

March 11, 2026

**Heartland Farm Mutual Inc.**

Dear Mutual Policyholder:

The Annual General Meeting of Mutual Policyholders of Heartland Farm Mutual Inc. will be held on Thursday, May 7, 2026 at 1:00 p.m. Eastern Standard Time at 590 Riverbend Drive, Kitchener, Ontario, N2K 3S2 and by teleconference: Conference dial in numbers are (+1) 201-689-8349 or Toll Free (+1) 877-407-8293.

We are providing you with the following:

- Notice of meeting and Management Proxy Circular
- Minutes of the Annual General and Special Meeting held on May 7, 2025
- Heartland Farm Mutual Inc. 2025 Financial Summary
- Statement of Director Attendance
- Directors Nominated for Election
- Form of Proxy
- Return envelope (to return the Form of Proxy)

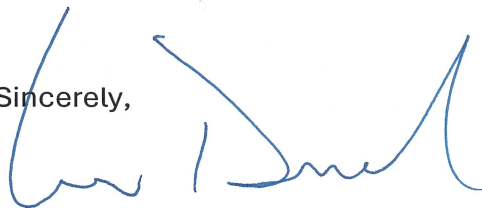
**We strongly encourage you to vote using the attached Form of Proxy in advance of the meeting.** Please complete the Form of Proxy using one of the methods indicated on the form. If you are planning to vote during the meeting, you will be required to have your unique **Holder Account Number** available for voting. This number can be found at the top of the proxy form.

If you would like a copy of the 2025 audited financial statements and notes thereto, please visit our website [heartlandmutualinsurance.com](http://heartlandmutualinsurance.com)

If you would like to receive your AGM material digitally next year, please sign into your **OPTIM** account on our website to update your AGM document delivery preferences accordingly. **If you are not currently enrolled in our digital portal OPTIM, you can register through our website with your policy number and postal code.**

Please contact Heartland Mutual Insurance at 1-800-265-8813 extension 6000 or by email at [policyholderinfo@hfmi.ca](mailto:policyholderinfo@hfmi.ca) to confirm your attendance in person or by teleconference.

Sincerely,



Louis Durocher  
President & Chief Executive Officer and Corporate Secretary

Enclosures

**NOTICE OF ANNUAL GENERAL MEETING  
OF MUTUAL POLICYHOLDERS  
OF HEARTLAND FARM MUTUAL INC.**

NOTICE is hereby given that an Annual General Meeting of Mutual Policyholders of Heartland Farm Mutual Inc. will be held on **Thursday, May 7, 2026** at 1:00 p.m. ET at **590 Riverbend Drive, Kitchener, Ontario N2K 3S2**, and by teleconference: Conference dial in numbers are (+1) 201-689-8349 or (+1) 877-407-8293 (toll free), for the purpose of:

- (a) receiving the financial statements for the year ended December 31, 2025 together with the auditor's and actuary's reports thereon;
- (b) electing directors;
- (c) appointing the auditor; and
- (d) transacting such other business as may properly be brought before the Meeting.

By Order of the Board  
Louis Durocher  
President and Chief Executive Officer and Corporate Secretary

**Management Proxy Circular**

**Solicitation of Proxy**

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Heartland Farm Mutual Inc. (the "**Company**") for use at the Annual Meeting of the Mutual Policyholders of the Company (the "**Meeting**") to be held on Thursday, May 7, 2026 at **1:00 p.m. ET**.

The information contained herein is given as of the **28<sup>th</sup> day of February 2026** except as otherwise noted. It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited by telephone. The cost of this solicitation is being paid for by the Company.

**Record Date**

The Board of Directors of the Company (the "**Board**"), by resolution, has fixed **February 28, 2026** as the record date for the determination of mutual policyholders entitled to receive notice of the Meeting. The holder of one or more mutual policies issued by the Company and in force on the record date, or a duly appointed proxy, is entitled to attend the Meeting or any adjournment thereof and is entitled to ONE VOTE, and only one vote, on each issue or matter that is required to be voted upon at the Meeting. Joint policyholders are entitled to one vote between or among them.

**Revocation of Proxies**

Any mutual policyholder who has been given a proxy may revoke it by depositing an instrument in writing, executed by him/her or his/her attorney authorized in writing, by mail at the executive offices of the Company at 590 Riverbend Drive, Kitchener, Ontario N2K 3S2 on or before the last business day preceding the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

**Voting by Proxy**

Mutual Policyholders may vote by proxy in the manner set out in the Notes to the accompanying Form of Proxy. If a proxy for voting at the Meeting is being submitted by mail, it must be submitted and received by 1:00, p.m., ET, on April 27, 2026 to: Computershare, 14<sup>th</sup> Floor, 320 Bay Street, Toronto, ON M5H 4A6.

**Election of Directors**

The following directors were nominated for re-election: Mr. Paul Broadhead, Ms. Ruphina Kaulback and Mr. Graeme McPhail each for a three-year term. Mr. Louis Durocher has been nominated as a director for election to the Board for a one-year term.

The representatives of management, if named as proxy by mutual policyholders, intend to vote at the Annual Meeting for the election of the person nominated above to the Board. Management does not contemplate that the proposed nominee will be unable to serve as a director. If, for any reason, the proposed nominee is unable to serve as such, the representatives of management, if so named as proxy, have the right to vote for any other nominee in their sole discretion.

**Appointment of Auditors**

A firm of auditors is to be appointed by vote of the mutual policyholders at the Meeting to serve as auditors of the Company until the close of the next annual meeting. The Board, on the advice of the Risk and Audit Committee, recommends that the firm of KPMG, LLP be appointed as the auditors. It is intended to vote proxies received from the mutual policyholders in favour of the appointment of KPMG, LLP as auditors of the Company.

**Manner of Voting Proxies**

The mutual policyholder proxies will be voted for, or withheld from voting for, the election of directors and the appointment of auditors in accordance with any directions on the proxy or, absent such directions, such proxies in favour of management shall be voted for the election of the directors and for the appointment of auditors as referred to in this Management Proxy Circular.

Management knows of no further matters to come before the Meeting other than the matters referred to in the Notice of Meeting. If any matters which are not now known to management should then properly come before the Meeting, or amendments or variations to the matters referred to in the Notice of Meeting are properly proposed, proxies will be voted on such matters, amendments and variations in accordance with the best judgment of the person voting the proxy, which confers such discretionary authority.

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

Dated this 28<sup>th</sup> day of February 2026

Louis Durocher  
President and Chief Executive Officer and Corporate Secretary

**Heartland Farm Mutual Inc.**  
**Minutes of the Annual General and Special Meeting**  
**May 7, 2025**

**1:00 p.m. (ET) at 100 Erb Street East, Waterloo, ON and by Teleconference Call**

<b>Chair, Secretary and Scrutineer</b>	<p>The Chair of the Board, Lynn MacLean, occupied the chair, and Louis Durocher, Corporate Secretary, acted as Secretary for the meeting.</p> <p>The Chair requested that Hasib Iftekhhar of Computershare act as the meeting's scrutineer. The mutual policyholders did not object, so Hasib Iftekhhar was appointed.</p>
<b>Registration Report</b>	<p>The registration report was then received. It showed that 3 mutual policyholders were present in person, and 229 mutual policyholders were represented by proxy.</p>
<b>Notice of Meeting</b>	<p>The Chair requested that Michele Falkins, Vice President and CFO table a certificate providing proof of mailing of the notice of meeting, management proxy circular, proxy form, financial statements summary, and publication of the notice of the meeting.</p> <p><b><i>Upon motion duly made, seconded and carried unanimously, it was RESOLVED that the reading of the Notice of Meeting be dispensed with and that the Notice be taken as if read and approved.</i></b></p> <p>The Chair declared that the meeting was called and properly constituted for the transaction of business.</p>
<b>Minutes of the Last Meeting Resolution</b>	<p><b><i>Upon motion duly made, seconded and carried unanimously, it was RESOLVED that the reading of the minutes of the Annual General Meeting of Policy Holders held on May 2, 2024, be taken as presented and adopted.</i></b></p>
<b>Chair's Remarks</b>	<p>The Chair presented her report.</p>
<b>Auditor's Report</b>	<p>Bobby Thompson of the firm KPMG LLP, Chartered Professional Accountants, read the Independent Auditor's Report.</p>
<b>Actuary's Report</b>	<p>Nicolas Beaudoin, the Appointed Actuary, read the Actuary's Opinion.</p>
<b>2024 Financial Statement Resolution</b>	<p>Michele Falkins, Vice President and Chief Financial Officer presented the 2024 financial statements and her review of the financial performance for the year.</p> <p><b><i>Upon motion duly made, seconded and carried unanimously, it was RESOLVED that the financial statements of the Company for the year ended December 31, 2024, including the Independent Auditor's Report and Appointed Actuary's Report be taken as distributed and approved.</i></b></p>
<b>Nomination and Election of Directors Resolution</b>	<p>The Chair declared the meeting open for the election of Directors.</p> <p><b><i>Upon motion duly made, seconded, and carried, it was RESOLVED that the directors Allan Melvin, Larry Binning, Mary Kelly, and Louis Durocher, and for the terms set out in the Management Proxy, be NOMINATED to the Board of Directors.</i></b></p>

No further nominations having been received in accordance with the Company's By-laws and the Insurance Companies Act, the Chair declared nominations closed.

***Upon motion duly made, seconded, and carried, it was RESOLVED that the directors Allan Melvin, Larry Binning, Mary Kelly, and Louis Durocher, and for the terms set out in the Management Proxy, be ELECTED to the Board of Directors.***

**Appointment of  
the Auditors  
Resolution**

***Upon motion duly made, seconded and carried unanimously, it was RESOLVED that KPMG, LLP, Chartered Professional Accountants, be appointed the independent auditor of the Company until the next annual general meeting of policyholders or until a successor is appointed at such remuneration as may be fixed by the directors and the directors are hereby authorized to fix the remuneration.***

**Amendment of  
By-Laws**

The Chair presented the proposed amendments to five of the Heartland Mutual By-laws.

***Upon motion duly made, seconded and carried, it was RESOLVED that the amendments to the by-law as set out in the management proxy circular be approved.***

**Presentation by  
President and  
CEO**

President and Chief Executive Officer Louis Durocher provided his remarks.

**Comments and  
Questions**

The Chair invited questions from the mutual policyholders.

**Termination of  
Meeting  
Resolution**

***Upon motion duly made, seconded and carried unanimously, it was RESOLVED that the meeting be terminated.***

Approved at the Annual Meeting this 7<sup>th</sup> day of May 2026.

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**Secretary**

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**Chair**

# HEARTLAND FARM MUTUAL INC.

Statement of Financial Position

(in thousands of dollars)

(expressed in Canadian dollars unless otherwise indicated)

December 31, 2025, with comparative information for December 31, 2024

	2025	2024
<b>Assets</b>		
Cash	\$ 82,232	\$ 69,077
Invested assets	291,254	297,758
Accrued investment income	878	1,909
Reinsurance contract assets:		
Assets for incurred claims	10,550	12,907
Other assets	2,292	1,166
Asset held for sale	5,291	-
Property and equipment	26,639	7,300
Intangible assets	5,575	8,165
<b>Total assets</b>	<b>\$ 424,711</b>	<b>\$ 398,282</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 9,879	\$ 7,939
Insurance contract liabilities:		
Liability for remaining coverage Liability	47,750	44,588
for incurred claims Reinsurance	104,749	104,810
contract liabilities	236	119
Income taxes payable Deferred	2,887	5,023
income taxes	1,538	2,498
<b>Total liabilities</b>	<b>167,039</b>	<b>164,977</b>
Surplus for the protection of policyholders:		
Policyholders' equity	257,672	233,305
<b>Total liabilities and equity</b>	<b>\$ 424,711</b>	<b>\$ 398,282</b>

On behalf of the Board:



Lynn Maclean, Chair, Louis Durocher, Director



# HEARTLAND FARM MUTUAL INC.

Statement of Comprehensive Income

(in thousands of dollars)

(expressed in Canadian dollars unless otherwise indicated)

For the year ended December 31, 2025, with comparative information for 2024

	2025	2024
Insurance revenue	\$ 243,097	\$ 216,215
Insurance service expense	(194,501)	(169,046)
Insurance service result before reinsurance	48,596	47,169
Reinsurance held premiums ceded	(22,883)	(23,219)
Recoverable from reinsurers for incurred claims	3,006	(1,026)
Net expense from reinsurance contracts held	(19,877)	(24,245)
<b>Insurance service result</b>	<b>28,719</b>	<b>22,924</b>
Net investment income	17,678	27,198
Finance expense from insurance contracts issued	(4,177)	(5,797)
Finance income from reinsurance contracts held	424	759
<b>Net insurance financial result</b>	<b>13,925</b>	<b>22,160</b>
General and operating expenses	(9,564)	(8,458)
Net income before tax	33,080	36,626
Income tax expense (recovery):		
Current	9,673	10,553
Deferred	(960)	(964)
	8,713	9,589
<b>Net income and total comprehensive income</b>	<b>\$ 24,367</b>	<b>\$ 27,037</b>

# HEARTLAND FARM MUTUAL INC.

## Statement of Cash Flows

(in thousands of dollars)

(expressed in Canadian dollars unless otherwise indicated)

For the year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash flows from operating activities:		
Net income	\$ 24,367	\$ 27,037
Adjustments for items not involving cash:		
Depreciation and amortization	3,815	3,363
Deferred income taxes	(960)	(964)
Unrealized loss (gain) on investments	(5,931)	(11,170)
Realized gain on investments	(2,383)	(7,239)
Loss (gain) on sale of capital assets	35	(97)
	18,943	10,930
Changes in non-cash operating working capital:		
Other assets	(1,126)	(149)
Other payables	1,940	1,477
Accrued investment income	1,031	(726)
Income taxes (payable) receivable	(2,136)	543
Insurance and reinsurance held contracts	5,575	16,653
Cash provided by operating activities	24,227	28,728
Cash flows from investing activities:		
Purchase of investments	(431,148)	(142,271)
Investments sold/matured	445,966	160,196
Purchase of property and equipment	(25,530)	(482)
Proceeds on disposal of capital assets	2	895
Purchase of intangible assets	(362)	(1,246)
Cash (used) / provided by investing activities	(11,072)	17,092
Net increase in cash during the year	13,155	45,820
Cash, beginning of year	69,077	23,257
Cash, end of year	\$ 82,232	\$ 69,077

**Heartland Farm Mutual Inc.**  
**Statement of Director Attendance**  
**For the year ended December 31, 2025**

**MEETINGS of the BOARD of DIRECTORS**

During 2025, there were seven (7) meetings of the Board of Directors.

The number of meetings attended by each Director: Lynn MacLean (7/7); Larry Binning (7/7) Paul Broadhead (7/7); Louis Durocher (7/7); Mary Kelly (6/7); Gayle Whittamore (7/7); Ruphina Kaulback (7/7); Graeme McPhail (7/7); Nancy McCuaig (7/7); Allan Melvin (7/7)

**MEETINGS of the RISK and AUDIT COMMITTEE**

During 2025, there were four (4) meetings of the Risk and Audit Committee.

The number of meetings attended by each Director who was a member of this committee: Lynn MacLean (4/4); Mary Kelly (3/4); Ruphina Kaulback (4/4); Nancy McCuaig (4/4); Allan Melvin (4/4)

**MEETINGS of the CORPORATE GOVERNANCE COMMITTEE**

During 2025, there were five (5) meetings of the Corporate Governance Committee.

The number of meetings attended by each Director who was a member of this committee: Lynn MacLean (5/5); Gayle Whittamore (5/5); Larry Binning (5/5) Paul Broadhead (5/5); Graeme McPhail (5/5)

**MEETING of the CONDUCT REVIEW COMMITTEE**

During 2025, there was one (1) meeting of the Conduct Review Committee.

The number of meetings attended by each Director: Lynn MacLean (1/1); Larry Binning (1/1) Paul Broadhead (1/1); Louis Durocher (1/1); Mary Kelly (0/1); Gayle Whittamore (1/1); Ruphina Kaulback (1/1); Graeme McPhail (1/1); Nancy McCuaig (1/1), Allan Melvin (1/1)

In accordance with the provisions of the Insurance Companies Act, the above statement of attendance is included as an attachment to the Notice of Annual Meeting of policyholders.

## **Directors Nominated for Election to the Board of Heartland Farm Mutual Inc.**

### **Ruphina Kaulback**

Ruphina joined the Board in 2018. She is a Partner in Baker Tilly Nova Scotia Inc. and advises businesses on Canadian taxes, including estate planning, succession planning, corporate reorganization, mergers and acquisitions, and appeals. Ruphina holds the CPA designation. She has worked on several profit and non-profit boards, served with community and business organizations, and lectured at Acadia University as a part-time professor. Ruphina provides presentations to professional and business groups. She has published articles on various tax subjects.

### **Paul Broadhead**

Paul Broadhead joined the Board in 2009 and was Chair from 2017 to 2020. Paul's primary focus outside of Heartland Farm Mutual Inc. is as an advisor to small and medium-sized business owners through his company Blackfriar Group Inc. He has a keen interest in the role of corporate director and is a member of the Institute of Corporate Directors (ICD). He was part of a charter group of ICD members who developed a regional chapter to serve boards in southwestern Ontario.

### **Graeme McPhail**

Graeme joined the Heartland Board in 2022. Graeme is a lawyer with broad strategic, legal, governance, transaction and regulatory expertise and has served on several business and not-for-profit boards. He worked at Rogers Communications for over 30 years in several senior positions, finishing his career as Chief Legal and Regulatory Officer and Corporate Secretary and member of the Executive Leadership Team. Previously Graeme was a business lawyer with Weirfoulds in Toronto. He holds degrees in economics/political science and law. Since retiring in 2021, Graeme has spent much of his time on his farm in Mulmur, Ontario.

### **Louis Durocher**

Louis Durocher joined Heartland in 2018 as President and CEO, bringing with him over 30 years of extensive experience in the Property & Casualty insurance industry. His expertise spans operations, underwriting, actuarial, reinsurance, risk management, governance, and regulatory compliance. A Fellow of both the Canadian Institute of Actuaries (FCIA) and the Casualty Actuarial Society (FCAS), Louis harnesses the power of technology, data, and analytics to drive strategic decisions that align with Heartland's growth and profitability objectives. Guided by a deep commitment to integrity and the core promise of insurance—providing peace of mind—he places a strong emphasis on robust risk management and financial resilience. Under his leadership, Heartland is focused on becoming the mutual of choice, driving sustainable growth and ensuring long-term success.

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