

SRA ENGAGEMENT ACTIVITY Q2 2023

Engagement Type	Q2 2023	LTM
Environmental	1	8
Social	0	6
Governance	7	31
TOTAL	8	45

Stock	Date	Issue	Engagement
TSU	4/3/2023	Meeting with Chair of Board regarding reinsurance recoverable write-off in Q4 results	<ul style="list-style-type: none"> • Follow-up from meeting with Management in March. • U.S. premium growth was strong but \$65 mln write-down is material. The company has been/is performing a detailed post mortem to ensure that this does not recur. Stressed that there were unique circumstances (ie much higher catastrophe insurance pricing) • Chair indicated that it was a confluence of factors that caused write-off (volumes lower, management decision not to take on property category exposure). • Implementing several changes as a result including: Board member with strong P&C background taking more active role on Risk Committees; updated risk appetite for counterparties; and more clearly documenting policies & procedures. • Team has been strong at growing capital; believe that they can do effectively again and they are aligned due to performance based compensation.
EFX	4/5/2023	Update with President and CEO	<ul style="list-style-type: none"> • Review of a number of issues since CFO left business: <ul style="list-style-type: none"> • Synergies from acquisition – should hit \$40mln • Compensation tied not to synergies but to debt reduction at year end • Kurdistan project is back on the go and should be done by Dec 2023; great margin project but installment set up over 5 years is too long. • Q1 bookings and backlog is good as everything should be cleared by year end • Challenged with using the big motors for projects as delayed production owing to copper shortages • Overall the company is doing well and exploring syndication of assets (rental compression equipment) as this could increase capital productivity.

SRA ENGAGEMENT ACTIVITY Q2 2023 (CONT'D)

Stock	Date	Issue	Engagement
CNR	4/19/2023	Climate Engagement Canada meeting with Investor Relations and Sustainability team	<ul style="list-style-type: none"> Discussed history of their sustainability initiatives: <ul style="list-style-type: none"> Commenced journey 15 years ago with Science Based Targets. Have purchased more fuel-efficient locomotives – looking at hydrogen and battery usage testing in some regions. Using in house tool to analyse all routes on tonnage used (trying to limit weight increases fuel efficiency). New Governance committee at the Board level looking at safety and sustainability. Scope 3 emissions being focused; as CNR reduces Scope 1 they reduce their customer’s emissions. Big focus (and good for business) is moving from freight by trucks to rail – reduces emissions in total however would increase for CNR. 30% of Exec Compensation tied to ESG metrics.
HR.UN	4/20/2023	Meeting with Board Chair and Board Director to discuss feedback on progress vs strategic plan	<ul style="list-style-type: none"> Progress on plan has been good: <ul style="list-style-type: none"> Properties in Calgary sold. Primaris spin out. Office sales in Ottawa scheduled to close. Selling Canadian necessity-based retail should be the major focus – proceeds to reduce debt and buy-back stock. Discussed activist campaign by K2 and our feedback. Supportive of Management and the Board – they have done what said would do.
LNR	5/2/2023	Communication with Investor Relations	<ul style="list-style-type: none"> Shared our voting decisions on Board for the upcoming AGM. Voting for Linda, Mark, Lisa and Dennis but against Jim and Terry due to: <ul style="list-style-type: none"> Lack of Board independence for Jim (who is COO) and Terry. The compensation structure especially the profit bonus.

SRA ENGAGEMENT ACTIVITY Q2 2023 (CONT'D)

Stock	Date	Issue	Engagement
CIX	5/15/23	Meeting with Chair re announcement of the sale of 20% of the U.S. business	<ul style="list-style-type: none"> Discussed financing deal: <ul style="list-style-type: none"> Value anywhere between 12X to 25X EBITDA. Created optionality that if grow U.S. business in line they contain further dilution. De-risked balance sheet and cleared path to buyback more stock. Shared disappointment with the way the deal was announced by the CEO – Chair “gets it” but we are pleased to be so aligned with the Chair’s personal ownership stake. As for the Canadian fund business, net inflows on the retail side, which were the best amongst Canadian fund peers.
LNR	5/18/23	Meeting with EVP Sales & Marketing, CFO and Investor Relations to discuss business and Corp Governance	<ul style="list-style-type: none"> Business progressing well. Unlike others supplying EV market, LNR’s focus on the mechanicals means tweaking of some parts so nothing is that new (much lower risk to supply EV parts to OEM’s). However, casing and enclosure for batteries is new especially working on how to cool battery, easier access and improving manufacturing process. Reiterated our concerns about Board independence and management compensation (profit bonus based on a percentage of pre-tax profit): <ul style="list-style-type: none"> Company wants a nimble Board (7 people) and operating effectively now. Compensation they believe is reasonable. Like us, other shareholders telling them differently so considering some changes.
GOOS	6/5/23	Meeting with CFO	<ul style="list-style-type: none"> Update on business post Q1 results where margin guidance declined from 19-20% to 15-16%: <ul style="list-style-type: none"> Don’t expect China full recovery from last year. Aiming to get store productivity above \$4,000/sq ft of sales – mature stores should do this and aiming for 12 month ramp up. Direct to Consumer business in Canada doing well and with Nordstrom closing should help online and in their own stores. Apparel expansion going well with strong customer acceptance. Expect sales growth to happen but will be a bit slower. While not happy with results, believe that team have right plans in place to improve business.