

Annual Report of the Independent Review Committee **of the Harvest Portfolios Group of Funds**

March 8, 2023

The IRC's Annual Report to Securityholders of the Harvest Portfolios Group of Funds listed at the end of this Report (the "Funds")

Dear Securityholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** ("NI 81-107" or the "Instrument"), Harvest Portfolios Group Inc. ("the Manager") established an Independent Review Committee (the "Committee" or "IRC") for the Funds in September 2009 (the "Funds"). The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Funds, of the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to securityholders, covering the period from January 1, 2022 to December 31, 2022 (the "Reporting Period").

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide decisions to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds as listed at the end of this Report. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures, (hereinafter referred to as the "Conflict of Interest Matters manual").

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a decision to the Manager as to whether, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Funds. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SIs"). The SIs enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to it. In those cases, the IRC has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Funds.

The IRC has engaged Independent Review Inc. to assist it in its duties in accordance with the provisions of the Instrument and the IRC's written charter, to provide certain administrative and record keeping functions, and to act as the IRC's independent secretariat.

Composition of the IRC

The current members of the IRC and their principal occupations are as follows:

| <i>Name and municipality of residence</i> | <i>Principal Occupation</i> | <i>Effective Term of Office</i> |
|--|---|---|
| Chair, Edna A. Chu ¹ , Toronto, Ontario | Lawyer, Compliance Consultant | Appointed on January 1, 2020. Re-appointed effective January 1, 2023 for three years until December 31, 2025 |
| Karen McRae ² , Toronto, Ontario | Corporate director and pension fund trustee | Appointed on July 1, 2018. Re-appointed effective January 1, 2022 for three years until December 31, 2024. |
| Neil Gross ³ , Mississauga, Ontario | Lawyer and independent public policy consultant | Appointed on October 27, 2021 until December 31, 2023 |

On October 27, 2022, the IRC re-appointed Edna Chu for a three-year period from January 1, 2023 until December 31, 2025.

Compensation and Indemnification

Review of Compensation

At least annually, the IRC reviews its compensation giving consideration to the following:

- the best interest of the funds;
- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC, including special meetings to consider conflict issues brought to the Committee;
- industry best practices, including industry averages and surveys on IRC compensation; and,
- the complexity of the conflict issues brought to the IRC;
- the IRC's most recent self-assessment as well as any recommendations concerning the IRC's compensation made by the Manager.

Members' Fees

In aggregate, the IRC members were paid \$35,000 in 2022, plus applicable taxes.

During the Reporting Period, the IRC followed the Manager's recommendation with respect to the compensation of the IRC members.

¹ Edna Chu also sits on the independent review committee of investment funds that are reporting issuers managed by C.S.T. Consultants Inc. She also sat on the independent review committee of investment funds that are reporting and non-reporting issuers managed by Goodwood Inc. (Retired effective December 31, 2022)

² Karen McRae also sits on the independent review committee of investment funds that are reporting issuers managed by IA Clarington Investments Inc. (Appointed effective January 1, 2022).

³ Neil Gross also sits on the independent review committee of investment funds that are reporting issuers managed by Accelerate Financial Technologies Inc.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity in keeping with NI 81 - 107. No payments were paid to the IRC Members pursuant to this indemnity by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As of December 31, 2022, the IRC Members did not beneficially own, directly or indirectly:

- any significant number of units of any of the Harvest Funds;
- any significant interests in the Manager; or,
- any significant interests in a company or person that provides services to the Manager or the Funds.

Decisions and Approvals

On October 6, 2022, the Manager proposed extending the maturity date of Big Pharma Split Corp. (“Split Corp.”) Class A Shares and Preferred Shares for a further five (5) years, commencing January 1, 2023 to December 31, 2027. After reasonable enquiry and based on the information provided to the IRC by the Manager (both verbally and in writing) prior to and during the meeting, the IRC determined that the Manager’s proposed course of action to extend the maturity of Big Pharma Split Corp. for a further five (5) years from the current maturity date of December 31, 2022 to December 31, 2027 provided a fair and reasonable result for the Corporation and its shareholders.

Standing Instructions Approved

The IRC has approved three (3) SIs. These SIs constitute a written approval or decision from the IRC that permits the Manager to proceed with the specific action(s) set out in each SI on an ongoing basis. It may do so without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. In each case, the SI requires the Manager to comply with its related policy and procedures and to report periodically to the IRC.

Standing Instruction No. 1: Omnibus

This SI deals with a number of conflicts of interest matters including:

1. Fees and Expenses Chargeable to the Funds
2. Trade Allocations
3. Portfolio Pricing Issues
4. Correcting Portfolio NAV Errors
5. Correcting Other Material Securityholder Account Errors Including Trade Errors
6. Broker Selection
7. Soft Dollar Arrangements
8. Sales Practices
9. Showing Favouritism
10. Voting Proxies or Taking Other Corporate Action
11. Outsourcing to Third-Party Service Providers
12. Personal Trading and the Acceptance of Gifts
13. Client Complaints
14. Capacity Issues

The Manager relied on SI No. 1 during the Reporting Period.

Standing Instruction No. 2: Inter-fund Trades

The Manager did not rely on SI No. 2 during the Reporting Period.

Standing Instruction No. 3: Undertaking a Future Fund Offering on a Closed-end Fund

The Manager relied on SI No. 3 during the Reporting Period.

Manager's Report on its Standing Instructions

In accordance with the Instrument, the Manager provided a written report to the IRC describing its reliance on the SIs during the Reporting Period. The Manager relied on SI No. 1 and SI No. 3 as there were secondary offerings by the Manager during the Reporting Period. The Manager did not rely on SI No. 2 as there were no inter-fund trades by the Manager during the Reporting Period.

Funds Served by the IRC

Harvest Banks & Buildings Income Fund
Harvest Canadian Income & Growth Fund
Brand Leaders Income Fund (terminated March 15 2022)
Australian REIT Income Fund
Big Pharma Split Corp
Harvest Brand Leaders Plus Income ETF
Harvest Energy Leaders Plus Income ETF
Harvest Healthcare Leaders Income ETF
Harvest US Equity Plus Income ETF (terminated March 15 2022)
Harvest Tech Achievers Growth & Income ETF
Harvest Global REIT Leaders Income ETF
Harvest US Bank Leaders Income ETF
Blockchain Technologies ETF
Harvest Global Gold Giants Index ETF
Harvest Equal Weight Global Utilities Income ETF
Harvest Clean Energy ETF
Harvest Travel & Leisure Index ETF
Harvest Space Innovation Index ETF (terminated July 15 2022)
Harvest Digital Sports & Entertainment Index ETF (terminated July 15 2022)
Harvest Canadian Enhanced Income Leaders ETF (Never listed and terminated March 15 2022)
Harvest Diversified Monthly Income ETF (listed February 16 2022)
Harvest Canadian Equity Income Leaders ETF (listed June 13 2022)
Harvest ESG Equity Income Index ETF (listed September 22 2022)
Harvest Healthcare Leaders Enhanced Income ETF (listed October 25 2022)
Harvest Brand Leaders Enhanced Income ETF (listed October 25 2022)
Harvest Tech Achievers Enhanced Income ETF (listed October 25 2022)
Harvest Equal Weight Global Utilities Enhanced Income ETF (listed October 25 2022)
Harvest Canadian Equity Enhanced Income Leaders ETF (listed October 25 2022)

This report is available on the Manager's website at <https://www.harvestportfolios.com> or you may request a copy, at no cost to you, by contacting the Manager at 416-649-4541 or toll free at 1-866-998-8298 or by emailing the Funds at info@harvestportfolios.com. This document and other information about the Funds are available on www.sedar.com

Yours truly,

“Edna A. Chu”

Edna A. Chu, Chair