



Facing the storm with you



2024

ANNUAL MEETING NOTICE AND MANAGEMENT PROXY CIRCULAR

Management Proxy Circular



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March 15, 2024

Dear Policyholders:

On behalf of the Board of Directors and Senior Management team of The Portage la Prairie Mutual Insurance Company, we are very pleased to invite you to join us at the 2024 Annual Meeting of Policyholders that will take place on April 25, 2024, at 11:00 a.m. (Central Time).

In 2023, Portage Mutual Insurance adopted specific core values related to environment, social, and governance (ESG) factors including a commitment to equity, diversity, and inclusion (EDI). One of the key aspects of governance in ESG for a mutual insurance company is the protection of Policyholders' rights, including voting rights. To that end, our 2024 Annual Meeting will be a true hybrid meeting where Policyholders from across Canada can attend and vote either in person or virtually.

Whether you attend the Meeting personally or virtually, you will have the opportunity to obtain first-hand information on Portage Mutual Insurance, learn about our plans for the future, ask questions, and hear your fellow Policyholders' questions, and be called upon to vote on matters described in this Management Proxy Circular. Detailed information on how to attend the Meeting, either in person or virtually, is included in this Management Proxy Circular.

If you cannot attend the Meeting, we invite you to exercise your vote by proxy, as described in the attached documents. The Proxy Form will also allow you ask any questions you may have which will then be answered at the Meeting. As a valued Policyholder, we appreciate and welcome your participation in the Annual Meeting of Policyholders of Portage Mutual.

Sincerely,

Brent Gilbert
Board Chair

Wayne Wyborn
President & CEO

Notice



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Notice of Annual Meeting of Policyholders of The Portage la Prairie Mutual Insurance Company

Notice is hereby given that the annual meeting (the “Meeting”) of policyholders (“Policyholders”) of The Portage la Prairie Mutual Insurance Company (“Portage Mutual”) will be held both in person and virtually at the Canad Inns Destination Centre, 2401 Saskatchewan Ave W, Portage la Prairie, MB on April 25, 2024, at 11:00 a.m. CDT for the following purposes:

- a) to receive the consolidated annual audited financial statements of Portage Mutual for the year ended December 31, 2023, together with the auditors’ report on those statements, and the actuary’s report on the policy liabilities in those statements;
- b) to appoint auditors for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
- c) to elect directors; and
- d) to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Management Proxy Circular, which accompanies this notice, is your guide to the business to be considered at the Meeting.

Policyholders and duly appointed proxyholders can attend the Meeting either in person or virtually. Those who want to attend virtually can do so by pre-registering, with a valid policy number, no less than 48 hours prior to the commencement of the Meeting by email to annualmeeting@portagemutual.com. Upon verification, Policyholders and duly appointed proxyholders will be provided with the virtual meeting connection details.

Policyholders of Portage Mutual, whether or not they attend the Meeting, are encouraged to complete, date, and sign the enclosed form of proxy and return it by mail in the envelope provided. To be effective, proxies must be received no later than 48 hours, excluding Saturdays and holidays, preceding the Meeting or continuation of the Meeting after an adjournment or postponement thereof.

By Order of the Board,

Jeff Bhamra
Corporate Secretary
March 15, 2024

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General Proxy and Voting Information

Solicitation of Proxies

This Management Proxy Circular (“Circular”) and the accompanying proxy form are provided in connection with the solicitation of proxies by the management (“Management”) of The Portage la Prairie Mutual Insurance Company (“Portage Mutual”) to be used at the Annual Meeting (the “Meeting”) of policyholders (“Policyholders”) of Portage Mutual for the purposes indicated herein, to be held at 11:00 a.m. (Central Daylight Time) on April 25, 2024, and at any adjournment or postponement thereof.

Policyholders and duly appointed proxyholders can attend the Meeting virtually by pre-registering, with a valid policy number, no less than 48 hours prior to the commencement of the Meeting by email to annualmeeting@portagemutual.com. Upon verification, Policyholders and duly appointed proxyholders will be provided with the virtual meeting connection details.

Policyholders who wish to appoint a third-party proxyholder to attend the Meeting virtually must include the required contact information of the third-party proxyholder. Failure to do so will result in the third-party proxyholder being unable to register for the Meeting.

A proxy must be submitted to Portage Mutual by mail, in the self-addressed return envelope provided.

Who is Soliciting the Proxies

Employees, officers, directors, or agents of Portage Mutual solicit proxies on behalf of Management. The solicitation of proxies may be done by mail, telephone, fax, email, in person, or through one or more combinations of those methods. **The solicitation of proxies by this Circular is being made by or on behalf of Management, and we will bear the total cost of the solicitation.**

Policies That Confer Voting Rights

Portage Mutual is a mutual property and casualty insurance company founded in 1884. We are governed by the Insurance Companies Act (Canada) (the “ICA”) and regulated by the Office of the Superintendent of Financial Institutions Canada (“OSFI”). Mutual companies do not have common shares or common shareholders. Instead, they have policyholders who hold a policy that confers upon them the right to attend and vote at meetings of policyholders. Each holder of a Portage Mutual policy (other than a subscription policy) is a voting policyholder but ceases to be one when their policy terminates. Each policyholder has only one vote regardless of how many policies they hold.

Who May Vote

Each Policyholder of record as of March 15, 2024 (the “Record Date”), whose premium is not in arrears as at the close of business on the Record Date is entitled to cast one vote on all matters validly proposed to come before the Meeting.

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If any policy is issued in the joint names of two or more persons, any one of them present at the Meeting or represented by duly appointed proxy may vote in the absence of the other or others, but if more than one of them is present at the Meeting, either in person or by duly appointed proxy, only the person whose name first appears on the policy, or the duly appointed proxy of such first-named person, as the case may be, is entitled to vote.

If any policy is issued in the name of a partnership, corporation, or other legal entity, such entity shall appoint one representative to be present at the Meeting and entitled to vote, either in person or by duly appointed proxy.

How to Vote

Policyholders may vote either in person or virtually at the Meeting or by using the enclosed proxy form in accordance with the instructions below.

Voting by Proxy

How to Appoint a Proxyholder

A Policyholder or a duly appointed proxyholder will appear on a list of holders prepared by Portage Mutual.

A proxy can be submitted to Portage Mutual by mail to P.O. Box 340, Portage la Prairie, MB R1N 3B8 no later than 48 hours, excluding Saturdays and holidays, preceding the Meeting or continuation of the Meeting after an adjournment or postponement thereof.

All properly executed and submitted proxies will be voted for or withheld from voting by the proxyholder designated in the enclosed proxy form as instructed by the Policyholder giving the proxy. **If no other instructions are given in the proxy form, the voting rights attached to the policy in question will be exercised by the designated proxyholder by voting as follows:**

Resolution 1. *FOR* the appointment of the external auditors nominated in this Circular; and

Resolution 2. *FOR* the election of the proposed directors nominated in this Circular.

The enclosed proxy form confers on the proxyholder designated therein discretionary authority with respect to any proposed amendments or variations to the matters listed on the proxy form and any other business which may properly come before the Meeting or any adjournment or postponement thereof. At the date of this Circular, Management is not aware of any amendment, variation, or other matter which may properly come before the Meeting.

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How to Revoke a Proxy

Policyholders may revoke a proxy:

- by depositing an instrument in writing executed by the Policyholder or by his or her attorney authorized in writing at the head office of Portage Mutual, 749 Saskatchewan Avenue East, Portage la Prairie, Manitoba, at any time up to and including the last business day preceding the day of the Meeting or a continuation of the Meeting after an adjournment or postponement thereof at which the proxy is to be used;
- with the Chair of the Meeting on the day of the Meeting or a continuation of the Meeting after an adjournment or postponement thereof; or
- in any other manner permitted by law.

The notice must be signed by the Policyholder or by an attorney duly authorized in writing to this effect; if the Policyholder is a non-individual legal entity, the notice must be signed by a duly authorized officer or attorney of such legal entity. That authorization must be evidenced in writing by a certified resolution attached to the notice.

Business of the Meeting

Attending in person or virtually and participating at the Meeting will only be available for Policyholders, duly appointed proxyholders, and those entitled by law. The Board Chair reserves the right to invite non-voting guests to attend the Meeting.

The Meeting date may be postponed by resolution of the board of directors of Portage Mutual (the “Board”) until a later date and time. If that happens, notice of the changed date and time will be delivered to all Policyholders and to others entitled by law to such notice. All proxies properly executed and delivered for the Meeting will continue to be valid for the postponed Meeting unless they are otherwise properly revoked. See “How to revoke a proxy” on page 5. The deposit date for proxies to be voted at the postponed Meeting will be extended in the manner provided in the notice of the postponed Meeting.

Under Item B - Appointment of Auditors, the appointment of the Portage Mutual’s auditors will be considered approved if they receive a simple majority (more than 50%) of the votes cast for their appointment by Policyholders present in person, virtually, or validly represented by proxy at the Meeting.

Under Item C - Election of Directors, the candidates nominated will be considered elected if they receive a simple majority (more than 50%) of the votes cast for their election by Policyholders present in person, virtually, or validly represented by proxy at the meeting.

Item A – Financial Statements

A copy of the consolidated financial statements of Portage Mutual for the year ended December 31, 2023, together with the auditors’ report thereon and the actuary’s report on the policy liabilities in those statements will be sent to Policyholders with this Circular. Our Annual Report is also available on our

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website. No vote is required at the Meeting in respect of our financial statements or the professional reports on those statements.

Item B – Appointment of Auditors

Appointment

On the advice of the Audit Committee and the recommendation of the Board of Directors, the Management representatives named in the enclosed proxy form intend to vote in favour of the re-appointment of KPMG LLP as our external auditors, to hold office until the next annual meeting of Policyholders. KPMG LLP has served as our external auditors for more than 50 years. To ensure independence, the KPMG LLP lead audit partner in charge of the services provided to Portage Mutual is replaced every ten years.

Pre-approval Policies and Procedures

Our Audit Committee has adopted policies and procedures for the pre-approval of services performed for us and our subsidiary by our external auditors, the objective of which is to support the independence of our external auditors. Those policies and procedures require the Audit Committee to pre-approve certain enumerated audit-related, tax, and other non-audit services provided by our external auditors where the fees for a particular engagement would be expected to exceed a specified dollar amount or percentage of the audit fee for the year. The Audit Committee must also pre-approve any other individual non-audit services to be provided by our external auditors but will not approve any service that is prohibited under applicable professional standards or law. The Chair of the Audit Committee may grant individual ad hoc approvals for non-audit services, provided that such approvals are reported to the full Audit Committee at its next regularly scheduled meeting. None of the Audit Committee's responsibilities under these policies and procedures may be delegated to Management.

Item C – Election of Directors

Overview

Our by-laws provide that the Board shall consist of a minimum of seven directors and a maximum of fifteen directors. The Board in 2023 consisted of 10 directors: Brita Chell, Craig Dunn, Karl Gerrand, Brent Gilbert, Paul Goodman, Clarke Munro, Cathy Rolland, Alice Sayant, Doug Simpson, and Wayne Wyborn. Paul Goodman has reached his 12-year term limit and will be retiring from the Board at this Meeting.

In accordance with our by-laws, directors hold office for terms of one to three years and the number of directors to be elected at an annual meeting shall be fixed by the Board prior to the annual meeting. Three of our incumbent directors have reached the end of their current terms and are eligible for re-election. As well, the Board has nominated two new directors, so the number of directors to be elected at the Meeting has been fixed at five. If elected at the Meeting, the number of directors in 2024 will increase

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to 11 and the nominated directors are to serve for one to three-year terms as outlined in the proxy form or until their successors are elected or appointed. The remaining directors continue to serve for terms that expire beyond the Meeting.

Director Independence

A director is considered to be independent if that director has no interest, business, or relationship which materially interferes, or may reasonably be perceived to materially interfere, with such director's ability to act with a view to the best interests of Portage Mutual, apart from any interest by virtue of the ownership of policies with Portage Mutual.

In 2023, all the directors were independent other than the chief executive officer (CEO). The CEO, who is required to be a director under the ICA, is considered to be a non-independent director by virtue of their management position. If all nominees are elected at the Meeting, all the directors in 2024 will again be independent other than the CEO.

Board Renewal and Diversity

Board renewal and diversity continues to be a key focus for the Board and the Governance and Conduct Review Committee. When recruiting directors, and consistent with our Board Recruitment Policy, the Governance and Conduct Review Committee considers the equity, diversity, and inclusion (EDI) values of Portage Mutual while continuing to ensure optimal representation of skills, experience, and expertise to help serve Portage Mutual's and our stakeholders' best interests. With respect to gender, age, and ethnic diversity, 30% of Portage Mutual's directors were considered to be diverse in 2023. If the director nominees are elected at the Meeting, this percentage will increase to 45% in 2024. With respect to renewal, the average tenure of the directors on the Board was 6.1 years. If the director nominees are elected at the Meeting, this tenure will reduce to 5.8 years in 2024.

After serving on the Board for 12 years, Paul Goodman has reached his maximum term limit and will retire following the Meeting. Mr. Goodman brought over 25 years of property and casualty insurance financial experience to the Board and has served principally on the Audit Committee. In addition to the Audit Committee, Mr. Goodman served on several other Committees and chaired the Risk Committee from 2016 to 2021. We thank him for the considerable contributions he made as a director of Portage Mutual.

Nominees for Election at the Meeting

The five nominees proposed by Portage Mutual for election as directors at the Meeting are Brent Gilbert, Cathy Rolland, Brita Chell, Wadood Ibrahim, and BJ Reid. Mr. Gilbert, Ms. Rolland, and Ms. Chell joined the Board after being elected by Policyholders at the Company's 2015, 2018, and 2021 annual meetings respectively. This will be the first nomination as a director for both Mr. Ibrahim and Ms. Reid. The Board has identified information technology and finance / accounting experience as key requirements for Board succession planning. We are pleased to advise that Mr. Ibrahim will provide our Board with skills and experience in information technology and business management while Ms. Reid will

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provide our Board with skills and experience in finance and investments. The Management representatives named in the enclosed proxy form intend to vote FOR the election of each of the nominee directors and, unless otherwise directed, proxies will be voted in favour of the election of each of these nominees.

Each of the director nominees has established their eligibility and willingness to serve as a director if elected, and Portage Mutual does not expect that any nominee will be unable to serve as a director. However, if for any reason any of the proposed director nominees do not stand for election or are unable to serve as directors, Portage Mutual reserves the right to nominate substitute or additional nominees, subject to applicable law. Proxies will be voted for such other nominees in the discretion of authorized proxyholders, unless the Policyholder has specified in their proxy that votes are to be withheld from voting for the election of directors.

The biographies that follow for each of the nominees set out the following information: the year in which they first became a director of Portage Mutual if applicable; all positions, committees, and offices they hold with Portage Mutual if applicable, their principal occupation and professional background; board memberships held previously and currently, if any; their age (as of the date of this Circular); their place of residence; and their attendance at Board and committee meetings held in the 2023 governance year (May 2023 to April 2024). All biographical information, not being within our knowledge, has been provided by the relevant director.

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Brent Gilbert, B. ED., CCIB, ICD.D



La Salle, MB
Age: 69
Independent

Mr. Gilbert joined the Board in April of 2015. If re-elected at the Meeting, his new term will expire at the close of the annual meeting of Policyholders in 2026.

He is a former insurance brokerage executive with over 36 years of experience in the industry. From owning his own firm for 25 years to leadership roles with HUB International, he has specialized in organizational management, focusing on efficiency, productivity, and professional standards.

Throughout his career, Mr. Gilbert has been active on several non-profit boards, associations, and regulatory bodies including Southport Aerospace Centre Inc. (Board Chair), the Centre for the Study of Insurance Operations, Insurance Brokers Associations of Manitoba and Canada, Insurance Council of Manitoba, Community Foundation of Portage and District, Winnipeg Singers, and the Manitoba Chapter Executive of the Institute of Corporate Directors.

Mr. Gilbert holds a Bachelor of Education degree from the University of Winnipeg and the Canadian Certified Insurance Broker (CCIB) designation from the Insurance Brokers Association of Canada. He also holds the Certified Corporate Director (ICD.D) designation from the Institute of Corporate Directors.

Mr. Gilbert is currently Chair of the Board of Directors and serves an ex officio member of the Board Pension, Audit, Risk, Investment, HR & Compensation, and Governance & Conduct Review Committees.

BOARD AND COMMITTEES	2023–2024 ATTENDANCE	JOINED
Board	6/6	2015
Board Pension Committee	3/3	2019
Audit Committee	5/5	2015
Risk Committee	5/5	2015
Investment Committee	3/3	2020
HR and Compensation Committee	5/5	2015
Governance & Conduct Review Committee	5/5	2015

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Brita Chell, *FCPA, FCA, ICD.D*



Winnipeg, MB
Age: 61
Independent

Ms. Chell joined the Board in April of 2021. If re-elected at the Meeting, her new term will expire at the close of the annual meeting of Policyholders in 2027.

She has more than 30 years of operational and financial experience in the grain industry. As the former Chief Financial Officer of G3 Canada Limited, she was responsible for all treasury matters including funding, credit and financial risk management and all accounting functions. She was part of G3 Canada Limited's executive team, playing a lead role on all financial matters as well as strategic planning and other initiatives.

Ms. Chell holds a Bachelor of Commerce (Honours) degree from the University of Manitoba and has a Chartered Accountant designation having placed fourth in Manitoba in 1987. In 2016, she was awarded the Fellowship of CPAs (FCPA) designation from the Chartered Professional Accountants of Canada. She also holds the Certified Corporate Director (ICD.D) designation from the Institute of Corporate Directors.

Throughout her career, she has been active on several boards including the Winnipeg Airports Authority where she served as Board Chair, and St. Amant Inc. She is also a member of Financial Executives International Canada and has served as chapter president.

Ms. Chell serves on the Audit, Risk, and HR and Compensation Committees.

BOARD AND COMMITTEES	2022–2023 ATTENDANCE	JOINED
Board	6/6	2021
Audit Committee	5/5	2021
Risk Committee	5/5	2021
HR and Compensation Committee	5/5	2022

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Catherine Rolland, CFA, ICD.D



Cooks Creek, MB
Age: 65
Independent

Ms. Rolland joined the Board in 2018. If re-elected at the Meeting, her new term will expire at the close of the annual meeting of Policyholders in 2027.

She is a retired investment industry executive with many years of experience managing institutional fixed income portfolios in the public and private sectors, as well as balanced portfolios for high-net-worth individuals, trusts, and non-profit organizations.

She currently serves as an external investment committee member for the Manitoba Workers' Compensation Board. She is a past commissioner with the Manitoba Securities Commission, and a former lecturer at the University of Manitoba.

Ms. Rolland has a BA and MBA from Queen's University in Kingston, Ontario and is a Chartered Financial Analyst. She is a member of the CFA Institute, as well as the Winnipeg CFA Society.

Ms. Rolland is currently Chair of the Investment Committee, and serves on the Pension, and Risk Committees.

BOARD AND COMMITTEES	2022-2023 ATTENDANCE	JOINED
Board	6/6	2018
Investment Committee	3/3	2018
Risk Committee	5/5	2020
Board Pension Committee	3/3	2018

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Wadood Ibrahim, *BSC, MSC*



Portage la Prairie, MB
Age: 63
Independent

This is Mr. Ibrahim's first nomination as a director of Portage Mutual. If elected at the Meeting, his term will expire at the close of the annual meeting of Policyholders in 2026.

He is the co-founder and chief executive officer of Protegra, a Winnipeg based, employee-owned software development company. In that role, he is responsible for leading the company in strategy development and execution, developing and managing client relationships and public relations, and coaching the leaders of Protegra lines of business in products and services development. Prior to founding Protegra, Mr. Ibrahim was employed in an IT capacity with several Canadian and international firms.

Throughout his career, he has been active on several non-profit boards and governmental advisory agencies including the Winnipeg Chamber of Commerce, the Manitoba Chamber of Commerce, Travel Manitoba, the Information and Communication Technology Association of Manitoba, the Premier's Economic Advisory Council, and the Premier's Enterprise Team.

Mr. Ibrahim holds both Bachelor of Science (Computer Science) and Master of Science (Industrial Engineering) degrees from the University of Manitoba as well as executive education courses in the Carver model of board governance, strategy development and execution, and marketing and business development.

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BJ Reid, FCPA, FCA, ICD.D



Belair, MB
Age: 59
Independent

This is Ms. Reid's first nomination as a director of Portage Mutual. If elected at the Meeting, her term will expire at the close of the annual meeting of Policyholders in 2027.

She is a former senior financial executive with over 34 years of experience in the financial services industry. From auditing insurance and reinsurance companies as a public accountant with Ernst & Young to vice-president and chief financial officer (mutual funds) positions with IG Wealth Management, Ms. Reid has gained expertise in investment operations, financial reporting, board governance, strategic planning, regulatory environments, and risk management.

Throughout her career, Ms. Reid has been active on several non-profit boards, associations, and regulatory bodies including Economic Development Winnipeg, Chartered Professional Accountants of Canada, the Investment Fund Institute of Canada, Alzheimer Society of Manitoba, United Way Winnipeg, and Winnipeg Airports Authority. She currently serves on the Independent Review Committee of Franklin Templeton Funds, the board of Riverview Health Centre, and the investment committee of the Manitoba Civil Service Superannuation Fund Board.

Ms. Reid holds a Bachelor of Commerce (Honours) degree from the University of Manitoba, and the Chartered Accountant Fellowship (FCPA) designation from the Chartered Professional Accountants of Canada. She also holds the Certified Corporate Director (ICD.D) designation from the Institute of Corporate Directors.

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Other Information

2023-2024 Meeting Attendance for Directors whose Terms Continue Beyond the Meeting

	Board	Audit	Pension	Investment	Human Resources & Compensation	Governance & Conduct Review	Risk
Total Meetings Held	6	5	3	3	5	5	5
Craig Dunn	6	5	N/A	N/A	5	5	N/A
Karl Gerrand	6	N/A	N/A	3	5	N/A	5
Clarke Munro	6	N/A	3	3	N/A	5	n/a
Alice Sayant	6	N/A	N/A	N/A	5	5	5
Doug Simpson	6	5	3	3	N/A	N/A	N/A
Wayne Wyborn*	6	5	3	3	5	5	5

**Note: Mr. Wayne Wyborn is the President and CEO and is an ex officio member of all Committees.*

Executive Compensation

The total salaries and benefits paid by Portage Mutual to the key management and directors during the financial year ended December 31, 2023, was \$3,043,068.

Indebtedness of Directors and Officers

None of the directors, officers or their respective associates or affiliates is or has been indebted to Portage Mutual at any time.

Management Contracts

Portage Mutual has management contracts with The President and CEO and Chief Financial Officer.

Interests of Insiders in Material Transactions

There were no material transactions involving any director or senior officer of Portage Mutual.

Directors' Approval

The contents and the sending of this Proxy Circular have been approved by the Board of Directors of Portage Mutual.

DATED as at March 15, 2024.

Jeff Bhamra
Corporate Secretary