



SUSTAINABILITY PROXY VOTING POLICY AND GUIDELINES

UPDATED: June 2023

Approved by:

(signed)

Vincent Morin, President & Secretary

October 3, 2023

Date

(signed)

Kenny Tang, Chief Compliance Officer & ESG Leader

October 3, 2023

Date

Overall Oversight: Chief Compliance Officer & ESG Leader

Responsible for review: Sustainable Investing Committee

Effective date: January 1, 2021

General Guidelines

Trans-Canada Capital Inc. (TCC), as a portfolio management company, prefers to invest in companies governed by directors who understand that their primary duty is to represent the best interests of shareholders and consider stakeholder's expectations by ensuring management has established strategies to achieve growth and sustainable long-term profitability. Companies that have strong corporate governance are generally more capable of creating value for the shareholders.

One of TCC's most important rights as shareholder of various corporations is the right to vote. Proxies are most often used to exercise this right to vote. A proxy is the legal transfer to another party of a shareholder's right to vote, allowing shareholders who cannot attend a meeting in person to exercise their right to vote. Instructions are transferred in the proxy regarding how to vote on each issue addressed at shareholder's meetings. As a fiduciary, TCC is obliged to exercise these voting rights in the best interests of its clients.

TCC understands that financial factors are key elements to be considered in its voting decisions and will generally exercise its voting rights to protect shareholders' value and maximize investment returns. Likewise, TCC also acknowledges the importance of integrating environmental, social and governance (ESG) factors in the proxy voting process as they can have a material effect on the long-term financial performance of a company. Therefore, high standards of corporate governance, as well as social and environmental initiatives are promoted in these guidelines and taken into consideration by TCC when exercising its voting rights.

Generally, TCC's Sustainability Policy will take as its frame of reference internationally recognized sustainability-related initiatives such as the United Nations Principles for Responsible Investment (UNPRI), Global Reporting Initiative (GRI) and the Task Force on Climate-Related Financial Disclosures (TCFD).

TCC uses Institutional Shareholder Services (ISS), an external proxy advisory service provider, to help simplify the proxy voting process. As part of its services, ISS will provide TCC with voting recommendations in accordance with ISS Sustainability Proxy Voting Guidelines. TCC will generally vote according to ISS' recommendations when a passive replication of benchmark is used and will consider any circumstances that might call for a different vote than ISS' guideline suggests. In such cases, the compliance team will review each proposal on a case-by-case basis. TCC is not a very active trader of stocks, but whenever an active investment is made, TCC will ensure it agrees with the voting recommendations.

In the cases where the assets are invested by external investment managers, TCC delegates the authority to vote on its behalf, and to the extent possible, requires the managers to be guided by our Sustainability Proxy Voting Policy and Guidelines.

Policy Review

This policy will be monitored by the Sustainable Investing Committee and reviewed annually by TCC.