



**Real Matters Inc.**

**Annual Information Form**  
For the Financial Year Ended  
September 30, 2024

**December 18, 2024**

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## GLOSSARY

“**ADI**” has the meaning given to it under the section entitled “Description of the Business – Growth Strategy, Marketing Plans and Appraisal Diversity Initiatives”.

“**Advance Notice Provision**” has the meaning given to it under the section entitled “Description of Capital Structure – Advance Notice Requirements”.

“**AMC**” means an appraisal management company.

“**Appraisal Alternatives**” has the meaning given to it under the section entitled “Description of the Business – Industry Trends”.

“**Audit Committee Mandate**” means the written mandate adopted by Real Matters’ board of directors for the Audit Committee, which sets out the Audit Committee’s responsibilities, as set forth in Appendix “A”.

“**AVM**” has the meaning given to it under the section entitled “Description of the Business - Appraisal, Valuation and Flood Determination Services”.

“**CBCA**” means *Canada Business Corporations Act*.

“**Compensation, Nomination, Governance and Sustainability Committee Mandate**” means the written mandate adopted by Real Matters’ board of directors for the Compensation, Nomination, Governance and Sustainability Committee, which sets out the Compensation, Nomination, Governance and Sustainability Committee’s responsibilities, as set forth in Appendix “B”.

“**Field Professionals**” means the Company’s independent third-party networks, including independent appraisers, abstractors, real estate agents, brokers, property data collectors, property inspectors, notaries and other closing agents.

“**Financial Statements**” means the audited consolidated financial statements of the Company for the years ended September 30, 2024 and 2023.

“**GHG**” means greenhouse gas.

“**GSE**” means government sponsored entities, including Fannie Mae and Freddie Mac.

“**HMDA**” has the meaning given to it under the section entitled “Description of the Business – Operating Segments”.

“**IPO**” means Real Matters’ initial public offering, which was completed on May 11, 2017.

“**Linear**” means Linear Title & Closing, Ltd.

“**LTIP**” means Real Matters’ equity-based long-term incentive plan established on May 11, 2017.

“**MBA**” has the meaning given to it under the section entitled “Description of the Business – Sales Cycles and Seasonality”.

“**MD&A**” means Real Matters’ Management Discussion and Analysis for the years ended September 30, 2024 and 2023.

“**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*.

“**NI 52-110**” means National Instrument 52-110 – *Audit Committees*.

“**NIST**” has the meaning given to it under the section entitled “Description of the Business – Information Security Program”.

“**Notice Date**” has the meaning given to it under the section entitled “Description of Capital Structure – Advance Notice Requirements”.

“**Platform**” has the meaning given to it under the section entitled “Description of the Business - Overview”.

“**PSUs**” means performance share units.

“**Real Matters**” means Real Matters Inc.

“**REO**” means real estate owned.

“**RSUs**” means restricted share units.

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval Plus.

“**Solidifi US**” means Solidifi U.S. Inc.

“**Solidifi Title**” means Solidifi Title & Closing, LLC.

“**Southwest**” means Southwest Financial Services, Ltd.

“**Sustainability**” means environmental, social and governance.

“**Technology Infrastructure**” means the Company’s technology, website and network infrastructure.

“**Tier 1**” means the top five U.S. banks by asset size as at June 30, 2022, as determined by U.S. Federal Reserve data, and the largest non-bank mortgage lender in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022).

“**Tier 2**” means the top 30 mortgage lenders in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022), excluding Tier 1 mortgage lenders.

“**Tier 3**” means the top 100 mortgage lenders in the U.S. according to the Inside Mortgage Finance website: Top 100 Mortgage Lenders (first six months of calendar 2022), excluding Tier 1 and Tier 2 mortgage lenders.

“**Tier 4**” means all mortgage lenders in the U.S. not included in Tier 1, Tier 2 or Tier 3.

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

“**U.S.**” means the United States of America.

“**U.S. Appraisal**” has the meaning given to it under the section entitled “Description of the Business – Operating Segments”.

“**U.S. Title**” has the meaning given to it under the section entitled “Description of the Business – Operating Segments”.

“**Veterans Affairs**” means the U.S Department of Veteran's Affairs.

## GENERAL

The financial year end of Real Matters is September 30.

The information in this Annual Information Form is stated as of September 30, 2024, unless otherwise indicated.

Unless otherwise indicated or the context otherwise requires, all references in this Annual Information Form to the "Company" refer to Real Matters and its direct and indirect subsidiaries.

This Annual Information Form contains references to the Canadian dollar and the U.S. dollar. All dollar amounts referenced, unless otherwise indicated, are expressed in U.S. dollars. Canadian dollars are referred to as "C\$" and U.S. dollars are referred to herein as "\$", "US\$" or "dollars". As of December 16, 2024, the daily average exchange rate as reported by the Bank of Canada was US\$1.00 = C\$1.4239.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Annual Information Form contains "forward-looking information" within the meaning of applicable Canadian securities laws. Words such as "aim", "could", "forecast", "target", "may", "might", "will", "would", "expect", "anticipate", "estimate", "intend", "plan", "seek", "believe", "predict" and "likely", and variations of such words and similar expressions are intended to identify such forward-looking information, although not all forward-looking information contains these identifying words.

The forward-looking information in this Annual Information Form includes statements which reflect the current expectations of the Company's management with respect to the Company's business and the industry in which it operates and is based on management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes appropriate and reasonable in the circumstances. The forward-looking information reflects management's beliefs based on information currently available to management, including information obtained from third-party sources, and should not be read as a guarantee of the occurrence or timing of any future events, performance or results.

The forward-looking information in this Annual Information Form includes, but is not limited to, statements related to:

- the Company's business prospects, goals, target operating model and fiscal 2030 GHG emissions reduction target;
- anticipated industry and market trends, including total U.S. mortgage origination volumes forecasted for fiscal 2025;
- anticipated economic conditions;
- the regulatory environment in which the Company operates;
- the scalability of the Platform;
- anticipated technological developments, enhancements and other future service offerings;
- the Company's competitive position relative to its competitors, including the significant barriers to entry faced by potential new entrants;
- the factors influencing the allocation of transaction volumes to the Company from lenders;

- the legal proceedings in which the Company is currently involved; and
- the expectation that the Company will not in the foreseeable future pay regular dividends or make distributions on its common shares.

The forecasts and projections that make up the forward-looking information in this Annual Information Form are based on a number of assumptions that the Company believes to be accurate, including, but not limited to:

- no unforeseen material changes in the legislative, regulatory or operating framework of the Company's business;
- the Company's ability to adapt to changing laws, rules and regulations, including increased regulatory oversight;
- the Company's assumptions regarding industry trends and general economic conditions, including the overall size of the market and the relative market share of the Company's clients and prospective clients;
- the Company's assumptions regarding future revenues, expenses and operations;
- the Company's anticipated cash needs;
- seasonality affecting the Company's operating results;
- the Company's ability to reduce its aggregate scope 1 and scope 2 GHG emissions;
- the Company's ability to successfully integrate any future acquisitions;
- the Company's assumptions regarding the Company's competitive position and the principal competitive factors in the markets in which it operates;
- the Company's ability to maintain in good standing all licenses necessary to operate its business;
- the Company's ability to maintain its reputation with its clients;
- the Company's ability to continue to improve the functionality of the Platform such that it continues to be desirable for its clients and Field Professionals;
- the Company's ability to scale the Platform;
- the Company's ability to adequately protect its data, including the Company's ability to protect against security or privacy breaches and to adequately recover if a breach were to occur;
- the Company's ability to protect its intellectual property rights;
- the Company's ability to hire, retain and motivate key personnel, including its ability to scale-up operations based on economic conditions to satisfy lender capacity requirements;
- the Company's belief that its intellectual property does not infringe, violate or misappropriate any third-party intellectual property rights;
- the Company's ability to attract new clients and maintain long-term relationships with existing clients;
- the Company's ability to onboard new Field Professionals and maintain long-term relationships with its existing network of Field Professionals; and
- the effectiveness of the Company's internal controls and risk management efforts.

The forward-looking information in this Annual Information Form is subject to risks, uncertainties and other factors that are difficult to predict and that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ from current expectations include, but are not limited to:

### *Strategic Risks*

- changes in economic conditions resulting in fluctuations in demand for the Company's products and services;
- failing to grow market share in the U.S. Title business;
- failing to grow market share in the U.S. Appraisal business;
- risks associated with targeting large mortgage lenders, including longer sales cycles, pricing pressures, implementation complexities and concentration risk;
- significant demands being placed on the Company's management and infrastructure;
- maintaining the Company's competitive position in a competitive business environment;
- inability to meet the Sustainability expectations of the Company's various stakeholders, and/or comply with the Company's Sustainability commitments;
- damage to the Company's reputation and/or brands causing a loss of existing clients, loss of market share and/or difficulty attracting new clients;
- inability to successfully identify, consummate or integrate future acquisitions;

### *Operational Risks*

- failing to adequately protect the Company's data;
- issues with the Platform;
- failing to retain key employees or hire and onboard highly skilled personnel;
- failing to maintain Field Professional engagement;
- market forecasts and estimates may prove to be inaccurate, and even if achieved, the Company's business may not grow at similar rates;
- fixed price client contracts could adversely impact the Company's margins and profitability;
- the occurrence of catastrophic events which are beyond the Company's control;

### *Legal and Compliance Risks*

- regulatory risks applicable to the Company;
- risks associated with legal and regulatory proceedings and claims;
- risks associated with the potential reclassification of exempt employees and/or independent contractors, including Field Professionals;
- potential losses arising from Field Professional work product liability;
- failing to adequately protect the Company's intellectual property;
- potential infringement of the Company's products and services on the proprietary rights of others;
- difficulty for shareholders to enforce judgments obtained against the Company;

### *Financial and Reporting Risks*

- potential for significant fluctuations in the market price of Real Matters' shares;
- potential inability to raise additional capital in the future when needed, either on acceptable terms or at all;
- failing to maintain effective internal controls, including the inherent limitations in all control systems;
- inaccurate accounting estimates and judgments;
- potential tax law changes or adverse tax examinations;
- ineffectiveness of the Company's financial and operational risk management efforts;
- changing accounting pronouncements and other financial reporting standards;
- potential dilution to existing shareholders as a result of future share issuances; and
- Real Matters' dependence on its subsidiaries for cash flows.

The Company cautions that the above list of risk factors and uncertainties is not exhaustive and that additional risks and uncertainties may be discussed in documents filed with the applicable Canadian securities regulatory authorities from time to time. Other risks and uncertainties not presently known to the Company or that the Company presently believes are not material could also cause actual results or events to differ materially from those expressed in the forward-looking information. Readers are cautioned not to place undue reliance on the forward-looking information, which reflect the Company's expectations only as of the date of this Annual Information Form. Except as required by law, the Company does not undertake to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

### **THIRD-PARTY SOURCES AND INDUSTRY DATA**

Unless otherwise indicated, information contained in this Annual Information Form concerning the industry and the markets in which the Company operates, including, but not limited to, the Company's market position and market opportunities, is based on information from publicly disclosed financial reports of the Company's competitors, information provided to the Company by its clients, publicly disclosed financial reports of lenders, the Company's own internal research and other third-party sources (including independent industry publications, surveys and forecasts). The Company's internal research and assumptions have not been verified by any independent source and the Company has not independently verified any third-party information. While the Company believes that the information included in this Annual Information Form concerning the industry and the markets in which the Company operates is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the Company's future performance and the future performance of the industry and markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "Cautionary Note Regarding Forward-Looking Information."

### **CORPORATE INFORMATION**

#### ***Incorporation and Office***

Real Matters was incorporated under the CBCA on October 18, 2004 as 4265408 Canada Inc. On November 1, 2004, 4265408 Canada Inc. was renamed Solidifi Inc. and was subsequently renamed Real Matters Inc. on July 27, 2010.

On February 24, 2006, the articles of Real Matters (formerly Solidifi Inc. at the time of amendment) were amended to change the rights, privileges, restrictions and conditions attaching to the Class A and Class B shares.

On May 8, 2017, Real Matters' articles were amended to: (i) consolidate the Class A shares on a two for one basis; (ii) reconstitute the post-consolidated Class A shares as common shares; (iii) increase Real Matters' authorized capital by creating an unlimited number of preferred shares issuable in series; and (iv) delete the Class B shares and all the rights, privileges, restrictions and conditions attaching thereto. All references to Real Matters' outstanding shares and securities convertible into or exercisable for shares in this Annual Information Form, including the exercise

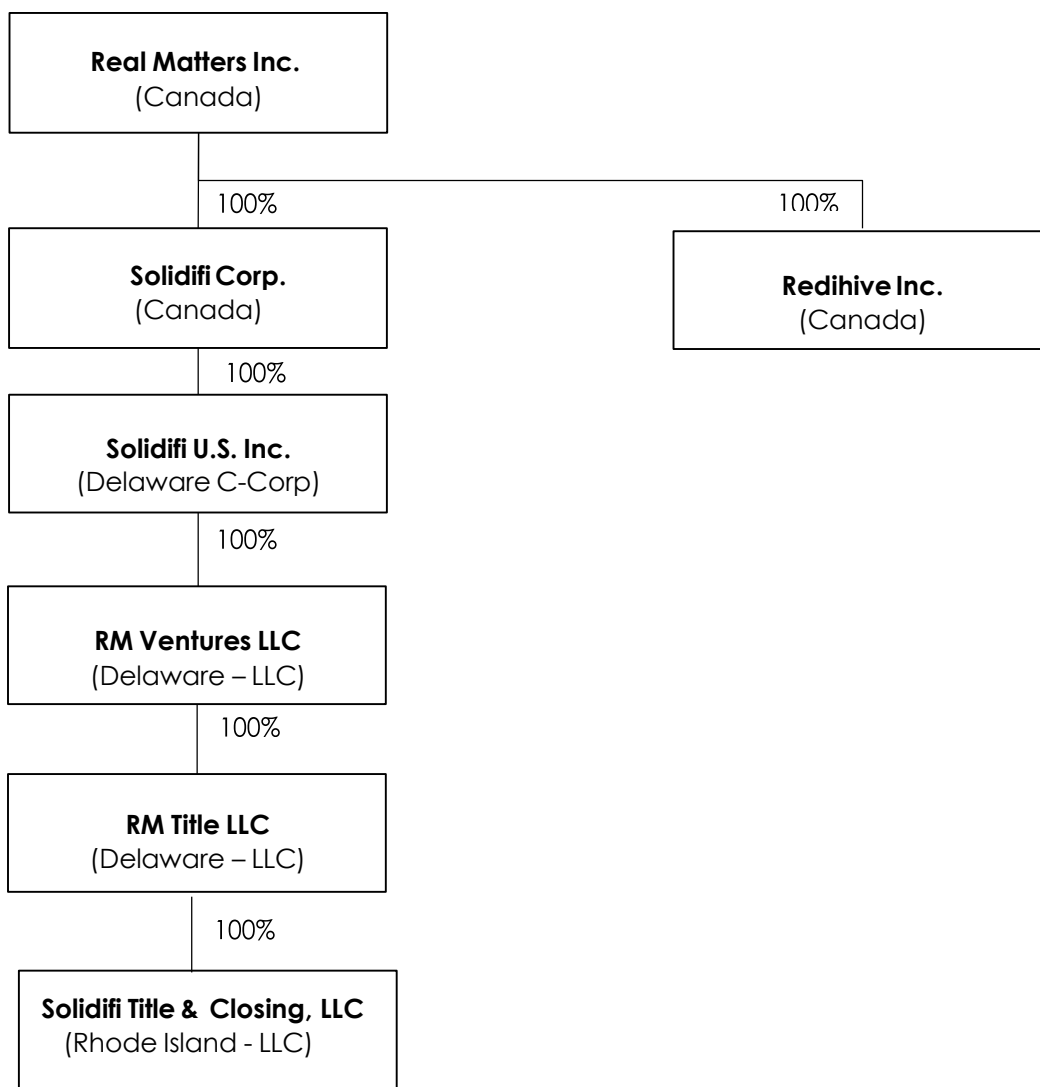
price associated with outstanding options, have been adjusted to reflect the above noted amendments to Real Matters' articles.

On May 11, 2017, Real Matters completed the IPO and its common shares became listed on the TSX under the symbol "REAL".

The head and registered office of Real Matters is located at 50 Minthorn Boulevard, Suite 401, Markham, Ontario L3T 7X8.

### *Corporate Structure and Subsidiaries*

The following chart outlines the Company's corporate structure and identifies the jurisdictions of each of the Company's material subsidiaries as of the date hereof. Each material subsidiary is wholly-owned, directly or indirectly, by Real Matters.



## GENERAL DEVELOPMENT OF THE BUSINESS

Real Matters was founded in 2004 by Jason Smith and a team of proven technology industry entrepreneurs. At that time, the Company's management team conducted research in Canada and the U.S. to determine how to apply technology to address lenders' key issues in the mortgage industry, with a specific focus on the speed, cost and efficiency of the underwriting process. Through its research, including discussions with leading lending institutions, management decided to focus on the appraisal management process because of its high-cost structure, labour-intensive practices and low-quality, inconsistent output.

In the early 2000s, traditional AMCs were focused on finding the lowest-cost appraiser. This often resulted in poor quality appraisals that did not meet lender and regulatory requirements, and as such, AMCs were required to remediate inadequate appraisals through a lengthy, costly and high-touch quality assurance process resulting in very long end-to-end turn times. As a result, the traditional AMCs lowered the fees paid to appraisers as a result of their increasing costs of doing business. These practices, combined with a shift by high-quality appraisers away from traditional AMCs due to unfavourable economics and poor business relationships, provided an ideal entry point for the Company.

The Company launched the Platform in the appraisal market in Canada in 2006 and in the U.S. in 2008.

In December 2012, the Company acquired Buffalo, New York-based Kirchmeyer & Associates. Kirchmeyer & Associates provided the Company with additional Tier 2 clients in the U.S. As a result of the acquisition and the deployment of the Platform with these clients, the Company increased its market share with a number of key Tier 2 mortgage lenders.

In May 2015, the Company acquired Cincinnati, Ohio-based Southwest. Southwest was a leading home-equity service provider in the U.S. This acquisition added new clients and provided an opportunity to cross-sell services and deepen client relationships by expanding the Company's service offering in the U.S. The majority of Southwest's revenues were derived from products and services provided in the home equity channel. On January 1, 2017, Southwest ceased its business operations and transferred all of its assets, and assigned all of its liabilities, to its sole shareholder, Solidifi US. Today, the Company supplies appraisal services to all of the Tier 1 lenders and many of the top 100 mortgage lenders in the U.S.

In April 2016, the Company acquired Middletown, Rhode Island-based Linear. This acquisition established a position in the title market for the Company. Linear, which was re-branded as Solidifi Title in October 2017, is a national title agency that delivers title services to mortgage lenders in all 50 states and the District of Columbia. Today, the Company predominantly supplies title services for refinance, home equity, default and REO transactions. The Company's U.S. Title segment currently services one Tier 1 lender for title origination volumes and other top 100 lenders. The Company's strategy is to increase market share in this segment by onboarding more Tier 1, Tier 2 and Tier 3 lenders, many of whom are already clients in the U.S. Appraisal segment.

On May 11, 2017, the Company completed its IPO.

## DESCRIPTION OF THE BUSINESS

### Overview

The Company provides residential real estate appraisal and title services to mortgage lenders in the U.S. and residential real estate appraisal and insurance inspection services in Canada. The Company's technology-based platform creates a marketplace where Field Professionals compete for volumes provided by the Company's clients based on their service level, quality of work and professionalism (the "**Platform**").

The Company's clients include top 100 mortgage lenders in the U.S., the majority of the big five banks in Canada and some of North America's largest insurance carriers.

In the U.S., Tier 1 lenders typically allocate market share to their service providers based on performance, and the Company's performance often results in it obtaining an outsized allocation of transaction volumes from these lenders compared to its competitors.

The U.S. mortgage market is one of the largest asset classes in the world and it is highly regulated. Getting to first transaction with large mortgage lenders can be a lengthy process; however, once the Company launches a client, its strategy is to leverage the Platform to outperform its competition and grow market share. This helps the Company solidify and expand the relationships it has with its clients over the long-term. The Company is built for scale and has a strong balance sheet to support its long-term business objectives.

Residential mortgage origination volumes in the U.S. and Canada are a key driver of the Company's financial performance. The Company takes a long-term view to manage and measure the success of its business strategies due to the cyclical nature and seasonality of the mortgage origination market. Accordingly, the Company's principal focus is on growing market share in the residential mortgage origination market over the long-term. Market share growth is achieved by onboarding new customers and increasing market share with the Company's existing clients. The mortgage market is influenced by many factors, such as broader economic conditions, changes to interest rates, changes in the Company's clients' share of the market and regulatory changes.

Headquartered in Markham, Ontario, the Company's principal offices include Buffalo, New York and Middletown, Rhode Island. The Company services the U.S. and Canadian residential mortgage industries through its Solidifi brand and the Canadian property and casualty insurance industry through its iv3 brand.

### Operating Segments

The Company conducts its business in the U.S. and Canada through three reportable segments: (i) U.S. appraisal ("**U.S. Appraisal**"); (ii) U.S. title ("**U.S. Title**"); and (iii) Canada or Canadian.

The Company excludes corporate costs in the determination of each operating segment's performance. Corporate costs include certain executive and employee costs, legal, finance, internal audit, treasury, investor relations, compliance, human resources, technical and software development, corporate development and other administrative support function costs.

## U.S. Appraisal

The Company is one of North America's largest independent providers of residential real estate appraisal services. A residential appraisal is a survey of a home prepared by a qualified appraiser providing their expert opinion on the market value of a residential property. Pricing for residential appraisals varies by region, the type of residential mortgage appraisal conducted and property type. In most cases, the Company's clients order residential appraisals for mortgage loan assessment purposes and to comply with GSE requirements in the U.S., and the cost of a residential appraisal is typically passed on to the consumer.

The U.S. residential mortgage appraisal market is highly regulated as multiple levels of regulatory oversight exist, including federal banking regulators and state appraiser boards. Appraisers in the U.S. are required by regulation to be certified or licensed, independent and competent within their defined geographic coverage area for all regulated appraisal transactions. Leading up to the financial crisis of 2008, lending institutions and regulators in the U.S. became increasingly concerned about the quality of the appraisals upon which lending decisions were based and the perceived influence of loan production staff on the appraised value of a home. Following the financial crisis, market practice shifted towards strict appraisal independence and quality guidelines due to increased regulation. Many banks exited internal valuation operations and shifted their focus to identify the top third-party service providers. Furthermore, banks have increasingly focused on the quality of appraisals to reduce asset risk and meet GSE requirements as well as shorter turn times which allow lenders to close loans faster. These factors have made lenders significantly more focused on finding the best available appraisers.

The Company leverages the Platform and applies its network management capabilities, which are designed to focus on quality at the front-end of the process, to supply residential real estate appraisal services. The Platform is an open network where appraiser performance is tracked and managed in real time. The Company believes that its national and regionally managed network has the capacity to scale and deliver better performance than its competitors. The Company provides the breadth of expertise and local knowledge required to find the most qualified appraiser for every mortgage transaction through robust credentials management and scorecarding.

The Company's U.S. Appraisal segment provides services to the largest mortgage lenders in the U.S., including all six Tier 1 lenders, across the following channels: purchase origination, refinance origination, home equity, default and REO. Purchase and refinance mortgage origination revenues accounted for 74% of fiscal 2024 revenues in the Company's U.S. Appraisal segment.

According to The Home Mortgage Disclosure Act ("**HMDA**"), total U.S. mortgage origination volumes (purchase and refinance) decreased 37% year-over-year in calendar 2023 to 4.0 million transactions (purchase - 3.2 million and refinance - 0.8 million). The total addressable market for the Company's U.S. Appraisal segment excludes appraisal waivers from GSEs and appraisals provided by Veterans Affairs, the majority of which impacts refinance origination volumes. Based on the 4.0 million total U.S. mortgage origination volumes (purchase and refinance) disclosed by HMDA for calendar 2023, the Company estimates that in calendar 2023 there were approximately 3.4 million addressable mortgage origination transactions (purchase and refinance). U.S. Appraisal segment market share for origination transactions is generally allocated by lenders on a centralized, combined volume basis (i.e. lenders direct the allocation of appraisal volumes to their vendors).

The Company also services home equity, default and REO transactions, however, due to the lack of available market data, the Company is unable to estimate the market size for these transactions.

## **U.S. Title**

In April 2016, the Company entered the U.S. Title business through the acquisition of Linear. The Company's U.S. Title business leverages the Platform and the Company's network management capabilities to deliver a scalable solution that drives better performance for its clients and a superior consumer experience. The closing process is critical to a consumer's overall experience as it represents an important point of contact in a mortgage transaction. The Company's focus is to provide the best consumer experience by working with experienced abstractors, notaries and attorneys.

The Company is an approved title agent with the largest title insurance underwriters in the U.S. The Company offers and/or coordinates various title services for refinance, purchase, home equity, default, short sale and REO transactions to financial institutions in all 50 states and the District of Columbia, and each state has differing rules and regulations for title agents. The Company also provides hosted software solutions relating to title services. As an independent title agent, the Company provides services required to close a mortgage transaction, including title search, curative, closing and escrow services and title policy issuance. The Company acts on behalf of the title insurance underwriters and retains the agent's portion of the premium paid for the policy, which is typically 70-90% of the title insurance premium. The remaining portion of the premium is remitted to the underwriter as compensation for bearing the risk of loss in the event a claim is made under the insurance policy. Premium splits can vary by geographic region, and in some states, premiums are fixed by regulation.

The cost of a title insurance policy relative to the cost of a property transaction varies on a state-by-state basis. Title insurance consists of both an owner's and a lender's policy. Owner's policies are typically issued on the sale of a home, whereas lender's policies are typically issued in connection with both sale and refinance transactions involving a lender. The larger the purchase price, the larger the premium on an owner's title policy and the larger the loan, the larger the premium on a lender's policy. In the U.S., most lenders require lender's policies on mortgage loans for risk mitigation purposes and because GSEs and other secondary market investors require title insurance on loans they purchase or guarantee.

The Company's U.S. Title segment currently services one Tier 1 lender for title origination volumes and other top 100 lenders. The Company's strategy is to increase market share in this segment by onboarding more Tier 1, Tier 2 and Tier 3 lenders, many of whom are already clients in the U.S. Appraisal segment.

The Company's total addressable market for its U.S. Title segment is not impacted by appraisal waivers from GSEs or Veterans Affairs volumes. According to HMDA, there were 0.8 million refinance transactions in calendar 2023. The Company's U.S. Title segment currently targets refinance transactions as this volume is generally centralized by mortgage lenders (i.e. lenders direct the allocation of refinance volumes to their vendors). While the Company has the capability, and does occasionally provide title services for purchase transactions, most of the volume for U.S. Title purchase transactions is not allocated by the lender (i.e. the selection of the title agent is often made directly by the homeowner).

The Company also services home equity, default, short sale and REO transactions, however, due to the lack of available market data, the Company is unable to estimate the market size for these transactions.

## **Canada**

### *Mortgage Appraisals*

Many of the same factors that affect the U.S. appraisal market also affect the Canadian appraisal market. However, the Canadian market currently has less regulation and differs materially on price per transaction. Pricing varies by region, the type of residential mortgage appraisal conducted and property type. In most cases, lenders or financial institutions order appraisals for mortgage loan assessment purposes. In Canada, the lender typically pays for the appraisal and either directly or indirectly passes this fee on to the consumer.

In Canada, the Company provides residential mortgage appraisals to the majority of the big five Canadian banks. While the Company is unable to estimate the market size for the Canadian segment due to lack of available market data, the Company believes that the Canadian mortgage industry is highly concentrated, with the five largest banks in Canada by asset size accounting for a significant portion of the annual residential mortgage appraisal spend.

### *Insurance Inspections*

In Canada, the Company also supplies residential and commercial property insurance inspection and loss control services through its iv3 brand. The purpose of an insurance inspection is to establish the replacement cost of a property in the event of a major catastrophe such as a fire or a flood. The inspection is used as an insurance underwriting and loss control tool to properly match the risk with the appropriate insurance premium and to verify the accuracy of the information collected at the time of policy application.

The insurance inspection market spend in Canada is comprised of outsourced insurance inspections and insurance inspections completed by in-house loss control teams. Due to the lack of available market data, the Company is unable to estimate the market size for these transactions.

## **Principal Products and Services**

### **The Platform**

The Platform creates a marketplace where Field Professionals compete for volumes provided by the Company's clients based on their service level, quality of work and professionalism. The Company's proprietary technology, which the Company believes is unique in its industry, combined with its network management capabilities, drives greater efficiency by reducing manual processes through robust quality control mechanisms, logistics management capabilities, capacity planning tools and end-to-end transaction management for its clients. The Company leverages its technology and Field Professional partnerships with the goal of delivering first-time quality, faster turnaround times and better performance than its competitors.

Lenders benefit from the robust infrastructure of the Company's proprietary technology and network management capabilities, which enables the Company to provide a highly scalable

service that can meet the significant volume requirements of the largest mortgage lenders in the U.S. and Canada, regardless of spikes due to seasonality and/or changes in general economic conditions. The Company leverages data and functionality to build and manage capacity on a regional level to ensure that the Field Professional network has the capability and capacity to respond to local demand and match a property to the most qualified Field Professional in the network for every transaction. Furthermore, by leveraging its core logistics capabilities, such as bundling transactions that are in proximity to each other and providing enhanced consumer inspection scheduling capabilities, the Platform enables Field Professionals to work more efficiently and to complete a greater number of transactions over a given time period. This typically results in Field Professionals generating more income from the Company than they would receive over a given time period from a traditional AMC, while also providing the Company and its clients with the added benefit of better performance and increased engagement. Finally, the Platform enables Field Professionals to create a better consumer experience by providing consumers with focused touch points with high-performing Field Professionals.

## Industry Trends

The mortgage market has seen significant changes over the past decade.

- **Lenders continued focused on end consumer:** Given the importance of the consumer relationship to mortgage lenders and the competitive landscape, the Company believes that mortgage lenders have continued to focus on providing best-in-class products, services and experiences to their consumers. Appraisal and title services require significant interactions between consumers and third-party service providers, and these interactions have a significant impact on the overall consumer experience.
- **Growing role of technology:** Mortgage lenders have become increasingly focused on technology to operate more efficiently. The GSE's continue to explore supporting technology through appraisal modernization efforts.
- **Lenders increasingly focused on core operations:** As a result of increased volatility in the mortgage market, greater regulatory scrutiny and the higher cost of doing business, the Company believes mortgage lenders have become increasingly focused on their core operations. Lenders are continuing to engage third-party providers to obtain key products and services, such as appraisal and title, as opposed to utilizing affiliate business models and in-house technologies.
- **Increased/evolving regulation and oversight:** Most U.S. mortgage market participants have become subject to increasing regulatory oversight and requirements as federal and state governments have enacted various laws, rules and regulations. This has resulted, amongst other things, in mortgage lenders becoming increasingly focused on ensuring that their platforms, as well as the platforms of their service providers and subcontractors, are highly secure and meet stringent data security requirements. In addition, various public and private task forces, committees and agencies have been directed to address bias in residential property valuation practices, in part through the promotion of diversity in the appraisal profession. Moreover, in response to the challenges faced by certain appraisal trainees in finding supervisory appraisers to complete the practical experience component of their appraisal licensing requirements, the Appraisal Qualifications Board in the U.S. adopted an alternative model for aspiring appraisers to obtain the necessary

appraisal experience to complete their licensing requirements with the goal of encouraging appraisal trainees to remain in the industry.

- **GSE use of appraisal alternatives:** Commencing in the second half of fiscal 2020, GSEs increased their acceptance of appraisal waivers and inspection-based waivers (collectively, "**Appraisal Alternatives**"), using a data-based analysis of the proposed loan characteristics to determine which loans are eligible. If the waiver is accepted by the lender, then no appraisal report is ordered. The use of Appraisal Alternatives remained at elevated levels through the first half of fiscal 2022, but has now reverted closer to pre-pandemic levels.

## Appraisal, Valuation and Flood Determination Services

The Company's appraisal, valuation and flood determination services include:

- **Interior and exterior residential appraisals:** a report indicating the opinion of value of a specific property as developed by a duly accredited professional real estate appraiser, involving comparable analysis and an interior and/or exterior inspection.
- **Flex - Desktop:** a quantitative desktop appraisal report which provides an estimate of value of a residential property as developed by a duly accredited professional real estate appraiser. The Flex – Desktop does not include an inspection of the subject property. The appraiser may also use public record or local market data to determine the estimate of value.
- **Flex – Interiors:** a quantitative appraisal report which provides an estimate of value of a residential property as developed by a duly accredited professional real estate appraiser. The appraiser observes the interior and exterior condition of the subject property from observations made from a site visit conducted by the appraiser or a third-party independent inspector where permitted. The appraiser may also use public record or local market data to determine the estimate of value.
- **Flex – Exteriors:** a quantitative appraisal report which provides an estimate of value of a residential property as developed by a duly accredited professional real estate appraiser. The appraiser observes the exterior condition of the subject property from a site visit conducted by the appraiser or a third-party independent inspector where permitted. The appraiser may also use public record or local market data to determine the estimate of value.
- **Broker price opinions:** a report completed by a real estate licensee indicating the estimated listing price of a specific property, which may or may not include an interior and/or exterior inspection.
- **Property condition report – Exterior:** a report completed by a local property data collector or inspector based on a limited exterior inspection of a subject property's physical condition from the public right of way.
- **Property condition report – Interior:** a report completed by a local property data collector or inspector based on a limited interior inspection of a subject property's characteristics, condition and/or floor plan.

- **Property evaluation report:** a bundled service which includes an estimate of value of a subject property based on the output from an AVM, a property condition report – exterior of the same subject property, and the review and reconciliation of the identified elements in the two reports by a non-appraiser evaluator.
- **Automated valuation model (“AVM”) reports:** a computer-generated report that is purchased by the Company and resold to its clients that uses mathematical modelling combined with databases of existing properties and transactions to estimate the value of a specific property.
- **Enhanced AVM reports:** a report completed by a duly accredited professional real estate appraiser by leveraging the output of an AVM. The appraiser is presented with a complete data set related to the subject property and reviews such data to determine if the purchase price is supported by the data. The appraiser completes a risk checklist and provides a rationale for his or her decision.
- **Market rents:** a report that provides an estimate of the market rent of residential real estate within the subject property's area.
- **Flood determinations:** a primarily computer-generated flood zone report that is purchased by the Company which involves the determination of a flood zone for an insurable structure based upon Federal Emergency Management Agency flood maps and published information as well as other third-party information and data.

## Title & Closing Services

The Company's title services include:

- **Origination (refinance and purchase) title and escrow:** handling all title, curative, settlement and escrow functions on behalf of lender clients, resulting in the issuance of a title insurance policy for the client and/or consumer.
- **REO title and escrow:** handling all title, curative, settlement, closing coordination and escrow functions on behalf of lender clients selling bank-owned real estate, resulting in the issuance of a title insurance policy for buyer and/or buyer's lender.
- **Settlement only:** handling all title search and examination, curative, escrow services and accounting for a refinance, purchase or REO transaction on behalf of a client (excluding the title commitment and policy).
- **Home equity:** providing secondary-position lender searches, taxes and reporting relating to legal vesting and encumbrances as part of the client's home equity lending to consumers. Title policies are also provided based on lender request.
- **Title search products and services:** searching and reporting on the status of the land records performed by a title abstractor/examiner, which may be sold to clients or bundled into another product, including foreclosure reports.
- **Quoting:** providing title insurance quotes as well as recording and transfer tax fees to clients through the Company's proprietary technology.

## Insurance Inspection Services

The Company's insurance inspection services include:

- **Residential property inspection services:** property evaluation reports based on room-by-room inspections of entire dwellings, premium plan reports designed specifically for high value homes, exterior-only hazards identification inspections and supplementary reports covering wood stoves, out-structures, water damage prevention, fuel storage tanks, home-based business and rental units and on-site recommendations.
- **Commercial property and liability inspection services:** property and liability surveys and risk inspection services for commercial properties, including occupancy-specific operations assessments, sprinkler and fire systems reviews, building valuations, course of construction inspections, manufacturing assessments, fleet inspections, custom hazards supplements, wildfire prevention supplements, along with loss control recommendations.
- **FarmSafe inspection services:** customized reports designed to help clients accurately underwrite farms, including site plans, building measurements and sketches, property valuations, residential farm home inspections and large working farms, for the purpose of confirming that the condition and use of the property is accurately reflected.

## Competition

### Competitors

In the U.S. Appraisal business, the Company's largest competitors are: (i) ServiceLink, a subsidiary of Fidelity National Financial, Inc.; (ii) Amrock; and (iii) Clear Capital.

Competition in the U.S. Title business is divided between a few large national title insurance underwriters and independent title agencies. The underwriters include Fidelity National Title Company, First American Title Insurance Company, Stewart Title Guaranty Company and Old Republic National Title Insurance Company who issue title policies directly to lenders and consumers or through affiliated agencies and account for approximately 31% of the market.<sup>1</sup> The balance of the market is comprised of local and national title agencies issuing policies through the larger underwriters and other small title insurance companies.

Management believes that the Company has four principal competitors in the Canadian appraisal market: (i) Nationwide Appraisal Services Inc.; (ii) RPS Real Property Solutions, a wholly-owned subsidiary of Brookfield Business Partners L.P.; (iii) FNF Canada Company; and (iv) FCT Valuation Solutions. The Company's competitors in the insurance inspection market include Opta Precise Services, Davies Insurance & Risk Management Services (formerly Afirm Solutions) and smaller regional providers.

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<sup>1</sup> American Land Title Association – Second Quarter 2024, Market Share Data – 2024 Six-Month Market Share Family-Company Summary.

## Competitive Advantage

The Company's competitive strengths include:

- **The Company's technology cannot be easily replicated:** The Company has invested significantly to build its in-house developed proprietary technology. The Company believes its technology creates a differentiated long-term competitive advantage compared to traditional service providers by addressing key issues within the mortgage lending and insurance industries. The Company follows a disciplined approach to software development and regularly invests in new technology innovations and functionality to enhance the Platform. This disciplined software development model has allowed the Company to focus development costs into a technology offering that can be expanded to additional products and services.
- **Scalable Platform with significant network effect:** The Company believes it has a highly attractive and scalable business model derived from the Platform. The Company's significant Field Professional network, network management capabilities and proprietary technology are designed to accommodate growth in clients and transaction volumes with limited incremental cost.
- **Large, blue-chip client base:** The Company's clients include top 100 mortgage lenders in the U.S., the majority of the big five banks in Canada and some of North America's largest insurance carriers. The Company provides U.S. appraisal services to all six Tier 1 mortgage lenders and launched its first Tier 1 client for title services in fiscal 2021. Given its track record of performance with its clients, the Company believes it has developed deep, long-term client relationships.
- **Established loyalty with Field Professionals:** Field Professionals in the Company's network benefit from a transparent, real-time view of how their performance ranks relative to others that perform in the top-quartile of their region. This transparency provides an incentive for Field Professionals to consistently deliver high-quality services, as strong historical performance is rewarded with additional transaction volumes. By bundling transactions that are in proximity to each other and providing enhanced scheduling capabilities, the Platform permits Field Professionals to work more efficiently and to complete a greater number of transactions over a period of time.
- **Significant barriers to entry for new entrants and competitors:** The Company believes that the sales cycle to become a service provider to Tier 1 mortgage lenders can take up to five years as it includes a lengthy and rigorous process that involves multi-stage client engagement activities, including operational and security audits. The Company's established relationships with tens of thousands of Field Professionals also presents a significant barrier to entry for new entrants and an advantage over existing competitors.
- **Established track record of profitable growth:** The Company has grown both organically and through strategic acquisitions.
- **Proven management team with deep industry knowledge:** The management team is comprised of experienced professionals that have significant experience in the mortgage and technology industries.

## **Facilities**

The head and registered office of Real Matters is located in Markham, Ontario. The Company also has principal offices in Buffalo, New York and Middletown, Rhode Island.

## **Employees**

As of September 30, 2024, the Company had 338 employees across North America, comprised of technology professionals (software developers and engineers), operations staff, management, shared services and sales personnel.

## **Growth Strategy, Marketing Plans and Appraisal Diversity Initiatives**

The Company has adopted a controlled and focused growth strategy. This strategy is supported by a consistent focus on a scalable software development discipline and driving innovation in network management services and technology. The Company's marketing strategy aims to generate awareness of its brands and disruptive value propositions, leveraging its Platform, network of Field Professionals and focus on providing a better consumer experience as key differentiators between the Company and its competitors.

The Company's marketing campaigns highlight "EXTRAORDINARY" Field Professionals to recognize a selection of the top performing Field Professionals in various regions. Through their performance and professionalism, these "EXTRAORDINARY" Field Professionals have become key business partners of the Company. The campaigns provide Field Professionals with industry recognition and exposure and position them as local experts with the Company's clients and prospects. For example, "EXTRAORDINARY" Field Professionals are featured on the Company's websites, corporate social media channels and in advertisements and corporate brochures. The Company also hosts recognition receptions where "EXTRAORDINARY" Field Professionals are recognized (regionally and nationally) in the presence of the Company's clients and other interested parties. The objective of the "Extraordinary" Field Professional program, as well as other programs such as a perks program which offers corporate discounts to Field Professionals on the Company's network, is to increase Field Professional engagement and strengthen loyalty, which in turn, allows the Company to attract and retain the top Field Professionals on its network.

In fiscal 2022, the Company expanded "EXTRAORDINARY" with the launch of the Solidifi Extraordinary Supervisor and Trainee designations and celebrated the 10-year anniversary of the "EXTRAORDINARY" program. This new program was built in conjunction with the Company's commitment to the Appraisal Diversity Initiative (the "ADI"). The ADI is a collaboration between the Appraisal Institute, National Urban League, Fannie Mae and Freddie Mac. The goals of the ADI are to attract diverse new entrants into the residential appraisal field, overcome barriers to entry such as education, training and experience requirements and provide support to position aspiring appraisers for professional success. From August 2023 through March 2024, the ADI, through its ongoing support from the Company and its other business partners, increased the number of scholarships it awards by 40%. In addition, the Company continues to onboard new appraiser trainees through its Appraiser Trainee Mentorship Program. The Company believes that its involvement with ADI will enable it to continue to develop, attract and retain a diverse group of independent appraisers on its network.

In fiscal 2024, the Company signed the Office of the Comptroller of the Currency's Project REACH Appraiser Diversity Pledge alongside the largest lenders in the U.S. REACH is the Roundtable

for Economic Access and Change, an initiative that is bringing together leaders from the banking industry, national civil rights organizations, businesses and technology to reduce specific barriers that prevent full, equal and fair participation in the U.S. economy.

### **Sales Cycles and Seasonality**

Residential mortgage origination volumes in North America are influenced by cyclical trends and seasonality. Cyclical trends include changes in interest rates, refinancing rates, the capacity of lenders to underwrite mortgages, house prices, housing inventory, demand for housing, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy. Transaction-based revenues for appraisal services in the Company's U.S. Appraisal and Canadian segments are also impacted by the seasonal nature of the residential mortgage industry, which typically sees home buyers purchase more homes in the Company's third and fourth fiscal quarters, representing the three months ending June 30 and September 30, respectively.

Refinance activity is highly sensitive to changes in interest rates. From the onset of COVID-19 through the first half of fiscal 2022, the mortgage origination market experienced a significant increase in refinance activity due to low interest rates and other contributing factors. Starting in the first half of fiscal 2022 and continuing through fiscal 2023, the U.S. Federal Reserve raised the Federal Funds rate multiple times to mitigate inflationary pressures. Higher mortgage rates, high inflation, reduced affordability, and broader macroeconomic concerns drove significant declines in mortgage origination volume during this period and through fiscal 2024, resulting in mortgage transaction volumes in fiscal 2023 and fiscal 2024 falling to historic 30-year lows. According to the Mortgage Bankers Association ("**MBA**"), the average mortgage rate for a 30-year conventional, fixed-rate mortgage increased by 30 basis points to 6.9% in fiscal 2024 compared with fiscal 2023.

The Company's market share is not only impacted by the size of the addressable residential mortgage origination market but also the Company's clients' relative share of the addressable market. Gains or losses in the Company's clients' share of the addressable market impact the Company's overall market share. The prevalence of appraisal waivers provided by the GSEs and the volume of appraisals provided by Veterans Affairs can also impact the size of the total addressable residential mortgage origination market for the Company's U.S. Appraisal segment. Accordingly, the Company takes a long-term view to manage and measure the success of its business strategies due to the cyclical nature and seasonality of the mortgage origination market.

As at November 21, 2024, the MBA Forecast estimates that total U.S. mortgage origination volumes increased by 7% year-over-year in fiscal 2024 (purchase – decrease of 2% and refinance - increase of 48%), and that volumes will increase by 27% in fiscal 2025 compared to fiscal 2024 (purchase - increase of 2% and refinance - increase of 97%). As at November 13, 2024, the Fannie Mae Housing Forecast estimates that total U.S. mortgage origination volumes<sup>2</sup> decreased by 2% year-over-year in fiscal 2024 (purchase - decrease of 8% and refinance - increase of 16%), and that volumes will increase by 20% in fiscal 2025 compared to fiscal 2024 (purchase - increase of 3% and refinance - increase of 72%).

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<sup>2</sup> The Fannie Mae Housing Forecast only provides mortgage originations in dollar amounts based on the total dollar value of the transactions. To calculate the number of mortgage origination transactions, the dollar amounts were divided by the average loan amount provided by the MBA Forecast.

## **Information Security Program**

The Company's Audit Committee (which is composed entirely of independent directors) is responsible for providing oversight over the Company's risk management policies and procedures, including information security risk. At least annually, the Audit Committee is provided with: (i) a detailed overview of the Company's information technology controls and cybersecurity framework; and (ii) an overview of the Company's insurance portfolio, including the limits, deductibles and premiums for its various insurance coverages (including cyber insurance), and a due diligence report prepared by the Company's insurance broker which speaks to the adequacy of the Company's insurance coverage relative to its peers. In addition, at each quarterly Audit Committee meeting, the Audit Committee is provided with an update on information security matters. Furthermore, during the third quarter of fiscal 2024, the Company's senior management team and board of directors participated in cybersecurity tabletop exercises as part of the Company's cybersecurity preparedness training.

The Company views the protection of client and consumer information to be a strategic imperative that is critical to maintaining its client relationships and its long-term success. As such, the Company has implemented an information security program based on the U.S. National Institute of Standards and Technology ("**NIST**") Cyber Security Framework. Significant components of the Company's information security program include:

- independent external security assurance via a Service Organization Control 2 (SOC 2) report conducted in accordance with the American Institute of Certified Public Accountants (AICPA) attestation standards;
- compliance with the Payment Card Industry's Data Security Standard (PCI-DSS) for in-scope payment systems;
- operational controls and processes aligned to industry best practices;
- management approved policies and standards, including a Security Incident Response Policy and Ransomware Response Policy;
- integrated risk management practices connecting Information Security, Enterprise Risk, Technology, Operations, Legal, Compliance and Executive Leadership;
- thorough business continuity and disaster recovery plans;
- regular internal and external assessments of the Company's information security posture, including undertaking annual third-party penetration tests and ongoing third-party assessments of the Company's information technology footprint;
- annual Company-wide cyber security and privacy training for all employees, including monthly social engineering testing for awareness;
- undertaking mock incident training exercises (e.g. ransomware) with key personnel;
- risk prioritized diligence of, and information security contractual requirements for, third-party vendors engaged by the Company who have access to sensitive information; and
- full-time, dedicated information security resources, including a Chief Information Security Officer (who reports directly to the Chief Technology Officer) and a dedicated security budget.

The Company regularly reviews its information security program to help ensure that contractual and regulatory information security and privacy requirements are being adhered to and that risks to the confidentiality, integrity and availability of confidential information and systems are at acceptable levels in line with industry standards, client requirements and the Company's risk profile. In addition, the Company is regularly subject to, and passes, extensive information security audits from several of its largest clients in the U.S. and Canada.

## **Proprietary Protection**

The Company protects its proprietary rights through a combination of copyright, trademark and trade secret laws as well as contractual provisions. The Company's source code is protected under Canadian and U.S. copyright laws.

The Company seeks to protect its intellectual property by requiring employees, independent contractors and Field Professionals to execute confidentiality and intellectual property assignment agreements. Such agreements require employees, independent contractors and Field Professionals to: (i) keep confidential all of the Company's confidential information; and (ii) assign to the Company all intellectual property developed in the course of their employment or engagement with the Company. The Company also protects its intellectual property by requiring clients, prospective clients, vendors, prospective vendors and other third parties to enter into a confidentiality agreement prior to the Company disclosing any confidential information to such parties.

## **Sustainability and Environmental Policy and GHG Emissions Reduction Target**

In August 2023, the Company implemented a Sustainability and Environmental Policy which outlines its commitment to minimizing the Company's environmental impact and fostering environmental awareness and responsibility. The Sustainability and Environmental Policy confirms the Company's commitment to actively managing and monitoring its most significant climate-related risks and opportunities to reduce its impact on the environment, as well as utilizing its technology platforms and logistics capabilities to contribute to a more sustainable, low carbon economy. The Company's Compensation, Nomination, Governance and Sustainability Committee is responsible for providing oversight over Sustainability-related matters, including the Company's Sustainability and Environmental Policy.

In August 2024, the Company set a target to reduce its operational Scope 1 and Scope 2 GHG emissions by 42% (in aggregate) by fiscal 2030 from its fiscal 2021 baseline year. The Company's GHG emissions reduction target is aligned with a 1.5-degree Celsius pathway.

## **Human Rights Policy**

In August 2023, the Company established a Human Rights Policy which reaffirms its commitment to creating a positive work environment and respecting and promoting human rights throughout the organization and in its business relationship with clients, vendors and other business partners. The Human Rights Policy confirms the Company's commitment to: (i) implementing and regularly updating a Code of Conduct for employees and vendors; (ii) upholding reasonable working conditions for its employees; (iii) providing a fair and living wage to all employees; (iv) providing a work environment that promotes equality and dignity for all employees, including historically marginalized groups; (v) upholding the right to health and safety for its employees; (vi) opposing all forms of modern slavery, forced labour and child labour abuse and striving to ensure the Company's business operations, and the operations of the Company's vendors and other business partners, are free from these practices; (vii) recognizing the basic right of freedom of association and the right to collectively bargain; and (viii) upholding the right to privacy for those individuals who entrust the Company with their personal information. The Company's Compensation, Nomination, Governance and Sustainability Committee is responsible for providing oversight over Sustainability-related matters, including the Company's Human Rights Policy.

## DESCRIPTION OF CAPITAL STRUCTURE

The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of Real Matters' articles, as they may be amended from time to time.

Real Matters' authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. As of September 30, 2024, there were 74,001,458 common shares and no preferred shares issued and outstanding.

### **Common Shares**

Holders of common shares are entitled to receive notice of and to attend all meetings of Real Matters' shareholders, except meetings at which only holders of other classes or series of shares are entitled to attend, and to one vote in respect of each common share held at such meetings.

Subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares ranking senior to the common shares, including the preferred shares, holders of common shares are entitled to receive dividends on a *pro rata* basis if and when declared by the board of directors.

In the event of any liquidation, dissolution or wind-up of Real Matters or other distribution of Real Matters' assets among its shareholders for the purpose of winding-up its affairs, the holders of common shares are entitled to receive, subject to the rights, privileges, restrictions and conditions attaching to any other class or series of shares ranking senior to the common shares, including the preferred shares, the remaining property or assets of Real Matters.

There are no pre-emptive, redemption, purchase or conversion rights attached to the common shares.

### **Preferred Shares**

Real Matters may from time to time issue preferred shares in one or more series. Real Matters' board of directors is authorized, without any further vote or action by any holder of common shares, to fix the number of shares in a series and to determine the designation and any rights, privileges, restrictions and conditions attaching to the shares of such series.

Each series of preferred shares will rank on parity with every other series of preferred shares with respect to the payment of dividends and the distribution of assets or return of capital in the event of a liquidation, dissolution or wind-up of Real Matters. In addition, each series of preferred shares will be entitled to a preference and priority over the common shares with respect to the payment of dividends and the distribution of assets or return of capital in the event of a liquidation, dissolution or wind-up of Real Matters.

If any cumulative dividends or amounts payable on return of capital in respect of a series of preferred shares are not paid in full, the shares of all series of the preferred shares will participate rateably in respect of accumulated dividends and return of capital.

## **Options and RSUs**

Real Matters has established the LTIP, which permits the granting of options, RSUs and PSUs. As of September 30, 2024: (i) options to purchase up to 2,367,319 common shares were outstanding; and (ii) 277,200 RSUs were outstanding, in each case, under the LTIP. No PSUs under the LTIP were outstanding as of September 30, 2024. In addition, on January 31, 2022, the Company adopted a 2022 Equity Incentive Plan, which was subsequently amended and restated on November 15, 2022, to add consultants as participants, and established an employee benefit plan trust to provide an alternative mechanism for the settlement of RSUs using market-purchased common shares at the election of the Company. As of September 30, 2024, there were: (i) 101,048 common shares being held in trust pursuant to the employee benefit plan trust; and (ii) 834,575 outstanding cash-settled RSUs. None of the outstanding cash-settled RSU awards or common shares held in trust are dilutive.

## **Advance Notice Requirements**

The Company has an advance notice provision with respect to the election of directors, which was last amended and approved by the Company's shareholders on February 7, 2020 (the "**Advance Notice Provision**"). Under the Advance Notice Provision, a shareholder wishing to nominate a director is required to provide notice to Real Matters of its desire to do so within the prescribed time periods. These time periods include: (i) in the case of an annual meeting of shareholders (or an annual and special meeting), not less than 30 days prior to the date of such meeting; provided, that if the first public announcement of the date of such shareholder meeting (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and (ii) in the case of a special meeting of shareholders (which is not an annual and special meeting) called for the purpose of electing directors (whether or not called for the purpose of conducting other business), not later than the close of business on the 15<sup>th</sup> day following the Notice Date. Real Matters' board of directors may waive the Advance Notice Provision in its sole discretion.

The summary of the Advance Notice Provision set out above is qualified in its entirety by reference to the full text of By-Law No. 1-A (as amended), a copy of which is available for review under Real Matters' SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## **General**

For additional details regarding Real Matters' share capital, as well as outstanding options and RSUs, please see notes 5 and 10 to the Financial Statements, a copy of which is available for review under Real Matters' SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

## **DIVIDENDS AND DISTRIBUTIONS**

Real Matters has never declared or paid any dividends, or made any distributions, on its common shares.

Subject to the solvency restrictions in the CBCA, there are no other restrictions in its articles or elsewhere that would prevent Real Matters from declaring or paying dividends, or making distributions, on its common shares.

With the exception of any common shares purchased by Real Matters under a normal course issuer bid, if any, the Company currently intends to re-invest future earnings in order to finance the development and growth of its business. As a result, Real Matters does not currently intend to declare or pay any dividends, or make any distributions, on its common shares in the foreseeable future. Any future determination to pay dividends will be at the discretion of Real Matters' board of directors and will depend on the financial condition, business environment, operating results, capital requirements, any contractual restrictions on the payment of dividends and any other factors that the board of directors deems relevant.

## MARKET FOR SECURITIES

### Trading Price and Volume

Real Matters' common shares are listed on the TSX under the symbol "REAL". The following table sets forth the high and low reported trading prices and the total trading volume of the common shares on the TSX for the periods indicated therein:

Month	Price per Common Share		Volume
	High	Low	
October 2023	C\$6.32	C\$4.43	3,726,973
November 2023	C\$5.96	C\$4.725	1,893,646
December 2023	C\$6.54	C\$5.45	1,838,874
January 2024	C\$7.03	C\$5.99	1,219,723
February 2024	C\$7.00	C\$5.80	1,229,012
March 2024	C\$6.33	C\$5.80	1,470,454
April 2024	C\$6.12	C\$5.07	1,037,865
May 2024	C\$6.05	C\$4.95	1,013,074
June 2024	C\$6.36	C\$5.57	949,481
July 2024	C\$7.63	C\$6.195	1,597,360
August 2024	C\$7.92	C\$6.50	1,466,409
September 2024	C\$9.46	C\$7.42	2,970,695

Source: TMX Money

### Prior Sales

Other than as set forth below, Real Matters did not issue any securities in the financial year ended September 30, 2024 that were not listed on the TSX.

### Option Grants

<b><u>Date of Grant</u></b>	<b><u>Number of Options<sup>(1)</sup></u></b>	<b><u>Exercise Price</u></b>
November 21, 2023	2,500	C\$5.29
February 5, 2024	5,000	C\$6.52
May 9, 2024	5,000	C\$5.79

Notes:

- (1) All of the above-noted options vest in equal annual instalments on the first, second and third anniversary from the date of grant and expire on the seventh anniversary from the date of grant.

RSUs

<b><u>Date of Grant</u></b>	<b><u>Number of RSUs</u></b>
December 15, 2023	424,470 <sup>(1)</sup>
May 9, 2024	5,037 <sup>(2)</sup>

Notes:

- (1) The RSUs granted to Real Matters' directors (being 95,733 in the aggregate) vested immediately on the date of grant. 8,166 of the RSUs will vest on February 1, 2025. The balance of the RSUs (being 320,571 in the aggregate) will vest on the third anniversary from the date of grant.
- (2) The RSUs granted on May 9, 2024 were granted to a Real Matters director and vested immediately on the date of grant.

### Option Exercises

From October 1, 2023 to September 30, 2024, 1,057,603 options were exercised, resulting in the issuance of 1,057,603 common shares.

### RSU Settlements

From October 1, 2023, to September 30, 2024, no RSUs were settled, resulting in the issuance of no common shares.

## DIRECTORS AND EXECUTIVE OFFICERS

### **Directors and Executive Officers**

The following sets forth, for each of the Company's directors and executive officers as of September 30, 2024, the person's name, province or state, and country of residence, position with the Company and principal occupation during the past five years. The Company's directors are elected annually and hold office for a term expiring at the close of the next annual meeting of shareholders or until they resign or are removed or their successors are appointed.

<b>Name and Place of Residence</b>	<b>Position with Real Matters and Date First Appointed to the Board of Directors (if applicable)</b>	<b>Principal Occupation (Past Five Years)</b>
Brian Lang Ontario, Canada	Chief Executive Officer and Director (November 20, 2020)	Chief Executive Officer (Real Matters) (2020 to present); Former President and Chief Operating Officer (Real Matters) (2019 to 2020)
Rodrigo Pinto Ontario, Canada	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer (Real Matters) (2023 to present); Former Senior Vice President of Finance (Royal LePage) (2021 to 2023); Former Chief Financial Officer (The Nationwide Group of Companies) (2015 to 2021)
Loren Cooke <sup>(7)</sup> California, U.S.	Executive Vice President and President of Solidifi US	Executive Vice President and President of Solidifi US
Kim Montgomery Ontario, Canada	Executive Vice President and President of Solidifi Title	Executive Vice President and President of Solidifi Title
Ryan Smith Ontario, Canada	Executive Vice President and Chief Technology Officer	Executive Vice President and Chief Technology Officer (Real Matters)
Lyne Beauregard Ontario, Canada	Vice President, Investor Relations and Corporate Communications	Vice President, Investor Relations and Corporate Communications (Real Matters) (2021 to present); Former Vice President, Investor Relations and Marketing (Real Matters) (2018 to 2021)
Jay Greenspoon Ontario, Canada	General Counsel and Corporate Secretary	General Counsel and Corporate Secretary (Real Matters)
Colleen McCafferty Ohio, U.S.	Chief Compliance Officer	Chief Compliance Officer (Solidifi US)

Kay Brekken <sup>(2)</sup>	Director (May 7, 2024)	Corporate Director (2019 to present); Former Executive Vice President and Chief Financial Officer of First Capital Real Estate Investment Trust (2014 to 2021)
Garry Foster <sup>(2)(3)(5)</sup> Ontario, Canada	Director (June 15, 2016)	Chief Executive Officer of Cortleigh Capital Inc.; Corporate Director
Karen Martin <sup>(1)</sup> Ontario, Canada	Director (January 31, 2022)	Corporate Director (2019 to present); Former Executive Vice-President and Treasurer of Element Fleet Management (2016 to 2019)
Frank McMahon <sup>(1)</sup> California, U.S.	Director (June 15, 2016)	Founding Partner of American Discovery Capital
Jason Smith <sup>(6)</sup> Ontario, Canada	Director (November 23, 2004)	President of Grousefly Capital (2023 to present); Executive Chairman (Real Matters) (2020 to 2023); Former Chief Executive Officer (Real Matters) (2004 to 2020)
Peter Vukanovich <sup>(4)</sup> Ontario, Canada	Director (January 31, 2019)	President of PMV Consulting Inc.

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation, Nomination, Governance and Sustainability Committee.
- (3) Chair of the Audit Committee.
- (4) Chair of the Compensation, Nomination, Governance and Sustainability Committee.
- (5) Lead Independent Director.
- (6) Chair of the Board of Directors.
- (7) Effective October 21, 2024, Loren Cooke was appointed as Chief Operating Officer of Real Matters.

As of September 30, 2024, the executive officers and directors of Real Matters beneficially owned, or controlled or directed, directly or indirectly, as a group, 3,786,582 common shares in the aggregate, representing approximately 5.1% of the issued and outstanding common shares.

## Biographies of Directors

**Kay Brekken:** Kay Brekken is a corporate director with more than 25 years of North American financial leadership experience in a broad range of industries including real estate, retail, healthcare and financial services. Prior to her retirement, Ms. Brekken was Executive Vice President and Chief Financial Officer of First Capital Real Estate Investment Trust ("**First Capital REIT**") (TSX: FCR.UN) from 2014 to 2021. Prior to First Capital REIT, she was the Executive Vice President and Chief Financial Officer of Indigo Books & Music, Inc. (TSX: IDG). Ms. Brekken is a member of the board of trustees, the Audit Committee and the Governance, Compensation and Nomination Committee of Allied Properties REIT (TSX: AP.UN) and serves on the board of directors and as Chair of the Audit Committee of RATESDOTCA Group Ltd. She is also on the advisory board

of the Rotman School of Management CFO Leadership Program. Ms. Brekken is a Certified Public Accountant and she holds a Bachelor of Business Administration from the University of Minnesota, and a Master of Business Administration from the University of Washington. Ms. Brekken has been a director of Real Matters since May 7, 2024.

**Garry Foster:** Mr. Foster is the Chief Executive Officer of Cortleigh Capital Inc. (a private investment company) and is a corporate director. He has served as President and Chief Executive Officer of the Baycrest Foundation, a charitable foundation that provides the financial resources necessary to support excellence in care, research and education related to aging. He is the former Vice-Chair of Deloitte LLP in Canada, a member of the board of trustees and Investment Committee and Chair of the Audit Committee and Special Committee of SmartCentres REIT (TSX:SRU.UN) and Chair of the board of directors of Payments Canada. He is a Fellow Chartered Professional Accountant, holds a Bachelor of Business Administration degree and a Master of Business Administration degree from the Schulich School of Business at York University and the professional independent director designation (ICD.D) from the Institute of Corporate Directors and the University of Toronto's Joseph L. Rotman School of Management. Mr. Foster has been a director of Real Matters since June 15, 2016.

**Karen Martin:** Ms. Martin is a corporate director. She currently serves on the board of directors and as an Audit Committee member of ECN Capital (TSX:ECN), a leading provider of business services to North American based financial institutions and financial services companies, and is a director and Chair of the Audit Committee of online financial technology company Propel Holdings (TSX:PRL). Ms. Martin is also on the board and Audit Committee of MCAN Mortgage Corporation (TSX:MKP), an OSFI regulated, deposit-taking Mortgage Investment Corporation. Ms. Martin's career has focused on capital markets and balance sheet management in financial services and specialty finance companies. Previously, Ms. Martin was Executive Vice-President and Treasurer of Element Fleet Management. During her tenure there, she arranged over C\$100 billion in debt and equity financings in multiple jurisdictions and was responsible for managing an international syndicate of banks, financing the company's acquisitions and business opportunities and managing its liquidity, funding, interest rate and foreign exchange risks. Prior to joining Element Fleet Management (TSX:EFN), Ms. Martin served in senior executive management, treasury and finance positions in public and private financial services companies for more than 30 years, including Xceed Mortgage and Canadian Imperial Bank of Commerce. She is a Chartered Financial Analyst and a Chartered Professional Accountant. Ms. Martin also holds a Bachelor of Arts degree in Finance and Economics from the University of Western Ontario and the professional independent director designation (ICD.D) from the Institute of Corporate Directors and the University of Toronto's Joseph L. Rotman School of Management. Ms. Martin has been a director of Real Matters since January 31, 2022.

**Frank McMahon:** Mr. McMahon has over 30 years of experience in the financial services industry and has spent over 10 years in senior management positions at firms engaged in the data and analytics and mortgage services industries. Mr. McMahon is the founding partner of American Discovery Capital. Previously, Mr. McMahon served as President of McMahon Consulting Services, a company that provides business and strategic consulting services to financial and financial information technology companies, Executive Chair of DataQuick Information Systems, Inc., Vice Chair and Chief Financial Officer of First American Corporation and Chief Executive Officer of the Information Solutions Group, LLC (renamed CoreLogic, Inc. in 2010). He also spent 20 years as an investment banker with Lehman Brothers Inc. and Merrill Lynch & Co., where he worked on more than 200 capital raising transactions and 70 strategic transactions. Mr. McMahon previously served on the board of directors of Decision Insight Information Group and First Advantage Corporation

and currently sits on the boards of Praedicat, Inc. and American Pain Consortium Holdings LLC. Mr. McMahon holds a Master of Business Administration degree from the Fuqua School of Business at Duke University and holds a Bachelor of Science degree in Economics from Villanova University. Mr. McMahon has been a director of Real Matters since June 15, 2016.

**Jason Smith:** Mr. Smith became non-executive Board Chair of Real Matters in November 2023. Prior to becoming Board Chair, he was Executive Chairman of Real Matters from November 2020 to November 2023 after serving as the Company's Chief Executive Officer and a Director since founding Real Matters in 2004. Under his leadership, Real Matters disrupted the North American appraisal industry and became one of the largest providers of residential real estate appraisals in the United States. Mr. Smith led Real Matters in raising more than C\$200 million as a private company and completing five acquisitions leading up to the IPO. Prior to forming Real Matters, Mr. Smith was a founder, director and executive of Basis100, which was one of the largest publicly-traded technology providers within the mortgage banking industry at that time. With more than 25 years of experience building and leading companies in North America, Mr. Smith is a highly regarded technology entrepreneur. He was named CIX Innovator of the Year in 2017 and was recognized as Entrepreneur of the Year by Ernst & Young in 2016. Mr. Smith was also inducted into the Canadian Mortgage Hall of Fame in 2014. Mr. Smith is a member of the advisory board of Vertu Capital and Whitecap Venture Partners. He is also Chair of the Holland Bloorview Kids Rehabilitation Hospital Foundation. Mr. Smith has been a director of Real Matters since November 23, 2004.

**Peter Vukanovich:** Mr. Vukanovich is an entrepreneurial leader who has built teams that delivered growth through various business cycles over the last 30 years. He currently leads PMV Consulting Inc., a company which provides a variety of advisory services relating to the mortgage industry to a number of financial services clients. Previously, Mr. Vukanovich was Senior Vice President of Teranet Inc.'s Commercial Solutions division and President and Chief Executive Officer of CFF Bank (now Home Bank), a federally regulated Canadian bank. Prior to joining CFF Bank, Mr. Vukanovich spent 15 years at Genworth Financial Canada/GE Capital Mortgage Insurance Canada, where he held a number of senior executive roles, including President and Chief Executive Officer for many of those years. He oversaw its significant growth as it became Canada's largest private mortgage insurance company and was listed on the TSX. Mr. Vukanovich is a Chartered Professional Accountant, holds a Bachelor of Commerce degree from the University of Toronto and has been a member of numerous not-for-profit boards and advisory committees. Mr. Vukanovich previously served as the Non-Executive Chair of the board of directors of Euro Sun Mining Inc. (TSX:ESM). Mr. Vukanovich has been a director of Real Matters since January 31, 2019.

For the biography of Mr. Lang, please see the discussion under the heading "Biographies of Executive Officers" below.

## **Biographies of Executive Officers**

**Brian Lang, Chief Executive Officer (Real Matters):** Mr. Lang was appointed Chief Executive Officer of Real Matters and joined its board of directors in November 2020. Mr. Lang joined Real Matters as President and Chief Operating Officer in June 2019. Prior to joining Real Matters, Mr. Lang was President of MasterCard Canada. Mr. Lang's career with MasterCard spanned more than 13 years, during which he held a number of senior executive positions in various geographies, including Europe, the Middle East, Africa and Canada. Prior to joining MasterCard, Mr. Lang held key management roles with Canadian Imperial Bank of Commerce and Aeroplan. Mr. Lang is a

graduate of the University of British Columbia with a Bachelor of Arts degree. He is a Six Sigma Master Black Belt and has served on Junior Achievement Boards in three regions and on the board of directors of Crescent School. Mr. Lang is currently on the board of directors of Brock University and is an active United Way MIG member. Mr. Lang has been a director of Real Matters since November 20, 2020.

**Rodrigo Pinto, Executive Vice President and Chief Financial Officer (Real Matters):** Mr. Pinto has more than 25 years of experience in finance and accounting across various industries including financial services and real estate. Prior to joining Real Matters in April 2023, Mr. Pinto was at Royal LePage Real Estate Services where he led the team responsible for financial reporting, budgeting, forecasting and taxation, and played a key role in the company's long-term strategy and acquisitions. Prior to Royal LePage, Mr. Pinto served as Chief Financial Officer of The Nationwide Group of Companies and MBAC Fertilizer Corp. (TSX: MBC). He started his career with PricewaterhouseCoopers in Brazil and in the United States. Mr. Pinto worked as a management consultant at Fannie Mae and subsequently moved into senior accounting and finance positions at Yamana Gold (TSX:YRI, NYSE:AUY, LSE:AUY) and TD Bank Group (TSX,NYSE: TD). Mr. Pinto is a Chartered Professional Accountant in the U.S. and Canada.

**Loren Cooke, Executive Vice President and President of Solidifi US<sup>3</sup>:** Mr. Cooke joined the Company in 2008 and was a key leader in driving the growth that transformed the business from a Canadian startup into one of the largest appraisal management companies in the United States and a national title insurance provider. Mr. Cooke has a strong record of deploying technology solutions with financial institutions and was instrumental in onboarding the Company's largest U.S. mortgage lender clients. Mr. Cooke has more than two decades of experience in driving technology and business solutions within the financial services industry, including real estate valuations, title insurance services, mortgage and loan origination technologies, mortgage services and data management. Prior to joining the Company, he held senior management roles at Davis & Henderson (Finastra) and Equifax Inc.

**Kim Montgomery, Executive Vice President and President of Solidifi Title:** Ms. Montgomery joined the Company in 2008 and has been instrumental in building Solidifi's U.S. operations. With more than 20 years of experience in the mortgage lending industry, Ms. Montgomery has a proven track record of identifying and implementing new business practices and delivering high growth. Her diverse background includes leadership positions in sales, operations and compliance and managing large teams across multiple geographies. Prior to joining the Company, Ms. Montgomery held a number of progressively senior roles at HSBC Financial Corp., including leading the virtual mortgage lending channel in Canada.

**Ryan Smith, Executive Vice President and Chief Technology Officer (Real Matters):** Mr. Smith has more than 20 years of experience in mortgage technologies and a wealth of experience in driving high-growth, cross-company engineering initiatives and collaboration strategies that deliver mission critical business solutions. He joined Real Matters in 2006. Throughout his career, Mr. Smith has demonstrated experience in building solutions for the Canadian and U.S. mortgage industries and has gained extensive knowledge and involvement in real estate collateral assessment and mortgage processing. Mr. Smith has held various executive positions at multiple organizations within the industry. As Vice President at Basis100, Mr. Smith led business units responsible for point-of-sale applications designed for mortgage brokers and managed the development and implementation of an automated underwriting system for lending institutions.

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<sup>3</sup> Effective October 21, 2024, Loren Cooke was appointed as Chief Operating Officer of Real Matters.

Mr. Smith also led the market requirements and delivery of a U.S. collateral assessment solution, which brought the leading automated valuation model and appraisal companies onto a single transaction platform.

**Lyne Beauregard, Vice President, Investor Relations and Corporate Communications (Real Matters):** Ms. Beauregard has over 20 years of experience in investor relations, communications and marketing in the technology and financial services industries. She joined Real Matters in March 2016 and was part of the team that led the IPO. Ms. Beauregard started her career with BCE Emergis. She went on to develop and lead Cinram International's first investor relations program, and held senior investor relations and communications positions with TD Bank Group and D+H. Ms. Beauregard holds a Bachelor of Commerce degree from Concordia University and a Certificate in Public Relations from Ryerson University.

**Jay Greenspoon, General Counsel and Corporate Secretary (Real Matters):** Mr. Greenspoon has nearly 15 years of experience as a business lawyer, including significant experience advising high-growth technology companies. Prior to joining Real Matters in 2018, Mr. Greenspoon was a Senior Associate at Osler, Hoskin & Harcourt LLP, a leading Canadian corporate law firm, where he specialized in mergers and acquisitions, corporate finance, corporate governance and commercial transactions. He holds an Honours Business Administration degree from the Ivey School of Business at the University of Western Ontario and a Juris Doctor degree from the University of Western Ontario.

**Colleen McCafferty, Chief Compliance Officer (Solidifi US):** Ms. McCafferty is a licensed attorney with more than 15 years of experience. She joined Solidifi's compliance department in 2016 and now leads the team responsible for regulatory compliance. Prior to joining Solidifi, Ms. McCafferty worked in a legal and compliance role for Southwest Financial Services, Ltd. Ms. McCafferty began her career as an assistant county prosecutor where she provided legal services to various county departments and officials. Ms. McCafferty completed her undergraduate studies at Miami University, where she earned a Bachelor's degree in Finance and a Bachelor's degree in Political Science. She obtained her Juris Doctor degree from The Catholic University of America, Columbus School of Law.

## **Committees**

Real Matters' board of directors has two committees: the Audit Committee and the Compensation, Nomination, Governance and Sustainability Committee. As of the date hereof, the Audit Committee is comprised of the following three directors, each of whom is "independent" and "financially literate" (within the meaning of applicable Canadian securities laws and TSX requirements): Garry Foster (Chair), Karen Martin and Frank McMahan. As of the date hereof, the Compensation, Nomination, Governance and Sustainability Committee is comprised of the following three directors, each of whom is "independent" (within the meaning of applicable Canadian securities laws and TSX requirements): Peter Vukanovich (Chair), Kay Brekken and Garry Foster.

### **Audit Committee**

The Company's board of directors has adopted the Audit Committee Mandate, in the form set out under Appendix "A" hereto.

The Audit Committee Mandate requires that the Audit Committee be comprised of at least three directors appointed by Real Matters' board of directors, each of whom meets the independence, financial literacy and audit committee composition requirements of NI 52-110 and the TSX. The members of the Audit Committee are appointed by Real Matters' board of directors at the board meeting following each annual shareholder meeting and serve as members of such committee until their successors are appointed or until their resignation or removal.

#### *Relevant Education and Experience*

In addition to each member's general business experience, the education and experience of each of Mr. Foster, Ms. Martin and Mr. McMahon that is relevant to the performance of his or her responsibilities as a member of the Audit Committee is set forth in his or her respective biography under the heading "Directors and Executive Officers – Biographies of Directors." Each member of the Audit Committee has an understanding of the accounting principles used to prepare the Financial Statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

#### *Pre-Approval Policies and Procedures*

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Mandate set out in Appendix "A" attached hereto. The policy provides that the Audit Committee shall pre-approve any non-audit services to be provided by the firm of the independent auditors to the Company.

#### *External Auditor Service Fees (By Category)*

The aggregate fees billed by the Company's external auditor for audit and other service fees in each of the last two financial years are as follows:

<b>Financial Year Ended</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees</b>	<b>All Other Fees</b>
September 30, 2024	C\$710,000	C\$75,000	Nil	Nil
September 30, 2023	C\$649,000	C\$75,000	Nil	Nil

Notes:

- (1) The fees disclosed in the table above under the item "Audit Fees" represent fees billed for audit and review services, including translation of the Company's Financial Statements into the French language.
- (2) The fees disclosed in the table above under the item "Audit Related Fees" represent fees to complete the Company's service organization control report.

### **Compensation, Nomination, Governance and Sustainability Committee**

Real Matters' board of directors has adopted the Compensation, Nomination, Governance and Sustainability Committee Mandate, in the form set out under Appendix "B" hereto.

The Compensation, Nomination, Governance and Sustainability Committee Mandate requires that the Compensation, Nomination, Governance and Sustainability Committee be comprised of at least three directors appointed by Real Matters' board of directors, each of whom meets the independence requirements of National Policy 58-201 – *Corporate Governance*

*Guidelines* and the TSX. Members of the Compensation, Nomination, Governance and Sustainability Committee are appointed by Real Matters' board of directors at the board meeting following each annual shareholder meeting and serve as members of such committee until their successors are appointed or until their resignation or removal.

### **Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

To the best of the Company's knowledge, no director or executive officer of the Company is, or was within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including the Company), that: (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer 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 director, chief executive officer or chief financial officer. For the purposes hereof, "**order**" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Except as described below, to the best of the Company's knowledge, no director or executive officer of the Company or shareholder holding a sufficient number of securities of Real Matters to affect materially the control of Real Matters: (a) is, as of the date of this Annual Information Form, or has been within the 10 years before the date of this Annual Information Form, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Rodrigo Pinto previously served as the Chief Financial Officer, Vice President, Finance and Corporate Secretary of MBAC Fertilizer Corp. ("**MBAC Fertilizer**") prior to his resignation on October 23, 2015. Subsequent to Mr. Pinto's resignation, MBAC Fertilizer completed a recapitalization transaction in April 2016 and then subsequently filed a Plan of Compromise and Arrangement under the *Companies' Creditors Arrangement Act* (Canada) in August 2016 (the "**CCAA Plan**"), which was over nine months' after Mr. Pinto's resignation. The Ontario Superior Court of Justice granted an order approving the CCAA Plan on October 3, 2016.

To the best of the Company's knowledge, no director or executive officer of the Company or shareholder holding a sufficient number of securities of Real Matters to affect materially the control of Real Matters, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **Conflicts of Interest**

The directors of Real Matters are required by law to act honestly and in good faith with a view to the best interests of Real Matters and to disclose any interests that they may have in any material contract or material transaction involving the Company. In situations where a director has a material interest in a matter to be considered by Real Matters' board of directors or any committee on which he or she serves, such director may be required to recuse himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors will also be required to comply with the relevant provisions of the CBCA regarding conflicts of interest.

To the best of the Company's knowledge, there are no existing or potential material conflicts of interest among the Company and any director or executive officer of the Company as a result of their outside business interests, except that certain directors and executive officers serve, and may in the future serve, as directors, officers and advisors of other companies and therefore it is possible that a conflict of interest may arise between their duties to the Company and their duties as a director, officer or advisor of such other companies. Where conflicts of interest arise, they are managed through a variety of measures, including declaration of the conflict, recusal from meetings and/or portions of meetings and the creation of separate board materials for the affected directors.

## **RISK FACTORS**

This section describes the principal risks and uncertainties that could have a material adverse effect on the Company's business, financial condition and results of operations. The risks and uncertainties described below are not exhaustive. Other risks and uncertainties not presently known to the Company or that the Company presently believes are not material may also have a material adverse effect on the Company's business, financial condition and results of operations. See "Cautionary Note Regarding Forward-Looking Information".

### ***Changes in economic conditions may result in fluctuations in demand for the Company's products and services.***

Residential mortgage volumes in North America are influenced by cyclical trends and seasonality. Cyclical trends, including, but not limited to, changes in interest rates, refinancing rates, the capacity of lenders to underwrite mortgages, house prices, housing inventory, demand for housing, the availability of funds for mortgage loans, credit requirements, regulatory changes, household indebtedness, employment levels and the general health of the North American economy, have a significant impact on the Company's operating performance. Revenues for appraisal services in the Company's U.S. Appraisal and Canadian segments are also significantly impacted by the seasonal nature of the residential mortgage industry, which typically sees home buyers purchase more homes in the Company's third and fourth fiscal quarters, representing the three months ending June 30 and September 30, respectively. Moreover, refinance activity is highly sensitive to changes in interest rates, with higher interest rates typically resulting in higher mortgage rates and reduced refinance mortgage origination volumes. Since the Company generates revenues on a per transaction basis and does not have any minimum volume guarantees in its agreements with clients, unfavourable economic conditions may reduce demand for the Company's products and services, which could have a material adverse effect on the Company's business, financial condition and results of operations. Furthermore, achievement of the targets set forth in the Company's target operating model, which are

described in further detail in the MD&A, are contingent upon, amongst other things, the Company hitting annual mortgage origination transaction volumes between 550,000 to 620,000 in its U.S. Appraisal segment and 120,000 to 150,000 in its U.S. Title segment. Unfavourable economic conditions could prevent or delay the Company from achieving the targets set forth in the target operating model which could have a material adverse effect on its business, financial condition and results of operations.

***The Company may not grow its market share in the U.S. Title business.***

The Company may not succeed in growing its market share in the U.S. Title business. If the Company fails to do so, particularly with Tier 1, Tier 2 and Tier 3 clients, it could have a material adverse effect on its business, financial condition and results of operations. In addition, a decline in the refinance origination market share of the Company's clients and/or one or more of the Company's largest clients ceasing, or substantially reducing, their refinance mortgage origination operations could also significantly impact the Company's overall market share of the U.S. title market, which could have a material adverse effect on the Company's business, financial condition and results of operations. Furthermore, the cost for large mortgage lenders to switch third-party service providers can be significant and the process can be long and time-consuming. As a result, potential clients, and in particular Tier 1, Tier 2 and Tier 3 mortgage lenders, may decide to continue with their current service providers, particularly when overall mortgage origination market activity is slow, even if they believe that the Company offers competitive advantages. If the Company is unable to persuade large mortgage lenders to engage the Company as a service provider, then the Company's ability to increase its market share in the U.S. Title business will be limited, which could have a material adverse effect on its business, financial condition and results of operations. Moreover, achievement of the Company's targets for its U.S. Title segment, which are described in further detail in the MD&A, are contingent upon, amongst other things, the Company hitting annual mortgage origination transaction volumes between 120,000 to 150,000 in its U.S. Title segment. If the Company is unable to grow its mortgage origination market share in the U.S. Title segment across both current and future clients and/or there is a material reduction in addressable refinance mortgage origination volumes due to legal or regulatory changes and/or new industry developments, it could prevent the Company from achieving, or delay the achievement of, the targets for the U.S. Title segment set forth in the Company's target operating model, which could have a material adverse effect on its business, financial condition and results of operations.

***The Company may not grow its market share in the U.S. Appraisal business.***

The Company may not succeed in growing its market share in the U.S. Appraisal business. If the Company fails to do so, particularly with its Tier 1 clients, it could have a material adverse effect on its business, financial condition and results of operations. In addition, a decline in the addressable origination market share of the Company's clients, and in particular its Tier 1 clients, and/or one or more of the Company's largest clients ceasing, or substantially reducing, their mortgage origination operations, could also significantly impact the Company's overall market share of the U.S. Appraisal market, which could have a material adverse effect on the Company's business, financial condition and results of operations. Furthermore, achievement of the Company's targets for its U.S. Appraisal segment, which are described in further detail in the MD&A, are contingent upon, amongst other things, the Company hitting annual mortgage origination transaction volumes between 550,000 to 620,000 in its U.S. Appraisal segment. If the Company is unable to grow its mortgage origination market share in the U.S. Appraisal segment, in particular with its Tier 1 clients, and/or there is a material reduction in addressable mortgage

origination volumes due to legal or regulatory changes and/or new industry developments, it could prevent the Company from achieving, or delay the achievement of, the targets for the U.S. Appraisal segment set forth in the target operating model, which could have a material adverse effect on its business, financial condition and results of operations.

***The Company may be unable to adequately protect against data corruption, data loss, privacy breaches, cyber-based attacks or network breaches.***

In the ordinary course of business, the Company collects, stores, processes and transmits confidential information belonging to its clients, partners, vendors, employees and independent contractors as well as its own proprietary business information. Additionally, the Company relies on third-party service providers, including data hosting providers, its network of Field Professionals and other vendors, to provide certain aspects of its products and services. The secure processing, transmission and storage of this confidential information is critical to the Company's business and the delivery of its products and services to its clients. Although the Company has implemented an information security program based on the industry-recognized NIST Cyber Security Framework that is designed to identify, detect, protect against, respond to, and recover from, incidents of malicious activity, there is no guarantee that such an information security program will prevent data corruption, data loss, privacy breaches, cyber-based attacks or network breaches, each of which could have a material adverse effect on the Company's business, financial condition and results of operations. In addition, although the Company: (i) requires its third-party service providers to implement information security programs that satisfy the Company's and its clients information security requirements; and (ii) conducts regular information security audits of its third-party service providers, there is no guarantee that these third-party service providers will comply with their contractual obligations or that the information security program implemented by these third-party service providers will prevent data corruption, data loss, privacy breaches, cyber-based attacks or network breaches. Advances in computer capabilities, hacking techniques and/or other developments may result in a compromise or breach of the technology used to protect confidential information and the Company and/or its third-party service providers may be unable to anticipate, timely identify or appropriately respond to such incidents. Servers may also be vulnerable to malware and similar disruptions resulting from unauthorized tampering with the Company's and/or a third-party's computer systems, which could lead to a loss of critical data or the unauthorized disclosure of confidential information. Security and/or privacy breaches could materially disrupt the Company's business operations, cause the Company to breach its client contractual obligations and/or result in the Company's clients losing confidence in the Company, each of which could expose the Company to liability, reputational harm and/or significant remediation costs and negatively impact the Company's competitive position, including resulting in the loss of market share and/or client relationships. The theft, loss, corruption and/or fraudulent use or misuse of confidential information, whether by third parties or as a result of employee malfeasance, could result in the Company incurring significant costs, fines and/or liability and become subject to litigation and/or regulatory actions.

The regulatory framework for privacy issues in the U.S. and Canada is constantly evolving, which requires the Company to regularly review and update its privacy policies and practices and to expend significant resources to ensure compliance with applicable privacy and data protection laws, many of which vary by state/province. In addition, the Company's clients are increasingly imposing more stringent contractual obligations on the Company and its third-party service providers relating to information security protections. If the Company and/or its third-party service providers are unable to maintain protections and processes at a level commensurate with that required by the Company's largest clients, it could negatively affect the Company's

relationships with such clients and harm its business, including the loss of market share and/or client relationships. Furthermore, if the Company fails to comply with federal, state, provincial and/or foreign laws regarding privacy and data protection, the Company could become subject to significant fines, penalties and/or regulatory actions imposed by regulators, as well as claims and/or lawsuits from its clients and their consumers.

***Issues with the Platform, including system interruptions that impair access to the Platform and/or material defects or errors in the Platform, could damage the Company's reputation.***

The effective performance, reliability and availability of the Platform is critical to the Company's reputation and its ability to attract and retain clients and Field Professionals. The Company may experience temporary system interruptions for a variety of reasons, including, among other things, network failures, computer viruses, software errors or human errors. Any system interruption that results in the unavailability of the Platform or impairs access could result in interruption of business operations, contractual breaches of service level requirements, client loss and/or loss of market share, diversion of technology and other resources, negative publicity and/or damage to the Company's reputation. Any one or more of the foregoing occurrences could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company depends on third-party service providers to supply continuous and uninterrupted access to certain elements of the Platform. However, the Company does not directly control the performance of third-party service providers which may make the Company's operations vulnerable to their performance failures. In addition, if for any reason the Company's relationship with certain third parties were to end or such third parties were unable or unwilling to continue to provide services to the Company or only willing to do so at a commercially unreasonable cost, it would require time and resources to transition the service to one or more new third-party service providers. There can be no assurance, however, that transitioning the service to one or more new third-party service providers would enable the Company to maintain existing performance levels in the short-term or at all. Similarly, if the reliability or security of any of the Company's third-party service providers is impacted for any reason, it could significantly restrict or otherwise prevent the Company from carrying out some or all of its business operations. Since the Company is dependent on third parties for the implementation and maintenance of certain aspects of the Platform and because some of the causes of system interruptions may be outside of its control, the Company may not be able to remedy such interruptions in a timely manner or at all. As the Company relies heavily on the Technology Infrastructure and the Internet to conduct its business, any system disruptions could negatively impact its ability to run its business and may disrupt its clients' businesses, which could have a material adverse effect on the Company's business, financial condition and results of operations.

Furthermore, software developed for the Platform may contain errors, defects, security vulnerabilities, harmful code, malware or software bugs that are difficult to detect and correct, particularly when first introduced. Despite internal testing, the Company's Technology Infrastructure may contain serious errors or defects that cause performance problems or service interruptions and/or security vulnerabilities, harmful code, malware or software bugs that the Company may be unable to successfully correct in a timely manner, or at all, which could result in, among other things: (i) client loss or a loss in market share; (ii) sales credits or refunds being issued to clients; (iii) delays in payment for services; (iv) diversion of development resources; (v) harm to the Company's reputation; and/or (vi) unanticipated litigation costs. If the Company fails

to adequately protect against material defects or errors in the Platform, it could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company is subject to various governmental regulations, and a failure to comply with governmental regulations or changes in these regulations could result in penalties, restrict operations or make it more burdensome to conduct operations.***

The residential mortgage market in which the Company operates is highly regulated, particularly in the U.S. where multiple levels of regulatory oversight exist, including federal banking regulators, state appraiser boards and state insurance boards. The Company's activities are subject to examination by both federal and state regulators as the Company is required to hold licenses at the state level to carry on its U.S. Appraisal and U.S. Title businesses nationwide. If the Company fails to maintain its licenses in good standing or is otherwise unable to renew any of its licenses, it would restrict its ability to provide certain products and services in one or more jurisdictions, which could result in client loss, a loss of market share and/or a reduction in serviceable volumes, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Since the Company operates in a highly regulated industry, compliance with laws and regulations may be onerous and expensive. In addition, laws and regulations may: (i) change from time to time, including those resulting from political changes; (ii) be inconsistent from jurisdiction to jurisdiction or be unclear as to whether certain requirements and/or obligations apply to the Company; or (iii) be applied differently at the state and/or county level due to differing political stances, in each case, further increasing the cost of compliance. While the Company has implemented a number of policies and procedures designed to ensure compliance with applicable laws and regulations, there can be no assurance that the Company's personnel will comply with such policies and procedures or that such policies and procedures will adequately address all applicable laws and regulations. Any failure by the Company to comply with applicable laws and regulations may restrict its ability to provide certain products and services in one or more jurisdictions or result in the Company being subject to civil fines, criminal penalties, substantial regulatory and compliance costs, significant litigation expense, damage to its reputation and/or loss of clients and/or market share, each of which could have a material adverse effect on its business, financial condition and results of operations. Furthermore, new laws, regulations and/or industry standards or changes to existing laws, regulations and/or industry standards, could require significant changes to the Company's business model or service offerings and/or reduce demand for the Company's products and services, including reducing addressable volumes. If the Company is unable to adapt its business model and/or service offerings to comply with any significant changes to the legal and/or regulatory landscape in a cost-efficient manner, it could have a material adverse effect on the Company's business, financial condition and results of operations.

Additionally, it is possible that regulatory oversight of the residential mortgage market in the U.S. may, in the future, be scaled back. Any reduction in existing laws and regulations may affect the barriers to entry that the current regulatory environment creates, which could have a material adverse effect on the Company's business, financial condition and results of operations.

***Increased focus and dependence on large mortgage lenders may result in the Company experiencing longer and more expensive sales cycles, pricing pressures and implementation complexities and will increase the Company's exposure to the loss of such clients.***

By strategically focusing sales efforts on large mortgage lenders that handle greater volumes of loans, the Company may experience longer and more expensive sales cycles, pricing pressures and implementation complexities. These large mortgage lenders typically demand more complex, technical integration and implementation services. Additionally, in many cases, the decision by such large mortgage lenders whether to use the Company's products and services is an enterprise-wide decision. As a result, these sales opportunities require the Company to incur significant expenses and expend significant internal resources, without any guarantee of future revenues. Many of the risks relating to these long sales processes are beyond the Company's control, including, but not limited to: (i) the timing of the clients' budget cycles and approval processes; (ii) the clients' willingness to augment or replace their current third-party service providers; (iii) the clients' capacity to underwrite mortgages; and (iv) general economic conditions. If the Company is unable to convert these sales opportunities to revenues, or such sales cycles take longer than anticipated or get delayed or terminated for reasons beyond the Company's control, it could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's largest clients are also the largest mortgage lenders in the U.S. and Canada. During the financial year ended September 30, 2024, two Tier 1 mortgage lenders individually represented greater than 10% of the Company's consolidated revenues. Any significant changes in the Company's relationship with, or the loss of all or a substantial portion of the business derived from, these clients, any of the other Tier 1 mortgage lenders or any other significant client of the Company could have a material adverse effect on the Company's business, financial condition and results of operations.

***Significant demands being placed on the Company's management and infrastructure.***

The Company has placed, and will continue to place, significant demands on its management and its operational, technical and financial infrastructure. These demands could strain the Company's ability to: (i) maintain reliable, high-quality service levels for its clients; (ii) develop and improve its operational, financial, technical and management controls; (iii) enhance its reporting systems and procedures; and (iv) recruit, train and retain highly-skilled personnel.

Managing and maintaining the Company's infrastructure requires expenditures and allocation of valuable management resources. Failure to effectively manage the Company's infrastructure could result in: (i) difficulties or delays in deploying new clients or new channels; (ii) declines in work quality or client satisfaction; (iii) increases in costs; (iv) increased risk of non-compliance with legal and regulatory requirements; (v) difficulties in introducing new products and services; and/or (vi) other operational difficulties, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

Furthermore, the Company's clients, especially its Tier 1 clients, impose significant demands on its vendors, including, amongst other things, demands related to performance and service levels, information security, business continuity, background checks, reporting, Sustainability requirements and insurance. Many of these demands require the Company to incur significant upfront expenditures without any minimum volume guarantees. If the Company is unable or

unwilling to meet these significant demands, it could have a material, adverse effect on the Company's business, financial condition and results of operations.

***The Company operates in a competitive business environment and might be unable to maintain its competitive position.***

The Company's competitors vary in size and in the scope and breadth of products and services they offer. Since lenders typically allocate their mortgage origination volumes to the Company based on the Company's performance relative to its competitors and do not provide any minimum volume guarantees, the markets for the Company's products and services are extremely competitive. There can be no assurance that the Company will be able to successfully compete against current or future competitors or that the competitive pressures the Company faces in the markets in which it operates will not have a material adverse effect on its business, financial condition and results of operations.

Maintaining demand for its products and services over the short and long term will require the Company to, among other things: (i) successfully develop and bring to market enhancements to existing products and services; (ii) develop new products, services and technologies that address the needs of its existing and prospective clients; and (iii) respond to changes in industry standards and practices, in each case, in a cost-effective manner and on a timely basis. However, there is no guarantee that the Company will be successful in attaining sufficient market acceptance of any such enhancements or new products, services or technologies, which could occur for a number of reasons, including, but not limited to: (i) the Company's failure to effectively respond to market needs; (ii) delays in releasing enhancements or new products, services or technologies to the market; (iii) the introduction or anticipated introduction of competing products, services or technologies by the Company's competitors; (iv) performance, stability and/or compatibility issues with the Platform; (v) negative publicity related to the enhancements and/or new products, services or technologies; and/or (vi) defects, errors or failures in the Platform caused by such enhancements or new products, services or technologies. Furthermore, since the Company must incur expenses and expend resources upfront in order to develop and bring to market enhancements or new products, services or technologies without any minimum volume guarantees, failure to achieve the broad market acceptance necessary to generate the revenue required to offset such expenditures could have a material adverse effect on the Company's business, financial condition and results of operations.

***If the Company fails to retain its key employees or hire and onboard highly skilled personnel in a timely manner, its business could be harmed and it might not be able to successfully implement its business plan.***

The Company believes its future success is largely dependent on its ability to attract and retain highly skilled key personnel. There is no guarantee that the Company will be able to retain its key personnel or that it will be able to attract and retain new highly skilled individuals without incurring increased compensation costs to do so. Furthermore, even if the Company is able to attract new highly skilled individuals, there can be no assurance that it will be able to attract and onboard new hires within a timeframe that enables the Company to scale up its operations to meet client volume demands. This could result in the Company failing to meet contractual service level requirements and/or lead to client loss, loss of market share with clients and/or damage to

the Company's reputation with clients, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company's compensation program for its executives and certain other employees currently includes short-term cash incentive payments and/or the granting of long-term equity awards which are intended to be an important tool in attracting and retaining these employees. However, if: (i) the Company's stock performs poorly; (ii) the performance targets for the short-term cash incentive payments and/or long-term equity awards are not achieved; and/or (iii) the amount of such cash bonuses and/or equity awards are not competitive relative to market rates for comparable positions, then the granting of such incentive compensation may be an ineffective retention tool. Although the Company continually evaluates and, when appropriate, modifies its compensation practices, any changes in its compensation practices or those of its competitors, or any ineffective compensation practices, could adversely impact the Company's ability to retain and motivate these employees and/or recruit new employees which could have a material adverse effect on the Company's business, financial condition and results of operations. Moreover, significant inflation in the U.S. and Canada over the past couple years has resulted in rising employee compensation costs. If rising employee compensation costs continue, it could not only impact the Company's operating expenses, but also its ability to recruit and retain talent.

***The Company may become subject to legal and/or regulatory proceedings and claims, the outcome of which cannot be predicted with certainty.***

From time to time, the Company is subject to legal proceedings, regulatory proceedings and/or claims arising in the ordinary course of business. The outcome of any outstanding, pending or future proceeding or claim, including any liability related thereto and/or regulatory restrictions imposed on the Company, cannot be predicted with certainty and could have a material adverse effect on the Company's business, financial condition and results of operations. Moreover, even if the Company prevails in such proceedings and claims, such proceedings and claims can be costly and time-consuming and could divert the attention of management and key personnel away from the Company's business operations. In addition, there can be no assurance that the limitation of liability provisions in the Company's contracts are enforceable or would otherwise adequately protect the Company from any such liabilities or damages with respect to any particular proceeding or claim. Furthermore, although the Company maintains various insurance policies to limit its potential exposure from proceedings and claims, the Company cannot be certain that: (i) its insurance coverage will continue to be available on acceptable terms (including, but not limited to, reasonable limits, deductibles and premiums) and be of a sufficient amount to cover one or more significant proceedings and/or claims; and (ii) the Company's insurers will not deny coverage due to an exclusion in the Company's insurance policies. A proceeding or claim brought against the Company could also result in the Company incurring reputational harm which could lead to loss of clients and/or loss of market share, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The market price of the common shares may fluctuate significantly and could fall below the expectation of securities analysts and investors due to various factors.***

The market price of Real Matters' common shares has previously been, and may continue to be, volatile and could in the future be subject to significant fluctuations due to a number of factors, including, but not limited to:

- actual or anticipated fluctuations in the Company's operating results or in the expectations of analysts;
- significant volatility in the market price and trading volume of comparable companies;
- announcements of: (i) acquisitions/dispositions; (ii) new clients or client losses; (iii) new products and services; (iv) strategic alliances; (v) capital commitments; (vi) significant litigation; (vii) key personnel changes; or (viii) significant contracts, in each case, by the Company or by its competitors;
- changes in political, economic, industry and/or market conditions and trends;
- litigation or regulatory actions against the Company;
- investors' general perception of the Company and the public's reaction to its press releases and other public filings with applicable securities regulators;
- the impact of quantitative trading;
- publication of research reports or news stories about the Company, its competitors or its industry, or changes in research coverage or recommendations by analysts;
- recruitment or departure of key personnel, including board and/or executive changes;
- sales of common shares by directors, executive officers and existing shareholders; and
- the other risk factors described in this section of the Annual Information Form.

In addition, there can be no assurance that an active trading market for Real Matters' common shares will be available in the future. If an active public market is not available, the liquidity of an investment in Real Matters' common shares may be limited and the market price of the common shares could decline.

***Reclassification of exempt employees and/or independent contractors, including Field Professionals, could require the Company to make changes to its business model and/or subject the Company to lawsuits and fines.***

The Company classifies its employees as exempt or non-exempt for the purpose of determining certain entitlements, including the entitlement to receive overtime pay. The Company also engages thousands of Field Professionals, and certain other individuals and entities, as independent contractors. A reclassification of exempt employees to non-exempt and/or independent contractors to employees, whether arising as a result of legislative or regulatory changes, a determination by a regulatory or tax authority having jurisdiction over the Company or a civil, collective or class action lawsuit, could: (i) subject the Company to significant additional compensation expenses, taxes, employee benefit costs, interest and/or penalties with respect to such individuals; and (ii) require the Company to make significant changes to its business model, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company may incur losses as a result of Field Professional work product liability.***

The Company manages a network of Field Professionals who produce a work product that the Company's clients and underwriters rely on to make decisions. Should Field Professionals

produce work that is defective and results in a client and/or underwriter incurring a financial loss, such parties may seek indemnification from the Company. Similarly, borrowers may attempt to seek recourse directly against the Company for losses they incur as a result of the Field Professional work product. In addition, the COVID-19 pandemic resulted in a number of changes to industry standards and processes (some of which were temporary in nature), including the methods for performing various services. These changes, however, also created additional risks as certain traditional standards and processes were relaxed in an attempt to stop the spread of COVID-19 and protect public safety. In certain contracts, the Company accepts liability for defects of a Field Professional's work product, and as such, these parties may choose to seek indemnification from the Company directly. If a client, borrower or underwriter seeks recourse from the Company directly, the Company can in turn attempt to seek recourse from the Field Professional as its contracts with Field Professionals generally require the Field Professional to indemnify the Company for losses incurred as a result of defects in the Field Professional's work product and to maintain errors and omissions insurance to help ensure that the Field Professional has sufficient financial means to satisfy the Field Professional's indemnification obligations to the Company. There is no guarantee, however, that: (i) Field Professionals will comply with their contractual requirements; (ii) the contractual requirements will be applicable to the particular situation; (iii) the applicable Field Professional's insurer will not deny insurance coverage due to an exclusion in the Field Professional's insurance policy; or (iv) the applicable Field Professional will have sufficient financial means (inclusive of any available insurance coverage) to indemnify the Company for the full amount of losses incurred by the Company. If the Company becomes subject to a lawsuit, claim, regulatory finding or indemnification request with respect to Field Professional work product liability and is unable to obtain recourse from the Field Professional for the full amount of losses incurred, it could have a material adverse effect on the Company's business, financial condition and results of operations.

***Failing to maintain Field Professional engagement could limit the Company's ability to grow.***

The Company relies on its network of Field Professionals to provide its products and services to clients. The Company's ability to build and maintain strong working relationships with a sufficient number of Field Professionals in multiple geographies and who have a sufficiently diverse skill set to enable such Field Professionals to provide a variety of products and services to the Company is essential to the success of its business. Failure to recruit, onboard and maintain an adequate number of Field Professionals on its network could impede the Company's ability to scale up its operations to meet client volume demands, grow its market share with existing clients, attract new clients and/or offer new products and services. Furthermore, failure to recruit, onboard and maintain an adequate number of Field Professionals on its networks with a sufficiently diverse skill set could result in the Company failing to meet contractual service level requirements and/or lead to client loss, loss of market share with clients, damage to the Company's reputation with clients and/or increased operating costs, any of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company may be unable to meet the Sustainability expectations of its various stakeholders, achieve its fiscal 2030 GHG emissions reduction target and/or comply with its commitments set forth in its various Sustainability-related policies.***

There is an increased expectation by various stakeholders, including clients, employees, business partners and governmental and regulatory bodies, for companies to address social, sustainability and environmental matters, including, but not limited to: (i) reducing climate change and the negative impacts of its business on the environment; (ii) upholding fundamental human

rights and promoting a fair and inclusive work environment; and (iii) demonstrating strong governance and policies in managing Sustainability-related risks. As a result, new Sustainability standards, regulations and trends have been rapidly evolving over the past few years. While the Company is focused on achieving its fiscal 2030 GHG emissions reduction target and abiding by the various commitments set forth in each of its Sustainability-related policies, including, but not limited to, its Sustainability and Environmental Policy and Human Rights Policy, there can be no assurance that: (i) the Company will be able to achieve its GHG emissions reduction target and/or its Sustainability-related commitments; or (ii) the Company's Sustainability-related initiatives will meet the needs and expectations of the Company's various stakeholders or regularly evolving Sustainability regulations, standards and trends. If the Company's Sustainability-related initiatives do not meet the expectations of its various stakeholders or satisfy regularly evolving regulations, standards and trends, it could result in contractual breaches, client loss and/or loss of market share, negative publicity, damage to the Company's reputation, regulatory penalties and/or fines and/or decreased attractiveness of the Company to investors and key personnel, each of which could have a material, adverse effect on the Company's business, financial condition and results of operations. Furthermore, the Company's commitment to its Sustainability-related initiatives, including its GHG emissions reduction target, will require significant time, cost, resources and management focus and could divert the attention of management and key personnel away from the Company's business operations.

***The Company may need additional capital, which it may not be able to raise when needed, either on acceptable terms or at all.***

From time to time, the Company may require additional capital to, among other things, fund its growth, enhance its products, services and technologies, respond to competitive pressures and/or make acquisitions or other investments. In addition, the Company's business plans may change, general economic, financial or political conditions may change or other circumstances may arise, each of which could have a significant impact on the Company's cash flows and anticipated cash needs. Any such circumstances could require the Company to raise additional capital. If additional capital is not available, when needed, either on satisfactory terms or at all, it could have a material adverse effect on the Company's business, financial condition and results of operations.

If Real Matters were to raise additional capital through the issuance of equity or debt securities, those securities may have rights and privileges that are senior to the rights and privileges attaching to the common shares. In addition, issuing additional equity securities to raise additional capital would also dilute the holdings of Real Matters' existing shareholders and may reduce the market price of the common shares. Alternatively, if Real Matters were to raise additional capital through debt financing, it would result in increased interest expense and may involve agreements that include covenants that limit or restrict the Company's ability to take certain actions, such as incurring additional debt, making capital expenditures, completing acquisitions, declaring dividends or issuing equity.

***The Company may be unable to maintain effective internal controls, and all control systems nevertheless have inherent limitations.***

The Company has established internal controls over financial reporting and disclosure controls and procedures designed in accordance with NI 52-109. However, a control system, no matter how well designed and implemented, can provide only reasonable assurance that the objectives of the control system are met. As a result of the inherent limitations in all control systems,

no evaluation of controls can provide absolute assurance that all control issues within an organization, including instances of fraud, if any, have been detected. These inherent limitations include, amongst other items, that: (i) management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; and (ii) isolated errors may occur. In addition, controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any system of controls is also based, in part, upon certain assumptions about the likelihood of future events, and there can be no assurance that any design procedures will succeed in achieving its stated goals under all potential conditions. In addition, it is possible that internal controls may be circumvented due to the vast majority of the Company's employees working in a hybrid work environment or as a result of reduced employee headcount. If the Company fails to maintain effective internal controls, it could have a material adverse impact on the Company's business, financial condition and results of operations.

***If the Company's accounting estimates and judgments are incorrect, subsequent adjustments could require the Company to restate its historical financial statements.***

The Company routinely makes accounting estimates and judgments in the ordinary course of business. Such accounting estimates and judgments will affect the reported amounts of its assets and liabilities as of the date of its financial statements and the reported amounts of its operating results during the periods presented. Additionally, the Company interprets the accounting rules in existence as of the date of its financial statements. If the underlying estimates are ultimately proven to be incorrect, subsequent adjustments could have an adverse effect on the Company's operating results for the period or periods in which the change is identified. Additionally, subsequent adjustments could require the Company to restate its historical financial statements.

The Company continually reviews accounting rules and regulations and works with its auditors and third-party experts on all significant accounting and valuation matters. However, economic uncertainty and weak mortgage market conditions over the past few years could require the Company to reassess certain assumptions and judgments related to, amongst other things, its forecast of future operating performance and/or the ability to sustain the Company's operations and to assess the recoverability of assets recorded in its statement of financial position.

***Damage to the Company's reputation and/or brands could cause a loss of existing clients, loss of market share and/or difficulty attracting new clients.***

There has been a marked increase in the use of social media platforms and similar channels that provide individuals with access to a broad audience of consumers and other interested persons. The availability and impact of information on social media platforms is virtually immediate and the accuracy of such information is not independently verified. The opportunity to disseminate information, including inaccurate information, is limitless and readily available. The Company's reputation and brands are very important to attracting new clients, retaining existing clients and increasing market share, including selling additional products and services to these clients, and maintaining high-performing Field Professionals on its network. While the Company believes that it has a strong reputation and strong brands and that it provides its clients with an excellent overall experience, there can be no assurance that the Company will continue to maintain a good relationship with its clients and/or Field Professionals or avoid negative publicity. Any damage to the Company's reputation and/or brands, whether arising from its conduct of business, negative publicity, regulatory, supervisory or enforcement actions, litigation, security

breaches, matters affecting its financial reporting, compliance with applicable laws and regulations or otherwise could have a material adverse effect on its business, financial condition and results of operations.

***Market forecasts and estimates may prove to be inaccurate, and even if achieved, the Company's business may not grow at similar rates***

The Company uses forecasts and data from a wide variety of industry sources (including the MBA, Fannie Mae and other independent sources) in addition to good faith estimates derived from management's knowledge of the industry to inform the Company's own forecasts and estimates for key market trends. Forecasts regarding total U.S. mortgage origination volumes, the average loan amount and other mortgage market industry metrics are inherently uncertain or speculative in nature and actual outcomes for any period could materially differ from these market forecasts and estimates. Furthermore, even if the market forecasts and estimates prove to be accurate, there is no guarantee that the Company's business will grow at similar rates as the overall industry growth, which could have a material adverse effect on the Company's business, financial condition and results of operations.

***Fixed price client contracts could adversely impact the Company's margins and profitability***

A significant portion of the Company's revenues are generated from fixed price client contracts which require the Company to perform all of the work for a specified lump sum payment. Fixed pricing terms expose the Company to a number of risks not inherent in cost-plus arrangements, including, but not limited to, underestimation of costs, unforeseen costs and/or economic, political and/or regulatory changes that occur during the term of the contract that increase costs. Increases in costs and/or a rise in inflation beyond the Company's expectations may significantly impact the Company's margins and profitability, which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company's business is subject to the risk of catastrophic events which are beyond the Company's control.***

The Company's business operations and systems, including its primary data centres which are hosted by third-party services providers, are vulnerable to damage or interruption from catastrophic events such as earthquakes, fires, floods, power losses, telecommunications failures, pandemics, epidemics, terrorist attacks, acts of war and similar events, which are beyond the Company's reasonable control and could have a material adverse effect on the Company's business, financial condition and results of operations. Although the Company has developed thorough business continuity and disaster recovery plans, if a catastrophic event were to occur there is no guarantee that the Company will: (i) be able to restore its operations within the period of time permitted by contractual service level requirements; and/or (ii) have sufficient insurance coverage to compensate the Company for all losses that it may incur as a result of such catastrophic event. Furthermore, the impact of a catastrophic event on the Company's business, financial condition and results of operations would likely depend on the duration and severity of such catastrophic event, any resulting governmental regulations and actions, the reputational harm experienced by the Company with its clients and business partners and any related adverse

changes in general economic and market conditions, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company may be unable to adequately protect its intellectual property.***

The protection of the Company's intellectual property rights, including its technology, is crucial to the success of its business. The Company relies on a combination of copyright, trademark and trade secret law and contractual restrictions to protect its intellectual property and brands, including registering the "Real Matters" and "Solidifi" trademarks in Canada and the U.S. and the "iv3" trademark in Canada. The Company's intellectual property rights, however, may only provide limited protection for its technology and brands and may not be sufficient to provide a competitive advantage to the Company. For instance, competitors and/or other business entities may adopt names that are similar to the Company's name, which could impede the Company's ability to build brand identity and possibly lead to confusion. In addition, the Company could be subject to trademark infringement claims brought by owners of other trademarks that incorporate variations of the terms of the Company's registered trademarks.

The Company also relies in part on confidentiality and intellectual property assignment agreements with its employees, independent contractors and consultants to protect its intellectual property rights. These agreements may not be effective in preventing disclosure of confidential information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of the Company's confidential information. In addition, third parties may independently develop the Company's confidential information, including its trade secrets, and, in such case, the Company may be unable to successfully assert intellectual property rights against such third parties. Despite the Company's efforts to protect its proprietary rights, unauthorized parties may attempt to copy aspects of the Platform, including its functionality, or obtain and use information that the Company considers proprietary. Policing the Company's proprietary rights is difficult and could result in the Company incurring substantial litigation costs and diversion of resources, without any guarantee of success, which could have a material adverse effect on the Company's business, financial condition and results of operations.

Furthermore, some of the Company's technology incorporates software licensed under open-source licenses. Open-source licenses typically require that source code subject to the license be made available to the public and that any modifications or derivative works to such open-source software continue to be licensed under open-source licenses. Certain open-source licenses also typically mandate that proprietary software, when combined in specific ways with open-source software, become subject to the applicable open-source license. The Company has policies and processes in place to guard against its proprietary software being combined with, or incorporating, open-source software in ways that would require its proprietary software to be subject to an open-source license. However, the Company relies on multiple software programmers to design its proprietary technology and cannot be certain that its processes will be effective so as to ensure that programmers have not incorporated open-source software into its technology, or that they will not do so in the future. If the Company's proprietary technology is determined to be subject to an open-source license, the Company may be required to publicly release certain source code in its proprietary technology and/or replace those components of its proprietary technology with internally developed software or software obtained from a third-party, either of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company may not be able to successfully identify, consummate or integrate future acquisitions.***

One of the Company's strategies to grow its business is to opportunistically acquire and/or enter into joint venture arrangements with complementary businesses, technologies, products and services. This strategy will depend on the Company's ability to find suitable acquisition and/or joint venture targets and finance them on acceptable terms. The identification of suitable acquisition and/or joint venture targets can be difficult, time-consuming and costly and the Company may not be able to successfully identify suitable acquisition targets or complete such acquisitions.

If the Company is unable to find and complete suitable acquisitions and/or joint venture targets, it may slow the Company's future growth. Alternatively, even if the Company successfully completes an acquisition, it may face challenges in integrating the acquired business, such as eliminating redundant operations, coordinating management and personnel, retaining management and key employees, managing different corporate cultures, managing multiple operating platforms and achieving cost reductions and cross-selling opportunities. Furthermore, if the Company fails to successfully integrate acquired businesses, it could impair the Company's relationships with its employees, clients and strategic partners, divert the attention of management from the Company's existing business operations, create additional demands on the Company's resources and systems, result in control failures and/or security breaches and/or otherwise disrupt the Company's ongoing business operations, each of which could have a material adverse effect on the Company's business, financial condition and results of operations.

***If the Company's products and services are found to infringe on the proprietary rights of others, the Company may incur significant costs, damages and/or monetary penalties and may be required to change its business practices.***

As the Company continues to develop and expand its products and services, the Company may become increasingly subject to infringement claims from third parties. Likewise, if the Company is unable to maintain adequate controls, including implementing appropriate policies and procedures, over how it utilizes third-party intellectual property, the Company may be subject to infringement claims. Defending such claims, regardless of merit, could: (i) be expensive and time consuming; (ii) result in the Company incurring significant costs, damages and/or monetary penalties; (iii) cause the Company to cease making, licensing or using certain technology that incorporates the challenged intellectual property; (iv) negatively impact the Company's existing business operations and/or reputation; (v) require the Company to re-design the Platform and/or change its business practices; and/or (vi) require the Company to enter into royalty or licensing arrangements in order to obtain the right to use the challenged intellectual property.

Any efforts by the Company to re-develop its products and services, obtain licenses from third parties to license the challenged technology or license a substitute technology may not be available on commercially reasonable terms, or at all, and, in any case, may substantially increase the Company's operating costs and/or harm its business operations and reputation. Additionally, the Company could be liable to third parties for damages for past infringement if a court determines that the Company is infringing third-party proprietary rights.

***Existing tax laws may change and/or the Company may experience adverse outcomes resulting from examination by the tax authorities of its income tax returns.***

The Company is subject to federal, provincial, state and local income taxes in the U.S. and Canada. The Company's future effective tax rates and the value of its deferred tax assets could be adversely affected by changes in tax laws. In addition, the Company is subject to the examination of its income tax returns by the U.S. Internal Revenue Service, Canada Revenue Agency and other tax authorities. The Company regularly assesses the likelihood of adverse outcomes resulting from such examinations to determine the adequacy of its provision for income tax. Significant judgment is required in determining the Company's consolidated provision for income taxes. Although the Company believes it has made appropriate provisions for taxes in the jurisdictions in which it operates, changes in tax laws or challenges from tax authorities under existing tax laws could have a material adverse effect on the Company's business, financial condition and results of operations.

***The Company's financial and operational risk management efforts may not be effective.***

The Company could incur substantial losses and its business operations could be disrupted if the Company is unable to effectively identify, manage, monitor and mitigate financial risks, such as credit risk, interest rate risk, liquidity risk, exchange rate risk and other market-related risk, as well as operational risks related to its business, assets and liabilities. If the Company's risk management policies, procedures and techniques are not sufficient to: (i) identify all of the material risks the Company is exposed to; (ii) mitigate the material risks that the Company has identified; or (iii) identify concentrations of risks or additional risks that the Company may become subject to in the future, then it could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company is exposed to movements in exchange rates between the Canadian and U.S. dollar since the Company's reported financial results are expressed in U.S. dollars, but a portion of its assets, liabilities and operations reside, or are conducted, in Canada. As the Company does not currently hedge the impact of foreign currency exchange fluctuations between the Canadian and U.S. dollar, a significant change in the foreign currency exchange rate between the Canadian and U.S. dollar could result in a significant change in the Company's reported amount of total assets and liabilities and its reported financial results.

***Current and future accounting pronouncements and other financial reporting standards could cause unanticipated fluctuations in the Company's financial results in future periods.***

The Company regularly monitors its compliance with applicable financial reporting standards and reviews new accounting pronouncements and drafts thereof that are relevant to the Company. As a result of new standards, changes to existing standards and changes in their interpretation, the Company might be required to change its accounting policies, which could have a material adverse effect on its financial results or cause unanticipated fluctuations in its financial results in future periods. Furthermore, the Company is unable to predict the impact of new accounting standards, changes to existing standards and/or changes in their interpretation, other than the impact of those items already identified and addressed in its Financial Statements.

***Real Matters may issue additional shares in the future which would be dilutive to existing shareholders.***

Real Matters may issue additional common shares (including upon the exercise of outstanding options or warrants, if any, the vesting or settlement of outstanding RSUs or PSUs, if any, and the conversion of outstanding convertible debt, if any) or preferred shares in the future, which would be dilutive to existing shareholders and may reduce the market price of the common shares. Real Matters' articles permit the issuance of an unlimited number of common shares and an unlimited number of preferred shares and shareholders have no pre-emptive rights in connection with any such future issuances. In addition, if outstanding options or warrants, if any, are exercised, if common shares are issued on the vesting or settlement of outstanding RSUs or PSUs, if any, or if common or preferred shares are issued upon the conversion of outstanding convertible debt, if any, existing shareholders will incur dilution. Furthermore, Real Matters' board of directors has discretion, subject to certain restrictions, to determine if an issuance of common shares or preferred shares is warranted, the price at which such issuance is effected and the other terms of issuance. Any issuance of preferred shares in the future could adversely affect the rights and privileges attaching to the common shares, without the need for any further vote or action on the part of existing shareholders.

***Real Matters is a holding company and dependent on its subsidiaries for cash flows.***

Real Matters is a holding company and substantially all of its operations are carried out by its subsidiaries. Real Matters has no direct operations and no significant assets, other than the shares of its subsidiaries and cash on hand. Accordingly, Real Matters is dependent on cash flows from its subsidiaries to meet its obligations. The ability of Real Matters' subsidiaries to provide it with sufficient cash flows to satisfy its obligations may be constrained by factors such as the cash flows generated by operations, investment and financing activities and the level of taxation, particularly corporate profits and withholding taxes. If Real Matters is unable to receive sufficient cash from its subsidiaries to satisfy its outstanding obligations, it may be required to incur indebtedness, raise funds in an equity or debt offering, or sell some or all of its assets. There can be no assurance that any such financing will be available on satisfactory terms or at all.

***It may be difficult for shareholders to enforce judgments obtained against the Company.***

The majority of the Company's subsidiaries and the majority of its assets are located outside of Canada. Accordingly, it may be difficult for shareholders to enforce any judgments against such assets in Canada. In addition, certain directors and officers reside outside of Canada and substantially all of the assets of these persons are located outside of Canada. It may not be possible for shareholders to effect service of process against the Company's directors and officers who are not resident in Canada. If a judgment is obtained in a Canadian court against one or more of the directors or officers who reside outside of Canada for violations of Canadian securities laws, it may not be possible to enforce such judgment against those directors and officers. Moreover, it may be difficult for an investor, or any other person or entity, to assert Canadian securities law claims or otherwise in original actions instituted in U.S. courts, and these jurisdictions may refuse to hear a claim based on a violation of Canadian securities laws on the grounds that such jurisdiction is not the most appropriate forum to bring such a claim.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

None of (i) the Company's directors or executive officers, (ii) any shareholder who beneficially owns, controls or directs, directly or indirectly, more than 10% of Real Matters' voting securities, or (iii) any associate or affiliate of any of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years that has materially affected or is reasonably expected to materially affect the Company.

## **MATERIAL CONTRACTS**

The Company did not enter into any material contracts during the financial year ended September 30, 2024 or before the financial year ended September 30, 2024 that are still in effect, other than in the ordinary course of business.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

The Company is from time to time involved in legal proceedings in the ordinary course of business. The Company believes that none of the litigation in which it is currently involved, or has been involved since the beginning of the most recently completed financial year, individually or in the aggregate, is material to its consolidated financial condition or results of operations.

To the best of the Company's knowledge, during the most recently completed financial year, the Company was not subject to: (i) any penalties or sanctions imposed by a court or a securities regulatory authority relating to securities legislation; (ii) any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements entered into before a court or securities regulatory authority relating to securities legislation.

## **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for Real Matters' common shares is TSX Trust Company at its principal office in Toronto, Ontario.

## **INTEREST OF EXPERTS**

Deloitte LLP is the external auditor of the Company and has audited the Financial Statements. Deloitte LLP has confirmed to the Company that it is independent of the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found under Real Matters' SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Real Matters' securities and securities authorized for issuance under the LTIP, is contained in Real Matters' management information circular for its most recent annual meeting of shareholders that involved the election of directors.

Additional financial information is provided in the Financial Statements and MD&A.

## APPENDIX "A" – AUDIT COMMITTEE MANDATE

### REAL MATTERS INC.

#### (the "Company")

As approved by the Board of Directors of the Company (the "**Board**") on November 20, 2024.

#### A. PURPOSE AND SCOPE

The Audit Committee (the "**Committee**") of the Board shall be responsible for assisting in the Board's oversight of: (i) the reliability and integrity of the accounting principles and practices; (ii) the financial statements, management discussion & analysis and quarterly earnings news releases; (iii) the qualifications and independence of the independent auditor; (iv) the performance of the Company's internal audit function and independent auditor; (v) the effectiveness of the Company's internal controls; (vi) the Company's compliance with legal and regulatory requirements; and (vii) other financial reporting and disclosure practices followed by management of the Company.

#### B. COMPOSITION AND MEETINGS

The Committee shall be comprised of a minimum of three directors as appointed by the Board, each of whom shall meet the independence, financial literacy and audit committee composition requirements (collectively, the "**Applicable Requirements**") of: (i) National Instrument 52-110 *Audit Committees* ("**NI 52-110**") of the Canadian Securities Administrators; (ii) any exchange upon which securities of the Company are traded; and (iii) any governmental or regulatory body exercising authority over the Company (each a "**Regulatory Body**" and collectively, the "**Regulatory Bodies**"). The Committee shall provide oversight of management to ensure that all necessary and proper disclosures are made in all applicable filings with Regulatory Bodies as to the composition of the Committee.

A majority of the members of the Committee shall constitute a quorum at any meeting of the Committee, but in no case shall a quorum be comprised of less than two members of the Committee. The action of a majority of those present at any meeting of the Committee, after determining a quorum, shall be the act of the Committee.

The members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors are duly appointed or until the earlier of their death, resignation or removal. The Board may fill a vacancy in the membership of the Committee and may remove a member of the Committee at any time for any reason. The Board shall approve the chair of the Committee (the "**Chair**") based upon the recommendation of the Committee members. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members.

The Committee shall meet as necessary, but at least four times per year (once after each quarter), to fulfill its responsibilities and duties as set forth herein. At the invitation of the Committee, members of the Company's management and others may attend Committee meetings. The Company's independent auditor is entitled to attend and be heard at each Committee meeting. The Committee shall meet without management present and also meet separately with the Company's independent auditor at each Committee meeting. All independent directors may attend Committee meetings, provided that directors who are not members of the Committee

shall not be entitled to vote, nor shall their attendance be counted as part of the quorum of the Committee.

The Chair, any member of the Committee, the Company's independent auditor, the Chair of the Board, the Lead Independent Director of the Board (if applicable), the Chief Executive Officer or the Chief Financial Officer may call a meeting by notifying the Company's Corporate Secretary who will notify members of the Committee. Ordinarily, meetings of the Committee should be convened with no less than seven days' notice having been given. In exceptional circumstances the requirement for notice may be waived subject to the formal consent of no less than the number of Committee members that constitutes a quorum of the Committee or instruction by a resolution of the Board.

The Committee shall report its actions to the members of the Board and the Corporate Secretary of the Company and shall keep written minutes of its meetings, which shall be recorded and filed with the books and records of the Company. The Chair (in consultation with the Chair of the Board, the Lead Independent Director of the Board (if applicable), the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary) shall be responsible for establishing or causing to be established the agenda for each Committee meeting, and for ensuring that minutes of Committee proceedings are kept and circulated to Committee members on a timely basis for review and approval. Minutes of each meeting will be made available to the members of the Board, the Corporate Secretary of the Company and the Company's auditors. The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

### **C. RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties the Committee shall:

1. at least annually, review and assess the adequacy of this mandate, including ensuring its compliance with any rules or regulations promulgated by any Regulatory Body, and recommend any proposed modifications to this mandate to the Board for approval;
2. at least annually, establish a Committee work plan for a period of not less than one year;
3. at least annually, review the performance of the independent auditor, its independence and application of professional standards;
4. at least annually, recommend to the Board for approval by the shareholders the appointment of the independent auditor of the Company in accordance with the *Canada Business Corporations Act*;
5. at least every five years, perform a detailed review of the performance of the independent auditor over multiple years to provide further insight on the audit firm, its independence and application of professional standards;
6. regularly engage in an active dialogue with the independent auditor on its independence from the Company, and where it is determined that independence no longer exists, recommend that the Board take appropriate action;
7. at least annually, review and approve the terms of the annual audit engagement of the independent auditor, including the appropriateness of the proposed audit fees, the scope

of the independent auditor's annual audit plan and the auditor's independence with respect to its engagement for any audit related services;

8. approve any non-audit services to be provided by the independent auditor's firm to the Company in accordance with NI 52-110;
9. periodically review the status and findings of the independent auditor's annual audit plan, including, but not limited to, its findings with respect to the adequacy of internal controls established by management and, where appropriate, make recommendations or reports thereon to the Board;
10. review with management all material weaknesses and significant deficiencies identified pertaining to internal controls and financial reporting, as well as any fraud, and the corrective measures implemented by the Company;
11. at least annually, and at any other time in response to a specific request by management, the independent auditor or as a result of a whistleblower report, assess: (i) the effectiveness of the system of internal controls established by management; (ii) the adequacy of the financial reporting process; (iii) the quality and integrity of the financial statements, management discussion & analysis and quarterly earnings new release; (iv) the performance of the independent auditor; and (v) any other matter that may be appropriate;
12. at least quarterly, review with management the conclusions included in the Chief Executive Officer and Chief Financial Officer certifications required by National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*;
13. at least quarterly, review with the head of the Company's internal audit function, any issues identified by internal audit, including any difficulties encountered by the internal audit function, such as audit scope, access to information and staffing restrictions;
14. periodically review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities;
15. at least annually, review and, where necessary or desirable, make recommendations to the Board regarding, the adequacy of the Company's risk management policies and procedures with regard to identification of the Company's principal risks and implementation of appropriate systems and controls to manage such risks;
16. at least annually, review the Company's cyber, information security and data protection risk exposures and the steps management has taken to monitor, control, report and mitigate such risks;
17. at least annually, review and discuss the adequacy of insurance coverage maintained by the Company;
18. at least quarterly, review any related party transactions, including overseeing the applicable policies and procedures;
19. at least quarterly, oversee the Company's compliance with its investment policy;

20. at least quarterly, review significant accounting and reporting matters, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact and appropriateness on the financial statements, including any material legal and/or tax matters;
21. review, prior to public disclosure, the audited annual and unaudited interim financial statements, corresponding management discussion and analysis and all quarterly earnings press releases, and consider whether they are complete, consistent with information known to Committee members, constitute a fair presentation of the Company's financial position and performance, and reflect appropriate accounting principles and any requirements of any exchange upon which securities of the Company are traded or any Regulatory Body exercising authority over the Company;
22. review and recommend to the Board for approval, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management information circulars, business acquisition reports, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such documents or information;
23. at least quarterly, review significant changes in the accounting principles to be observed in the preparation of the accounts of the Company and its subsidiaries, or in their application, and in financial statement presentation;
24. review the Company's policies relating to the avoidance of conflicts of interest and review and approve all material payments to be made pursuant to any related party transactions involving any executive officer or member of the Board, or as required by any Regulatory Body;
25. cause the Chair of the Audit Committee or Chair of the Board to review and approve all expense reimbursements of the Chief Executive Officer;
26. regularly review and monitor practices and procedures adopted by management to ensure compliance with applicable laws, and, where appropriate, make recommendations or reports thereon to the Board; and
27. oversee and periodically review the Whistleblower Policy of the Company and associated procedures for:
  - a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
  - b. the confidential, anonymous submission by directors, officers, employees and other stakeholders of the Company of concerns regarding questionable accounting or auditing matters; and
  - c. if applicable, any violations of applicable laws, rules or regulations that relate to corporate reporting and disclosure, or violations of the Company's Code of Conduct.

#### **D. ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE**

The Committee shall have unrestricted access to the Company's management and employees and the books and records of the Company and, from time to time, may hold unscheduled or regularly scheduled meetings or portions of meetings in-camera or otherwise with the Company's independent auditor, the internal auditor, the Chief Financial Officer, the Chief Executive Officer, the Corporate Controller and/or the General Counsel and Corporate Secretary.

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above, and may seek and retain accounting, legal, consulting or other expert advice from a source independent of management (collectively "**advisors**"), at the expense of the Company, with notice to the Lead Independent Director of the Board, the non-executive Chair of the Board or the Chief Executive Officer of the Company, as deemed appropriate by the Committee. In furtherance of the foregoing, the Committee shall have the sole authority to retain any such advisor to be used to assist in the evaluation of such matters and shall have the sole authority to approve the advisor's fees and other retention terms; provided that before selecting or receiving advice from any such advisor (other than an advisor subject to an exclusion under the listing rules of any applicable exchange upon which securities of the Company are traded), the Committee will take into consideration all factors relevant to the advisor's independence from management.

While the Committee has the responsibilities and powers set forth in this mandate, it is not the duty of the Committee to plan or conduct audits, to establish the Company's accounting and financial reporting systems, to determine that the Company's financial statements, management discussion & analysis and quarterly earnings news releases are complete and accurate, or that the Company's financial statements are prepared in accordance with generally accepted accounting principles.

## APPENDIX B - COMPENSATION, NOMINATION, GOVERNANCE AND SUSTAINABILITY COMMITTEE MANDATE

### REAL MATTERS INC.

#### (the "Company")

As approved by the Board of Directors of the Company (the "**Board**") on November 20, 2024.

#### A. PURPOSE AND SCOPE

The primary function of the Compensation, Nomination, Governance and Sustainability Committee (the "**Committee**") of the Board with respect to compensation matters is to exercise the responsibilities and duties set forth below, including but not limited to: (i) discharging the Board's responsibilities relating to the compensation of the Company's executive officers; (ii) administering the Company's incentive compensation plans; and (iii) assisting the Board with respect to management succession planning and development. The Committee shall review and make recommendations to the Board on an annual basis regarding: (i) company-wide compensation programs and practices; (ii) all aspects of the remuneration of the Company's executive officers; and (iii) incentive compensation plans, including any material amendments thereto.

The primary function of the Committee with respect to nomination and governance matters is to exercise the responsibilities and duties set forth below, including but not limited to: (i) advising the Board on corporate governance matters; (ii) overseeing the implementation of effective corporate governance practices and principles; (iii) identifying director candidates for the Company; (iv) recommending to the Board qualified candidates to nominate as a director of the Company for consideration by the shareholders of the Company at the next annual meeting of shareholders; and (v) overseeing and assessing the effectiveness of the Board and the committees of the Board, including the individual contributions of each director.

The primary function of the Committee with respect to sustainability-related matters is to exercise the responsibilities and duties set forth below, including but not limited to: (i) overseeing the development and implementation of the Company's sustainability strategy, including sustainability frameworks, priorities, disclosures, targets, policies, programs and initiatives; and (ii) overseeing the implementation of effective corporate governance practices and principles with respect to the Company's sustainability strategy.

#### B. COMPOSITION AND MEETINGS

The Committee shall be comprised of a minimum of three members of the Board as appointed by the Board, each of whom shall meet the independence requirements of: (i) National Policy 58-201 *Corporate Governance Guidelines* of the Canadian Securities Administrators; (ii) any exchange upon which securities of the Company are traded; and (iii) any governmental or regulatory body exercising authority over the Company (each, a "**Regulatory Body**" and, collectively, the "**Regulatory Bodies**"). The Committee shall provide oversight of management to ensure that all necessary and proper disclosures are made in all applicable filings with Regulatory Bodies as to the composition of the Committee.

A majority of the members of the Committee shall constitute a quorum at any meeting of the Committee, but in no case shall a quorum be comprised of less than two members of the

Committee. The action of a majority of those present at any meeting of the Committee, after determining a quorum, shall be the act of the Committee.

The members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of shareholders and shall serve until their successors are duly appointed or until the earlier of their death, resignation or removal. The Board may fill a vacancy in the membership of the Committee and may remove a member of the Committee at any time for any reason. The Board shall approve the chair of the Committee (the "**Chair**") based upon the recommendation of the Committee members. In the absence of the Chair at a duly convened meeting, the Committee shall select a temporary substitute from among its members.

The Committee shall meet as necessary, but at least twice per year, to fulfill its responsibilities and duties as set forth herein. The Committee shall meet without management present at each Committee meeting. At the invitation of the Committee, members of the Company's management and others may attend Committee meetings, provided that the Chief Executive Officer ("**CEO**") and other executives may not be present during any voting or deliberations on compensation of the CEO or such other executives, respectively.

The Chair, any member of the Committee, any member of the Board may call a meeting by notifying the Company's Corporate Secretary who will notify members of the Committee. Ordinarily, meetings of the Committee should be convened with no less than seven days' notice having been given. In exceptional circumstances the requirement for notice may be waived subject to the formal consent of no less than the number of Committee members that constitutes a quorum of the Committee or instruction by a resolution of the Board.

The Committee shall report its actions to the members of the Board and the Corporate Secretary of the Company and shall keep written minutes of its meetings, which shall be recorded and filed with the books and records of the Company. The Chair (in consultation with the Chair of the Board, the Lead Independent Director of the Board (if applicable), the Chief Executive Officer and the Corporate Secretary) shall be responsible for establishing or causing to be established the agenda for each Committee meeting, and for ensuring that minutes of Committee proceedings are kept and circulated to Committee members on a timely basis for review and approval. Minutes of each meeting will be made available to the members of the Board and the Corporate Secretary of the Company. The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

## **C. RESPONSIBILITIES AND DUTIES**

### ***Compensation Matters***

In respect of compensation matters to fulfill its responsibilities and duties the Committee shall:

1. periodically review and advise the Board (with support from internal and/or external experts as determined to be appropriate by the Committee in its discretion) on: (i) current trends in regional and industry-wide compensation practices; and (ii) how the Company's compensation programs and practices compare to those of comparable companies;
2. review and make recommendations to the Board regarding the terms and conditions, design, approval, implementation, administration and interpretation of the Company's incentive compensation plans, including taking such actions in regard to the Company's incentive compensation plans as may be required by the terms of the applicable plans, provided that equity-based plans permitting the issuance of securities from treasury and

- any material amendments to such plans shall require shareholder approval as required under applicable laws, rules or regulations or by the applicable equity-based plan;
3. at least annually, review share ownership guidelines for the executive officers and directors of the Company, including each executive officer's and director's achievement of, or progress towards achieving, the applicable requirement;
  4. determine the eligibility requirements applicable to participants in the Company's incentive compensation plans;
  5. at least annually, review and make recommendations to the Board regarding corporate goals and objectives relevant to compensation of the CEO, evaluate the CEO's performance in light of those goals and objectives and make recommendations to the Board regarding the annual salary, incentive compensation and other benefits of the CEO;
  6. at least annually, review and make recommendations to the Board regarding corporate goals and objectives relevant to compensation of the executive officers, evaluate the performance of the Company's executive officers and make recommendations to the Board regarding the annual salary, incentive compensation and other benefits of the executive officers;
  7. at least annually, review incentive compensation arrangements to confirm they do not encourage inappropriate or unintended risk taking;
  8. at least annually, review the Company's executive compensation programs and practices and confirm that such programs and practices are achieving their intended objectives;
  9. on a periodic basis, as determined necessary or advisable, retain the services of a compensation consultant. The Committee shall approve in advance any other work the consultant performs at the request of management and ensure compliance with the requirements established by Regulatory Bodies related to the retaining and using of such consultants;
  10. oversee the Company's compliance with any rules promulgated by any Regulatory Body prohibiting loans to officers and directors of the Company;
  11. review the compensation discussion and analysis and the related executive compensation information to be included in the Company's management information circular and any other disclosure with respect to executive compensation to be included in any other public disclosure documents of the Company;
  12. review, consider, and recommend to the Board all employment, severance or change in control matters with, and any special or supplemental benefits provided to, any executive officers or directors of the Company; and
  13. perform such additional functions as shall be assigned to it by the Board and exercise such additional powers as may be reasonably necessary or desirable, in the Committee's discretion, to fulfill its responsibilities and duties under this mandate.

## ***Nomination and Governance Matters***

In respect of nomination and governance matters to fulfill its responsibilities and duties the Committee shall:

1. at least annually, review and assess the adequacy of this mandate and the Board mandate, including ensuring their compliance with any rules or regulations promulgated by any Regulatory Body, and recommend any proposed modifications to this mandate and/or the Board mandate to the Board for approval;
2. at least annually, establish a Committee work plan for a period of not less than one year;
3. at least annually, review and make recommendations to the Board regarding the size and composition of the Board;
4. periodically develop and review standards to be applied in making determinations as to the independence of directors and the presence or absence of material relationships between a director and the Company, including ensuring compliance with any requirements established by Regulatory Bodies;
5. annually review the skills, competencies, experiences, personal characteristics and diversity of directors in light of: (i) the Company's business, strategic direction and risk profile; and (ii) the need to ensure that a majority of the Board is comprised of directors who are "independent" (as such term is defined under the requirements or guidelines in applicable securities laws and the rules of any stock exchange on which the Company's securities are listed for trading). As part of this review, the Committee shall ensure that appropriate Board succession plans are in place;
6. establish processes for identifying, interviewing and recommending suitable nominees for appointment to the Board either as additional directors or to succeed existing directors, having regard to the skills, competencies, experiences, personal characteristics and diversity of possible candidates;
7. at least annually, review the Company's approach to corporate governance issues;
8. at least annually, oversee management succession planning and make appropriate recommendations to the Board regarding the appointment and succession of the Company's executive officers;
9. oversee an orientation program to familiarize new directors with the Company's business and operations;
10. ensure that ongoing educational opportunities are provided for all directors to enhance their skills as directors and to ensure that their knowledge and understanding of the Company's business remains current;
11. periodically review the position descriptions for the Chair of the Board, Lead Independent Director (if applicable), Chief Executive Officer, Committee Chair and Audit Committee Chair and make amendments as appropriate;

12. at the discretion of the Committee, conduct Board and Committee effectiveness surveys and/or peer evaluation surveys relating to the contribution of individual directors to the Board; and
13. perform such additional functions as shall be assigned to it by the Board and exercise such additional powers as may be reasonably necessary or desirable, in the Committee's discretion, to fulfill its responsibilities and duties under this mandate.

### ***Sustainability Matters***

1. oversee the development, implementation and any significant changes to, the Company's sustainability strategy, objectives, targets, initiatives, programs and policies;
2. oversee the Company's process for identifying, managing and mitigating sustainability-related risks and opportunities;
3. at least annually, review any sustainability-related targets established by the Company, including the Company's progress towards achieving such targets;
4. at least annually, receive an update from management on the Company's sustainability strategy, key initiatives and programs, including, but not limited to, the Company's sustainability roadmap, approach to sustainability-related corporate governance matters, key stakeholder sustainability requirements and expectations; key regulatory developments and the Company's performance on third-party sustainability-related scorecards;
5. oversee and monitor the Company's compliance with its sustainability-related policies, including, but not limited to, the Company's Sustainability and Environmental Policy and Human Rights Policy;
6. with support from internal and/or external experts as determined to be appropriate by the Committee in its discretion, stay up-to-date on emerging trends, standards and best practices with respect to sustainability-related matters;
7. prior to public disclosure, review and recommend to the Board for approval (where necessary or appropriate in the circumstances), any sustainability-related information to be included in any public disclosure documents of the Company, including, but not limited to, the Company's annual sustainability report; and
8. perform such additional functions as shall be assigned to it by the Board and exercise such additional powers as may be reasonably necessary or desirable, in the Committee's discretion, to fulfill its responsibilities and duties under this mandate.

### **D. ACCESS TO MANAGEMENT AND INDEPENDENT ADVICE**

The Committee shall have unrestricted access to the Company's management and employees. The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities and duties as described above, and may seek and retain accounting, legal, consulting or other expert advice from a source independent of management (collectively, "**advisors**"), at the expense of the Company, with notice to the Lead Independent Director of the Board (if applicable), the non-executive Chair of the Board or the CEO of the Company, as deemed appropriate by the Committee. In furtherance of the foregoing, the

Committee shall have the sole authority to retain any such advisor to be used to assist in the evaluation of such matters and shall have the sole authority to approve such advisor's fees and other retention terms; provided that before selecting or receiving advice from any such advisor (other than an advisor subject to an exclusion under the listing rules of any applicable exchange upon which securities of the Company are traded), the Committee will take into consideration all factors relevant to the advisor's independence from management.