July 8, 2023

Dear Members:

Re: Portfolio Management Association of Canada Update and Membership Renewal July 2023 – June 2024

Thank you for your firm's ongoing support of PMAC. July is membership renewal time, and it is my pleasure to highlight PMAC's activities over the last year and plans for 2023/24.

In 2022/2023, PMAC's focus continued to be threefold: compliance support, industry advocacy, and facilitating industry connections and expertise, tailored to member needs. With 26 new members added in the last year, and 96% membership retention, your firm remains part of a strong and rapidly growing voice in the asset management industry. Today we have **323 member** firms managing in excess of $3.5 trillion and over 50 affiliate members. The chart below provides some of the year's highlights.

Service	2022-2023 Highlights
Compliance	Over **250 compliance-related questions** were fielded by our legal team on various topics, including: • AMF complaint portal, • Total Cost Reporting, • Servicing overseas clients, • Sales practices and Client Focused Reforms, • Registering firms and individuals, • Preparing for audits, • Senior/vulnerable clients, • AML, and • CSA questionnaires and sweeps.
Advocacy	We held 5 formal meetings with provincial securities commissions and 4 with Federal Finance department. Discussions focused on new issues and furthering our advocacy with respect to member views in the **11 written submissions** PMAC submitted this year. Submissions focused on: • institutional trade matching, • short selling, • regulatory burden reduction, • registration challenges, • corporate governance, • an access-based model for investment fund reporting issuers, • Total Cost Reporting, • climate disclosure, and more.
Events	**Event registrations totaled over 1,650**. • We held 4 webcasts and four compliance events in Vancouver, Calgary, Toronto, and Montreal. Events covered a variety of topics including recruitment and talent retention, cyber security, AML training, and corporate governance. • In addition, we held 7 networking events.
Networking Groups & Committees	Members from across Canada participated in our 6 committees, 3 subcommittees, and 6 networking groups. • The Compliance Officers' Network, is the most popular with an attendance surpassing 1350 members. • The monthly Operation Heads Network (HR, IT & Finance) is also well attended with 650 members.
Member Services	Three reports were published: • annual Compensation Survey, • Supplier Inventory, and • Return to Office Survey. • Pre-meeting and live polls continue to be a key feature in many networking groups.

Member Survey Feedback & 2023-2024 Objectives

We were delighted to receive feedback from 39% of member firms. A few quick survey highlights:

- 91% of respondents found PMAC to be either very good value (53%) or good value (38%). The remaining 9% were neutral.
- 65% of respondents were “very satisfied” with PMAC while 35% were “satisfied”. No members reported being dissatisfied.
- Members recommended 5 priorities over the next two years: regulatory burden reduction (54%), compliance support (54%), advocacy (31%), education & knowledge sharing (30%), and technology & innovation (7%).

Planning is underway for the November 14th National Conference as well as events in Vancouver, Calgary, Montreal, and Toronto. New networking events are planned for small firms and young professionals. In addition, the following projects are underway:

- **Resources/Surveys/Research** – Annual Compensation Survey (July - October), Hybrid Work Poll (August), New Website (Fall), and updated policies/templates.
- **Advocacy** - Meetings will be scheduled with 5 provincial securities commissions in addition to the Department of Finance in Ottawa. The Total Cost Reporting implementation committee will commence along with working groups focused on a variety of consultations including anti-money laundering regime changes and CSA Board Disclosure.

Member Fees 2023-2024

The PMAC Board of Directors approved a budget with an overall increase to member fees of 6.8%. This is only the second time fees have been adjusted since 2018. In the last 5 years, membership has grown 23% and member services have expanded to meet increasingly complex and broad member needs. Inflationary pressures have impacted core service costs but, as a non-profit, we are committed to providing value at fair pricing. The 2023-24 increase will amount to an average of $225 for our smaller members (< $1B AUM), $350 for our mid-sized members ($1B - $10B AUM), and $930 for our largest members (>$10B).

We are committed to maintaining PMAC’s strong voice and representation of the asset management industry in Canada. Thank you for your support.

Sincerely,

Scott Mahaffy
Chairman, Portfolio Management Association of Canada
Vice President & Managing Counsel-Canada, MFS Investment Management Canada Limited