more particularly described in the management information circular of the Corporation dated April 3, 2024, be hereby approved;
2. the directors of the Corporation are hereby authorized to reserve for issuance from time to time such number of common shares of the Corporation as may be issued pursuant to the terms of the fifth amended and restated deferred share plan of the Corporation;
3. the Corporation be and is hereby authorized to continue issuing shares under the fifth amended and restated deferred share plan until May 8, 2027, being the date that is three years from the date of this shareholder approval of such plan; and
4. any one director or officer of the Corporation be and is hereby authorized to execute, deliver and file such documents, and do all such other things, as such person considers necessary or advisable to give effect to the foregoing resolutions.”

To be effective, the Deferred Share Plan Resolution must be passed at the Meeting. The Directors recommend a vote FOR the approval of the Amended Deferred Share Plan. In the absence of a contrary instruction, the persons designated in the enclosed form of proxy intend to vote FOR the foregoing resolution.

4. Approval of Amended Employee Share Purchase Plan

At the Meeting, Shareholders will be asked to approve the Amended Employee Share Purchase Plan and authorize the issuance of Shares pursuant to the Amended Employee Share Purchase Plan for a period of three years from the date of the Meeting. This approval will be effective for three years from the date of the Meeting. If approval is not obtained at the Meeting, no further grants of Shares will be made pursuant to the Employee Share Purchase Plan. Previously allocated Shares will continue to be unaffected by the approval or disapproval of the resolution.

The Amended Employee Share Purchase Plan makes only minor changes to the Existing Employee Share Purchase Plan, which changes are noted in “Proposed Amendments to the Employee Share Purchase Plan” below.

Summary of the Employee Share Purchase Plan

Purpose

The purpose of the Employee Share Purchase Plan is to encourage employees of the Corporation and its subsidiaries to become Shareholders. The Employee Share Purchase Plan is a broad based optional equity participation plan open to all permanent full-time employees who have been employed by the Corporation or one of its subsidiaries for at least six months, but with participation in the Employee Share Purchase Plan being entirely optional.

The Employee Share Purchase Plan provide that the following persons are not eligible to participate in the Employee Share Purchase Plan: (i) persons holding greater than 5% of the issued and outstanding Shares; (ii) persons who participate in the Deferred Share Plan or the RSU Plan; and (iii) all Directors. The total maximum number of Shares to be issuable under the Employee Share Purchase Plan is equal to

Approval of Amended Employee Share Purchase Plan

4.5% of the issued and outstanding Shares at any time. The total maximum number of Shares issuable under all security based compensation schemes of the Corporation, including the Employee Share Purchase Plan and the Deferred Share Plan is 4.5% of the issued and outstanding Shares at any time.

The Employee Share Purchase Plan provides that the maximum number of Shares that may be issued to insiders of the Corporation, in any one year period, or that may be issuable to insiders of the Corporation at any time under all security based compensation plans, including the Employee Share Purchase Plan, shall not exceed 4.5% of the issued and outstanding Shares. Certain other restrictions and limitations are set out in the Employee Share Purchase Plan.

Employees may elect to annually contribute up to a maximum of 5% of their annual gross salary to the Employee Share Purchase Plan. Such funds are then used to acquire Shares from treasury (the “Original Shares”) for the participant. Under the terms of the Employee Share Purchase Plan, if the participant retains the Original Shares for 18 months (the “Vesting Period”), the participant becomes entitled to receive from the Corporation an additional number of Shares equal to 33 1/3% of the Original Shares and the value equal to the dividends awarded to the additional Shares over the Vesting Period (the “Contributed Shares”), in addition to paying all fees and commissions (if any) on the purchase of the Contributed Shares in the Employee Share Purchase Plan. The Corporation currently pays a dividend on its Shares equal to \$0.22 per month (\$2.64 annualized).

Operation of Employee Share Purchase Plan

Employees of the Corporation and its subsidiaries have three options as to how to acquire Original Shares pursuant to the Employee Share Purchase Plan, as set forth below:

- (a) Employees may receive a loan to purchase Original Shares pursuant to the Employee Share Purchase Plan. The loan, together with interest, must be repaid over a period of approximately 12 months from the date of the loan by way of payroll deductions, provided that if the participant is terminated as an employee of the Corporation or a subsidiary, the loan and all interest must be repaid immediately. The Shares of the participant held pursuant to the Employee Share Purchase Plan may be sold to repay the loan in certain circumstances;
- (b) Employees may pay the full purchase price for their Original Shares pursuant to the Employee Share Purchase Plan at the time of issuance of the Original Shares; or
- (c) Employees may authorize their employer to make payroll deductions from their salary to purchase Original Shares on the next date that Original Shares are offered to Employees pursuant to the Employee Share Purchase Plan.

The Corporation will issue Original Shares to the Employee on each date the Corporation chooses to issue Original Shares pursuant to the Employee Share Purchase Plan using the funds that have been deducted from that Employee’s salary or paid in full.

The Original Shares acquired under the Employee Share Purchase Plan are issued from treasury and subject to approval for listing by the TSX. Contributions are held by the Employee Share Purchase Plan administrator. The Corporation may issue Original Shares under the Employee Share Purchase Plan up to once per month.

The acquisition price for the Original Shares is the price per Share equal to the weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the acquisition date.

Original Shares acquired under the Employee Share Purchase Plan are retained in the Employee Share Purchase Plan during the Vesting Period for such Original Shares. Immediately following the end of the Vesting Period, such Original Shares and any Contributed Shares issued at the end of the Vesting Period are not considered to be part of the Employee Share Purchase Plan for the purposes of calculating the number of Shares issued and outstanding pursuant to the Employee Share Purchase Plan.

Approval of Amended Employee Share Purchase Plan

Participants may withdraw their Original Shares from their Employee Share Purchase Plan at any time prior to the end of the Vesting Period by terminating their participation in the Employee Share Purchase Plan, but such termination results in that participant not being entitled to receive the Contributed Shares from the Corporation at the end of the Vesting Period.

In the event a participant has terminated his or her employment with the Corporation or a subsidiary or has had his or her employment terminated by the Corporation or a subsidiary for any reason, the participant forfeits the right to receive all unvested Contributed Shares.

As at the date of this Circular, the total number of Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders is 2,127,679 (4.5% of the issued and outstanding Shares). As at the date hereof there are 100,270 Shares held pursuant to the Employee Share Purchase Plan (0.21% of the issued and outstanding Shares) and 947,788 Deferred Shares issued and outstanding (2% of the issued and outstanding Shares). Therefore, an additional 1,079,621 Shares (2.28% of the issued and outstanding Shares) may be reserved for issuance under the Employee Share Purchase Plan and the Deferred Share Plan, collectively. Since the date of inception of the Employee Share Purchase Plan, the Corporation has 976,396 issued Shares pursuant to the Employee Share Purchase Plan (2% of the issued and outstanding Shares).

In the event that the Amended Employee Share Purchase Plan is approved, the percentage of issued and outstanding Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders shall be reduced from the current 4.5% of the issued and outstanding Shares to 3.5% of the issued and outstanding Shares. See “Proposed Amendments to the Employee Share Purchase Plan” below.

Burn Rate

The burn rate of the Employee Share Purchase Plan is expressed as a percentage and is equal to the number of Shares issued pursuant to the Employee Share Purchase Plan in a particular year divided by the weighted average number of Shares outstanding for the particular year, calculated as prescribed by the TSX. The burn rate of the Employee Share Purchase Plan for the past three financial years of the Corporation is as follows:

Year	2021	2022	2023
Burn Rate	0.2%	0.1%	0.1%

Assignment or Transfer of Shares Held in the Employee Share Purchase Plan

Except with the consent of the Employee Share Purchase Plan administrator (which may not be arbitrarily or unreasonably withheld) and subject to applicable laws, no right or interest of any participant in any of the Shares purchased or held on his or her behalf under the Employee Share Purchase Plan shall be, at any time prior to the vesting date in respect of such Shares, assignable, in whole or in part, either directly or by operation of law or otherwise in any manner, other than by will or other testamentary instrument, or the laws of succession. No attempted assignment of any Shares contrary to the terms of the Employee Share Purchase Plan shall be effective. Notwithstanding the foregoing, assignments may be effected with the approval of the Corporation and the appropriate regulatory authorities, if required. For the purposes of these provisions of the Employee Share Purchase Plan, an “assignment” includes the creation, granting or incurring of a security interest, mortgage, charge, lien, execution or similar interest in the Shares of a participant held under the Employee Share Purchase Plan.

In addition, no transfer of any right or interest of any participant in any of the Shares purchased or held on his or her behalf under the Employee Share Purchase Plan may, without the consent of the Corporation, be made at any time prior to the vesting date in respect of such Shares without disentitling the participant to any additional benefits to which the participant would otherwise have become entitled in respect of the Shares.

Approval of Amended Employee Share Purchase Plan

Termination

The Directors may terminate the Employee Share Purchase Plan at any time in their absolute discretion. No termination of the Employee Share Purchase Plan shall affect any entitlement, on the next following vesting date, of a participant to receive additional shares, phantom dividends or phantom dividend shares in respect of Shares purchased on a purchase date prior to the date of termination of the Employee Share Purchase Plan.

Amendments

From time to time the Directors may, without approval of the Shareholders, unless required by applicable regulatory authorities, amend any provision of the Employee Share Purchase Plan, provided that no amendment to the Employee Share Purchase Plan or any termination of the Employee Share Purchase Plan shall affect the entitlement of any participant to receive additional Shares, phantom dividends or phantom dividend Shares or have the effect of altering the terms of any outstanding right of a participant without the prior written consent of the participant and provided further that regulatory approval (including TSX approval) and, if required by such regulatory authorities, Shareholder approval, of the amended form of the Employee Share Purchase Plan is received prior to the issuance of any additional Shares, phantom dividends or phantom dividend Shares under the provisions of the amended form of the Employee Share Purchase Plan. The Directors may, without obtaining the approval of Shareholders, make changes: (a) to correct errors, immaterial inconsistencies or ambiguities in the Employee Share Purchase Plan text; or (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements and policies).

In addition, any amendment to the Employee Share Purchase Plan that would: (a) result in any increase in the number of Shares issuable under the Employee Share Purchase Plan; (b) provide for any discount to the purchase price paid by participants for Shares under the Employee Share Purchase Plan; (c) increase the number of additional Shares issuable to participants under the Employee Share Purchase Plan; (d) result in any modification to the amendments section of the Employee Share Purchase Plan, shall require approval by a majority of the votes cast by Shareholders at a meeting of Shareholders called for that purpose; (e) permit Shares issued under the Employee Share Purchase Plan to be transferrable or assignable other than as set forth in the Employee Share Purchase Plan; or (f) change the persons who are not permitted to participate in the Employee Share Purchase Plan as set forth in the Employee Share Purchase Plan, shall require approval by a majority of the votes cast by Shareholders at a meeting called for that purpose.

Proposed Amendments to the Employee Share Purchase Plan

The Amended Employee Share Purchase Plan:

1. reduces the total number of Shares that may be reserved for issuance under the Amended Employee Share Purchase Plan, and any other equity compensation plans approved by the Shareholders, from 4.5% to 3.5% of the issued and outstanding Shares. Accordingly, if the Amended Employee Share Purchase Plan is approved, as of the date hereof the total number of Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders is 1,654,862 (3.5% of the issued and outstanding Shares). As at the date hereof there are 100,270 Shares held pursuant to the Employee Share Purchase Plan (0.21% of the issued and outstanding Shares) and 947,788 Deferred Shares issued and outstanding (2% of the issued and outstanding Shares). Therefore, an additional 606,804 Shares (1.28% of the issued and outstanding Shares) may be reserved for issuance under the Amended Deferred Share Plan and the Amended Employee Share Purchase Plan, collectively;
2. aligns all references to non-Canadians restrictions on ownership of Shares with the Articles and the *Canada Transportation Act*; and
3. updates several outdated dates and definitions.

Approval

At the Meeting, Shareholders will be asked to approve an Ordinary Resolution (the “Employee Share Purchase Plan Resolution”) approving the Amended Employee Share Purchase Plan. The text of this resolution is set forth below. If the Employee Share Purchase Plan Resolution is not passed at the Meeting, the Corporation will not be permitted to issue any additional Shares under the Employee Share Purchase Plan. However, Shares that have been issued pursuant to the Existing Employee Share Purchase Plan and are currently subject to vesting shall remain vested and shall be released in accordance with the terms and conditions of the Existing Employee Share Purchase Plan.

Recommendation of the Board

The Board has determined that it continues to be in the best interests of the Corporation that the Corporation have a Employee Share Purchase Plan. Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the approval of the Amended Employee Share Purchase Plan.

The text of the Employee Share Purchase Plan Resolution is set forth below:

“BE IT RESOLVED, as an ordinary resolution of the shareholders of Exchange Income Corporation (the “Corporation”), that:

1. the fifth amended and restated employee share plan of the Corporation, as more particularly described in the management information circular of the Corporation dated April 3, 2024, be hereby approved;
2. the directors of the Corporation are hereby authorized to reserve for issuance from time to time such number of common shares of the Corporation as may be issued pursuant to the terms of the fifth amended and restated employee share plan of the Corporation;
3. the Corporation be and is hereby authorized to continue issuing shares under the fifth amended and restated employee share purchase plan until May 8, 2027, being the date that is three years from the date of this shareholder approval of such plan; and
4. any one director or officer of the Corporation be and is hereby authorized to execute, deliver and file such documents, and do all such other things, as such person considers necessary or advisable to give effect to the foregoing resolutions.”

To be effective, the Employee Share Purchase Plan Resolution must be passed at the Meeting. The Directors recommend a vote FOR the approval of the Amended Employee Share Purchase Plan. In the absence of a contrary instruction, the persons designated in the enclosed form of proxy intend to vote FOR the foregoing resolution.

5. Advisory Vote on Executive Compensation

The Corporation’s compensation policies and procedures are based on the principle of pay for performance. The Board believes they align the interests of the Corporation’s executive team with the long-term interests of the Shareholders. The Board also believes Shareholders should have the opportunity to fully understand the objectives, philosophy and principles used in its approach to executive compensation decisions and to have an advisory vote on the Board’s approach to executive compensation. This Meeting is the fifth time the Corporation has given the Shareholders an opportunity to provide an advisory vote on this topic and shows the Corporation’s continued commitment to strong corporate governance practices.

This non-binding advisory Shareholder vote (the “**Say-on-Pay Vote**”), gives each Shareholder an opportunity to either endorse or not endorse the Corporation’s approach to its executive compensation program and policies.

Advisory Vote on Executive Compensation

The text of the Say-on-Pay Vote resolution is set forth below:

“BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the board of directors (the “Board”) of Exchange Income Corporation (the “Corporation”), that the shareholders of the Corporation (the “Shareholders”) accept the approach to executive compensation disclosed in the management information circular delivered in advance of the annual and special meeting of Shareholders of the Corporation.”

To be effective, approval of the above resolution will require an affirmative vote of a majority of the votes cast at the Meeting.

The purpose of the Say-on-Pay Vote is to provide appropriate Board accountability to the Shareholders of the Corporation for the Board’s compensation decisions by giving Shareholders a formal opportunity to provide their views on the disclosed objectives of the executive compensation plans, and on the plans themselves, for the past, current and future fiscal years.

While Shareholders will provide their collective advisory vote, the Board remains fully responsible for its compensation decisions and is not relieved of these responsibilities by a positive advisory vote by Shareholders.

As this is an advisory vote, the results will not be binding upon the Board. However, the Board will take the results of the vote into account, as appropriate, when considering future executive compensation policies, procedures and decisions and in determining whether there is a need to significantly increase its engagement with Shareholders on executive compensation and related matters. The Corporation will disclose the results of the Say-on-Pay Vote as a part of its report on voting results for the Meeting.

In the event a significant number of Shareholders oppose the resolution, the Board will consult with the Shareholders, particularly those who are known to have voted against it, in order to understand their concerns and will review the Corporation’s approach to compensation in the context of those concerns. Shareholders who have voted against the resolution will be encouraged to contact the Board to discuss their specific concerns.

The Board will disclose to Shareholders as soon as is practicable, and no later than in the management proxy circular for the next annual meeting of Shareholders, a summary of the significant comments relating to executive compensation received from Shareholders in the engagement process and an explanation of the changes to the executive compensation plans made or to be made by the Board or why no changes will be made. The Corporation received strong support for its compensation policies and procedures in 2023 from Shareholders with 93.76% of votes cast in favor of the Say-on-Pay vote at the 2023 annual and special meeting of Shareholders. No significant comments relating to executive compensation were received from Shareholders in 2023.

The Board recognizes Say-on-Pay Vote is an evolving area in Canada and globally, and will review this policy annually to ensure that it is effective in achieving its objectives.

Recommendation of the Board

The Board unanimously recommends a vote for the Corporation’s approach to executive compensation, as described in “Executive Compensation” of this Circular.

CORPORATE GOVERNANCE

Introduction

The Board believes sound corporate governance practices are essential to the well-being of the Corporation and its Shareholders, and these practices should be reviewed regularly to ensure they are appropriate. The Board has reviewed the guidelines for effective corporate governance contained in NP 58-201 issued by the Canadian Securities Administrators and other relevant regulations regarding corporate governance practices. The Canadian Securities Administrators have also adopted NI 58-101 which requires Canadian reporting issuers to annually disclose their corporate governance practices. Regulatory changes to governance practices that have occurred, or will occur, are continually monitored by the Board and the Board has taken or will take appropriate action as regulatory changes occur. Below is a discussion on the current composition of the Board and the current governance practices of the Corporation.

The Directors have in place appropriate structures to ensure they can function independently of management. The responsibilities of the Chair of the Board include overseeing that the Directors discharge their responsibilities. The current Chair of the Board is Donald Streuber, FCPA/FCA.

The CEO of the Corporation is responsible for the overall administration and management of the Corporation and its subsidiaries. All major policy decisions relating to the Corporation and its subsidiaries are made by the Directors or a committee thereof. Each subsidiary of the Corporation has its own management team that is responsible for the day-to-day management of each respective subsidiary. As applied to a Director herein, “Independent” has the meaning ascribed to such term in respect of a director of an issuer in NI 58-101 and includes having no direct or indirect material relationship with the Corporation, where a “material relationship” is a relationship which could, in the view of the Directors, reasonably interfere with the exercise of such Director’s independent judgment.

Corporate Governance Highlights

Best practices and policies	What We Do Not Allow
✓ Separate Chair and CEO. Both attend committee meetings as observers except in-camera sessions in the case of the CEO	✗ No Directors and management are allowed to engage in hedging or derivative trading in the Corporation’s securities
✓ Independent Board Chair	✗ No loans to any Directors
✓ 100% of all board committee members are independent	✗ No slate voting for Directors
✓ Hold regular in-camera meetings (Independent Directors only)	✗ No staggered voting for Directors
✓ Code of Ethics, an Insider Trading Policy and a Disclosure and Competition Policy	✗ No unequal voting structure
✓ Annual, individual Director elections	
✓ Majority Voting Policy	
✓ Limit the number of outside other public company directorships	
✓ None of the nominees serve together on the same board of another public company	
✓ Say-On-Pay annual advisory vote on executive compensation	

Corporate Governance

Engaged and diverse Board	Strong Oversight
<ul style="list-style-type: none">✓ 73% independent Directors being nominated✓ 36% of director nominees identify as women, meeting the 30% target✓ One (1) director identifies as being a member of a visible minority or Indigenous Peoples meeting the target for diversity other than gender diversity✓ Share ownership guidelines for directors and executives✓ New Director orientation and mentoring✓ Regular review of Board and committee mandates✓ Rigorous Board and executive succession planning	<ul style="list-style-type: none">✓ Board oversight with assistance of applicable committees of ESG matters and climate risk✓ Board oversight on management succession planning✓ Board oversight with assistance of applicable committees on Cybersecurity✓ Part of CEO, executive and senior leadership annual incentive compensation is linked to ESG goals✓ Annual Board, committee, and Director performance evaluations including one-on-one meetings between individual directors and the Chair of the Board✓ Ongoing Director education, training and support

Board of Directors of the Corporation

The Board is comprised of a majority of Independent Directors, which facilitates its exercise of independent supervision over management and none of the members of the Board are related to one another. The composition of Independent Directors and non-Independent Directors is as follows (listed alphabetically):

Independent Directors currently are:

- Brad Bennett
- Gary Buckley
- Polly Craik
- Barb Gamey
- Bruce Jack
- Melissa Sonberg
- Donald Streuber
- Edward Warkentin

Non-Independent Directors are:

- Duncan Jessiman (Executive Vice-Chair)
- Michael Pyle (CEO)

Donald Streuber, FCPA/FCA, is the Chair of the Board and is an Independent Director.

The newly nominated Director, Carmele Peter, if elected by Shareholders at the Meeting, will be a Non-Independent Director.

The Independent Directors hold regularly scheduled in-camera meetings without management and the non-Independent Directors. These in-camera meetings take place at a minimum at all quarterly Board meetings and specially scheduled meetings. In the year ended December 31, 2023, six such in-camera meetings were held by the Independent Directors.

Board Mandate

The mandate of the Board provides that the Directors must act honestly and in good faith with a view to the best interests of the Corporation and in connection with that exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Corporation is required to have a minimum of one Director and a maximum of 15 Directors.

The Board has adopted the Board Mandate. The full text of the Board Mandate is attached as Schedule "A" to this Circular.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board as well as for the Chair of the Audit Committee. The duties of the Chairs of the other committees of the Board are set forth in the charters of each of the other committees of the Board. The Board has also developed a written position description for the CEO of the Corporation.

Ethical Business Conduct

The Corporation has adopted a Code of Ethics, an Insider Trading Policy, a Disclosure and Competition Policy, a Conflict of Interest Policy, a Whistleblower Policy, and an Anti-Bribery and Anti-Corruption Policy. Every Director, officer and employee of the Corporation and its subsidiaries receives a copy of these documents upon commencement of employment with the Corporation or a subsidiary, as applicable, and a process is in place for annual certification that the policies have been reviewed. The Code of Ethics is monitored by the Governance Committee. A copy of the Code of Ethics may be obtained by any person on the Corporation's website (www.ExchangeIncomeCorp.com).

The Board did not grant any waivers of the Code of Ethics to executive officers or directors in 2023.

The Board Mandate provides that Directors must understand conflict of interest issues and declare all real or perceived conflicts, and disclose contracts or arrangements with the Corporation or any of its subsidiaries in which a Director has an interest. The by-laws of the Corporation provide that each Director must disclose the nature and extent of his or her interest in a contract or transaction or proposed contract or transaction in which he or she has an interest in the manner provided by the CBCA.

Related Party Transactions

Due to the Corporation's diverse operations and holdings, the Corporation may, from time to time, enter into transactions with related parties. All non-ordinary course or material related party transactions are reviewed by members of management that have no interest in the transaction to ensure that they are on terms that are fair and reasonable to the Corporation. Related party transactions are disclosed in accordance with IFRS in our annual audited financial statements and in the associated management discussion and analysis. As included in the Corporation's Audit Committee charter, the Audit Committee is responsible for reviewing all such disclosed related party transactions prior to the release of the annual audited financial statements.

Other Directorships

For a summary of the Directors who are currently directors or trustees of other reporting issuers, see "*Particulars of Matters to be Acted Upon at the Meeting – Election of Directors*".

The Board has adopted a policy to limit the number of outside public company directorships that may be held by Directors to two for Directors holding full-time executive positions and to four for other Directors.

There are currently no common memberships on boards of other public companies among the Directors.

Director Term Limits

Board members are elected annually by our shareholders.

The Board does not believe arbitrary term limits for Directors are appropriate nor does it believe Directors should be required to retire from the Board upon reaching a certain age. The Board believes imposing term limits on Directors or a mandatory retirement age could result in the loss of the contribution of Directors who have valuable experience and qualifications as Directors and who have developed, over a period of time, insight and perspective into the Corporation and its businesses.

Corporate Governance

The Board relies upon the annual formal Board, committee, and Director assessments for evaluating performance as described under “*Governance Committee*”. Accordingly, the Board has not adopted a policy imposing term limits on Directors or imposing a mandatory retirement age for Directors.

Diversity of Board and Executives

The Corporation’s belief in diversity translated into a written Board diversity policy first adopted by the Board in February, 2020 and more recently amended in February, 2024. The Board’s formal policy on diversity (“**Board Diversity Policy**”) is summarized below.

The Board believes in diversity and values the benefits that diversity can bring to its Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures the Corporation has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

The Corporation seeks to maintain a Board comprised of talented and dedicated Directors with a diverse mix of expertise, experience, skills, and backgrounds. The skills and backgrounds collectively represented on the Board should reflect the diverse nature of the business environment in which the Corporation operates. For purposes of Board composition, diversity includes, but is not limited to, business experience, geography, age, gender, visible minorities, ethnicity and Indigenous Peoples, and persons with disabilities. The Board works towards having Directors that are women, Indigenous Peoples, persons with disabilities and members of visible minorities, as such terms are defined in the *Employment Equity Act (Canada)* (each a “**Designated Group**”). At this time, the Board seeks to maintain a Board in which each gender represents at least 30% of the Board and at least one (1) Director is an Indigenous People and/or a member of a visible minority.

The Corporation is committed to a merit based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Corporation will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Corporation will periodically assess the expertise, experience, skills and backgrounds of its Directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds.

Any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates.

Annually, the Board or a committee of the Board will review its Board Diversity Policy and assess its effectiveness in promoting a diverse Board, including the goal of having each gender represent at least 30% of the Board. This year, the policy was also amended to add the goal of having at least one (1) Board member belong to one of the following groups: members of visible minorities or Indigenous Peoples.

The Board is also receptive to increasing the number of members of Designated Groups in executive officer positions with the Corporation, taking into account the particular skills, background, experience and knowledge required for the particular executive officer position. When the Board and members of management conduct searches for potential new executive officers, they always attempt to review a diverse range of candidates, including candidates that are members of Designated Groups and consider the representation of members of Designated Groups in executive officer positions with the Corporation. At this time, the Board has not set a specific target as to the number of members of Designated Groups in executive officer positions as promotions and new hires to executive officer positions are based solely on merit and achievements within the Corporation for promotions or achievements external to the Corporation for new hires. In addition, the Board assesses executive officer candidates on a case by case basis and does not believe that strict adherence to a target ultimately results in the best executive officers being hired.

Currently, three of the ten Directors are women, representing 30% of the Board. If the Shareholders approve the appointment of the eleven Directors nominated by the Board, four of the eleven Directors will be women, representing 36% of the Board. Currently, two of the ten executive officers of the Corporation are women, representing 20% of the executive officers of the Corporation, including the President of the Corporation and the Corporate Secretary of the Corporation.

Currently, none (0%) of the Directors self-identify as a member of a visible minority or Indigenous Peoples, or persons with disabilities. If the shareholders approve the appointment of the eleven Directors nominated by the Board, one of the eleven Directors (9%) will self-identify as an Indigenous People and none (0%) self-identify as a member of a visible minority or persons with disabilities. Currently 20% of the executive officers of the Corporation have self-identified as an Indigenous People and none (0%) of the executive officers of the Corporation have self-identified as members of visible minorities or persons with disabilities.

The Board considers the level of diversity, gender and otherwise, on the Board and in senior management to be acceptable.

Nomination of Directors

The Governance Committee is responsible for the nomination of Directors. The Governance Committee consists solely of Independent Directors. The Governance Committee is responsible for, among other things, reviewing the size and composition of the Board and recommending candidates for election to the Board. Each year, the Governance Committee carefully examines the composition of the Board, including issues relating to its size, and balances factors such as age, geographical, professional and industry representation, gender, and other areas of diversity. To assist in this process, the Governance Committee maintains a matrix of the major competencies and expertise contributed by each Director to the Board's needs. If the Governance Committee concludes the Board would benefit from a new Director, the Governance Committee will endeavor to find an appropriate candidate for nomination.

New Directors may be proposed by the Governance Committee following a search to identify appropriate candidates. If the Governance Committee determines a proposed Director is worthy to become a Director, then the decision as to whether or not to appoint such a Director is taken to the Board as a whole.

Orientation and Continuing Education

The Board and management of the Corporation have established an orientation and education program for new Directors and new committee members regarding the role of the Board, its committees as well as the nature and operation of the Corporation's business. New Directors are provided with sufficient information to enable them to become familiar with the Corporation, its issues, business and operations, including meetings with the Chair of the Board, Chair of the Governance Committee and senior management. Care is taken to ensure new Directors understand the roles and responsibilities of the Board and its committees, as well as the commitment level the Corporation expects of the Directors. New Directors are also appointed a mentor from the Board to assist with their new role on the Board.

The Governance Committee is also charged with ensuring continuing education opportunities are available to all Directors as appropriate. Each year, Directors are surveyed to identify their priority topics and the Governance Committee works with management to incorporate these into its planning for the following year.

Presentations from a combination of management and external parties are made to the whole Board throughout the year. Presentations in the past year to the Board at Board meetings or special sessions around Board meetings included: *The Fight Against Forced Labour and Child Labour in Supply Chains Act* (commonly known as Modern Slavery Act), IFRS S1 & S2 developments, various matters including United States of America and world issues, capital allocation strategy and management, tax overview and strategies, stock market analysis, enterprise risk management initiatives and overview, succession planning, ESG and stakeholder engagement initiatives, acquisitions and long-term contracts of the

Corporate Governance

Corporation, various information technology risks and opportunities including but not limited to data privacy, Cybersecurity, and leveraging artificial intelligence for operational excellence, human capital retention and recruitment initiatives, and supply chain issues.

For 2023, all Board members were present for these presentations.

On a rotational basis over approximately 12 to 18 months, the management of each subsidiary presents to the Board a fulsome overview of their business. The Board also schedules site visits where some or all of the Directors visit the operations of a subsidiary. During 2023, board members visited a subsidiary site for an update on related growth and maintenance capital expenditure projects.

The Corporation is a member of the ICD and all Directors have access to the educational programs and regular updates on current governance issues provided by this organization. Several directors participated in ICD and external advisors' webinars and seminars on topics such as business ethics, executive compensation, cybersecurity, human capital management, climate change and corporate governance, Indigenous perspectives on governance and Indigenous Peoples, and future of sustainability reporting with International Sustainability Standards Board standards.

Board, Committee and Director Performance Reviews

Annually the Governance Committee conducts a review of the effectiveness of the Board and the committees thereof, and the individual Directors which is outlined more fully below. This process includes a peer review for each Director, who meets with the Chairs of the Board and the Governance Committee to discuss the results. For 2023, this review and the individual meetings took place in the fourth quarter. The Governance Committee report was presented at the in-camera Board meeting in the first quarter of 2024.

Director Share Ownership Policy

Many Canadian public corporations have adopted mandatory minimum share ownership requirements for board members. It is important to the Corporation that the Directors are seen to have "aligned" their personal interests with the Shareholders by owning Shares and/or Deferred Shares. The Corporation adopted a Director Share Ownership Policy effective November 12, 2012, which was amended in February, 2016 and January, 2023 and has the following requirements:

- (a) the minimum shareholding requirement for all Directors is set at three times the amount of the annual retainer paid to Directors;
- (b) the minimum shareholding requirement for the Chair of the Board includes the additional retainer received as the Chair;
- (c) the additional retainers for committee chairs are not included in the calculation of the minimum Share ownership requirements;
- (d) committee members who are not Directors are not included in the Director Share Ownership Policy;
- (e) in determining the value of Shares held by a Director under the Director Share Ownership Policy, the value of vested Deferred Shares is included. In addition, the value of any Shares held in entities in which the Director has a beneficial interest is included where such holdings are reported in the Annual Information Form;
- (f) a Director has five years from the date of appointment to the Board to meet the initial shareholding requirements. Similarly, should the retainer be increased, a Director will have five years to meet the increased shareholding requirement;
- (g) a Director is required to take a minimum of 50% of his or her annual retainer as Deferred Shares until their Share ownership requirement is achieved; and
- (h) once the required shareholding level is met by a Director, he or she is not required to increase his or her shareholdings owing to any decline in the price of Shares.

Effective January 1, 2023, the Board made changes to their fee structure and annual retainer amounts as described in “*Director Compensation Discussion*”. As a result, the minimum shareholding requirements, consisting of Shares and/or Deferred Shares, for the Chair of the Board and the other Directors as of the date of this Circular is as follows:

	Annual Retainer Amount	Multiple	Required Share Ownership
Chair of the Board	\$275,000	3 times	\$825,000
Director	\$ 175,000	3 times	\$525,000

Communication Channels

The Board recognizes it is important for Shareholders and stakeholders to have the opportunity to communicate on matters that are important to them. The Corporation maintains a telephone number as well as email and regular mail addresses for stakeholder feedback and questions. All communications are received, processed and initially reviewed by the Corporate Secretary. Communications that are not related to the duties and responsibilities of the Board, including topics of a commercial nature, service complaints, employment issues, business suggestions, job inquiries, opinion surveys, and business or other solicitations, may instead be forwarded to the relevant subsidiary or in accordance with the Corporation’s policies.

For any questions or comments, please contact the Board through the Corporate Secretary via email at: dspencer@eig.ca or by telephone 1-204-982-1852 or by mail at Exchange Income Corporation, 101-990 Lorimer Blvd, Winnipeg, Manitoba R3P 0Z9.

Please also refer to the “Additional Information Section” of this Circular.

Questions for the Meeting may be submitted by Shareholders either in advance of, or at the meeting. Please see “How To Participate In The Meeting” within this circular for additional information.

Board Committees

The Board fulfills its role directly and through committees to which it delegates certain responsibilities. The Board and its committees are focused on the continued improvement of governance principles and practices. Maintaining a leadership position in corporate governance requires constant review of these principles and practices to be sure they meet or exceed evolving best practices and regulatory guidance. The Board annually reviews its committee charters, including, with respect to climate and other ESG reporting in light of evolving sustainability disclosure standards.

KEY BOARD ACHIEVEMENTS IN 2023:

- Continued to oversee the Corporation’s strategic priorities and capital allocation strategy;
- Reviewed and approved changes to the Board Diversity Policy as described above;
- Oversaw, through the committees, the policies and programs in place with respect to climate and other ESG matters;
- Amended the segment advisory committee mandates to reflect the segment advisory committee’s responsibilities on climate and human capital management, which includes collective bargaining, health, and safety;
- Oversaw and supported management succession planning and key appointments;
- Oversaw development programs for the Corporation’s talent pool;
- Nominated and successfully onboarded Barb Gamey as a Director; and
- Selected Carmele Peter as a Director nominee.

Corporate Governance



Governance Committee

The Governance Committee of the Corporation is responsible for developing, on behalf of the Corporation, its corporate governance principles to foster a healthy governance culture at the Corporation and its subsidiaries. The Governance Committee is comprised of Melissa Sonberg (Chair), Bruce Jack, and Edward Warkentin and all are Independent Directors.

The Governance Committee's key charter responsibilities include:

- (a) the development of, and compliance with, corporate governance policies and procedures;
- (b) recommending candidates for election to the Board and its committees;
- (c) assessing the management, development and effective performance of the Board, its committees, and its mandate and charter, and orientation, education and development of members of the Board;
- (d) development of, and overseeing policies and practices related to corporate social responsibility;
- (e) review, discuss with management and make recommendations to the Board in respect of corporate social responsibility and sustainability matters, including, but not limited to ESG factors and their integration into the Corporation's business strategy and decision making; and
- (f) review and discuss with management the Corporation's reporting and disclosure on corporate social responsibility and sustainability matters.

The Governance Committee believes it has fulfilled its responsibilities in the most recently completed financial year in the best interests of the Shareholders. In carrying out these responsibilities, the Governance Committee focused on the following initiatives to further improve the Corporation's governance processes and practices:

1. **Board Composition/Nominations:** Each year, the Governance Committee carefully examines the composition of the Board, including issues relating to its size, expertise and capabilities and considers factors such as age, geographic, professional and industry representation, gender, and other areas of diversity. A competency/skills matrix is developed which outlines areas of expertise and experience of each Director. The Governance Committee develops a list of potential candidates, generated through individual referrals and accessing the referral resources of organizations such as the ICD, who possess the skills and experience required to meet the Corporation's business needs and further the objectives of the Board Diversity Policy outlined above.
2. **Improving Board and Committee Processes:** Each member of the Board and/or its committees assesses the adequacy and timeliness of information provided to the Board or committee, the quality of communication between the members and management of the Corporation and the strategic direction and processes of the Board or committee. A summary report is provided by the Governance Committee to the Board as a whole.
3. **Performance of the Board, Committees and Directors:** The Chair of the Board and the Chair of the Governance Committee meet with each Director to discuss his or her views about the effectiveness of the Board and its committees and contributions of individual Directors. Questionnaires are circulated to each Director and the results are compiled which relate to the Board, its committees and each individual Director's performance (i.e. peer review). The compiled results are used as a basis for discussion in the meetings between each Director and the Chair of the Board and the Chair of the Governance Committee.
4. **Corporate Responsibility and Sustainability Matters:** The Governance Committee reviewed and provided oversight of ESG program development, initiatives, and reporting as further detailed within this Circular.

The Board and its committees continually evaluate and improve the corporate governance policies and procedures of the Corporation.

KEY GOVERNANCE COMMITTEE ACHIEVEMENTS IN 2023:

- Oversaw the annual Board evaluation process;
- Code of Ethics review;
- Reviewed and recommended changes to the Board Diversity Policy as described above;
- Reviewed and recommended changes to the Aerospace & Aviation Sector Advisory Committee and Manufacturing Sector Advisory Committee mandates to include responsibilities on climate and human capital management;
- Reviewed and suggested matters upon which information sessions for Board members would be appropriate;
- Onboarded Barb Gamey as a Director; and
- Selected and recommended Carmele Peter as Director nominee.

**Audit Committee**

The Audit Committee is comprised of Bruce Jack (Chair), Gary Buckley, Polly Craik and Barb Gamey. All are Independent Directors and financially literate. Bruce Jack, Chair of the Audit Committee, is a Chartered Professional Accountant who acquired his experience by serving as a partner at Deloitte LLP for a period of 40 years. He is considered a qualified financial expert.

For a discussion of the Audit Committee please see the Annual Information Form, which is available on SEDAR+ at www.sedarplus.ca and will be provided free of charge upon request by any security holder of the Corporation.

KEY AUDIT COMMITTEE ACHIEVEMENTS IN 2023:

- Oversaw the annual and quarterly financial reporting process and recommended quarterly and annual financial reporting to the Board;
- Reviewed and approved the 2023 audit and advisory plan and oversaw its execution;
- Continued to oversee and monitor risk management, including climate risk, data privacy, and Cybersecurity; and
- Continued to monitor and provide feedback with respect to management's long term capital allocation and leverage models.

**Compensation Committee**

For a description of the Compensation Committee, see "*Executive Compensation – Compensation Discussion and Analysis*".

KEY COMPENSATION COMMITTEE ACHIEVEMENTS IN 2023:

- Reviewed the performance assessment of the CEO against 2023 objectives and made recommendations to the Board for the performance objectives and metrics for 2024;
- Reviewed and made recommendations to the Board to approve the compensation of the CEO and other members of executive management as well as target compensation for 2024;
- Oversaw and supported management succession planning and key appointments; and
- Oversaw development programs for the Corporation's talent pool.

**Disclosure and Competition Committee**

The Disclosure and Competition Committee is currently comprised of: Duncan Jessiman (Chair), Michael Pyle and Adam Terwin (Chief Corporate Development Officer of the Corporation, not a Director). The composition of the Disclosure and Competition Committee is determined on an annual basis by the CEO of the Corporation. Mr. Terwin attended four of four meetings of the Disclosure and Competition Committee in 2023.

The Corporation has adopted a Disclosure and Competition Policy designed to ensure:

- | | |
|---|---|
| <ul style="list-style-type: none"> (a) timely, accurate and balanced public dissemination of material information about the Corporation and its subsidiaries in accordance with all applicable legal, regulatory and stock exchange requirements; (b) protection of the Corporation's confidential information; | <ul style="list-style-type: none"> (c) that all personnel of the Corporation and its subsidiaries are aware of the legal requirements to comply with competition law; and (d) that the Corporation and each of its subsidiaries are in compliance with the Disclosure and Competition Policy. |
|---|---|

The purpose of the Disclosure and Competition Committee is to establish controls and procedures to ensure the Disclosure and Competition Policy of the Corporation is being followed throughout the Corporation. The Disclosure and Competition Committee meets at least quarterly but as frequently as circumstances require, and as the members deem necessary or appropriate, to carry out its responsibilities listed below:

- | | |
|---|--|
| <ul style="list-style-type: none"> (a) assist in the design, establishment, maintenance, review and evaluation of the effectiveness of disclosure and competition controls and procedures to ensure that material information is made known to the Disclosure and Competition Committee and is able to be provided, processed, summarized and reported to the appropriate securities regulatory authority on a timely basis; (b) consider materiality of information received via the Corporation's disclosure and competition controls | <ul style="list-style-type: none"> and procedures to determine the Corporation's disclosure and competition obligations on a timely basis; (c) assist in the preparation of each periodic report and earnings release (including management's discussion and analysis) of the Corporation and evaluate the clarity, accuracy and compliance of the information in such report or earnings release; |
|---|--|

Corporate Governance

- (d) review with the assistance of counsel (a) any instances of fraud that involve management or other employees who have a significant role in the Corporation's disclosure and competition controls and procedures or internal controls that come to the attention of the members of the Disclosure and Competition Committee while carrying out their responsibilities and (b) any significant deficiencies in the design or operation of the Corporation's disclosure and competition controls and procedures and internal controls that could adversely affect the Corporation's ability to record, process, summarize and report financial and other material information to the appropriate securities regulatory authority; and
- (e) consider any such other matters, and take any such other actions, in relation to the Corporation's disclosure and competition controls and procedures, as the Disclosure and Competition Committee may, in its discretion, determine to be advisable to ensure that information required to be disclosed under the Disclosure and Competition Policy and by law is recorded, processed, summarized and reported on a timely basis.

The Disclosure and Competition Committee meets on a quarterly basis with the responsible person in each of its subsidiaries to review matters pursuant to the Corporation's disclosure and competition controls and procedures.



Aerospace & Aviation Sector Advisory Committee

The purpose of the Aerospace & Aviation Sector Advisory Committee is to act as a board of advisors to the operating entities in the aerospace and aviation sector of the Corporation. The Aerospace & Aviation Sector Advisory Committee consists of Brad Bennett (Chair), Donald Streuber, Michael Pyle, Duncan Jessiman, Barb Gamey, Polly Craik and Melissa Sonberg.

The members of the Aerospace & Aviation Sector Advisory Committee shall:

- (a) demonstrate skills and experience that are complementary to the Aerospace & Aviation Sector Advisory Committee's charter and helpful with the current activities and strategic direction of the management of the aerospace & aviation subsidiaries of the Corporation; utilize external relationships and resources in making a contribution and adding value to the management of the aerospace and aviation subsidiaries; effectively apply their knowledge, experience and expertise to issues confronting the aerospace and aviation subsidiaries; and serve as a helpful resource to the management of the aerospace and aviation subsidiaries, where necessary and appropriate; and
- (b) maintain and demonstrate a comprehensive understanding of the strategic direction and annual plans of the management of the aerospace and aviation subsidiaries, including an understanding of the aerospace and aviation subsidiaries' principal risks; review with management any key enterprise risks of the aerospace and aviation subsidiaries, including those related to human resources, safety, health, security and the environment, and management's plans and policies to address these risks (including addressing these risks in accordance with the Corporation's ESG practices and strategies); contribute and add value to discussions regarding the aerospace and aviation subsidiaries' strategic direction; participate in monitoring and evaluating the executive management's success in achieving established goals set out in the aerospace and aviation subsidiaries' strategic and annual plans; maintain and demonstrate a strong understanding of the aerospace and aviation subsidiaries' business, services/products, markets and operations; maintain and demonstrate knowledge of important industry trends and the competitive environment, including trends related to human resources, safety, health, security, and the environment.

Throughout the year the Aerospace & Aviation Sector Advisory Committee has met and discussed with management its thoughts relating to the various operations of the Corporation's aerospace and aviation subsidiaries. In 2023, discussions included: renewal and expansion of several long-term contracts, aviation initiatives, human resources, climate, supply chain issues, and growth and capital expenditure projects.



Manufacturing Sector Advisory Committee

The purpose of the Manufacturing Sector Advisory Committee is to act as a board of advisors to the operating entities in the manufacturing sector of the Corporation. The Manufacturing Sector Advisory Committee consists of Edward Warkentin (Chair), Michael Pyle, Duncan Jessiman, Bruce Jack, Gary Buckley, Brad Bennett, Ray Moher (non-Director) and William Baines (non-Director). In order to provide additional experience to the Manufacturing Sector Advisory Committee, two non-Director individuals, Ray Moher and William Baines, have been appointed to the Manufacturing Sector Advisory Committee. Mr. Moher was appointed to the Manufacturing Sector Advisory Committee in 2008 and Mr. Baines was appointed on February 1, 2015. Mr. Moher is the President of WBM GP Inc., a wholly-owned subsidiary of the Corporation, and the general partner of Water Blast Manufacturing LP, a wholly-owned subsidiary of the Corporation. Mr. Moher attended four of four meetings of the Manufacturing Sector Advisory Committee in 2023. Mr. Baines brings many years of experience on both community and corporate boards and over 40 years of business experience in telecom, manufacturing and digital services. Mr. Baines is the former President and CEO of AML Wireless Networks Inc., OMT Technologies Inc., Intertain Media Inc., and former President and Chief Operating Officer of Manitoba Telecom Services (MTS). Mr. Baines has a degree in engineering, an MBA and his ICD.D designation from the Institute of Corporate Directors. Mr. Baines attended three of four meetings of the Manufacturing Sector Advisory Committee in 2023.

The members of the Manufacturing Sector Advisory Committee shall:

- (a) demonstrate skills and experience that are complementary to the Manufacturing Sector Advisory Committee's charter and helpful with the current activities and strategic direction of the management of the manufacturing subsidiaries; utilize external relationships and resources in making a contribution and adding value to the management of the manufacturing subsidiaries; effectively apply their knowledge, experience and expertise to issues confronting the manufacturing subsidiaries; and serve as a helpful resource to the management of the manufacturing subsidiaries, where necessary and appropriate; and
- (b) maintain and demonstrate a comprehensive understanding of the strategic direction and annual plans of the management of the manufacturing subsidiaries, including an understanding of the manufacturing subsidiaries' principal risks; review

with management any key enterprise risks of the manufacturing subsidiaries including those related to human resources, safety, health, security and the environment; contribute and management's plans and policies to address these risks (including addressing these risks in accordance with the Corporation's ESG practices and strategies); and add value to discussions regarding the manufacturing subsidiaries' strategic direction; participate in monitoring and evaluating the executive management's success in achieving established goals set out in the manufacturing subsidiaries' strategic and annual plans; maintain and demonstrate a strong understanding of the manufacturing subsidiaries' business, services/products, markets and operations; maintain and demonstrate knowledge of important industry trends and the competitive environment, including trends related to human resources, safety, health, security and the environment.

Throughout the year the Manufacturing Sector Advisory Committee has met and discussed with management its thoughts relating to the various operations of the Corporation's manufacturing sector companies. In 2023, discussions included: merits of several acquisitions, integration of acquisitions into operations, human resources, climate, supply chain issues, and growth and capital expenditure projects.

Environmental, Social and Governance Matters



The Board understands effective management of ESG matters is both consistent with the Corporation's core values and critical to its long-term success. The Board also recognizes that further integrating ESG matters and responsible business practices into the Corporation's operations and culture will contribute to long-term Shareholder and stakeholder value.

ESG encompasses how the Corporation governs its business, minimizes its environmental impacts, invests in and supports its employees, serves its customers, engages with its communities and reports about its performance.

The Board evaluates ESG related matters that affect the Corporation, such as climate, safety, human capital, diversity, equity, and inclusion, and data privacy and cybersecurity, on a regular basis. It considers and prioritizes how to allocate resources including with regard to the Corporation's best interests and long-term performance and value creation. The Corporation has multiple levels of oversight and management for ESG matters.

The Corporation is committed to implementing, maintaining, and expanding systems and programs to manage those matters. As part of this commitment, the Corporation has enhanced its oversight of ESG issues. The Corporation placed primary responsibility for oversight and coordination of ESG matters with the Governance Committee. As data privacy and cybersecurity require specialized oversight, that responsibility has been assigned to the Audit Committee. Executive compensation, which includes ESG performance measurements, is the responsibility of the Compensation Committee.

The Corporation also assigned operational responsibility of ESG issues to a senior member of its executive team and engaged an ESG advisory firm to help the Corporation develop and execute a strategy to improve ESG performance and reporting.

In 2023, the Corporation updated the results of the materiality assessment, conducted in 2021, to help establish sustainability priorities and develop an action plan for ESG program development. As part of this process, the Corporation reviewed and/or updated a number of sustainability-related policies. The policies are available on the Corporation's website at: www.exchangeincomecorp.ca.

As more fully described under "Executive Compensation" in this Circular, the Corporation's executive compensation program rewards executives for successfully executing on the Corporation's strategy, which includes ESG priorities.

The Corporation's social and environmental achievements are reported through its annual Sustainability Report, in accordance with SASB. The 2022 report describes its approach, commitments and progress respecting ESG activities and performance throughout that year. The report also outlines the Corporation's commitments for the future. Climate governance, strategy, risks and performance are also reported through the report aligned to the TCFD framework. The 2022 Sustainability Report is available at www.exchangeincomecorp.ca. Prior editions are also available.

Corporate Governance

By taking these steps, the Corporation believes it creates meaningful value for its stakeholders:

Customers	<ul style="list-style-type: none">The Corporation provides essential services and niche products safely to its customers.
Employees	<ul style="list-style-type: none">Recognizing the positive impact employees make at the Corporation and also for its customers and communities, the Corporation maintains a safe and healthy work environment, attracts and develops talent, creates growth and development opportunities, and drives a diverse and inclusive culture.
Communities	<ul style="list-style-type: none">The Corporation is committed to helping create positive social and economic impact in the communities where it operates and plays an essential role in the areas of the environment, diversity and inclusion, inclusive economic growth and prosperity and building a more sustainable economy.
Shareholders	<ul style="list-style-type: none">Through strong governance, the Corporation enhances Shareholder value and delivers a robust capital position and balance sheet.

In 2023, the Corporation took the following meaningful actions to advance its ESG strategies:

Environment

Climate change is an important focus area for the Corporation. The Corporation is committed to holding itself accountable; informing and inspiring a sustainable future; and advancing carbon reduction leadership in the Corporation's operations. The Board of Directors maintains an oversight of the measures put in place by management to mitigate climate risk as well as management's assessment of this risk and its possible impacts on the Corporation's operations and activities. This oversight is performed both at the Board level and through the Audit Committee which is specifically tasked with risk oversight, including climate risk.

In 2023, the Corporation expanded and refined its system to record, measure, and report its carbon footprint. In addition, the following actions occurred in 2023:

- Engaged a climate expert to review, test, and agree upon the methods being used to track and report Scope 1 and Scope 2 emissions;
- Conducted an analysis of Scope 3 emissions most material to the Corporation and put a process in place to start to measure those relevant Scope 3 emissions commencing in 2024;
- Announced a \$20 million investment in a full motion simulator which will reduce the carbon footprint of the Corporation along with an improvement in pilot development and safety; and
- Analyzed and considered an appropriate carbon offset program for a certain subsidiary to be net zero as it relates to a specific contract.

Social

The Corporation is committed to being a leader in diversity and inclusion, within its own operations, with suppliers and in the communities served by the Corporation. Additionally, the Corporation's approach to community investment focuses on helping to address significant societal issues and creating more inclusive opportunities for communities to thrive. In 2023, the Corporation:

- Celebrated the 2nd graduation class for the Atik Mason Indigenous Pilot Pathway Program. Five graduates furthered their training and will commence employment in 2024, and the Corporation announced expansion of the program to Rankin Inlet, Nunavut commencing in 2024;
- Expanded delivery of reconciliation training to broader group of employees within the Corporation in addition to 100% of Directors, executive officers and senior management to support Indigenous relationships and programs with the Corporation;
- Expanded delivery of unconscious bias training to a broader group of employees within the Corporation in addition to 100% of Directors, executive officers and senior management to support diversity, equity, and inclusion efforts in the Corporation's workforce;
- Introduced several labor initiatives to develop workforce talent;
- Provided VIP experiences wherein youth from remote communities experience professional sporting events as an incentive to stay in school and to support mental health and bring awareness to the Truth and Reconciliation Commission;
- Sponsored educational programs promoting careers in aviation and information technology for youth and Indigenous Peoples;
- Undertook a process to expand reporting of diversity and inclusion metrics; and
- Expanded the Corporation's "Life in Flight" program for aircraft maintenance engineers at additional satellite locations.

Governance

Good governance is fundamental to the Corporation's business, and it underpins everything that it does. The Corporation's approach to governance is covered in detail throughout this Circular. The highlights listed below focus on the Corporation's ESG initiatives in 2023:

- Completed annual review of the Corporation's Code of Ethics;
- Review and oversight of ESG program development;
- Through the Audit Committee, the Corporation's risks relating to information technology, systems, and security, including in relation to Cybersecurity were reviewed. Various Cybersecurity management frameworks are implemented to safeguard the Corporation's systems, information and ability to operate. The Corporation continually seeks to advance privacy maturity and Cybersecurity resilience through investments in security initiatives that include technology, processes, training, disaster recovery, and regular testing and benchmarking against best practices. The Corporation did not experience a Cybersecurity breach in 2023.
- Review of tax disclosure and regulatory changes;
- Sourced and delivered anti-bribery and anti-corruption training and competition training to 100% of applicable individuals; and
- Approval of the CEO compensation which considered ESG practices as part of the evaluation of performance against objectives in short-term incentive.

Stakeholder Engagement

Continuous and open dialogue with Shareholders and other stakeholders is a key priority for the Corporation. The Board encourages all stakeholders to provide timely and meaningful feedback, facilitates constructive engagement and regularly reviews the Corporation's engagement with Shareholders and stakeholders for alignment with best practices.

There are many ways people can engage with the Corporation and access important information:

- The Corporate Secretary co-ordinates the Board's Shareholder engagement with investor relations.
- Investor relations is responsible for communicating with the public on behalf of the Corporation.
- The CEO and other members of the executive, senior management, and investor relations meet regularly with financial analysts, investors, and other stakeholders. Through the investor relations channel, executives regularly participate in investor conferences, fireside chats, and one-on-one meetings. In 2023, executives participated in 8 investor conferences, 20 additional investor events, and hosted over 100 engagements with existing and potential investors.
- The Corporation communicates regularly with Shareholders to make sure we listen carefully to different viewpoints on various topics such as strategy, business performance, compensation practices, climate and other ESG matters.
- The Corporation broadcasts its quarterly earnings calls with analysts live and archives them on the Corporation's website for a period of three months after each call.
- Shareholders can also participate in the Corporation's annual meeting of Shareholders in person, or via live webcast, as applicable, which is also archived on the Corporation's website until the next annual meeting. Members of the Board attend the annual meeting and the Chair of the Board is available to answer questions as appropriate.

The subsidiaries of the Corporation also engage with stakeholders in a variety of ways including:

Customers:

- Satisfaction surveys; content on websites and via social media networks; conferences and regular discussions with corporate customers.

Employees:

- Town halls; social media platforms; surveys and discussion groups on employee experience; performance appraisals; general employee communications and meetings.

Communities:

- Media relations; participation in round tables, conferences, and forums; participation in community events; and involvement with industry and business associations.

EXECUTIVE COMPENSATION

In 2023, despite a challenging global economic environment, the Corporation continued to lead with purpose in creating long-term value for its customers, employees, communities and Shareholders. The Corporation is a diversified, acquisition-oriented corporation focused on opportunities in aerospace & aviation, and manufacturing segments. The objectives of the Corporation are: i) to provide Shareholders with stable and growing dividends; ii) to maximize Shareholder value through ongoing active monitoring of and investment in its operating subsidiaries; and iii) to continue to acquire additional businesses or interests therein to expand and diversify the Corporation's investments. The Corporation is built to perform through economic cycles while actively pursuing opportunities for growth. The Corporation's strength and resilience is rooted in its principles of diversification, discipline, delivering dividends and supporting its communities.

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The Compensation Committee works diligently on behalf of Shareholders to ensure the Corporation's executive compensation programs are aligned with performance designed to retain top talent and motivate the senior leaders to bring the Corporation's vision, values, and strategy to life. Set out below is the Corporation's approach to executive compensation for 2023. The decisions on executive compensation were guided by the Corporation's compensation philosophy and principles and reflect the Corporation's ongoing focus of driving sustainable growth and creating long-term value for all stakeholders it is privileged to serve.

With an eye on the future, 2023 can be characterized as a foundation building year for the Corporation:

- i) the Corporation announced a 5% dividend increase bringing its per annum dividend to \$2.64 per share. This marked the seventeenth dividend increase since inception and represents a cumulative annual growth rate of 5% per annum;
- ii) despite a challenging global economic environment, the Corporation continued to focus on maximizing revenues and operating profits of its underlying subsidiaries. Several new contract awards were announced in 2023 that will result in future growth for the Corporation. These contracts are direct evidence of how subsidiary management teams are continuing to expand their underlying businesses which will drive profitability for the Corporation overall;
- iii) the Corporation continued to execute its disciplined acquisition strategy. Management identified three acquisitions that met the Corporation's proven and disciplined criteria, during the year, and successfully integrated those businesses into operations. The acquisition targets were chosen for their operational success and financial attributes as well as their cultural alignment to the Corporation;
- iv) the Corporation also maintained its discipline in managing the balance sheet by negotiating an enhanced credit facility; executing on an oversubscribed equity raise; and maintaining payout ratios to facilitate future growth investments; and
- v) several ESG initiatives were enhanced and expanded including continued implementation of a process to measure and report Scope 1, 2, and 3 emissions, strategies were developed to minimize those emissions, and meaningful contributions were made into the communities serviced with fully funded training opportunities and collaborative events recognizing, amongst other things, Truth & Reconciliation.

The strength and resilience of the Corporation’s operations, which include talented and excellent management teams, a strong balance sheet and a diversified business model, shaped the Corporation’s success in 2023 and set the stage for continued, resilient growth. The model is simple, concise, and powerful. The key to its success is driven by consistent execution which was evident in 2023. Compensation was awarded to the CEO and other NEO at slightly better than target levels, reflecting that success, demonstrated in a challenging macro-economic environment.

The Board and the Compensation Committee have been very successful at linking CEO compensation to company performance and shareholder return. Our lookback analysis shows that, since 2019, an annual investment of \$100 by shareholders increased in value by 115%, while during the corresponding period total compensation awarded to the CEO increased in value by 74%.

On behalf of the Compensation Committee and Board of Directors, I encourage you to read the Executive Compensation Discussion and Analysis for further details.



Gary Buckley, Chair
Compensation Committee

DEFINED TERMS

In this section entitled “Executive Compensation”, the following capitalized terms have the meanings ascribed to them below:

<p>Named Executive Officer or “NEO”</p>	<p>means the following individuals:</p> <ul style="list-style-type: none"> a) each Chief Executive Officer (“CEO”) of the Corporation (or person acting in a similar capacity) for any part of the most recently completed financial year of the Corporation; b) each Chief Financial Officer (“CFO”) of the Corporation (or person acting in a similar capacity) for any part of the most recently completed financial year of the Corporation; c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year of the Corporation whose total compensation was, individually, more than \$150,000; and d) any additional individual who would be a Named Executive Officer under (c) but for the fact that the individual was not serving as an executive officer of the Corporation or any of its subsidiaries, nor acting in a similar capacity, as at the end of the most recently completed financial year.
<p>Option-Based Award</p>	<p>means an award under an equity incentive plan of options, including, for greater certainty, Share options, Share appreciation rights, and similar instruments that have option-like features.</p>
<p>Share-Based Award</p>	<p>means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, share equivalent units, and stock.</p>

NAMED EXECUTIVE OFFICERS

During the most recently completed financial year, the Corporation had five Named Executive Officers: (i) Michael Pyle, the Corporation’s Chief Executive Officer; (ii) Richard Wowryk, the Corporation’s Chief Financial Officer; (iii) Carmele Peter, the Corporation’s President; (iv) Darren Francis, Chief Executive

Compensation Discussion and Analysis

Officer of Northern Mat & Bridge LP, a wholly-owned subsidiary of the Corporation; and (v) Hank Gibson, President of Regional One, Inc., a wholly-owned subsidiary of the Corporation.

COMPENSATION DISCUSSION AND ANALYSIS

The philosophy of the Board is that if the Corporation is successful, the employees and management of the Corporation and its subsidiaries should be rewarded through cash bonuses, long-term variable compensation or combinations of any or all of the foregoing. The goal of the Compensation Committee of the Corporation in making compensation recommendations is to recognize and reward individual performance as well as to provide a fair and competitive industry level compensation, taking into consideration the individual's experience and performance and the financial performance of the Corporation.

The Compensation Committee also periodically independently retains external consultants to review compensation matters. The Compensation Committee has reviewed industry compensation information provided by consultants and compares its level of overall compensation with those of comparably-sized entities. Comparable executive compensation comes from executive management surveys which are chosen based on similarity to the Corporation. Comparable positions are identified based on publicly available information on such entities. A summary of this information is provided to the Compensation Committee to assist in approving the Corporation's overall compensation policy and the compensation to be paid, particularly to senior management.

The Compensation Committee views total compensation as a linked strategy towards achieving overall performance targets and has designed a total compensation package of short-term and long-term compensation with fixed and variable compensation components. In 2023, the compensation program for senior management of the Corporation consisted of annual salary, cash bonuses, indirect compensation, and participation in the Deferred Share Plan, RSU Plan or the Employee Share Purchase Plan. No individual can participate in the Employee Share Purchase Plan if they participate in the Deferred Share Plan or the RSU Plan.

The combination of short-term and long-term incentive compensation structures are designed by the Compensation Committee, along with individual-based evaluations of Named Executive Officers, to consider the exposure associated with any individual taking inappropriate or excessive risks that could have a material adverse effect on the Corporation. As a result, if certain unreasonable and unauthorized risks were identified then the Compensation Committee and the Board would penalize the individual(s) accordingly. The goals identified, specifically for the CEO, are designed to align with the interests of the Shareholders. It should be noted that non-Independent Directors, being Michael Pyle and Duncan Jessiman, do not vote and are excused from Board and committee meetings with respect to compensation matters affecting them.

The majority of compensation paid to the Corporation's senior executives is variable and at risk. Pay mix varies based on the ability of the executive to influence short and long-term business results. The average mix of total direct compensation by level, based on target pay, is summarized below. The actual pay mix for individuals may be different depending on business and individual performance.

CEO Target Compensation Mix



Other NEO Target Compensation Mix



- Fixed Compensation
- Short Term Compensation
- Long Term Compensation

COMPONENTS OF COMPENSATION

The components of the compensation paid to Named Executive Officers by the Corporation include an annual salary, cash bonus, grants of Deferred Shares under the Deferred Share Plan and grants of RSUs under the RSU Plan as well as certain indirect compensation, all as summarized below.

Annual Salary	Incentive Compensation		
Base Pay and Benefits	Short-Term	Long-Term	
	Cash Bonus	Deferred Share Plan	RSU Plan

Annual Salary

Annual salary is intended to provide a competitive rate of compensation and recognize the skills, competencies and level of responsibility of the NEOs. Generally, the Compensation Committee targets base salaries at levels approximating those of individuals holding similar positions in public issuers of comparable size and complexity (as outlined above) and hopes to achieve targeted total compensation levels through other fixed and variable compensation components. The base salaries are reviewed annually.

Incentive Compensation

The Corporation utilizes short-term and long-term incentive programs to compensate its employees and to align their interests with those of Shareholders. Incentives are broken down between long-term and short-term to reward senior management for working to maximize both the immediate and long-term value of the Shares. All incentive compensation is at risk for any NEO of the Corporation.

Short-term incentive plans are paid through a cash bonus program. Long-term incentives utilize the Deferred Share Plan and the RSU Plan. The Corporation also has the Employee Share Purchase Plan which would be a long-term incentive program but generally this is not applicable for the Named Executive Officers of the Corporation who already participate in the Deferred Share Plan and/or RSU Plan.

The Compensation Committee determines the amount payable to the CEO. The CEO determines the amount payable to the Named Executive Officers other than himself (the “**Other Named Executives**”). He uses similar criteria to those described below under “Short-Term Incentive Compensation” and “Long-Term Incentive Compensation”, but adjusts the percentages allocated as he feels necessary to encourage and reward performance. The Compensation Committee approves in aggregate the compensation for the Other Named Executives as well as certain other officers of the Corporation and its subsidiaries.

Short-Term Incentive Compensation

Short-term incentive compensation is paid through a cash bonus program and the incentive is paid out to the Other Named Executives based on the financial performance of the Corporation, the achievement of certain personal short-term goals and other qualitative performances over the period.

The Compensation Committee has defined short-term goals for the CEO of the Corporation and these are described further in the “*CEO Compensation Discussion*” below.

The short-term compensation of Other Named Executives is based on a similar set of criteria to that of the CEO but is weighted differently depending on the areas of responsibility of the particular Other Named Executive. The quantitative portion of the program is based on the results of the Corporation and/or the specific results of the area of operation for which the Other Named Executive is responsible. The qualitative factors for each Other Named Executive is determined by the CEO, in consultation with the Chair of the Compensation Committee. Depending on the individual and his/her responsibility, certain areas of focus for the year are specified and assessment criteria used to rate the performance of each Other Named Executive.

Components of Compensation

The short-term incentive for any NEO is at risk and could be nil in any given period based on the results of the Corporation and of his/her performance assessment.

Long-Term Incentive Compensation

The Corporation utilizes the Deferred Share Plan and RSU Plan to align the interests of NEOs with those of its Shareholders. Both of these programs are centered around motivating long-term growth in Share value. These programs are described further below in the Share-Based Awards discussion. The Corporation has historically not utilized any security option programs.

The size of the grant for the Deferred Share Plan and the RSU Plan are determined annually in reference to a target grant level based on a performance against annual corporate objectives as described in “*CEO Compensation Discussion*” below.

The Corporation approved the RSU Plan in 2018 and the RSU Plan is now the primary long-term incentive program used for NEOs unless an individual has not reached the mandatory minimum share ownership requirements, in which case the NEO will be required to be paid at least 50% of that NEO’s long-term incentive compensation in Deferred Shares.

The long-term incentive for any NEO is at risk and could be nil in any given period based on the results of the Corporation and of his/her performance assessment.

Share-Based Awards

Deferred Share Plan Summary (Equity Settled)

The Corporation’s long-term incentive compensation includes the Deferred Share Plan pursuant to which NEOs are granted Deferred Shares. The Compensation Committee determines the amounts granted to the CEO. The amounts granted to the Other Named Executives are determined by the CEO and are approved in aggregate by the Compensation Committee.

The size of the grant is determined based on a dollar amount which is divided by the market price of the Shares as determined at the date of the grant to arrive at the number of Deferred Shares granted. Prior grants are taken into account when making new grants. For the purposes of the Deferred Share Plan, the market price of the Shares is the average of the closing prices of the Shares (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the TSX for the ten trading days immediately preceding such date.

The Deferred Shares are subject to escrow and vest evenly over a three year period unless the participant has reached the age of 55 and has been a Director, officer or employee of the Corporation or an affiliate of the Corporation for a period of not less than ten years, in which case the Deferred Shares vest immediately.

The Deferred Share Plan entitles a participant to receive dividends in the form of additional Deferred Shares at the same rate as a Share until the Deferred Shares are redeemed in Shares. The Corporation currently pays a dividend on its Shares equal to \$0.22 per month (\$2.64 annualized).

On redemption, the Corporation issues Shares from treasury equal to the number of Deferred Shares that have vested.

For details of the Deferred Share Plan, see “*Securities Authorized Under Equity Compensation Plans*”.

RSU Plan Summary (Cash Settled)

The Corporation’s long-term incentive compensation includes the RSU Plan pursuant to which NEOs are granted RSUs. The Compensation Committee determines the amounts granted to the CEO. The amounts granted to the Other Named Executives are determined by the CEO and are approved in aggregate by the Compensation Committee.

The size of the grant is determined based on a dollar amount which is divided by the market price of the Shares as determined at the date of the grant to arrive at the number of RSUs granted. Prior grants are taken into account when making new grants.

The RSUs have a cliff vesting feature and vest on or around December 15th of the year that is two years following the grant date (this is effectively a three-year vesting period working within the calendar year) unless an earlier vesting date is specified by the Board. If RSUs are granted to an individual recently hired and unrelated to prior service, these RSUs will vest in three years from the grant. There are other situational vesting conditions that exist as described in the “*Executive Compensation – Incentive Plan Awards Summary – RSU Plan*” section of this Circular.

The RSU Plan also includes a claw back feature which can lead to the cancellation of unvested or vested and unpaid RSUs and the recovery of any amounts paid as a result of the redemption of vested RSUs during the 24 months preceding the date.

The RSU Plan entitles a participant to receive dividends in the form of additional RSUs at the same rate as a Share until the vesting date. The Corporation currently pays a dividend on its Shares equal to \$0.22 per month (\$2.64 annualized).

On redemption, a participant receives the cash equivalent of the market value of the RSUs based on the market value of the Corporation’s Shares at the vesting date.

For details of the RSU Plan, see “*Executive Compensation – Incentive Plan Awards Summary – RSU Plan*”.

Indirect Compensation

The Corporation’s indirect compensation for the Named Executive Officers includes benefits and other perquisites. The benefit programs include general group life, health and dental programs and are considered comparable with other companies. The other perquisites are individual-based but include cost recovery for expenses such as car expenses and club memberships.

The Corporation does not have a pension plan.

The Corporation does not issue any Option-Based Awards to its Named Executive Officers.

COMPENSATION COMMITTEE

The purpose of the Compensation Committee is to assist the Board in fulfilling its responsibilities in relation to setting the compensation of Directors, the Chief Executive Officer and the officers that report directly to the Chief Executive Officer, including the Other Named Executives (collectively, the “Senior Executives”) and overseeing the plans for:

- compensation, development and retention of employees;
- succession planning for the Chief Executive Officer and the Senior Executives; and
- general compensation and human resource policies and issues.

The Compensation Committee currently consists of Gary Buckley (Chair), Brad Bennett, Melissa Sonberg and Edward Warkentin, all of whom are Independent Directors. The Compensation Committee members all bring experience from their own business operations in a variety of industries which are used along with professional consultation services obtained from outside professionals. All of the members of the Compensation Committee have been on the Compensation Committee for multiple years. All members understand the objectives of the Compensation Committee and the direction of the Corporation as acting members of the Board.

The Corporation has adopted a charter for the Compensation Committee which sets out the composition of the Compensation Committee as well as its responsibilities, duties, principles and procedures.

Compensation Committee

Following review of data and discussion by members of the Compensation Committee, recommendations are made by the Compensation Committee to the Board for their consideration and approval. The Compensation Committee meets at least twice per year to fulfill its mandate. Non-Independent Directors, being Michael Pyle and Duncan Jessiman, do not vote and are excused from Board and committee meetings with respect to compensation matters affecting them.

The Compensation Committee considers the time, commitment, risks and responsibilities of the Directors and Senior Executives and takes into account the types of compensation and the amounts paid to the directors and senior management of comparable publicly traded Canadian issuers.

In accordance with its charter and in consultation with the CEO and outside advisors (Hugessen), the Compensation Committee undertook a number of key activities in 2023, including:

- determined the recommended compensation for the CEO, the Executive Vice-Chair and the Board;
- evaluated the performance of the CEO;
- reviewed the planned aggregate compensation of other members of the Corporation's senior management team outside of the Named Executive Officers; and
- Reviewed and provided oversight of succession planning, throughout the Corporation, and other human capital issues of the Corporation.

The Compensation Committee meets without management present at each of its meetings. On occasion, the CEO has been invited to attend a meeting but is always excluded from the Compensation Committee's decision making.

The Board considered the compensation decisions of the Compensation Committee for the 2023 period and it is satisfied with those decisions as being fair and reasonable given the performance of the Corporation.

Compensation Governance

Succession Planning

The Corporation has a succession planning structure directed by the Chief Executive Officer and the Senior Executives, which goes down through the Corporation's head-office team and the senior members of management at each subsidiary. This is managed throughout the year but presented by the Chief Executive Officer and the Senior Executives to the Board annually as part of the Corporation's strategic planning sessions. This includes discussions around the strengths and areas for development of key succession candidates, progress of development over the last year and future development plans. The Board also reviews and discusses potential succession scenarios and assesses the potential successors. The process used by the Compensation Committee in relation to the management of succession planning for the Chief Executive Officer also includes a presentation to the Independent Directors annually at the Corporation's strategic planning sessions over the same topical areas but focused solely on the Chief Executive Officer position. The process includes not only a discussion of the management of executive talent but also a discussion of contingency and long-term succession plans for the Chief Executive Officer position.

Management Share Ownership Policy

The following describes the requirements of the CEO and certain senior executives of the Corporation regarding mandatory minimum share ownership requirements. The Compensation Committee reviews the executives' actual shareholdings annually to measure compliance with the policy.

- **CEO** – must beneficially own, directly or indirectly, Shares and/or vested Deferred Shares with a value of six times his/her base salary. Based on Mr. Pyle's base salary, his minimum share ownership is \$5,250,000 and the value of Mr. Pyle's holdings is \$10,853,759 as described above in his director profile. This minimum share ownership is based on his 2023 approved salary of \$875,000.

- **Other Specified Executives** – must own, directly or indirectly, Shares and/or Deferred Shares with a value of two times his/her base salary. For newly hired executives or internally promoted executives, individuals will have a period of time to reach the ownership requirements.

Certain specified executives are required to take a minimum of 50% of his or her annual long-term incentive award value as Deferred Shares until their Share ownership requirement is achieved.

CEO Post-Retirement Shareholding Requirement

The CEO of the Corporation is required to hold one times his base salary in effect prior to his departure from the Corporation in Shares and/or Deferred Shares for a period of one year following his departure from the Corporation.

Anti-Hedging Policy

The CEO, along with all other employees of the Corporation, are required to follow the Corporation’s Insider Trading Policy which prohibits speculation by insiders in the Corporation’s securities. As a result, the CEO, along with all other employees of the Corporation, is prohibited from purchasing financial instruments that would be designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation or held, directly or indirectly. This includes all dealings in puts and calls, all short sales and all buying or selling on the market with the intention of quickly reselling or buying securities.

Claw Back Policy

In the event that the Corporation is required to prepare an accounting restatement due to the material noncompliance of the Corporation with any financial reporting requirement and an officer who has received RSUs has engaged in serious misconduct, fraud or gross negligence that caused, or partially caused, the need for the accounting restatement and such officer would have received a lower RSU award had the financial results of the Corporation been properly reported, the Board can cancel any unvested or vested but unpaid RSUs and recover from such officer any amounts paid as a result of the redemption of vested RSUs during the 24 months preceding the date on which the Corporation is required to prepare the accounting restatement.

Say-on-Pay Vote

In determining the elements of the Corporation’s executive compensation program and their related metrics, the Compensation Committee gives serious consideration to aligning the interests of executives and Shareholders. To further this alignment, the Corporation has voluntarily provided Shareholders the right to cast an advisory vote on the Corporation’s approach to executive compensation. The Compensation Committee believes that this demonstrates the Corporation’s commitment to strong corporate governance practices.

	For	Against	Total	% in Favour
Previous Year Voting Results for Advisory Say-on-Pay	10,075,611	670,817	10,746,428	93.76%

While Shareholders will provide their collective advisory vote, the Board remains fully responsible for its compensation decisions and are not relieved of these responsibilities by a positive advisory vote by Shareholders. The Corporation will disclose the results of the Say-on-Pay Vote as a part of its report on voting results for the Meeting.

In the event a significant number of Shareholders oppose the resolution, the Board will consult with its Shareholders, particularly those who are known to have voted against it, in order to understand their concerns and will review the Corporation’s approach to compensation in the context of those concerns. Shareholders who have voted against the resolution will be encouraged to contact the Board to discuss their specific concerns. Support from Shareholders was overwhelmingly in favor of the Corporation’s

Compensation Committee

approach to executive compensation in the previous year's vote. The Corporation did not receive any specific concerns regarding its compensation practices from Shareholders in 2023.

Executive Compensation-Related Fees

Hugessen was engaged in 2017 to provide compensation consulting services relating to the Corporation's compensation policies for the CEO and certain other executives and 2018 was the first full period of implementation of the changes. The largest impact of Hugessen's recommendations was changing the method of providing long-term incentive compensation to the CEO and certain other executives from grants of Deferred Shares under the Deferred Share Plan to grants of RSUs under the RSU Plan. Since then, the Compensation Committee has engaged Hugessen for continued advice on the implementation of compensation policies and related disclosures made by the Corporation.

In early 2020, Hugessen assisted with the changes made to the Directors fee structure and amounts. The change is described in more detail in "*Executive Compensation – Director Compensation Discussion*", but the compensation structure changed to an all-inclusive pay model with no board meeting fees.

In 2021, Hugessen was engaged to provide advice on consideration of a one time, partial redemption of Deferred Shares by the senior management team. In conjunction with the one time, partial redemption of Deferred Shares, the CEO's shareholding requirement minimum was increased to six times his/her base salary.

In 2023, Hugessen was engaged to provide a report on the Corporation's board, CEO and named executive officer compensation, comparing them with a select group of peer companies. Based on the report, consultation with Hugessen and Compensation Committee deliberation, the Board approved increases to the annual retainers paid to Directors, minimum Deferred Share holdings, and extended years to achieve target Share holdings. The foregoing changes were approved by the Board with effect from January 1, 2023.

As a result of the consulting services received, the policy of the Compensation Committee with respect to compensation for the CEO is to set his base salary, total cash compensation (which includes short-term-incentives) and total direct compensation (which includes long-term incentives) at approximately the median among Canadian public issuers of comparable size and complexity. The Compensation Committee considers, among other things, data from industry compensation surveys and the overall performance of the Corporation, including revenues, earnings before interest, taxes and depreciation, free cash flow less maintenance capital expenditures, adjusted net earnings, dividends per Share, successful acquisitions and the successful implementation of the Corporation's strategy.

The table below sets forth all fees paid by the Corporation to Hugessen for compensation consulting services during the past two financial years of the Corporation.

	2023	2022
Executive Compensation Related Fees	\$17,376	\$14,927
All Other Fees	\$ 0	\$ 2,995
Total	\$17,376	\$17,922

Competitive Benchmarking

In order to attract and retain effective and innovative leadership, the Corporation seeks to ensure that its executive compensation programs remain competitive with its market. Compensation and performance under the Corporation's executive compensation program are benchmarked against a select comparator group of companies of an appropriate size and scale across selected metrics compare to the Corporation, with executive positions of similar scope and complexity, and with which the Corporation competes for executive talent in the marketplace. In retrospect of 2023, the comparator group consisted of 11 companies. These companies are selected and validated annually by the Compensation Committee from among large Canadian and United States companies. The Compensation Committee is in the process of refreshing the peer group and intends to publish that peer group in 2025.

CEO COMPENSATION DISCUSSION

The Compensation Committee makes recommendations to the Board as to remuneration for the CEO, Michael Pyle. The following describes the approach used by the Compensation Committee in determining the recommendation for 2023.

Mr. Pyle's salary and incentive plan awards are determined based on the overall success of the Corporation. His entitlement is based on a combination of corporate performance and team/individual performance. Corporate performance is measured relative to preset targets.

The incentive calculation for Mr. Pyle targets short-term and long-term levels as a percentage base of his annual salary. For 2023, the base salary for Mr. Pyle was \$875,000, the short-term target of his base salary was 100% and the long-term target of his base salary was 200%. The Compensation Committee assesses the performance of Mr. Pyle and gives a rating code for the various goals given to him for the year. A multiplier is assigned to each rating level and the Compensation Committee then applies the multiplier to each goal as laid out in the following table.

Assessment	Rating Code	Short-term Multiplier	Long-term Multiplier
Missed objective(s)	1	0%	0%
Met most of objective(s)	2	50%	70%
Met objective(s)	3	100%	100%
Exceeded objective(s)	4	125%	115%
Outstanding achievement of objective(s)	5	150%	130%

The Compensation Committee has the discretion to adjust the quantified incentive award by +/- 25% if other external factors have impacted the performance of the Corporation and should be taken into consideration in determining the award given to the CEO.

The following tables set out the factors that Mr. Pyle was to be assessed on during the year and the percentage weighting of the factors which were to be considered by the Compensation Committee in determining Mr. Pyle's short-term and long-term awards for the 2023 year. The last column of the table highlights the rating given to Mr. Pyle for each factor.

2023 Short-term Incentive Goals (100% target of base salary)					
Factor	Factor Description	Weighting	Minimum Multiplier	Maximum Multiplier	Rating Awarded
1	Financial performance based on free cash flow less maintenance capital expenditures per Share, adjusted earnings per share, and adjusted EBITDA	50%	0%	150%	Met 100%
2	Management of balance sheet leverage	15%	0%	150%	Exceeded 125%
3	Corporate growth and succession initiatives	15%	0%	150%	Met 100%
4	Development of ESG strategy and initiatives	20%	0%	150%	Exceeded 125%

The first factor is tied to the financial performance of the Corporation which was based on Free Cash Flow less Maintenance Capital Expenditures per Share, Adjusted Earnings per Share, and adjusted EBITDA. The Corporation met the financial targets set at the beginning of the year therefore the factor was assessed as Mr. Pyle having met the objective.

The second factor relates to management of the balance sheet and ensuring necessary liquidity to fund all opportunities and maturities of debt facilities. Performance related to this factor was assessed as

CEO Compensation Discussion

exceeding expectations owing to the successful closing of a pro-active equity raise, at a price very close to the all-time high and limited dilution, in a difficult macro-economic environment. Year end leverage was well below the covenant and target range because of the diligent management of the balance sheet in spite of the completion of three acquisitions and four new, major aviation contracts during the year, three of which required major capital investment in advance of EBITDA generation.

The third, corporate growth, factor was based on succession planning initiatives. During the year, material hires were made within the executive team to support overall growth of the Corporation, and other senior employees were exposed to opportunities to expand their skill sets. Considering the aforementioned and overall growth of the Corporation, Mr. Pyle was assessed as meeting the objective.

The fourth, ESG, factor was included to drive leadership accountability to continue to advance positive environment and social change within the Corporation's business model and was based on several initiatives. In addition to several programs being continued and expanded, that exceeded expectations and garnered significant positive media and community attention, the Corporation also continued to achieve improvement in scores from independent rating firms owing to more detailed and succinct public disclosures and trending. Based on the accomplishments and independent acknowledgement of efforts, the factor was assessed as exceeding the objective.

The overall short-term incentive bonus for Mr. Pyle was \$951,563 for 2023, which is 109% of the overall target based on the 2023 base salary of \$875,000.

2023 Long-term Incentive Goals (200% target of base salary)					
Factor	Factor Description	Weighting	Minimum Multiplier	Maximum Multiplier	Rating Awarded
1	Long-term financial health of the Corporation tied to 4 initiatives	40%	0%	130%	Exceeded 108%
2	Investment in talent, specifically with focus on executive management	20%	0%	130%	Met 100%
3	Implement marketing plan focused on stakeholder engagement	20%	0%	130%	Outstanding 130%
4	Long term strategic initiatives	20%	0%	130%	Exceeded 115%

CEO Compensation Discussion

The first factor was included to encourage management focus on executing the vision for the long-term growth of the Corporation based on four, equally weighted, key initiatives. The initiatives included i) growing the Multi-Storey Windows business; ii) developing a plan to grow Essential Services business; iii) continuing to build relationships and corresponding infrastructure within the Aerospace business; and iv) devising a plan to further reduce the Corporation's pay-out ratios in the medium term. Meaningful progress was demonstrated for all initiatives including winning substantial, long term contracts, strategic acquisitions, and integration, while maintaining a strong balance sheet. Mr. Pyle was rated as meeting expectations for the Multi-Storey Windows business initiative; exceeding expectations for the Essential Air Services business; meeting expectations for the Aerospace business; and exceeding expectations for the pay-out ratio initiative.

Similarly, to previous years, the second factor focused management on succession planning of the C-Suite of executives as well as creating depth throughout senior management, including subsidiaries of the Corporation. In 2023, based on progress made in 2022, and including the new hires throughout the year, the process evolved to further expose identified individuals to areas of the business, outside their existing focus, to broaden skills and build depth. Additionally, an engagement exercise with senior leaders was rolled out to capture their views of the Corporation's needs on a go forward basis. Mr. Pyle was assessed as meeting expectations.

CEO Compensation Discussion

The third factor promoted the continued expansion of a marketing plan to increase stakeholder engagement. Several executives were included in the plan roll out to exhibit the diversity and depth of the management team. Stakeholder engagements included both virtual and in-person, retail and institutional marketing, ongoing and regular analyst meetings including a roadshow, and several community engagements. Performance of this factor was considered outstanding owing to the number of engagements successfully executed on and the broadening of the executives included in the process.

The fourth factor was included to concentrate efforts on the evolution of the Corporation's reporting and marketing to more appropriately focus on the Corporation's strategy and those overall results as opposed to individual business lines and brands. After a material consultation process with various stakeholders, a model was built and rolled out at the annual general meeting in May 2022. The solution was difficult to accomplish owing to the conflicting priorities of stakeholders. Mr. Pyle was assessed as exceeding the objective owing to the compromise solution which was well accepted by all stakeholders and has received strong support.

The overall long-term incentive bonus for Mr. Pyle was \$1,960,000 for 2023, which was granted to Mr. Pyle in RSUs and was 112% of the target based on the 2023 base salary of \$875,000.

CEO Compensation Look Back

The following look back chart shows all long-term incentive compensation with an annual breakdown showing the amount awarded in each year over the past five years and how the actual payout outcome compares with the intended compensation for the CEO. Over the last five years, the long-term incentive compensation for the CEO has been made through both granting Deferred Shares under the Deferred Share Plan for periods before 2018 and granting RSUs for 2018 and after. Deferred Shares will be redeemed for Shares when the CEO leaves the Corporation⁽¹⁾ (non-cash award) and RSUs are paid out in cash when they vest.

Year	Deferred Share or RSU Award		December 31, 2023 Valuation				
	Deferred Shares or RSU	Grant Price	Grant Amount	Market Price	Vested	Unvested	Total
2022	RSU	\$48.89	\$2,000,250	\$45.10	NIL	\$1,927,598	\$1,927,598
2021	RSU	\$39.50	\$1,344,000	\$45.10	NIL	\$1,689,653	\$1,689,653
2020	RSU	\$40.21	\$1,060,020	-	\$1,398,538 ⁽²⁾	NIL	\$1,398,538
2019	RSU	\$40.52	\$1,118,880	-	\$1,604,619 ⁽³⁾	NIL	\$1,604,619
2018	Deferred Shares	\$33.21	\$1,084,692	-	\$1,608,121 ⁽⁴⁾	NIL	\$1,608,121
Cumulative			\$6,608,022				\$8,228,530

Notes:

- (1) In November, 2021, the Compensation Committee and the Board approved a one time, partial redemption of fully vested Deferred Shares to senior management employees. Mr. Pyle redeemed 117,371 of vested Deferred Shares.
- (2) The RSU's granted in 2020 vested December 15, 2023 and were paid out before that year end.
- (3) The RSU's granted in 2019 vested December 15, 2022 and were paid out before that year end.
- (4) The RSU's granted in 2018 vested December 15, 2021 and were paid out before that year end.

The 25% overall increase in the cumulative award valuation from the cumulative grant amount when valued as at the end of the current period versus the original grant values is a result of two factors: (i) an increase in the market price of the Shares which is higher than the original grant price in four of the five years; and (ii) the accumulation of dividends that are applied to both the Deferred Shares and RSUs that match dividends paid to Shareholders.

NAMED EXECUTIVE OFFICERS COMPENSATION SUMMARY

The following table is a summary of the compensation paid to the Named Executive Officers of the Corporation in respect of each of the financial years of the Corporation ended December 31, 2021, December 31, 2022 and December 31, 2023.

Name and principal position	Year	Salary (\$)	Share-Based Awards (\$ ⁽¹⁾)	Option-Based Awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans ⁽¹⁾			
Michael Pyle ⁽³⁾ CEO	2023	866,250	1,960,000	Nil	951,563	Nil	Nil	31,996	3,809,809
	2022	830,000	2,000,250	Nil	1,351,350	Nil	Nil	31,996	4,213,596
	2021	780,000	1,344,000	Nil	1,080,000	Nil	Nil	31,996	3,235,996
Richard Wowryk ^(2,3) CFO	2023	389,063	211,641	Nil	234,102	Nil	Nil	13,575	848,380
	2022	299,508	369,531	Nil	281,250	Nil	Nil	11,913	962,202
	2021	N/A	N/A	Nil	N/A	Nil	Nil	N/A	N/A
Carmele Peter ⁽³⁾ President	2023	762,563	1,472,113	Nil	622,223	Nil	Nil	15,975	2,872,873
	2022	726,229	1,424,063	Nil	886,823	Nil	Nil	16,422	3,053,537
	2021	682,500	945,000	Nil	721,875	Nil	Nil	16,221	2,365,596
Darren Francis ⁽⁴⁾ CEO of Northern Mat & Bridge LP	2023	646,100	452,088	Nil	550,368	Nil	Nil	43,388	1,691,944
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Hank Gibson ⁽⁵⁾ President of Regional One, Inc.	2023	761,135	274,389	Nil	294,939	Nil	Nil	15,387	1,345,849
	2022	698,896	265,516	Nil	384,392	Nil	Nil	14,835	1,363,639
	2021	641,165	200,508	Nil	383,096	Nil	Nil	14,290	1,239,059

Notes:

- (1) Long-term incentive awards, including Share-Based Awards issued pursuant to the Deferred Share Plan and cash-based awards issued pursuant to the RSU Plan, are traditionally granted in the spring of the calendar year following the finalization of the applicable financial year's financial results.
- (2) Mr. Wowryk was appointed Chief Financial Officer on June 1, 2022. Mr. Wowryk received a bonus of \$100,000 in Deferred Shares at the time of his appointment, which are included under "Share-Based Awards"
- (3) Other compensation for Mr. Pyle, Mr. Wowryk and Ms. Peter is comprised of car allowance and benefit coverages.
- (4) Other compensation for Mr. Francis is comprised of car allowance, benefit coverages, and employer funded RRSP contributions.
- (5) Mr. Gibson is compensated in US dollars and his compensation above is converted into Canadian dollars using an average foreign exchange rate for each applicable period for the table above (2023 – US\$1.3497; 2022–US\$1.3013; and 2021 – US\$1.12535).

CEO Compensation Mix



Other NEO Compensation Mix

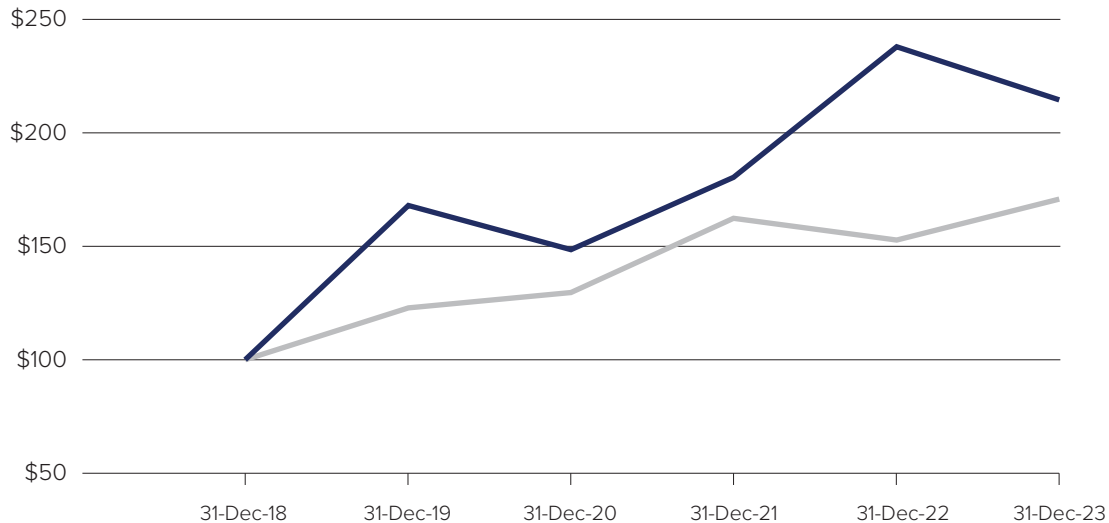


- Fixed Compensation
- Short-Term Compensation
- Long-Term Compensation

Named Executive Officers Compensation Summary

Performance Graph

The Board's focus is on long-term shareholder value growth. The following chart compares the cumulative total shareholder return, including the Corporation's dividend distributions, from December 31, 2018 to the end of the most recently completed financial year on December 31, 2023 for \$100 invested in the Corporation's Shares with the cumulative total return from the S&P/TSX Composite Index (Total Return). The Board believes the trend in executive compensation as discussed in the section above appropriately reflects the trend in performance of the Corporation.



	31-Dec-18	31-Dec-19	31-Dec-20	31-Dec-21	31-Dec-22	31-Dec-23
EIF Dividend Adjusted Share Pricing	100.00	167.90	148.44	180.49	237.92	214.71
S&P/TSX Composite Index - Total Return Gross - CAD - Index Value	100.00	122.88	129.76	162.32	152.83	170.79

INCENTIVE PLAN AWARDS SUMMARY

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all Share-Based Awards, consisting of both Deferred Shares and RSUs, held by the Named Executive Officers as at the end of the most recently completed financial year of the Corporation (December 31, 2023). The Corporation does not have any issued and outstanding Option-Based Awards.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Shares that have not vested (#)	Market or payout value of Share-Based Awards that have not vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed (\$)
Michael Pyle	Nil	NA	NA	NA	80,205	3,617,246	9,019,639
Richard Wowryk	Nil	NA	NA	NA	9,416	424,662	35,539
Carmelee Peter	Nil	NA	NA	NA	56,771	2,560,372	7,169,006
Darren Francis	Nil	NA	NA	NA	—	—	—
Hank Gibson	Nil	NA	NA	NA	11,263	507,961	1,008,707

The Share-Based Awards in the table above exclude grants to these individuals from the Corporation's Deferred Share Plan and RSU Plan made in respect of 2023 as they were granted in the first quarter of 2024 following the finalization of fiscal 2023's financial results. These grants will be included in next year's amounts for this table. The value of the Share-Based Awards is based on each NEO's accumulated Deferred Shares and RSUs as at December 31, 2023 and valued using the market price of the Shares on that date (\$45.10).

Incentive Plan Awards Summary

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned under incentive plans during the most recently completed financial year of the Corporation (December 31, 2023) for each Named Executive Officer.

Name	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 (\$)
Michael Pyle	Nil	1,827,227	Nil
Richard Wowryk	Nil	121,048	Nil
Carmelee Peter	Nil	1,281,697	Nil
Darren Francis	Nil	—	Nil
Hank Gibson	Nil	261,715	Nil

The value of the Share-Based Awards is valued using the market price of the Shares on December 31, 2023 (\$45.10).

Narrative Discussion

The outstanding Share-Based Awards referenced above were issued pursuant to the Deferred Share Plan. See “*Securities Authorized Under Equity Compensation Plans*” for a description of the Deferred Share Plan.

Pension Plan Benefits

The Corporation does not have a pension plan and, accordingly, no pension benefits were paid to the Named Executive Officers or Directors in the financial year ended December 31, 2023.

RSU Plan

On November 7, 2018, the Board approved the RSU Plan. The Corporation has made awards under the RSU Plan in 2024 based on 2023 performance. The RSU Plan has replaced the Deferred Share Plan as the primary long-term incentive compensation plan of the Corporation going forward. Set forth below is a summary of the RSU Plan.

Purpose

The purpose of the RSU Plan is to provide selected employees (in this section, each a “**Designated Officer**”) of the Corporation and its subsidiaries with compensation opportunities which will enhance the Corporation’s ability to retain key personnel. Pursuant to the RSU Plan, Designated Officers shall receive annual awards of RSUs as determined by the Board. The RSU Plan is administered by the Board but it may delegate its administrative responsibilities to the Compensation Committee. The Board retains full discretion over the RSU Plan and all awards and payouts under the RSU Plan.

Grant of Awards

At the discretion of the Compensation Committee, Designated Officers are eligible for an annual grant of RSUs. For Designated Officers that are already employed by the Corporation or a subsidiary, the grant of RSUs takes place in the first quarter of each year. The annual grant is based on an assessment of the performance of the particular Designated Officer in the previous fiscal year against certain pre-determined objectives and a target RSU Plan award amount. The target RSU Plan award levels are set in the context of the particular Designated Officer’s total direct compensation and represent a percentage of his or her base salary. The number of RSUs granted are calculated by dividing the grant value of the award by the average closing Share price on the ten business days leading up to and including the award date. Grants of RSUs to newly hired Designated Officers may take place at any time during the year.

Following an award of an RSU, a notional account is set up for each Designated Officer which keeps track of the number of RSUs held by a particular Designated Officer. At the end of each month, the

Corporation determines whether any dividend has been paid on Shares during such month and, if so, the rate thereof per Share (expressed as a percentage based on the closing Share price on the TSX on the record date) (in this section, the “Dividend Rate”). Within ten business days following the applicable month end, the Corporation credits each account with an additional number of RSUs equal to the number of RSUs (including fractional RSUs) in the respective accounts on the record date for such dividend multiplied by the Dividend Rate.

Vesting

The RSUs awarded pursuant to the RSU Plan, including RSUs issued pursuant to dividends paid on the Shares, vest on such date as shall be determined by the following:

- (a) Awards made to Designated Officers based on services provided to the Corporation or a subsidiary during the previous fiscal year of the Corporation vest on December 15 of the year that is two years following the applicable award date unless an earlier vesting date is specified by the Board; and
- (b) Awards made to newly hired Designated Officers or awards made to Designated Officers that are unrelated to prior services provided by such Designated Officer vest on the date that is three years from the award date unless an earlier vesting date is specified by the Board.

Except with respect to awards made to Designated Officers in the United States, the Board retains the discretion to accelerate any vesting date.

Other Vesting Rules

- (a) *Termination Without Cause:* In the event that a Designated Officer is terminated without cause, such Designated Officer’s unvested RSUs, if any, shall immediately be deemed to have vested on the date of such Designated Officer’s termination.
- (b) *Termination With Cause or Resignation:* A Designated Officer whose employment is terminated with cause or who resigns from their position shall forfeit all unvested RSUs.
- (c) *Death:* In the event of the death of a Designated Officer, such Designated Officer’s unvested RSUs, if any, shall immediately be deemed to have vested on the date of such Designated Officer’s death.
- (d) *Disability:* In the event of the total disability of a Designated Officer, such Designated Officer’s unvested RSUs shall immediately be deemed to have vested on the date that such Designated Officer has been determined to be totally disabled.
- (e) *Retirement:* In the event of the Retirement of a Designated Officer, such Designated Officer’s unvested RSUs shall continue to vest until the applicable vesting date and be redeemed in accordance with the original vesting schedule, provided that: (a) the retiring Designated Officer provides six months’ advance notice of such Designated Officer Retirement to the Corporation; (b) the retiring Designated Officer complies with such post-Retirement employment restrictions in favour of the Corporation and its subsidiaries as the Designated Officer shall have previously agreed to or that shall be set forth in any rules, policies or procedures as may be implemented by the Board, acting reasonably; and (c) the retiring Designated Officer does not receive any cash severance from the Corporation or any subsidiary upon Retirement. In the event that the retiring Designated Officer does not comply with any of the foregoing requirements within 30 days of being informed in writing of such non-compliance by the Board, the retiring Designated Officer shall be deemed to have resigned. For the purposes of this section, “Retirement” means: (a) the cessation of the employment of a Designated Officer with the Corporation or a subsidiary which is deemed to be a retirement by the Board; or (b) a Designated Officer achieving the age of 55 years and having completed a minimum of five years of service with the Corporation or a subsidiary.
- (f) *Following Change of Control:* If, within six months following a Change of Control (as defined in the RSU Plan), a Designated Officer is terminated without cause or resigns for Good Reason, such Designated Officer’s unvested RSUs, if any, shall immediately be deemed to have vested on the date of such Designated Officer’s termination or resignation. For the purposes of this section, “Good Reason” means, subject to the terms of any relevant employment or other agreement or

Incentive Plan Awards Summary

unless expressly consented to in writing by the Designated Officer, grounds for a claim of constructive dismissal as determined at common law.

Redemption

Upon vesting as provided above, RSUs shall be automatically redeemed for an amount equal to the number of RSUs multiplied by the average closing trading price of the Shares on the TSX on the ten business days leading up to and including the vesting date.

Claw Back

Notwithstanding any other provisions in the RSU Plan or an agreement to the contrary, in the event that:

- (a) the Corporation is required to prepare an accounting restatement due to the material noncompliance of the Corporation with any financial reporting requirement;
- (b) the Designated Officer engaged in serious misconduct, fraud or gross negligence that caused, or partially caused, the need for the account restatement referenced above; and
- (c) an award or awards of RSUs granted to the Designated Officer would have been lower had the financial results of the Corporation been properly reported,

all as determined by the Board in its sole discretion, the Board may, as applicable and in its sole discretion:

- (a) cancel any unvested or vested but unpaid RSUs; and
- (b) recover from the Designated Officer any amounts paid as a result of the redemption of vested RSUs during the 24 months preceding the date on which the Corporation is required to prepare the accounting restatement which, in the view of the Board in its sole discretion, reflects benefits that were received by the Designated Officer as a result of the material non-compliance of the Corporation with financial reporting requirements that required the accounting restatement.

Assignment

RSUs granted pursuant to the RSU Plan are non-assignable and non-transferable, and are redeemable only by the Designated Officer or in the case of death or incapacity, by the Designated Officer's duly authorized legal representative or designated beneficiary, as applicable.

Amendments and Termination

The Board may, at any time or from time to time, suspend or terminate the RSU Plan in whole or in part and may amend it in such respects as the Board may deem appropriate, subject to applicable laws, provided, however, that:

- (a) no amendment, suspension or termination of the RSU Plan shall impair any of the rights or obligations under any RSU previously granted without the consent of the holder thereof;
- (b) notification of the amendment is sent to holders of outstanding RSUs previously issued if the amendment is applicable to such RSUs; and
- (c) in the event of RSU Plan termination, payments of the cash equivalent of any outstanding RSUs at the time of such termination shall be made.

TERMINATION AND CHANGE OF CONTROL BENEFITS DISCUSSION

The Corporation is a party to employment agreements (the “**Employment Agreements**”) with each of the Named Executive Officers as of December 31, 2023. The Employment Agreements provide for termination for just cause or in the event of permanent disability, and terminate automatically in the event of death.

The Employment Agreements also provide for termination by the Corporation upon the giving of notice and the payment of an amount equal to the sum of:

Benefits	Michael Pyle	Richard Wowryk	Carmele Peter	Darren Francis	Hank Gibson
Salary	24 months	18 months	24 months	12 months	18 months
Short-term Incentive	2.0 times target set by the Board	1.50 times target set by the CEO	2.0 times target set by the CEO	1.0 times target set by the CEO	Prior 2 year average
Car allowance	24 months	18 months	24 months	12 months	Nil
Benefits	24 months	18 months	24 months	12 months	12 months
Estimated Payment December 31, 2023	\$3,548,720	\$902,888	\$2,733,045	\$1,091,708	\$1,529,008 ⁽¹⁾

Note:

(1) Mr. Gibson is compensated in US dollars and his estimated termination payment is converted into Canadian dollars using an average foreign exchange rate for fiscal 2023 (US\$1:\$1.3497).

The Employment Agreements of Mr. Pyle, Mr. Wowryk, Ms. Peter and Mr. Francis provide that they are entitled to terminate their employment in the event of a change of control of the Corporation if there is also “good reason”, as that term is defined in their respective employment agreements. In such instance, each of Mr. Pyle, Mr. Wowryk, Ms. Peter and Mr. Francis would be entitled to the same compensation as in an event of termination as set forth in the table above. A “change of control” refers to a scenario where either a person or group acquires more than 50% of the Corporation’s voting stock or if the Corporation amalgamates or otherwise merges with another organization. “Good reason” includes a material reduction in the respective duties and responsibilities or a reduction of the salary of the applicable Named Executive Officer.

The Employment Agreement of Mr. Gibson provides for a cash payment upon a change of control of control of his employer, Regional One, Inc. equal to one year of his current salary, which would have been equal to \$761,135 as at December 31, 2023.

In addition, each of the Employment Agreements contains standard non-competition clauses from the Named Executive Officers in favour of the Corporation. The non-competition clauses continue for a period of two years following the termination of the Employment Agreements for Mr. Pyle, Ms. Peter, and Mr. Wowryk, for 12 months following the termination of the Employment Agreement for Mr. Francis and for 18 months following the termination of the Employment Agreement for Mr. Gibson. In the case of Mr. Francis, his Employment Agreement also contains a standard non-solicitation clause for a period of 18 months following the termination of his Employment Agreement.

DIRECTOR COMPENSATION DISCUSSION

This section refers to the compensation paid to the Directors and excludes any compensation relating to Michael Pyle (CEO) as he is a Named Executive Officer. For a summary of the compensation paid to Mr. Pyle, see “*Executive Compensation – Named Executive Officers Compensation Summary*”.

Director Compensation Table

The following table is a summary of the compensation paid to the Directors who are not also Named Executive Officers in respect of the most recently completed fiscal year of the Corporation. The compensation paid to Duncan Jessiman set forth below is paid to him in consideration of his services to the Corporation as a member of management (Executive Vice Chair) not for his services as a Director.

Name	Fees earned (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Brad Bennett	10,000	175,000	Nil	Nil	Nil	Nil	185,000
Gary Buckley	15,000	175,000	Nil	Nil	Nil	Nil	190,000
Polly Craik	52,500	122,500	Nil	Nil	Nil	Nil	175,000
Barb Gamey ⁽²⁾	-	116,667	Nil	Nil	Nil	Nil	116,667
Bruce Jack	20,000	175,000	Nil	Nil	Nil	Nil	195,000
Duncan Jessiman	268,400	-	Nil	Nil	Nil	Nil	268,400
Grace Schalkwyk ⁽³⁾	-	72,917	Nil	Nil	Nil	Nil	72,917
Melissa Sonberg	15,000	175,000	Nil	Nil	Nil	Nil	190,000
Donald Streuber	-	275,000	Nil	Nil	Nil	Nil	275,000
Edward Warkentin	97,500	87,500	Nil	Nil	Nil	Nil	185,000

Note:

- (1) Share-Based Awards are issued in the year of service pursuant to the Deferred Share Plan for Directors as a portion of their retainer.
- (2) Ms. Gamey joined the Board on May 10, 2023.
- (3) Ms. Schalkwyk resigned from the Board on May 10, 2023.

Narrative Discussion

The Compensation Committee is responsible for reviewing Director compensation and satisfying itself that it is competitive. The Board determines the form and amount of Director compensation based on the recommendation of the Compensation Committee following reviews of compensation in the marketplace. As per the Deferred Share Plan which is described under “*Particulars of Matters to be Acted Upon – Approval of Amended Deferred Share Plan*”, Directors have the ability to elect in each calendar year to receive their respective Director’s retainer in cash, Deferred Shares or a combination thereof (excluding committee member/chairperson retainers, Board or committee meeting fees, or special remuneration for ad hoc services rendered to the Board).

The Independent Directors receive compensation which is intended to accomplish two goals: (i) to retain and attract qualified Directors; and (ii) to align the interests of Directors with the interests of Shareholders. None of Mr. Pyle or Mr. Jessiman, who are members of management, are or have been compensated for acting as a Director.

Based on consultation with Hugessen, effective January 1, 2023, the Board made changes to its fee structure and annual retainer amounts resulting in the compensation structure becoming an all-inclusive pay model with no Board or committee meeting fees.

Director Compensation Discussion

The current compensation rates which became effective January 1, 2023, for the services provided by the Directors, other than Mr. Pyle and Mr. Jessiman, is as follows:

Annual Retainer	Cash (\$)	Deferred Shares (\$ value)
Chair of the Board ⁽¹⁾	275,000	
Other Board members ⁽¹⁾	175,000	
Chair of Audit Committee additional retainer	20,000	-
Chair of Compensation Committee additional retainer	15,000	-
Chair of Governance Committee additional retainer	15,000	-
Chair of any other committees additional retainer	10,000	-

Note:

(1) Directors can elect in each calendar year to receive their respective retainer in cash, Deferred Shares or a combination thereof.

The Corporation also reimburses the Directors for out-of-pocket expenses for attending meetings.

Directors and Officers Liability Insurance

Directors' and officers' liability insurance has been obtained for the Directors and officers of the Corporation and its subsidiaries with a total limit of \$45,000,000 per claim and in the aggregate with two components. First, under this insurance coverage, the Corporation or its subsidiaries would be reimbursed for indemnity payments made on behalf of Directors or officers of the Corporation or its subsidiaries for up to \$30,000,000 subject to a deductible of \$100,000 per claim, which would be paid by the Corporation. Second, under this insurance coverage, there is up to \$45,000,000 for non-indemnifiable claims made against the Directors or officers of the Corporation or its subsidiaries, not subject to a deductible. The total premium paid by the Corporation for directors' and officers' liability insurance during the financial year ended December 31, 2023 was \$186,606.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all Share-Based Awards held by the Directors who are not also Named Executive Officers as at the end of the most recently completed financial year of the Corporation. The Corporation does not have any issued and outstanding Option-Based Awards.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Shares that have not vested (#)	Market or payout value of Share-Based Awards that have not vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed ⁽¹⁾ (\$)
Brad Bennett	Nil	NA	NA	NA	Nil	Nil	1,502,281
Gary Buckley	Nil	NA	NA	NA	Nil	Nil	1,427,550
Polly Craik	Nil	NA	NA	NA	Nil	Nil	573,807
Barb Gamey	Nil	NA	NA	NA	Nil	Nil	104,001
Bruce Jack	Nil	NA	NA	NA	Nil	Nil	266,451
Duncan Jessiman	Nil	NA	NA	NA	Nil	Nil	2,382,543
Melissa Sonberg	Nil	NA	NA	NA	Nil	Nil	906,690
Donald Streuber	Nil	NA	NA	NA	Nil	Nil	1,672,398
Edward Warkentin	Nil	NA	NA	NA	Nil	Nil	1,104,860

Note:

(1) The value of the Share-Based Awards is based on each Director's accumulated Deferred Shares as at December 31, 2023 and valued using the market price of the Shares on that date (\$45.10).

Incentive Plan Awards

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned under incentive plans during the most recently completed financial year of the Corporation for each Director who is not a Named Executive Officer.

Name	Option-Based Awards – Value vested during the year (\$)	Share-Based Awards – Value vested during the year ⁽¹⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Brad Bennett	Nil	224,057	Nil
Gary Buckley	Nil	220,314	Nil
Polly Craik	Nil	133,000	Nil
Barb Gamey	Nil	104,001	Nil
Bruce Jack	Nil	162,360	Nil
Duncan Jessiman	Nil	118,974	Nil
Grace Schalkwyk	Nil	68,146	Nil
Melissa Sonberg	Nil	194,336	Nil
Donald Streuber	Nil	317,730	Nil
Edward Warkentin	Nil	129,708	Nil

Note:

(1) The value of the Share-Based Awards vested during the year includes the annual Deferred Share retainer grant to each Director as well as the additional Deferred Shares credited (in lieu of cash dividends) on the accumulated Deferred Share balance during the year. The Deferred Shares are valued using the market price of the Shares at December 31, 2023 (\$45.10).

Narrative Discussion

The outstanding Share-Based Awards referenced above were issued pursuant to the Deferred Share Plan. See “*Securities Authorized Under Equity Compensation Plans*”.

SECURITIES AUTHORIZED UNDER EQUITY COMPENSATION PLANS

Equity Compensation Information

The Corporation has adopted the following equity compensation plans:

1. the Employee Share Purchase Plan; and
2. the Deferred Share Plan.

The table below summarizes the number of Shares underlying the Employee Share Purchase Plan and the Deferred Share Plan, the weighted-average price of such Shares and the number of Shares remaining available for future issuance under the Employee Share Purchase Plan and Deferred Share Plan as at December 31, 2023.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	989,370	\$45.10 ⁽²⁾	1,131,778 ⁽³⁾
Equity compensation plans not approved by securityholders	Nil	NA	NA
Total	989,370	\$45.10	1,131,778

Notes:

- (1) The only equity compensation plans approved by the Shareholders are the Employee Share Purchase Plan and the Deferred Share Plan.
- (2) Share price as at December 31, 2023.
- (3) As of the date hereof, the maximum number of Shares to be issued pursuant to the Employee Share Purchase Plan and the Deferred Share Plan is limited to an aggregate amount equal to 4.5% of the issued and outstanding Shares, from time to time. If the Approved Deferred Share Plan and Approved Employee Share Purchase Plan approved, the maximum number of Shares to be issued pursuant to the Employee Share Purchase Plan and the Deferred Share Plan is limited to an aggregate of number of Shares equal to 3.5% of the issued and outstanding Shares.

Deferred Share Plan

For a summary of the Deferred Share Plan, see “Particulars of Matters to be Acted Upon – Approval of Amended Deferred Share Plan”.

Employee Share Purchase Plan

For a summary of the Employee Share Purchase Plan, see “Particulars of Matters to be Acted Upon – Approval of Amended Employee Share Purchase Plan”.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No Director or executive officer of the Corporation or proposed nominee for election as a Director, or their respective associates, was indebted to the Corporation or its subsidiaries during the year ended December 31, 2023.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The following transactions were carried out by the Corporation with related parties since January 1, 2023.

Property Leases

The Corporation leases several buildings from related parties who were vendors of businesses the Corporation has acquired. These vendors are considered related parties because of their continued involvement in the management of those acquired businesses. These leases are recognized in the consolidated financial statements at the exchange amounts. The total costs incurred in 2023 under these leases was \$6.1 million (2022 – \$5.3 million) and the lease term maturities range from 2024 to 2031. The payment is made monthly and therefore no related balances exist on the Corporation's statement of financial position.

Jet Fuel

Certain of the Corporation's airline subsidiaries purchase jet fuel from an entity controlled by a related party who was a vendor of a business the Corporation acquired. This vendor is considered a related party because of their continued involvement in the management of the subsidiary. The purchases are considered to be at market terms and are recognized in the consolidated financial statements at the exchange amounts. Total costs incurred in 2023 for these purchases was \$1.5 million (2022 – \$1.5 million).

Key Management Compensation

The Corporation identifies its key management personnel being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise). The key management personnel includes the executive management team and the board of directors.

Compensation awarded to key management for the 2023 year and the comparative 2022 year is as follows:

Compensation	Fiscal 2023	Fiscal 2022
Salaries and short-term benefits	\$ 7,267,000	\$ 7,515,000
Share-based payments	\$ 4,598,000	\$ 5,984,000
Total Compensation	\$11,865,000	\$13,499,000

Co-investments with CRJ Capital Corp.

CRJ Capital Corp., a corporation controlled by the CEO of Regional One Inc., can, subject to the approval of the Corporation, co-invest with the Corporation, on a non-controlling basis, in certain aircraft assets. As a co-investor in these isolated aircraft assets, CRJ Capital Corp. receives distributions as money is collected on the sale of the aircraft assets. In connection with this agreement, the CEO of Regional One has extended his non-compete agreement with the Corporation. The assets are managed by Regional One and Regional One charges a management fee to CRJ Capital Corp. for services rendered. Cash flow returns are paid out when collected from the customer.

During 2023, CRJ Capital Corp. invested US\$1.5 million (2022 – US\$1.4 million). CRJ Capital Corp.'s total investment generated returns paid or payable of US\$3.2 million (2022 – US\$0.3 million). As a result of the sale of certain assets, depreciation recorded on its leasing assets, and the return of initial investment to CRJ Capital Corp., the remaining assets attributable to CRJ Capital Corp. at December 31, 2023 was US\$8.2 million (2022 – US\$8.7 million). At December 31, 2023, US\$1.3 million is recorded as accounts payable due to CRJ Capital Corp. (December 31, 2022 – US\$0.1 million accounts payable to CRJ Capital Corp.).

OTHER MATTERS

The Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting, however, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

The Corporation must receive Shareholder proposals for the annual meeting of Shareholders to be held in 2025 between December 10, 2024 and February 8, 2025. All proposals should be sent by registered mail to the Corporate Secretary of the Corporation at the address set forth below in “Additional Information”.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation’s audited consolidated financial statements and management’s discussion and analysis, each for the period ended December 31, 2023. Copies of these and other documents may be obtained from the CEO of the Corporation upon request to the address set out below. This and other additional information relating to the Corporation may also be found on SEDAR+ at www.sedarplus.ca.

EXCHANGE INCOME CORPORATION

Attention: Dianne Spencer, Corporate Secretary
101-990 Lorimer Boulevard
Winnipeg, Manitoba, R3P 0Z9

Or by phone: (204) 982-1852
Or by fax: (204) 982-1855
Or by email: DSpencer@eig.ca

DIRECTORS’ APPROVAL

The Directors have approved the contents of this Circular and the distribution of this Circular to Shareholders.

“Dianne Spencer”
Dianne Spencer
Corporate Secretary
April 3, 2024

SCHEDULE A – BOARD OF DIRECTORS MANDATE

BOARD OF DIRECTORS MANDATE

The Board of directors (the “Board”) of Exchange Income Corporation (the “Company”) will carry out the procedures, responsibilities and duties set out below. In doing so, the Board shall oversee the management of the Company’s business and affairs in the interests of the shareholders of the Company, while continually monitoring the integrity of the Company, its subsidiaries, its officers and employees.

BOARD COMPOSITION

1. The Board should consist of a cross-section of highly professional and competent members with the necessary knowledge and abilities to facilitate the Company meeting its legal, financial, operational and societal objectives.
2. The election of directors occurs at the annual general meeting of the Company and is for a term of one year.
3. A majority of the members of the Board shall be independent pursuant to applicable legislation and regulations.

MEETINGS

4. The Chair of the Board shall solicit from the members of the Board recommendations as to matters to be brought before the Board, which matters shall receive a fair hearing at the Board meetings. The Board will meet at least five times per year. A quorum for meetings is a majority of directors.
5. A meeting agenda and background material on agenda items will be provided prior to each meeting so that Board members have an opportunity for advance review of relevant materials. Senior management will be made accessible to Board members at Board meetings and meetings of committees (each a “Committee”) of the Company and at such other times as the Board members may request.
6. All directors are encouraged to attend meetings of the Board and/or Committees in person. However, when this is not possible, a director may participate in a meeting of the Board or of a Committee by means of telephone or other communications facilities which permit all persons participating in the meeting to hear each other, and a director participating by such means is deemed to be present at the meeting.

REMUNERATION

7. Remuneration of the Board will be established upon the recommendation of the Compensation Committee and shall be generally in line with that paid by other Canadian controlled public companies of a similar size and type.

DUTIES AND RESPONSIBILITIES OF THE BOARD

8. The Board is responsible for the supervision of the management of the Company’s business and affairs. The Board has the statutory authority and obligation to oversee the maintenance and protection of the assets of the Company in the interest of all of the shareholders of the Company.
9. Although directors may be elected by the shareholders of the Company to bring a special expertise or point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company must be paramount at all times.
10. The involvement and commitment of directors is evidenced by regular Board and Committee attendance, preparation and active participation in setting goals, and requiring performance for the benefit of shareholders of the Company.

Duties and responsibilities of the board

11. While the Board is called upon to “manage” the business, this is done through delegation to the Chief Executive Officer who is charged with the day-to-day management of the Company. The Board approves the goals of the business, the objectives and policies within which it is managed, and then steps back and evaluates management performance. Reciprocally, management keeps the Board fully informed of the progress of the Company towards the achievement of its established goals and of all material deviations from the goals or objectives and policies established by the Board in a timely and candid manner.

12. The Board operates by delegating certain of its responsibilities and authority, including spending authorization, to management and reserving certain powers to itself.

Management Selection, Retention, Succession and Remuneration

13. Subject to the Articles and By-laws of the Company, the Board manages its own affairs, including planning its composition, selecting its Chairperson, nominating candidates for election to the Board, appointing Committees, establishing the charters and duties of the Board and its Committees, and determining Board compensation.

14. The Board has responsibility for the appointment and replacement of the Chief Executive Officer, for monitoring the performance of the Chief Executive Officer, and for determining the compensation of the Chief Executive Officer.

15. The Board has responsibility for approving the appointment and remuneration of all corporate officers, acting upon the advice of the Chief Executive Officer, and for overseeing the implementation of adequate management succession mechanisms.

16. The Board must satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Company.

Strategy Determination

17. The Board has the responsibility of participating directly or through its Committees in developing and approving the mission of the Company, its objectives and goals, and the strategy for the achievement of such objectives and goals.

18. The Board is responsible for promoting congruence between the expectations of shareholders of the Company, Company goals and objectives and management performance.

Monitoring and Acting

19. The Board is responsible for monitoring the Company’s progress towards its goals, and to revise and alter its direction in light of changing circumstances.

20. The Board is responsible for providing advice and counsel to the Chief Executive Officer and for taking appropriate action when performance of the Company falls short of its goals or other special circumstances warrant such action.

Policies and Procedures

21. The Board is responsible for approving and monitoring compliance with all significant policies and procedures by which the Company operates.

22. The Board is responsible for monitoring the Company’s operations to ensure that such operations comply with applicable laws and regulations and ethical and moral standards at all times.

Reporting To Shareholders

23. The Board is responsible for monitoring the performance of the Company and providing regular, adequate and timely reporting of such performance to shareholders of the Company, other security holders and regulators.

24. The Board is responsible for overseeing the report of audited annual financial statements in accordance with generally accepted accounting standards, and for reviewing the Company's quarterly financial statements before publication.

25. The Board is responsible for the timely reporting of any developments that have a significant and material impact on the value of the Company or its publicly traded securities.

General Legal Obligations

26. The directors of the Company generally have the following legal obligations:

- (i) To manage the business and affairs of the Company.
- (ii) To act honestly and in good faith with a view to the best interests of the Company.
- (iii) To exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (iv) To act in accordance with their obligations under the *Canada Business Corporations Act*, securities, environmental, and other relevant legislation, and the Company's articles and by-laws.
- (v) To consider as the full Board and not delegate to a Committee:
 - a. any submission to the shareholders of the Company of a question or matter requiring the approval of the shareholders of the Company;
 - b. the filling of a vacancy among the directors or the Company's auditor;
 - c. the manner and the terms of the issuance of securities;
 - d. the declaration of dividends by the Company;
 - e. the purchase, redemption or any other form of acquisition of shares issued by the Company;
 - f. the payment of a commission to any person in consideration of his purchasing or agreeing to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any such shares;
 - g. the approval of a management proxy circular;
 - h. the approval of annual and interim financial statements;
 - i. the approval of any take-over bid circular, directors' circular or comparable circular; and
 - j. the adoption, amendment or repeal of the By-laws of the Company and proposed amendments to the Articles of the Company to be submitted to shareholders of the Company for approval.

BOARD COMMITTEES

Purpose

27. The Board may establish, seek the advice of and delegate responsibilities to Committees of the Board.

28. Committees undertake detailed examination of specific aspects of the Company as outlined in their charters. The Committees provide a smaller, more intimate forum than full Board meetings and are designed to be more conducive to exhaustive and forthright discussion.

29. Committees analyze in depth policies and strategies which are developed by management. They examine alternatives and, where appropriate, make recommendations to the full Board.

30. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so. The Board reserves the right to oversee, review and approve Committee activity.

Board committees

Membership

31. Subject to the Articles of the Company and the By-laws of the Company, the Chairs and members of the Committees are recommended by the Chair of the Board, in consultation with the Chair of the Governance Committee, and appointed by the Board.

32. Committees should be made up of not less than three and not more than seven directors.

33. The Chair of the Board shall be an ex-officio member of each Committee.

Procedures

34. The Chair of each Committee shall preside at Committee meetings; in that person's absence, an alternate may be elected by the Committee.

35. A majority of the members of a Committee constitutes a quorum.

36. Each Committee shall meet at the call of its Chair at least once in the fiscal year, or in accordance with the applicable Charter.

37. Upon advising the Board Chair, a Committee may from time to time request the assistance of external advisors to research, investigate and report on matters within that Committee's Charter.

38. The Corporate Secretary, or a person delegated by the Corporate Secretary, will be the secretary to a Committee. All minutes of the Committees will be forwarded by the Secretary to each member of the Board in a timely manner.

39. The proceedings of Committees shall be conducted in accordance with the By-laws of the Company and the Articles of the Company and the applicable Committee charter.

40. Each Committee Chair shall report or cause a report to be made to the Board at each Board meeting following a Committee meeting.

STANDING COMMITTEES

41. The Board has established the following standing Committees:

- (i) the Audit Committee;
- (ii) the Governance Committee;
- (iii) the Compensation Committee;
- (iv) the Aerospace & Aviation Sector Advisory Committee;
- (v) the Manufacturing Sector Advisory Committee; and
- (vi) the Disclosure and Competition Committee.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND INSURANCE

42. The following summarizes the arrangements relating to the indemnification and insurance of directors and officers of the Company, its subsidiaries and other entities it may direct:

STATUTORY FRAMEWORK

43. The Canada Business Corporations Act provides that a corporation may indemnify (and the Corporation does indemnify) a director or officer against all costs, charges and expenses (including an amount paid to settle an action or satisfy a judgment) reasonably incurred in respect of any civil, criminal or administrative action or proceeding if the person has acted honestly and in good faith with a view to the best interests of the corporation and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the

conduct complained of was lawful. In the case of an action brought by or on behalf of the corporation, the corporation may indemnify the directors and officers only with the approval of the court and in any case the indemnity would cover only the costs, charges, and expenses reasonably incurred by the individual in connection with the action.

TERMS OF REFERENCE FOR INDIVIDUAL DIRECTORS

The Board exercises its powers and responsibilities as a group. No individual director has the power to act on his or her own. As a member of the Board, each director will fulfill the legal requirements and obligations of a director, which include the responsibilities:

- (i) to act honestly and in good faith with a view towards the best interests of the Company; and
- (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

GENERAL

44. Members of the Board shall:

- (i) Maintain a solid understanding of the role, responsibilities and legal duties of a director.
- (ii) Demonstrate an understanding of the difference between governing and managing, and not encroach on management's area of responsibility.
- (iii) Maintain confidentiality of all information that is acquired as a director.
- (iv) Understand conflict of interest issues and declare real or perceived conflicts, and disclose contracts or arrangements in which the director has an interest.
- (v) Demonstrate support for the values and ethics of the Company and a high standard of personal values and ethics.
- (vi) Participate actively as a member or Chair of one or more Committees and become knowledgeable with the mandates of those Committees.

SKILLS AND EXPERIENCE

45. Members of the Board shall:

- (i) Demonstrate skills and experience that are complementary to the directors and supportive of the Company's current activities and strategic direction.
- (ii) Utilize external relationships and resources in making a contribution and adding value to the Company.
- (iii) Effectively apply his or her knowledge, experience and expertise to issues confronting the Company.
- (iv) Serve as a helpful resource to the Board and to management where necessary and appropriate.

STRATEGIES AND PLANS

46. Members of the Board shall:

- (i) Maintain and demonstrate a comprehensive understanding of the Company's strategic direction and annual plans; including an understanding of the Company's principal risks.
- (ii) Contribute and add value to discussions regarding the Company's strategic direction.
- (iii) Participate in monitoring and evaluating the Chief Executive Officer's and management's success in achieving established goals set out in the Company's strategic and annual plans.

Board Committees

PREPARATION, ATTENDANCE AND AVAILABILITY

47. Members of the Board shall:

- (i) Maintain an excellent Board and Committee meeting attendance record.
- (ii) Attend entire Board or Committee meetings, not just parts of meetings.
- (iii) Attend meetings well prepared, having completed and understood the necessary background reading and having consulted other directors and/or management, if required, to evaluate and add value to agenda items presented.
- (iv) Where appropriate, demonstrate broader preparation than just the distributed material.
- (v) Be available when needed, and be accessible and approachable.
- (vi) Have the necessary time and commitment to fulfill responsibilities as a director and, if applicable, as a member of one or more Committees.

COMMUNICATION AND INTERACTION

48. Members of the Board shall:

- (i) Interact appropriately with the leadership and management of the Company.
- (ii) Participate fully and openly in Board deliberations and discussions.
- (iii) Be a team player – work effectively with fellow directors and be a positive and constructive force within the Board.
- (iv) Communicate persuasively and logically, voice concerns, listen and raise questions in a manner that encourages open discussion.
- (v) Be willing to take a stand or express a view, even if it runs contrary to prevailing wisdom or the direction of the discussion; exercise independent judgment.
- (vi) Advise the Chief Executive Officer and/or the Chair of the Board when introducing significant and/or previously unknown information or material at a Board meeting.

BUSINESS, COMPANY AND INDUSTRY KNOWLEDGE

49. Members of the Board shall:

- (i) Maintain and demonstrate a strong understanding of the business, services/products, markets and operations of the Company and its affiliates.
- (ii) Maintain and demonstrate knowledge of important industry trends and the competitive environment.
- (iii) Where appropriate, use contacts to increase understanding of the various issues with which the Board is concerned.
- (iv) Be familiar with and give access to the Company's senior management team and other high potential senior employees

Remain knowledgeable about the Company's operations and visit them when appropriate.

SCHEDULE B – AMENDED DEFERRED SHARE PLAN

EXCHANGE INCOME CORPORATION

FIFTH AMENDED AND RESTATED DEFERRED SHARE PLAN

May 8, 2024

(amending and restating the fourth amended and restated deferred share plan dated May 9, 2018)

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**ARTICLE 1
PURPOSE AND DEFINITIONS**

1.01 Purpose

The purpose of this Fifth Amended and Restated Deferred Share Plan dated May 8, 2024 (the “**Plan**”) of Exchange Income Corporation (the “**Corporation**”) is to promote a greater alignment of interests between the Directors, Officers and Employees (as defined below) of the Corporation and the Shareholders (as defined below) of the Corporation.

1.02 Definitions

The following terms used in this Plan have the meanings set out below:

- (a) “**Acceptable Equity Awards**” means any Deferred Shares or other equity awards that are granted to or accepted by a Non-Executive Director in lieu of cash fees, provided that the equity award granted has an initial value that is equal to the value of the cash fees foregone;
- (b) “**affiliate**” has the meaning given to that term in National Instrument 45-106 – *Prospectus and Registration Exemptions*;
- (c) “**Applicable Withholding Taxes**” means any and all taxes and other source deductions or other amounts which the Corporation is required by law to withhold from any amounts to be paid or credited under the Plan;
- (d) “**Articles**” means the articles of amalgamation of the Corporation dated January 1, 2010, as amended by the articles of amendment of the Corporation dated June 14, 2019, as the same may be further amended from time to time;
- (e) “**Board**” means the board of Directors of the Corporation;
- (f) “**Change of Control**” means:
 - (i) a successful take-over bid (as defined under *The Securities Act (Manitoba)*) made by way of take-over bid circular;
 - (ii) any change in the beneficial ownership or control of the outstanding securities or other interests which results in:
 - (A) a person or group of persons “acting jointly or in concert” (within the meaning of *The Securities Act (Manitoba)*, as amended from time to time), or
 - (B) an “affiliate” or “associate” (each as defined in *The Securities Act (Manitoba)*, as amended from time to time) of such person or group of persons, holding, owning or controlling, directly or indirectly, more than 30% of the outstanding Shares, other than as a result of a transaction or series of transactions approved by the Board unless such holding, owning or controlling, directly or indirectly, exceeds 50% of the outstanding Shares;
 - (iii) the sale, lease or transfer of all or substantially all of the directly or indirectly held assets of the Corporation to any other person or persons (other than pursuant to an internal reorganization or a dissolution of the Corporation); or
 - (iv) any determination by a majority of the Board that a Change of Control has occurred or is about to occur and any such determination shall be binding and conclusive for all purposes of the Plan;
- (g) “**Code**” has the meaning set forth in Appendix for U.S. Participants attached to and forming part of the Plan;
- (h) “**Compensation Committee**” means the Compensation Committee of the Board or such other committee of the Board which has been delegated the responsibility of administering the Plan or, if the Board has not made any delegation, “Compensation Committee” shall mean the Board;

Schedule B – Amended Deferred Share Plan

- (i) “**Deferred Share**” means a bookkeeping entry, equivalent in value to a Share, credited to a Participant’s Deferred Share Account in accordance with the terms and conditions of the Plan;
- (j) “**Deferred Share Account**” has the meaning ascribed thereto in Section 6.01 hereof;
- (k) “**Director**” means a member of the Board;
- (l) “**Director Limitation**” has the meaning ascribed thereto in Section 9.02 hereof;
- (m) “**Director’s Retainer**” means the basic retainer payable to a Director for service as a member of the Board during a calendar year and, for greater certainty, shall not include, committee chairperson retainers, committee member retainers, Board or committee meeting fees, special remuneration for ad hoc services rendered to the Board or any discretionary grant of Deferred Shares, if any;
- (n) “**Director’s Retainer Letter**” has the meaning ascribed thereto in Section 9.03 hereof;
- (o) “**Eligible Person**” means a person who is (i) a Director; (ii) an Officer; or (iii) an Employee;
- (p) “**Employee**” means an employee of the Corporation or an affiliate of the Corporation;
- (q) “**Entitlement Date**” has the meaning ascribed thereto in Section 8.01 hereof;
- (r) “**Independent Directors**” means the Directors who are “independent” within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;
- (s) “**Insider**” means:
 - (i) a Director;
 - (ii) an Officer;
 - (iii) every director or senior officer of an entity that is an insider or a subsidiary of the Corporation; and
 - (iv) any person or company, who beneficially owns, directly or indirectly, voting securities of the Corporation (including Shares), or who exercises control or direction over voting securities of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to all voting securities of the Corporation for the time being outstanding;
- (t) “**Market Value**” at any date in respect of the Shares means the average of the closing prices (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the Toronto Stock Exchange for the ten (10) trading days immediately preceding such date (or, if such Shares are not listed and posted for trading on the Toronto Stock Exchange, on such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Directors). In the event that such Shares are not listed and posted for trading on any stock exchange, the Market Value shall be the fair market value of such Shares as determined by the Compensation Committee in its sole discretion;
- (u) “**Non-Executive Director**” means any Director from time to time who is not also concurrently serving as an Officer or Employee of the Corporation;
- (v) “**Officer**” means an officer of the Corporation or a director or officer of an affiliate of the Corporation;
- (w) “**Participant**” means an Eligible Person who has been selected to participate in the Plan in accordance with Section 4.01 hereof;
- (x) “**Quarter**” means any of the four quarters of any financial year of the Corporation, currently ending on March 31, June 30, September 30 and December 31;

- (y) “**Redemption Date**”, in respect of a Participant who is not a U.S. Participant, means the earliest of the date:
- (i) of the death of the Participant;
 - (ii) that the Participant becomes unable, as a result of any physical or mental illness, to fulfill their significant duties as Director, Officer or Employee, as the case may be, which will be deemed to have occurred if the Participant qualified under any disability insurance policy;
 - (iii) that the Participant ceased to be a Director, Officer or Employee, as the case may be; or
 - (iv) that the Compensation Committee approves the redemption of Deferred Shares by the Participant,
- and in respect of a U.S. Participant, has the meaning set forth on the Appendix for U.S. Participants attached to and forming part of the Plan;
- (z) “**Share(s)**” means Common Share(s) of the Corporation and such other Share(s) of the Corporation as is added thereto or substituted therefore as a result of amendments to the Articles, reorganization of the Corporation or otherwise;
- (aa) “**Shareholder**” means a holder of Shares; and
 - (bb) “**U.S. Participant(s)**” has the meaning set forth in the Appendix for U.S. Participants attached to and forming part of the Plan.

ARTICLE 2 CONSTRUCTION AND INTERPRETATION

- 2.01** The initial deferred share plan of the Corporation was dated July 28, 2009 (the “**Original Plan**”). The Original Plan was amended and restated pursuant to an amended and restated deferred share plan dated May 25, 2011 (the “**2011 Amended and Restated Plan**”), further amended and restated on November 12, 2012 (the “**2012 Amended and Restated Plan**”), further amended and restated on May 14, 2013 (the “**2013 Amended and Restated Plan**”) and further amended and restated on May 9, 2018 (the “**2018 Amended and Restated Plan**”). The term “Plan” shall refer to this Fifth Amended and Restated Deferred Share Plan dated May 8, 2024, the Original Plan, the 2011 Amended and Restated Plan, the 2012 Amended and Restated Plan, the 2013 Amended and Restated Plan and/or the 2018 Amended and Restated Plan, as the context requires.
- 2.02** All references in the Plan to currency refer to lawful currency of Canada.
- 2.03** The Plan shall be governed and interpreted in accordance with the laws of the Province of Manitoba and the applicable laws of Canada.
- 2.04** If any provision of the Plan or part hereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforceability of any other provision or part thereof.
- 2.05** In the Plan, references to the masculine include the feminine; reference to the singular shall include the plural and vice versa, as the context shall require.
- 2.06** Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

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ARTICLE 3 ADMINISTRATION

- 3.01** The Plan shall be administered by the Compensation Committee or such other committee of the Board as the Board may designate from time to time or, if the Board has not designated the responsibility for administration of the Plan to a committee, by the Board as a whole.
- 3.02** The Compensation Committee is authorized, subject to the provisions of the Plan, to establish such rules and regulations as it deems necessary for the proper administration of the Plan, and to make determinations and take such other action in connection with or in relation to the Plan as it deems necessary or advisable. Each determination or action made or taken pursuant to the Plan, including interpretation of the Plan, shall be final and conclusive for all purposes and binding on all parties, absent manifest error, including interpretation of the Plan.
- 3.03** The Corporation will be responsible for all costs relating to the administration of the Plan.
- 3.04** The Board may from time to time amend or suspend the Plan in whole or in part, without the approval of Shareholders, and may at any time terminate the Plan without prior notice, as it deems appropriate; provided, however, that any amendment to the Plan that would:
- (a) result in any increase in the number of Deferred Shares issuable under the Plan;
 - (b) permit Deferred Shares granted under the Plan to be transferable or assignable other than as set forth in Article 10 hereof;
 - (c) result in any modification to this Section 3.04 or Article 9 hereof, including any modification of the Director Limitation; or
 - (d) amend the definition of “Participant” or the eligibility requirements for participating in the Plan where such amendment would have the potential of broadening or increasing participation by Insiders;
- shall require approval by a majority of the votes cast by Shareholders at a meeting called for that purpose. Without limiting the generality of the foregoing, the Board may, without obtaining the approval of Shareholders, make changes: (a) to correct errors, immaterial inconsistencies or ambiguities in the Plan text; (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements and policies); and (c) to the vesting provisions applicable to Deferred Shares issued under the Plan.
- 3.05** If the Board terminates the Plan, Deferred Shares previously credited to Participants shall remain outstanding and in effect and shall be settled subject to and in accordance with the applicable terms and conditions of the Plan in effect immediately prior to the termination.
- 3.06** Unless otherwise determined by the Board, the Plan shall remain an unfunded obligation of the Corporation and the rights of Participants under the Plan shall be general unsecured obligations of the Corporation.
- 3.07** The Corporation shall be authorized to deduct from any amount to be paid or credited under the Plan any Applicable Withholding Taxes in such manner as the Corporation determines.
- 3.08** No Shares shall be issued to any Participant if the result of the issuance of such Shares would be that the Corporation would be in violation of the non-Canadian ownership limitations set forth in the Articles and the *Canada Transportation Act*.

ARTICLE 4 ELIGIBILITY

- 4.01** The Compensation Committee shall determine which Eligible Persons may participate in the Plan.

- 4.02** Each Participant shall provide the Corporation with all information required in order to administer the Plan.

**ARTICLE 5
DEFERRED SHARES**

- 5.01** At the discretion of the Board, subject to the limitations contained herein, a grant of Deferred Shares may be made to any Eligible Person at any time in any year.
- 5.02** Under no circumstances shall Deferred Shares be considered Shares nor entitle a Participant to any Shareholder rights, including, without limitation, voting rights, dividend entitlements (other than in accordance herewith) or rights on liquidation.
- 5.03** Subject to Section 5.02 hereof, one (1) Deferred Share is equivalent to one (1) Share. Fractional Deferred Shares are permitted under the Plan.
- 5.04** Deferred Shares granted pursuant to the Plan to Participants who are Independent Directors shall vest immediately. Subject to Section 5.05 and Section 5.06, Deferred Shares granted pursuant to the Plan to Participants who are not Independent Directors shall vest in accordance with the following schedule:
- a) 33% of the Deferred Shares on the first anniversary of the grant;
 - b) 33% of the Deferred Shares on the second anniversary of the grant; and
 - c) 34% of the Deferred Shares on the third anniversary of the grant.

Deferred Shares are credited to the Participant's Deferred Share Account upon vesting.

- 5.05** Notwithstanding Section 5.04 hereof, but subject to Section 5.06 hereof:
- a) in the event of any Change of Control, any unvested Deferred Shares shall vest upon the earlier of (i) the next applicable vesting date determined in accordance with Section 5.04 above, and (ii) the date which is immediately prior to the date upon which the Change of Control is completed; and
 - b) to the extent not already vested, all Deferred Shares issued to a Participant who has reached, or reaches, the age of fifty-five (55) and who has been: (i) a Director; (ii) an Officer; or (iii) an Employee, for a period of not less than ten (10) years shall vest immediately.
- 5.06** Notwithstanding the foregoing or anything else herein contained, the Compensation Committee shall have the discretion to vary the manner in which Deferred Shares vest for any Participant.

**ARTICLE 6
DEFERRED SHARE ACCOUNTS AND DIVIDENDS PAID ON SHARES**

- 6.01** An account, to be known as a “**Deferred Share Account**” shall be maintained by the Corporation for each Participant and will be credited with notional grants of Deferred Shares received by a Participant from time to time.

Whenever cash dividends are paid to the holders of the Shares, additional Deferred Shares will be credited to each Participant's Deferred Share Account. The number of such additional Deferred Shares shall be calculated by dividing:

- (a) the amount determined by multiplying:
 - (i) the number of Deferred Shares in such Participant's Deferred Share Account on the record date for the payment of such dividend; by
 - (ii) the amount of the dividend paid per Share;

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by

(b) 100% of the Market Value of a Share on the dividend payment date for such dividend,

in each case, with fractions computed to two decimal places. Such additional Deferred Shares shall vest at the same time and on the same basis as the Deferred Shares in respect of which they are credited.

ARTICLE 7 ADJUSTMENTS

7.01 In the event of any Share dividend, Share split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution (other than normal cash dividends) of the Corporation's assets to the Shareholders, or any other change affecting the Shares, the Deferred Share Account of each Participant and the Deferred Shares outstanding under the Plan shall be adjusted in such manner, if any, as the Compensation Committee may in its discretion deem appropriate to reflect the event. However, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Deferred Shares will be granted to such Participant to compensate for a downward fluctuation in the Market Value of the Shares, nor will any other form of benefit be conferred upon, or in respect of a Participant for such purpose.

ARTICLE 8 REDEMPTION OF DEFERRED SHARES

8.01 Following a Participant's Redemption Date, the Participant shall select, in the form and manner prescribed by the Compensation Committee, an entitlement date on which the Deferred Shares credited to the Participant's Deferred Share Account, which have vested in accordance with Article 5 hereof, shall be redeemed (the "**Entitlement Date**"). The Entitlement Date shall be no later than the end of the first Quarter immediately following the Quarter in which the Participant's Redemption Date occurred. In the event that the Participant does not select an Entitlement Date prior to the end of the first Quarter immediately following the Quarter in which the Participant's Redemption Date occurred, the Entitlement Date shall be deemed to be the last day of the Quarter immediately following the Quarter in which the Participant's Redemption Date occurred.

8.02 Subject to: (i) the provisions of the Plan; and (ii) the receipt by The Canadian Depository for Securities Limited of the Participant's brokerage account information from his or her securities broker, the Participant shall receive, within ten (10) business days after the Entitlement Date, a whole number of Shares from the Corporation equal to the whole number of Deferred Shares then recorded in the Participant's Deferred Share Account that have vested in accordance with the provisions of Article 5 hereof, net of any Applicable Withholding Taxes. To facilitate the payment of the Applicable Withholding Taxes, the Corporation may, in its sole discretion, provide a cash loan to the Participant in an amount equal to the estimated amount of the tax liability payable in respect of the Shares received by the Participant upon the redemption of the Deferred Shares, which loan shall bear interest at a rate and which shall be repayable on such terms as agreed upon by the Corporation and the Participant. In the event that the Participant and the Corporation cannot agree to the terms of the loan or cannot come to other mutually agreeable arrangements, the Corporation may as a condition of issuing the Shares to the Participant under the Plan (i) require the Participant to reimburse the Corporation for any Applicable Withholding Taxes in respect of the issuance of the Shares to such Participant; (ii) reserve the right to withhold, consistent with any applicable law, from any compensation or other amounts payable to the Participant, any Applicable Withholding Taxes required to be paid by the Corporation on behalf of the Participant or on its own behalf as a result of the issuance of Shares to such Participant; (iii) retain, acquire or sell on behalf of a Participant any Shares that would otherwise

be issued to a Participant hereunder; or (iv) impose such other requirements as the Corporation in its discretion determines is necessary to ensure the payment of the Applicable Withholding Taxes.

- 8.03** Upon redemption of the Deferred Shares held by a Participant that have vested in accordance with Article 5 hereof, all of the Deferred Shares held by such Participant, whether vested or unvested, shall be cancelled, unless otherwise determined by the Compensation Committee in its sole discretion.

ARTICLE 9 NUMBER OF SHARES

- 9.01** The aggregate number of Shares authorized for issuance upon the redemption of all Deferred Shares granted under the Plan together with the number of Shares reserved for issuance to such persons pursuant to any other compensation arrangements of the Corporation, subject to any adjustment of such number pursuant to the provisions of Article 7 hereof, shall not exceed 3.5% of the issued and outstanding Shares from time to time; provided, however, that: (i) at no time shall the number of Shares reserved for issuance to Insiders of the Corporation pursuant to outstanding Deferred Shares, together with the number of Shares reserved for issuance to such persons pursuant to any other compensation arrangements, exceed 3.5% of the then outstanding Shares, as calculated immediately prior to the issuance in question; and (ii) the number of Shares issued to Insiders of the Corporation pursuant to outstanding Deferred Shares together with the number of Shares issued to such persons pursuant to any other compensation arrangements, within any one year period, shall not exceed 3.5% of the then outstanding Shares.
- 9.02** In addition to the foregoing limitations, no Deferred Shares shall be granted to any Non-Executive Director other than Acceptable Equity Awards (such limitation being hereinafter referred to as the “**Director Limitation**”).
- 9.03** A Director shall have the right to elect in each calendar year the manner in which the Director wishes to receive the Director’s Retainer (whether in cash, Deferred Shares or a combination thereof) by completing, signing and delivering to the Corporate Secretary of the Corporation a letter stating the proportions of the Directors’ Retainer that such Director wishes to receive in cash and/or Deferred Shares (the “**Director’s Retainer Letter**”) (a) in the case of a current Director, by December 31 of such calendar year with such election to apply in respect of the Director’s Retainer for the following calendar year; or (b) in the case of a new Director, within thirty (30) days after the Director’s first election or appointment to the Board with such election form to apply in respect of the calendar year in which such Director was elected or appointed to the Board and only with respect to compensation for services to be performed after the date of delivery of the election form. The Board may, from time to time, set such limits on the manner in which the Directors may receive their Director’s Retainers and every election made by a Director in his or her Director’s Retainer Letter shall be subject to such limits once they are set. If the Director’s Retainer Letter is delivered in accordance with this Section 9.03, the Corporation shall pay and/or issue the Director’s Retainer for the calendar year in question, as the case may be, to such Director in accordance with such Director’s Retainer Letter. If the Director’s Retainer Letter is not signed and delivered in accordance with this Section 9.03, the Corporation shall pay the Director’s Retainer in cash. If a Director has signed and delivered an Director’s Retainer Letter in respect of one calendar year in accordance with this Section 9.03, but has not subsequently signed and delivered a new Director’s Retainer Letter in respect of a subsequent calendar year, the Corporation shall continue to pay and/or issue the Director’s Retainer for each subsequent calendar year, if any, in the manner specified in the last Director’s Retainer Letter that was delivered by the Director in accordance with this Section 9.03, until such time as the Director signs and delivers a new Director’s Retainer Letter in accordance with this Section 9.03.

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- 9.04** The number of Deferred Shares to be credited as of the date of grant of Deferred Shares in respect of a Director's Retainer shall be determined by dividing (a) the amount of the Director's Retainer to be paid in Deferred Share Units by (b) the Market Value, with fractions computed to two decimal places.

ARTICLE 10 ASSIGNMENT

- 10.01** In no event may the rights or interests of a Participant under the Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that: (i) certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or by the laws of succession and distribution; and/or (ii) the Deferred Shares may be assigned or transferred to a Participant's tax free savings account (as defined in the *Income Tax Act* (Canada)), if the Deferred Shares are eligible to be held in such account.
- 10.02** Rights and obligations under the Plan may be assigned by the Corporation to a successor in the business of the Corporation.

ARTICLE 11 COMPLIANCE WITH APPLICABLE LAWS

- 11.01** The administration of the Plan shall be subject to and performed in conformity with all applicable laws, rules, regulations, policies, orders or requirements of governmental or regulatory authorities and the requirements of any stock exchange on which the Shares are listed (including, for greater certainty, the requirement set forth in Section 3.08 of the Plan). Each Participant shall comply with all such laws, rules, regulations, policies, orders and requirements, and shall furnish the Corporation with any and all information and undertakings, as may be required to ensure compliance therewith. The terms of the Plan may vary for Participants who are subject to taxation in foreign countries, which terms shall be set forth in an Appendix to the Plan.

APPENDIX FOR U.S. PARTICIPANTS

Notwithstanding anything to the contrary in the Plan, the provisions in this Appendix shall apply to Participants who are subject to income taxes pursuant to the United States Internal Revenue Code of 1986, as amended (the “**Code**,” and each such Participant, a “**U.S. Participant**”). In the event that a Participant becomes a U.S. Participant after receiving a grant of Deferred Shares, the award shall be amended as permitted by U.S. Treasury Regulation section 1.409A-3(h) so that the award terms comply with Section 409A.

(a) The “**Redemption Date**” in respect of each U.S. Participant shall mean the earliest to occur of the following events: (i) the U.S. Participant’s death, (ii) the U.S. Participant’s “disability” (within the meaning of U.S. Treasury Regulation section 1.409A-3(i)(4)(i)), (iii) the U.S. Participant’s “separation from service” (within the meaning of U.S. Treasury Regulation 1.409A-1(h)), (iv) the occurrence of a change in the ownership of the Corporation within the meaning of U.S. Treasury Regulation section 1.409A-(i)(5)(v) or a change in a substantial portion of the Corporation’s assets within the meaning of U.S. Treasury Regulation section 1.409A-3(i)(5)(vii), or (v) the fortieth anniversary of the date upon which the Corporation granted the applicable Deferred Shares to the U.S. Participant pursuant to Section 5.01 of the Plan.

(b) For purposes of Section 8.01 of the Plan, each U.S. Participant’s Entitlement Date shall occur as soon as administratively practicable following such U.S. Participant’s Redemption Date and in no event shall a U.S. Participant be entitled to select his or her Entitlement Date.

(c) To the extent applicable, the Plan and any Deferred Share Award Agreement provided to a U.S. Participant shall be interpreted and administered in accordance with Code Section 409A and the guidance promulgated thereunder.

(d) Any Deferred Shares held by a U.S. Participant that cannot be paid on such Participant’s Redemption Date by reason of Section 3.08 of the Plan shall immediately terminate and the U.S. Participant shall thereafter have no further rights under the Plan with respect to such terminated Deferred Shares.

(e) Notwithstanding Section 10.1 of the Plan or otherwise, neither a U.S. Participant nor any of a U.S. Participant’s creditors or beneficiaries will have the right to subject any Deferred Shares to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment. Except as permitted under Code Section 409A, any Deferred Shares awarded to a U.S. Participant may not be reduced by, or offset against, any amount owing by the U.S. Participant to the Corporation or any of its affiliates.

(f) If, at the time of a U.S. Participant’s separation from service, (i) the U.S. Participant is a “specified employee” (within the meaning of Code Section 409A and using the identification methodology selected by the Corporation from time to time) and (ii) the Corporation makes a good faith determination that Deferred Shares issuable hereunder are required to be delayed pursuant to the six-month delay rule set forth in Code Section 409A in order to avoid taxes or penalties under Code Section 409A, then the Corporation will not issue such shares issuable pursuant to the Deferred Shares on the otherwise scheduled issuance date but, unless otherwise provided in the Deferred Share Award Agreement, will instead issue them on the first business day of the seventh month after such separation from service.

(g) Notwithstanding any provision of the Plan and the terms of any Deferred Share Award Agreement to the contrary, in light of the uncertainty with respect to the proper application of Code Section 409A, the Corporation reserves the right subject to Section 3.04 of the Plan to make amendments to the Plan and terms of the Deferred Shares granted under the Plan as the Corporation deems necessary or desirable to avoid the imposition of taxes or penalties under Code Section 409A. In any case, a U.S. Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on a U.S. Participant or for a U.S. Participant’s Deferred Share Account in connection with the Plan and grants made under the Plan (including any taxes and penalties under Code Section 409A), and neither the Corporation nor any of its affiliates have any obligation to indemnify or otherwise hold a U.S. Participant harmless from any or all of such taxes or penalties.

SCHEDULE C – AMENDED EMPLOYEE SHARE PURCHASE PLAN

EXCHANGE INCOME CORPORATION

FIFTH AMENDED AND RESTATED EMPLOYEE SHARE PURCHASE PLAN

May 8, 2024

WHEREAS Exchange Income Corporation (the “**Corporation**”) established a fourth amended and restated employee share purchase plan (the “**Existing Plan**”) dated May 8, 2019;

AND WHEREAS the Corporation wishes to amend and restate the terms of the Existing Plan;

NOW THEREFORE the Corporation hereby amends and restates the Existing Plan as follows (such amended and restated plan hereinafter referred to as the “**Plan**”):

1. **Establishment and Purpose.**

The purpose of the Plan is to advance the interests of the Corporation and its shareholders by facilitating and encouraging Employees (as defined below) to purchase Shares (as defined below). The Corporation confirms that it is amending and restating the terms of the Existing Plan.

2. **Interpretation.**

2.1 In this Plan, the following terms shall have the following meanings:

- (a) “**Act**” means *The Securities Act* (Manitoba);
- (b) “**Additional Shares**” has the meaning set out in Section 9;
- (c) “**Administration Agreements**” means the administration agreements in respect of RRSP, TFSA and non-RRSP accounts between the Corporation and the Administrative Agent;
- (d) “**Administrative Agent**” means such Person or company as may be appointed for the purposes of the Plan as designated by the Administrators from time to time or their respective successors for the purpose of administering the Plan, being, initially, TSX Trust Company;
- (e) “**Administrators**” means the Compensation Committee of the Corporation or any other committee or Person(s) that the Directors may designate from time to time to administer the Plan;
- (f) “**Advance Payment Option**” has the meaning set out in Section 8(a)(iii)(2);
- (g) “**Affiliate**” means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Corporation. For the purposes of this definition, “control” means the power to direct the management and policies of a Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing;
- (h) “**Articles**” means the articles of amalgamation of the Corporation dated January 1, 2010, as amended by the articles of amendment of the Corporation dated June 14, 2019, as the same may be further amended from time to time;
- (i) “**Automatic Transfer**” shall have the meaning set out in Section 13.1;
- (j) “**Code**” means the United States Internal Revenue Code of 1986;
- (k) “**Contributions**” means the cash contributions made by Participants under the Plan;

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- (l) **“Corporation”** means Exchange Income Corporation, a corporation organized under the *Canada Business Corporations Act*;
- (m) **“Deduction Payment Option”** has the meaning set out in Section 8(a)(iii)(3);
- (n) **“Deemed Market Value”** of the Shares means that price per Share equal to the weighted average trading price of the Shares on the TSX for the five trading days during which the Shares were traded or posted immediately preceding a Purchase Date. This could result in the Deemed Market Value of Shares being higher or lower than the market price of Shares on a Purchase Date;
- (o) **“Deferred Share Plan”** means the fifth amended and restated deferred share plan of the Corporation dated May 8, 2024;
- (p) **“Directors”** means the board of directors of the Corporation, as the same may be reconstituted from time to time;
- (q) **“DRIP”** means the dividend reinvestment and share purchase plan of the Corporation dated August 26, 2009, as may be amended or replaced from time to time;
- (r) **“Employee”** means an individual who is a permanent full-time employee of the Corporation or any of its Affiliates and, for greater certainty, includes a US Employee and an Offshore Employee;
- (s) **“Employer”** means, in respect of a Participant, the Affiliate of the Corporation which employs the Participant or the Corporation if the Participant is employed directly by the Corporation;
- (t) **“Enrolment Date”** shall have the meaning set out in Section 8(a)(iii);
- (u) **“Enrolment/Change Form”** means the form of enrolment/change form for the Plan, as prescribed by the Administrators, which may be different for Employees depending on their jurisdiction of residence;
- (v) **“Event of Disentitlement”** shall have the meaning set out in Section 14.1 hereof;
- (w) **“Former Participant”** shall have the meaning set out in Section 13.2 hereof;
- (x) **“Insider”** means:
 - (i) an insider as defined in the Act, other than a Person who falls within that definition solely by virtue of being a director or senior officer of an Affiliate; and
 - (ii) an associate (as defined in the Act) of any Person who is an insider by virtue of (i);
- (y) **“Loan”** means the amount a Participant requests in an Enrolment/Change Form that his or her Employer advances to the Administrative Agent on his or her behalf in order to participate pursuant to this Plan;
- (z) **“Loan Payment Option”** has the meaning set out in Section 8(a)(iii)(1);
- (aa) **“Normal Retirement”** shall mean retirement from the office or employment with the Employer coincident with or the next day following the attainment by the Employee of age 65, or such earlier time as agreed to between the Employee and the Employer;
- (bb) **“Note”** means the promissory note issued to the Employer by the Participant if he or she elects to take a Loan. The Loan, together with interest as detailed in the Note, shall be repaid over a 12-month period by payroll deductions, provided that, in the event the Participant has a Participation Termination Event, the balance of the Loan and any outstanding interest shall become payable immediately. If the Corporation has elected to take security over the Shares purchased with the proceeds of the Loan and, if the Loan and any outstanding interest is not paid in full within five days of it

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becoming due, the Participant authorizes the Employer to sell the Shares and repay the Loan or, if the Shares are held in an RRSP, to wind-up the RRSP, and sell the Shares and repay the Loan or, if the Shares are held in a TFSA, to wind-up the TFSA and sell the Shares and repay the Loan;

- (cc) “**Offshore Employee**” means an employee who is not resident in the United States or Canada;
- (dd) “**Participant**” means an Employee who has enrolled in the Plan in accordance with the provisions thereof;
- (ee) “**Participation Termination Event**” means the earliest to occur of: (i) an Event of Disentitlement; and (ii) the release of Shares from the Plan upon delivery of a duly completed Termination/Withdrawal Form, which release occurs prior to the Vesting Date in respect of the Shares;
- (ff) “**Payment Options**” has the meaning set out in Section 8(a)(iii);
- (gg) “**Person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof;
- (hh) “**Phantom Dividend Shares**” has the meaning set out in Section 9(b);
- (ii) “**Phantom Dividends**” has the meaning set out in Section 9(a);
- (jj) “**Plan**” means this Fifth Amended and Restated Employee Share Purchase Plan, as amended from time to time;
- (kk) “**Purchase Date**” shall have the meaning set out in Section 8(c);
- (ll) “**Purchase Price**” shall have the meaning set out in Section 8(c);
- (mm) “**Restricted Share Plan**” means the amended and restated restricted share unit plan of the Corporation dated November 7, 2018;
- (nn) “**RRSP**” means a Registered Retirement Savings Plan established under the *Income Tax Act* (Canada);
- (oo) “**RRSP Plan**” means the group RRSPs established by the RRSP Plan Trustee on the instructions of individual Participants (other than Participants who are US Employees or Offshore Employees) in accordance with Section 7.2;
- (pp) “**RRSP Plan Trustee**” means TSX Trust Company or such other trust company as may from time to time be appointed by the Corporation to act as trustee for the RRSP Plan;
- (qq) “**Salary**” means the annual earnings of the Participant from employment by an Employer, excluding bonus and other extra-ordinary compensation, and annualized based on the last month at the end of the preceding fiscal year, provided that, in the event an entity is acquired directly or indirectly by the Corporation, annual earnings of an Employee from employment by the entity in the prior year shall be utilized to calculate Salary as if such entity had been an Employer in the prior year;
- (rr) “**Separation from Service**” means a separation from service within the meaning of Section 409A of the Code;
- (ss) “**Share**” or “**Shares**” shall mean, as the case may be, one or more shares of the Corporation and any shares or securities of the Corporation into which such shares are changed, classified, reclassified, subdivided, consolidated or converted (“**Substitute Shares**”). All such Substitute Shares shall be included in the term “Shares” for the purposes of the Plan. For purposes of the Plan, Substitute Shares shall be deemed to have an issue price equal to the issue price of the Shares of the Corporation which were converted into or exchanged for such Substitute Shares;

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- (tt) “**Shareholder**” means a holder of Shares;
 - (uu) “**Specified Employee**” means a specified employee within the meaning of Section 409A of the Code, as determined pursuant to procedures adopted by the Administrators;
 - (vv) “**Termination/Withdrawal Form**” means the form of termination/withdrawal form for the Plan, as prescribed by the Administrators, which may be different for Employees depending on their jurisdiction of residence;
 - (ww) “**TFSA**” means a tax free savings account established under the *Income Tax Act* (Canada);
 - (xx) “**TFSA Plan**” means the group TFSAs established by the TFSA Plan Trustee on the instructions of individual Participants (other than Participants who are US Employees or Offshore Employees) in accordance with Section 7.2;
 - (yy) “**TFSA Plan Trustee**” means TSX Trust Company or such other trust company as may from time to time be appointed by the Corporation to act as trustee for the TFSA Plan;
 - (zz) “**Transferred Shares**” shall have the meaning set out in Section 13.1. hereof;
 - (aaa) “**TSX**” means the Toronto Stock Exchange, and if the Shares are no longer listed on the Toronto Stock Exchange, it shall mean the stock exchange or market upon which the greatest volume of trading of Shares occurred during the thirty (30) days preceding the commencement of the then current fiscal year of the Corporation;
 - (bbb) “**US Employee**” means an Employee who is a resident of the United States of America;
 - (ccc) “**Vesting Date**” shall have the meaning set out in Section 10 hereof; and
 - (ddd) “**Withdrawal Event**” shall have the meaning set out in Section 15.1 hereof.
- 2.2 The masculine gender shall include the feminine gender and the singular shall include the plural and vice-versa unless the context otherwise requires.

3. Administration of the Plan.

- 3.1 The Plan shall be administered by the Administrators who shall be entitled to exercise any or all of the authority, rights, powers and discretion, exercisable by the Directors with regard to the Plan; and references to the Administrators herein shall include action by the Directors (as applicable).
- 3.2 Subject to the limitations hereof, the Administrators shall have the power and authority to:
- (a) adopt rules and regulations for implementing the Plan that are not inconsistent with the terms of the Plan;
 - (b) determine the eligibility of Employees to participate in the Plan and the terms of such participation;
 - (c) interpret and construe the provisions of the Plan;
 - (d) subject to regulatory requirements, make exceptions to the Plan in circumstances which they determine to be exceptional; and
 - (e) take such other steps as they determine to be necessary or desirable to give effect to the Plan.

4. Eligibility.

- 4.1 The Corporation may, from time to time, make Shares available under the Plan for purchase by Participants. The determination of the Participants who may participate in the Plan and the

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extent to which each Participant shall be entitled to participate shall be determined by the Administrators in compliance with the terms of the Plan, provided that any Employee who elects to participate in the Plan must have, subject to waiver by the Administrators, completed six full calendar months of service with an Employer, and in determining whether such criteria has been satisfied, service with an entity prior to its acquisition directly or indirectly by the Corporation shall be included. The eligibility of an Employee to purchase Shares made available at any time and from time to time pursuant to the Plan shall not by itself entitle that Employee to purchase Shares made available at any other time.

- 4.2 Notwithstanding any other term of the Plan or any determination as to eligibility to participate in the Plan made by the Administrators:
- (a) no Person who beneficially owns greater than 5% of the issued and outstanding Shares of the Corporation shall be permitted to participate in the Plan;
 - (b) no Person who participates in the Deferred Share Plan or the Restricted Share Plan of the Corporation, shall be entitled to participate in the Plan; and
 - (c) no Director shall be entitled to participate in the Plan.

5. Shares Available for Purchase.

The Shares which may be purchased by the Participants in accordance with the terms of the Plan shall be authorized but unissued Shares.

6. Maximum Number of Shares to be Issued.

- 6.1 Subject to Section 20, the total maximum number of Shares to be issuable under the Plan shall be equal to 3.5% of the issued and outstanding Shares at any time. The maximum number of Shares issuable under the Plan together with Shares authorized for issuance under all security based compensation schemes, including the Plan, shall not exceed 3.5% of the issued and outstanding Shares at any time. The maximum number of Shares that may be issued to any one Participant under the Plan shall be governed by the Participant's annual gross Salary in accordance with Section 8(a)(iii) hereof, subject to the limitation that no one Participant may acquire under the Plan more than 3.5% of the issued and outstanding Shares. The maximum number of Shares issuable to Insiders of the Corporation, at any time, under all security based compensation schemes, including the Plan, shall not exceed 3.5 the issued and outstanding Shares. The maximum number of Shares issued to Insiders of the Corporation, within any one year period, under all security based compensation schemes, including the Plan, shall not exceed 3.5% of the issued and outstanding Shares. For greater certainty, once Shares have been withdrawn from the Plan pursuant to Section 13, 14 and 15, such Shares shall no longer count against the maximum number of Shares that may be issued pursuant to the Plan.
- 6.2 Notwithstanding any other provisions of the Plan:
- (a) the maximum aggregate value of Shares (including Additional Shares and Phantom Dividend Shares) that may be issued under the Plan to Participants who are US Employees is US\$5 million in any 12 month period; and
 - (b) no Shares shall be issued to any Participant if the result of the issuance of such Shares would be that the Corporation would be in violation of the non-Canadian ownership limitations set forth in the Articles and the *Canada Transportation Act*.

7. Participation and Enrolment in the Plan and RRSP Plan or TFSA Plan.

- 7.1 Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Employee's position as an Employee.
- 7.2 All funds and Shares held by the Administrative Agent pursuant to the Plan are held on behalf of the account of the individual Participants and all funds and Shares held by the

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Administrative Agent pursuant to the RRSP Plan or the TFSA Plan are held in trust for the account of the individual Participants in the RRSP Plan or the TFSA Plan, as applicable. A Participant shall be the beneficial owner of all Shares purchased on his or her behalf.

- 7.3 A Participant (other than a Participant who is a US Employee or an Offshore Employee) may elect to hold all or part of the Shares acquired with Contributions pursuant to the Plan in an RRSP or a TFSA by filing with the Administrative Agent a completed application for an RRSP or a TFSA, as applicable, in the form prescribed by the Administrators and indicating on the Enrolment/Change Form the portion of the Participant's Contributions allocated to the RRSP or TFSA, as applicable. In the event that a Participant (other than a Participant who is a US Employee or an Offshore Employee) should wish to transfer any Shares acquired with Contributions pursuant to the Plan into an RRSP or a TFSA, he or she may do so by completing the prescribed form and authorizing the Administrative Agent to transfer the specified number of Shares into the RRSP Plan or TFSA Plan, as applicable. It is solely the Participant's responsibility to ensure that: (a) his or her RRSP contributions do not, in conjunction with other RRSP contributions of that Participant, exceed the maximum RRSP contribution for income tax purposes of that Participant; and (b) his or her TFSA contributions do not, in conjunction with other TFSA contributions of the Participant, exceed the maximum TFSA contributions for income tax purposes of that Participant.

8. Subscriptions for Shares and Limitations.

- (a) Each Participant may elect, on an Enrolment Date, to participate in the Plan (and purchase Shares) by:
- (i) signing and delivering to the Employer an Enrolment/Change Form;
 - (ii) agreeing to the terms and conditions of the Plan; and
 - (iii) designating the amount (in increments of 1%), up to 5% of the Salary of the Participant on an annual basis, which the Participant desires to contribute to the Plan for the purpose of purchasing Shares and electing one of the following options to pay for the Shares purchased pursuant to the Plan (the "**Payment Options**"):
 - (1) signing and delivering a Note in the form provided by the Corporation and authorizing payroll deductions for the repayment of the Loan over a period of approximately one year, if the Participant elects to take a Loan (the "**Loan Payment Option**");
 - (2) providing payment of the Purchase Price calculated in accordance with Section 8(c) hereof by way of cheque made payable to the Employer (the "**Advance Payment Option**"); or
 - (3) authorizing the Employer to make payroll deductions from the Salary of the Participant in the percentage chosen by the Participant in accordance with this Section 8(a)(iii), which funds will be used to purchase Shares on each Purchase Date following the Enrolment Date (the "**Deduction Payment Option**").

The Employer will only accept Enrolment/Change Forms from Participants on dates that are determined by the Administrators (each, an "**Enrolment Date**") up to a maximum of once per month. If the Administrators select an Enrolment Date, they must also select a Purchase Date in accordance with Section 8(c) below. Notwithstanding that no Employees enroll in the Plan on a particular Enrolment Date, such date shall still be deemed to be an Enrolment Date for the purposes hereof. All Employees will be notified at least 15 days prior to each Enrolment Date or be provided with a schedule of Enrolment Dates, in advance, as a reminder that they may be eligible to deliver completed Enrolment/Change Forms for participation in the Plan.

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The Corporation may choose not to offer one or more of the Payment Options to Employees on any Enrolment Date in its sole discretion.

- (b) Each Participant's participation is subject to the limitations and restrictions hereinafter expressed. Participants who elect to participate in the Plan shall be entitled to continue to participate in the Plan until the occurrence of a Participation Termination Event or a Withdrawal Event, or other termination in accordance with the terms hereof or at the time of termination of the Plan. If a Participant's participation in the Plan is terminated, such Participant shall not be entitled to elect to resume participation in the Plan until six full calendar months following the date of termination and in any event not prior to the next Enrolment Date.
- (c) Following each Enrolment Date, the Corporation shall select a date (the "**Purchase Date**") which must be (i) within four weeks after such Enrolment Date, (ii) on or before December 31 of that year, and (iii) not later than the next Enrolment Date chosen by the Corporation. For Participants that elect the Loan Payment Option or the Advance Payment Option, the Corporation shall issue Shares to Participants only once per year on the next Purchase Date following their Enrolment Date. For Participants that elect the Deduction Payment Option, the Corporation shall issue Shares on the next Purchase Date following their Enrolment Date and on each subsequent Purchase Date until such Participant's participation in the Plan is terminated. The price per Share (the "**Purchase Price**") at which Shares shall be purchased by the Participants and issued by the Corporation in accordance with the terms hereof shall be the Deemed Market Value thereof as at the applicable Purchase Date, as calculated by the Corporation.
- (d) If it is determined by the Corporation or the Administrators that Participants: (i) have subscribed for more than the maximum number of Shares remaining for purchase pursuant to the Plan, the maximum number of Shares available for purchase will be prorated to each subscribing Participant based on the number of Shares subscribed for by each, (ii) who are US Employees have subscribed for more than the maximum number of Shares (after taking into account the issuance of Additional Shares and Phantom Dividend Shares) available for purchase by US Employees pursuant to the Plan, the maximum number of Shares available for purchase will be prorated to each subscribing US Employee based on the number of Shares subscribed for by each, and (iii) who are non-Canadians within the meaning of the *Canada Transportation Act* have subscribed for a number of Shares which would cause the limitation in Section 6.2(b) to apply, the maximum number of Shares available for purchase taking into account the limitation in Section 6.2(b) will be prorated to each subscribing Participant that is a non-Canadian based on the number of Shares subscribed for by each.
- (e) If in any period a Participant does not elect to participate in the Plan or elects to participate in the Plan to an extent of less than his or her full entitlement for such period, then all rights of the Participant to participate in the Plan shall terminate as to the Shares or balance of the Shares which might have been acquired by the Participant in respect of such period.

9. Additional Shares, Phantom Dividends and Phantom Dividend Shares.

Provided that a Participant meets the requirements set out in Section 10 hereof, a Participant shall have the right to receive an additional number of Shares consisting of 33 $\frac{1}{3}$ % of the number of Shares purchased by such Participant on each Purchase Date (the "**Additional Shares**") and, at the Participant's choice, as designated at the time of enrolment in the Plan on the Enrolment/Change Form, either:

- (a) an amount equal to the aggregate value of dividends that would have been payable on the Additional Shares during the period between the Purchase Date and the Vesting Date (had the Additional Shares been issued) during that period (the "**Phantom Dividends**"); or

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- (b) that number of Shares that can be purchased with the aggregate value of dividends that would have been payable on the Additional Shares during the period between the Purchase Date and the Vesting Date, had the Additional Shares been issued during that period (the “**Phantom Dividend Shares**”);

PROVIDED that if the Participant’s Shares are held in an RRSP or a TFSA, the choice in Section 9(a) above is not available and Phantom Dividend Shares will be issued to the Participant in trust to be held in the RRSP Plan or the TFSA Plan, as applicable.

The Corporation shall, subject to Sections 15.2 and 16.3 hereof, deliver an amount it estimates will be required to purchase the Additional Shares and the Phantom Dividend Shares to the Administrative Agent five days prior to each Vesting Date. Additional Shares and Phantom Dividend Shares shall be purchased by the Administrative Agent on behalf of a Participant as soon as practicable following the Vesting Date, subject to market conditions, provided that all Additional Shares and Phantom Dividend Shares shall be purchased no later than 60 days following the Vesting Date. All Additional Shares and Phantom Dividend Shares shall be purchased in the open market through the facilities of the TSX and, for greater certainty, no part of the Additional Shares or Phantom Dividend Shares shall be acquired from the Corporation or any person or entity with which the Corporation does not deal at arm’s length. The cost of all fees (including, without limitation, brokerage fees on any acquisition of Shares) and other expenses payable in connection with the issuance of the Shares to the Participants (other than, for greater certainty, any taxes payable in respect of such Shares) shall be paid by the Corporation. Following the purchase of the Additional Shares and the Phantom Dividend Shares, the Administrative Agent shall calculate the actual amount required to purchase the said Shares and shall then collect from (or refund to) the Corporation any shortfall (or surplus) funds. If the Participant has elected to receive Phantom Dividends, the Corporation will pay such Phantom Dividends to the Administrative Agent who will pay such Phantom Dividends to the Participant.

10. Vesting Conditions

In order to be entitled to receive Additional Shares and either the Phantom Dividends or the Phantom Dividend Shares in respect of Shares purchased by the Participant on a particular Purchase Date, the following conditions must be met on the date that is 18 months following each Purchase Date (the “**Vesting Date**”):

- (a) the Participant must be at such time in good standing under the Plan; and
- (b) no Participation Termination Event may have occurred prior to that date in respect of the Participant. For greater certainty, the occurrence of a Withdrawal Event with respect to a Participant shall not disentitle the Participant to receive Additional Shares and Phantom Dividends or Phantom Dividend Shares.

In the event that a Participant is not in good standing under the Plan, or if a Participation Termination Event has occurred in respect of a Participant prior to the Vesting Date, the Participant shall not be entitled to receive any Additional Shares, Phantom Dividends or Phantom Dividend Shares on the Vesting Date, and any entitlement thereto shall be at an end.

11. Purchase of Shares

A Participant shall, subject to the limitations expressed herein, be entitled to purchase Shares pursuant to the Plan and to pay for such Shares in cash or by means of a Loan to be repaid by payroll deductions. Participants shall also be entitled to elect to have their Employer make payroll deductions from their Salary and use those funds to purchase Shares on the terms set forth herein. Purchases of Shares shall be subject to the following terms:

- (a) A Participant who purchases Shares hereunder shall:
- (i) pay for the Shares subscribed for by him or her in full on the applicable Enrolment Date by providing a cheque payable to the Employer, or in the case

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of Participants who so elect by signing a Note in respect of a Loan in which case the Employer will advance the Purchase Price on behalf of the Participant; or

- (ii) pay for the Shares that he or she has elected to purchase hereunder pursuant to payroll deductions from the Participant's Salary on each Purchase Date.
- (b) Only amounts received by the Corporation and the Administrative Agent by each Enrolment Date will be used to purchase Shares on the next Purchase Date.
- (c) The Corporation will refund any portion of a Participant's payment which is not used to purchase Shares pursuant to the Plan. Refunds will be made, as appropriate, at the time of cancellation of a Participant's subscription, the time of a Participation Termination Event, a Withdrawal Event, an Automatic Transfer or at the time of termination of the Plan.
- (d) A Participant may not pledge, transfer or assign his or her rights under the Plan. Any attempt by the Participant to do so shall constitute a cancellation of his or her subscription and result in the Loan becoming payable, if applicable.
- (e) No Shares purchased hereunder shall be released to a Participant until the Loan has been paid in full, if applicable. Shares once so issued shall be conclusively deemed allotted and issued as fully paid and non-assessable at the price paid therefor.
- (f) Shares shall be registered in the name of and issued in the name of the Administrative Agent to be held on behalf of the Participant (or in trust for the Participant in the case of Shares held in the RRSP Plan or the TFSA Plan) who subscribed for such Shares to be held during the period and on the terms as set forth in Section 12.
- (g) If there is a Participation Termination Event or a Withdrawal Event with respect to a Participant who has a Loan and the Loan is not repaid in full within five days, then, if the Participant has so authorized, the Administrative Agent shall sell the Shares held on behalf of the Participant and remit the proceeds to the Corporation, which will then repay the Loan to the Employer and disburse any remaining funds as provided for herein or, in the case of Shares in the Plan held in trust for the Participant by the Administrative Agent in an RRSP Plan or a TFSA Plan, the Employer may utilize the power given in the Enrolment/Change Form to cause the Administrative Agent to wind up the RRSP Plan or the TFSA Plan, as applicable, and thereafter sell the Shares held on behalf of the Participant and remit the proceeds to the Corporation, which will then repay the Loan to the Employer and disburse any remaining funds as provided for herein.
- (h) Subject to Section 13.4, Participants are entitled to receive fractional Shares.
- (i) Any dividend paid by the Corporation on Shares held by the Administrative Agent on behalf of Participants pursuant to the Plan will be paid to the Participant, monthly or less frequently as directed by the Participant to the Administrative Agent. Participants who are not U.S. Employees or Offshore Employees shall be eligible to direct that any Shares held by the Administrative Agent on behalf of such Participants pursuant to the Plan, other than Shares held by the Administrative Agent pursuant to the RRSP Plan or the TFSA Plan, may be enrolled in the DRIP in accordance with the terms of the DRIP. Any dividend paid by the Corporation on Shares held by the Administrative Agent in trust for Participants pursuant to the RRSP Plan or the TFSA Plan will be reinvested in the RRSP Plan or the TFSA Plan, as applicable, in Shares, monthly, which purchases may be made pursuant to the DRIP.

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12. Terms of Participation

- 12.1 By purchasing Shares hereunder, a Participant shall be deemed to accept the terms of the Plan and Administration Agreement governing the engagement and responsibilities of the Administrative Agent, to the extent applicable.
- 12.2 Notwithstanding anything to the contrary in Section 11 hereof, all Shares purchased hereunder shall be held on behalf of the Participant by the Administrative Agent (in trust for the Participant in the case of Shares held in the RRSP Plan or the TFSA Plan), and shall be registered in the name of and issued in the name of the Administrative Agent until they are withdrawn from the Plan in accordance with Section 13 hereof, or on the occurrence of a Participation Termination Event or a Withdrawal Event.
- 12.3 A Participant on whose behalf Shares are held pursuant to any provision of this Plan shall have the right, at any time, to terminate participation in the Plan or make a withdrawal of Shares from the Plan in accordance with the terms of Section 13 hereof.
- 12.4 Upon the termination of a Participant's participation in the Plan pursuant to the terms of the Plan, with respect to Shares purchased hereunder, all Shares held by the Administrative Agent on behalf of such Participant pursuant to the Plan shall be dealt with in accordance with Section 13, 14 or 15 hereof, as the case may be.
- 12.5 Shares to be registered in the name of the Administrative Agent pursuant to this Plan may, in the discretion of the Administrative Agent, be registered in the name of the nominee or agent of the Administrative Agent, or such other name as the Administrative Agent determines, for that purpose.
- 12.6 The Participant will be responsible for paying any brokerage commissions and sales processing fees on Share sales.

13. Withdrawal of Shares from the Plan

- 13.1 Shares held by the Administrative Agent pursuant to the Plan shall automatically be transferred out of the Plan (but may remain held by the Administrative Agent as described below) immediately after the Vesting Date for such Shares (such transfer of Shares out of the Plan shall be referred to herein as an “**Automatic Transfer**”). The Shares transferred out of the Plan shall include any Additional Shares and Phantom Dividend Shares issued to the Participant in accordance with Section 9 in respect of such transferred Shares (all Shares transferred out of the Plan pursuant to the Automatic Transfer are referred to herein collectively as the “**Transferred Shares**”). In addition, all Shares issued to Participants with the proceeds of dividends in accordance with Section 11(i) shall be deemed to be Transferred Shares immediately upon the issuance of such Shares. Transferred Shares shall continue to be held by the Administrative Agent until such time as the Participant files a Termination/Withdrawal Form, however such Shares shall no longer be considered to be a part of the Plan for the purposes of calculating the number of Shares issued and outstanding pursuant to the Plan. For greater certainty, the withdrawal of any Transferred Shares by a Participant shall not be a Participation Termination Event.
- 13.2 Notwithstanding the forgoing, in the event that any Shares are held by a Participant who is no longer employed by the Corporation or any of its subsidiaries, other than a Participant ceasing to be an Employee due to a Withdrawal Event (a “**Former Participant**”), within 30 days of such Person becoming a Former Participant, such Former Participant shall be required to deliver to the Administrative Agent a Termination/Withdrawal Form and:
- (a) all of the Former Participant's designated number of Shares in his or her personal account shall be transferred and issued in his or her name or as directed by the Former Participant; and
 - (b) if the Former Participant's Shares are held in an RRSP or a TFSA, all of the Former Participant's funds and Shares, or net proceeds from selling said Shares, shall be

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transferred to another RRSP or TFSA, as applicable, in the Former Participant's name or be remitted to the Former Participant less any tax to be withheld.

If no Termination/Withdrawal Form is filed by the Former Participant by the end of the 30 day period referenced above, the Former Participant will be deemed to have elected to request the Corporation to: (i) issue a certificate for all Shares held in the non-RRSP and non-TFSA component of his or her personal account; (ii) sell all the Shares in the RRSP and TFSA component of his or her personal account; and (iii) forward the net proceeds after tax to the Former Participant.

- 13.3 In addition to the Automatic Transfers pursuant to Section 13.1, a Participant may terminate participation in the Plan or make a withdrawal of Shares held under the Plan (in which case the provisions of Section 14.4 may apply), by delivering to the Employer (who will, in turn, deliver it to the Administrative Agent) a Termination/Withdrawal Form and:
- (a) In the case of termination by a Participant with a Loan, or in the case of withdrawal of Shares purchased from proceeds of a Loan prior to the date that the Loan has been fully repaid, the Loan shall be repaid in full by the Participant within five days or, if the Loan is not repaid within the five day period and, if the Participant has granted the Employer security over the Shares purchased with proceeds of a Loan:
 - (i) the Employer may utilize the power given in the Enrolment/Change Form to cause the Administrative Agent to sell the Participant's Shares and to repay the Loan amount outstanding plus brokerage commissions and sales processing fees, and the balance of the proceeds from the Participant's Shares in his or her personal account shall be transferred into his or her name or as directed; or
 - (ii) in the case of Shares in the Plan held in trust for the Participant by the Administrative Agent in the RRSP Plan or the TFSA Plan, the Employer may utilize the power given in the Enrolment/Change Form to cause the Administrative Agent to wind up the RRSP Plan and/or TFSA Plan, as applicable, and thereafter sell the Participant's Shares and to repay the Loan amount outstanding plus brokerage commissions and sales processing fees, and the balance of the proceeds from the Participant's Shares in his or her personal account shall be transferred into his or her name or as directed.
 - (b) In the case of termination by a Participant without a Loan, or in the case of withdrawal of Shares purchased from proceeds of a Loan where the Loan has been repaid in full by the Participant within five days:
 - (i) all of the Participant's designated number of Shares in his or her personal account be transferred and issued in his or her name or as directed by the Participant; and
 - (ii) if the Participant's Shares are held in an RRSP or TFSA, all of the Participant's funds and Shares, or net proceeds from selling said Shares, shall be transferred to another RRSP and/or TFSA, as applicable, in the Participant's name or be remitted to the Participant less any tax to be withheld.
- 13.4 On any termination or withdrawal, any fractional Shares credited to the Participant's personal account will be disregarded on any sale or transfer and the Participant will be entitled to receive the cash equivalent thereof.
- 13.5 Termination/Withdrawal Forms given by Participants in accordance with Section 13.3 hereof shall be effective on the date given save and except where such notice is given less than five days prior to a Purchase Date. Where the notice is given less than five days prior to a Purchase Date, such notice shall only become effective from and after the first business day following such Purchase Date and the Corporation shall continue to be entitled to issue to

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the Participant such Shares, if any, as the Participant would have been entitled to on such Purchase Date and to make any payroll deductions with respect to the Participant as may occur during such five day period as if the Termination/Withdrawal Form had not been given.

- 13.6 For greater certainty, a Participant shall be entitled at any time to withdraw Shares, Additional Shares and Phantom Dividend Shares from the Plan in accordance with the foregoing that have not yet been subject to an Automatic Transfer, provided that any such withdrawal of Shares which have not been held for the 18 month period ending on the Vesting Date shall constitute a Participation Termination Event and the Participant shall have no entitlement to receive Additional Shares, Phantom Dividends, or Phantom Dividend Shares in respect thereof. For these purposes, it will be assumed that Shares are withdrawn or sold, as the case may be, in the order of the earliest purchase dates associated with such Shares. As a result, Shares held for longer periods of time shall be deemed to be withdrawn or sold before Shares held for shorter periods of time.
- 13.7 The Participant will be responsible for paying any brokerage commissions and sales administration fees on Share sales.

14. Participation Termination Event.

- 14.1 Upon the occurrence of a Participation Termination Event, the Participant shall immediately cease to be eligible to participate in the Plan. An “**Event of Disentitlement**” under the Plan shall occur where the Participant voluntarily retires or resigns or is terminated by the Employer from all of his or her position(s) as an Employee of the Employer before Normal Retirement, otherwise than as described in Section 15 hereof.
- 14.2 On the occurrence of a Participation Termination Event, the Participant’s subscription for Shares under this Plan pursuant to any of the Payment Options, if any, shall be automatically cancelled and the Corporation shall return to the Participant his or her Contributions held in a non-RRSP or non-TFSA account of the Participant to the date of cancellation.
- 14.3 If no Termination/Withdrawal Form is filed within 60 days after a Participation Termination Event, the Participant will be deemed to have elected to request a certificate for all Shares held in the non-RRSP and non-TFSA component of his or her personal account, and to sell all Shares in the RRSP and TFSA component of his or her personal account and to have the net proceeds after tax be forwarded to the Participant.
- 14.4 Any Participant in respect of whom a Participation Termination Event has occurred shall not be permitted to enroll and become a Participant again until a period of six full calendar months from the Participation Termination Event has elapsed and in any event not prior to the next Enrolment Date.

15. Death/Normal Retirement/Permanent Disability of Employee.

- 15.1 Upon a Participant ceasing to be an Employee as a result of death, Normal Retirement or permanent disability (collectively a “**Withdrawal Event**”) the Participant shall immediately cease to be eligible to participate in the Plan. Notwithstanding Section 10 hereof, Additional Shares and Phantom Dividends or Phantom Dividend Shares shall, subject to Section 15.2 hereof, be issued to the Participant hereunder, no later than 60 days following the Withdrawal Event, on the basis that the date of the Withdrawal Event shall be deemed to be the Vesting Date and the Employee shall be deemed to be in good standing under the Plan and to be an Employee of the Employer on that deemed Vesting Date. In addition, and subject to any beneficiary designation made with respect to an RRSP Plan or a TFSA Plan, on the occurrence of a Withdrawal Event:
- (a) the Corporation shall return to the Participant or the Participant’s legal representative (as the case may be) the Participant’s Contributions held in a non-RRSP or non-TFSA account to the date of the Withdrawal Event; and

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- (b) any Shares held on behalf of the Participant by the Administrative Agent pursuant to this Plan and any cash held in an RRSP or TFSA account of the Participant shall be transferred to or to the order of the Participant or his or her legal representative.
- 15.2 (a) If payments of Additional Shares, Phantom Dividends or Phantom Dividend Shares are to be made to a Participant who is a US Employee as a result of the Participant's Normal Retirement or permanent disability, then such payments will be made following the Withdrawal Event as specified in Section 15.1, provided that the Withdrawal Event constitutes a Separation from Service. If the Withdrawal Event does not constitute a Separation from Service, then such payments will be made within 60 days following the earlier of the Vesting Date set forth in Section 10 and the date of the Participant's Separation from Service.
- (b) Notwithstanding any provision of Section 15.1 or Section 15.2(a) to the contrary, if payments of Additional Shares, Phantom Dividends or Phantom Dividend Shares are to be made due to the permanent disability or Normal Retirement of a Participant who is a US Employee, and who is designated as a "key employee" at the time of such Participant's enrolment (as determined pursuant to procedures adopted by the Administrators), then such payments will be made on the earlier of (i) the first business day of the seventh month following the Participant's Separation from Service, or (ii) the Participant's death.
 - (c) Notwithstanding any other provision of this Section 15 to the contrary, if the Administrators make a good faith determination that a payment under this Plan (i) constitutes a deferral of compensation for purposes of Section 409A of the Code, (ii) is made to a Participant by reason of his Separation from Service, (iii) at the time such payment would otherwise be made the Participant is a Specified Employee, and (iv) such payment must be delayed six months in order to avoid taxes and penalties under Section 409A of the Code and such delay is not already provided for, then payment will be delayed until the earlier of (A) the first business day of the seventh month following the date of the Participant's Separation from Service or (B) the Participant's death.

16. Dividends and Other Rights Pertaining to Shares.

- 16.1 The Administrative Agent shall deliver or cause to be delivered to the Participants on whose behalf Shares are held hereunder copies of all materials distributed to holders of Shares, and shall on each such occasion notify such holders in writing of their rights hereunder, including the right to direct votes, and of the manner of exercise of such rights. The Administrative Agent shall vote Shares held on behalf of each Participant at every meeting of holders of Shares of the Corporation which the Administrative Agent shall be entitled to attend by virtue of being the registered holder of Shares in such manner as each such Participant, or his or her legal representatives, shall have previously directed in writing, and in default of any such direction, the Administrative Agent shall refrain from voting. The Administrative Agent will, if so required by any Participant, or his or her legal representatives, execute all proxies necessary or proper to enable the Participant, or his or her legal personal representatives, to attend and vote the Shares held by the Administrative Agent on behalf of such Participant at any such meeting in place of the Administrative Agent.
- 16.2 Dividends declared in respect of Shares held by Participants shall be dealt with in accordance with Section 11(i).
- 16.3 Notwithstanding any other provision in the Plan, a payment otherwise required to be made to a Participant or beneficiary may be delayed to the extent permitted by Section 409A of the Code if the Administrators reasonably determine that the payment will violate securities laws or other applicable laws, rules or regulations or may be delayed for any other reason permitted under Section 409A of the Code.

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17. The Administrative Agent.

- 17.1 The Administrative Agent may be a trust company or trust companies authorized to carry on business in Canada, or any other individual or company which shall be legally entitled to act as Administrative Agent. The Corporation may, at any time, remove the Administrative Agent so appointed and may appoint a successor or successors and may similarly fill any vacancy created for any reason whatsoever. The Corporation agrees to reimburse the Administrative Agent for all reasonable costs assumed by the Administrative Agent in administering the Plan.
- 17.2 The Administrative Agent shall maintain or cause to be maintained such records as may be required by the Corporation indicating the number of Shares purchased on behalf of each Participant and shall furnish to each Participant on a periodic basis a statement containing such information, including information concerning Additional Shares and Phantom Dividend Shares. Each of such statements shall be deemed to have been accepted by the Participant as correct unless written notice to the contrary shall have been received by the Administrative Agent within 30 days after the mailing of such statement to the Participant.
- 17.3 The Administrative Agent shall establish a personal account for each Participant and shall record in each personal account the amount of all Contributions made by the Participant, the number of Shares purchased from the Corporation with that Participant's Contributions and all Additional Shares and Phantom Dividend Shares purchased on the open market through the facilities of the TSX for the Participant, any dividends received on Shares held, the amount withheld in respect of taxes, the amount paid to the Participant, any Share withdrawals, the prices at which such Shares were withdrawn and the amount of any expenses allocated to such personal account.

18. Assignment/Transferability.

- 18.1 Except with the consent of the Administrators (which may not be arbitrarily or unreasonably withheld) and subject to applicable laws, no right or interest of any Participant in any of the Shares purchased or held on his or her behalf under the Plan shall be, at any time prior to the Vesting Date in respect of such Shares, assignable, in whole or in part, either directly or by operation of law or otherwise in any manner, other than by will or other testamentary instrument, or the laws of succession. No attempted assignment of any Shares contrary to the terms hereof shall be effective. Notwithstanding the foregoing, assignments may be effected with the approval of the Corporation and the appropriate regulatory authorities, if required. For the purposes of this Section 18, the terms "assign" and "assignment" shall include the creation, granting or incurring of a security interest, mortgage, charge, lien, execution and similar interests in the Shares of a Participant. In addition, no transfer of any right or interest of any Participant in any of the Shares purchased or held on his or her behalf under the Plan may, without the consent of the Employer, be made at any time prior to the Vesting Date in respect of such Shares without disentitling the Participant to any Additional Shares, Phantom Dividends or Phantom Dividend Shares to which the Participant would otherwise have become entitled in respect of the Shares.
- 18.2 The Plan and the Administration Agreement shall enure to the benefit of and be binding upon the Corporation, its successors and assigns and shall enure to the benefit of and be binding upon the Participants and their respective heirs, executors, administrators, successors, legal personal representatives and permitted assigns.

19. Taxes

- 19.1 Each Participant shall be responsible for paying his or her respective income and other taxes applicable to Contributions and to transactions involving the Shares held by the Administrative Agent on his or her behalf, including, without limitation, any taxes payable on:
- (a) any Contributions made by or on behalf of a Participant;

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- (b) the issuance of Additional Shares, Phantom Dividends and Phantom Dividend Shares;
 - (c) the transfer of Shares to the Participant or a person designated by the Participant;
 - (d) the sale or other disposition of Shares of a Participant;
 - (e) the transfer of Shares to an RRSP or TFSA in the name of the Participant or withdrawal therefrom; or
 - (f) dividends paid on the Shares.
- 19.2 Unless the Participant has made other arrangements to satisfy any withholding obligations on account of taxes and provided satisfactory evidence thereof to the Employer, the Employer is authorized to deduct from any amounts payable to a Participant any amounts required to satisfy such withholding obligations including, for greater certainty, a Participant's Salary, bonus or other extra-ordinary compensation.
- 19.3 The Administrative Agent is authorized to deduct from any amounts payable to a Participant following a sale of that Participant's Shares any amounts which are required to be withheld on account of taxes.

20. Certain Adjustments.

- 20.1 In the event of a merger, amalgamation, consolidation, reorganization, recapitalization, Share distribution or other change affecting the Corporation's capital structure, appropriate adjustments by the Administrators shall be made and the number and kind of Shares allocated to the Plan and the Shares being purchased thereunder. No fractional Shares shall be issued under any such adjustment, and in computing any such adjustment, any fractional Share which might otherwise result shall be eliminated.
- 20.2 Subject to the express provisions of the Plan, the Administrators may from time to time make such provisions as they consider proper with respect to the rights of the Participants under the Plan in the event of any eventuality not specifically provided for in the Plan.

21. Termination of the Plan.

The Directors may terminate the Plan at any time in their absolute discretion. No termination of the Plan shall affect any entitlement, on the next following Vesting Date, of a Participant to receive Additional Shares, Phantom Dividends or Phantom Dividend Shares in respect of Shares purchased on a Purchase Date prior to the date of termination of the Plan.

22. Amendments to the Plan.

From time to time the Administrators may (without approval of the Shareholders of the Corporation, unless required by applicable regulatory authorities) amend any provision of the Plan and, with the consent of the Administrative Agent, any provisions of the Administration Agreement, provided that no amendment to the Plan or the Administration Agreement or any termination of the Plan shall affect the entitlement of any Participant to receive Additional Shares, Phantom Dividends or Phantom Dividend Shares or have the effect of altering the terms of any outstanding right of a Participant without the prior written consent of the Participant and provided further that regulatory approval (including TSX approval) and, if required by such regulatory authorities, Shareholder approval, of the amended form of the Plan is received prior to the issuance of any Additional Shares, Phantom Dividends or Phantom Dividend Shares under the provisions of the amended form of the Plan. Without limiting the generality of the foregoing, the Directors may, without obtaining the approval of Shareholders, make changes: (a) to correct errors, immaterial inconsistencies or ambiguities in the Plan text; or (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements and policies).

In addition, any amendment to the Plan that would: (a) result in any increase in the number of Shares issuable under the Plan; (b) provide for any discount to the Purchase Price paid by Participants for

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Shares under the Plan; (c) increase the number of Additional Shares issuable to Participants under the Plan; (d) result in any modification to this Section 22 hereof, shall require approval by a majority of the votes cast by Shareholders at a meeting of Shareholders called for that purpose; (e) permit Shares issued under the Plan to be transferrable or assignable other than as set forth in Section 18; or (f) change the persons who are not permitted to participate in the Plan as set forth in Section 4.2, shall require approval by a majority of the votes cast by Shareholders at a meeting called for that purpose.

23. Rights to Positions.

Nothing contained in this Plan shall confer upon any Employee any rights to a continuing position as an employee of the Corporation or any of its Affiliates or interfere in any way with the rights of the Corporation or its Affiliates in connection with preserving or terminating the position of such Employee.

24. Interpretation.

All decisions and interpretations of the Administrators respecting the Plan and all rules and regulations made from time to time in respect thereof shall be binding and conclusive on the Corporation and on all Participants participating in the Plan and their respective legal representatives and on all Participants eligible under any provisions of the Plan to participate therein.

25. Governing Law.

The Plan, and any and all determinations made and actions taken in connection with the Plan, shall be governed by and construed in accordance with the laws of the Province of Manitoba and the laws of Canada applicable therein.

26. Regulatory and Shareholder Approvals.

The Plan is adopted subject to the approval of the TSX and any other required regulatory approvals, and subject to Shareholder approval if required by any regulatory authority having jurisdiction. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect. The purchase and issuance of Shares and the holding thereof by the Administrative Agent, if applicable, as contemplated herein, shall comply at all times and in all respects will all applicable laws, including, without limitation, all rules, regulations and by-laws of the TSX (including the Articles) and all policies of applicable securities regulatory authorities. If upon the advice of the Corporation's counsel it is considered necessary or advisable to seek exemptions or discretionary relief from applicable regulatory requirements in order to fully implement the provisions of the Plan, the Corporation shall make application thereof at its expense, unless the Administrators elect to amend the Plan as provided herein.

27. General.

- 27.1 Except as set out in Sections 12.6 and 13.7, the Corporation and/or its Affiliates shall pay all costs and expenses of administering the Plan, including the Administrative Agent's compensation. The Directors and/or proper officers of the Corporation are authorized to sign and execute all instruments and documents and to do all things necessary or desirable for the purposes of carrying out the provisions of the Plan.
- 27.2 Each Participant shall be provided with a copy of the Administration Agreement upon request.
- 27.3 The section headings in this document are for convenience of reference only, do not form part of the Plan and shall not affect the interpretation of the Plan.
- 27.4 Nothing contained herein shall restrict or limit or be deemed to restrict or limit the rights or powers of the Directors in connection with any allotment and issuance of Shares in the capital of the Corporation which are not allotted and issued hereunder.

ADOPTED by the Directors of Exchange Income Corporation this 8th day of May, 2024.





**Exchange
Income
Corporation**

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