TD Global Investment Solutions

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TD Epoch UK Stewardship Code

2023

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Principle 1

Signatories' purpose, investment beliefs, strategy, and culture enable stewardship that creates long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

Context: Signatories should explain: • the purpose of the organisation and an outline of its culture, values, business model and strategy; and • their investment beliefs, i.e. what factors they consider important for desired investment outcomes and why.

Activity: Signatories should explain what actions they have taken to ensure their investment beliefs, strategy and culture enable effective stewardship.

Outcome: Signatories should disclose: • how their purpose and investment beliefs have guided their stewardship, investment strategy and decision-making; and • an assessment of how effective they have been in serving the best interests of clients and beneficiaries.

Context

Business model and strategy

Epoch Investment Partners, Inc. ("TD Epoch" or "Epoch") is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, providing services mainly to institutional clients. As part of the merger with TDAM USA, TD Epoch's legal entity includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TD Asset Management Inc.'s (TDAM or TD Asset Management) Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we describe the ESG framework used by TDAM to provide a comprehensive look at assets for clients that contract directly with Epoch even though the assets of these clients may be managed by TDAM employees who are also deemed Epoch employees consistent with regulatory guidance.

In 2023, we announced our new global distribution brand, TD Global Investment Solutions (TDGIS), which will be used to market all the capabilities of TDAM and TD Epoch. We are reviewing our separate ESG reporting with the possibility of harmonizing them. As noted, we highlight various instances where the fixed income assets managed by TD Epoch use a different ESG process. The international equity assets formerly managed by TDAM USA also use the TDAM ESG process, but since the process for equities is relatively to similar to the TD Epoch ESG process, we do not call it out specifically in the remainder of this report . We also note that two TD Epoch strategies, Global Absolute Return ("GAR") and Global Equity Growth ("GG"), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM as of 30 June 2023.

TD Epoch manages a variety of long-only investment strategies, with different investment objectives. Some are diversified while others are concentrated; however, all are generally based on the same investment philosophy and utilize bottom-up fundamental research. We look for companies with transparent business models and a consistent ability to generate free cash flow. We also look for management teams that have proven they intend to allocate cash in a way that creates value for shareholders. When we engage with companies, we encourage them to provide transparency on how ESG issues may influence all of these factors.

Our purpose

Our purpose is to help our clients achieve their investment objectives. We aim to serve investors who seek and value our transparent investment approach, which is based on our free cash flow investment philosophy. As fiduciaries, our mission is to address the interests of our clients and provide attractive risk-adjusted returns.

Our values and culture

Working collaboratively with colleagues and communicating transparently with clients is a cornerstone of our corporate culture. We believe every investment firm has one critical asset — its people. At TD Epoch, our people have an average of over 20 years of investment experience. This experience, combined with our collaborative culture, provides the perspective and judgment needed to evaluate investments, make informed decisions and act as good stewards of our clients' assets.

Investment beliefs

TD Epoch believes that the best predictors of long-term shareholder return are growth in free cash flow and management's skill in allocating that cash. We prefer cash flow to earnings for three reasons. First, cash flows are more reliable than reported earnings because they are harder to manipulate under accounting rules. Second, for innovative businesses which derive much of their economic value from intangible assets, reported earnings have become increasingly less relevant as a measure of value generation compared to cash flows. Third, businesses which appear to generate reported earnings but not cash flows are more likely to run into financial distress.

Capital allocation matters because decisions on how to allocate cash flows—whether to reinvest in order to grow a company, or to return capital to shareholders—can create or destroy long-term shareholder value. As a result, our security selection process emphasizes free cash flow metrics and capital allocation as opposed to traditional accounting-based metrics such as price-to-book and price-to-earnings. Specifically, we look for a consistent and sustainable ability to generate free cash flow and to allocate it effectively among internal reinvestment opportunities, acquisitions, dividends, share repurchases, and debt paydowns.

TD Epoch's approach to stewardship supports our mission as fiduciaries to address the interests of our clients and provide attractive, risk-adjusted returns. Our investment process incorporates ESG issues when, in our view, these issues may have a material impact on either investment risk or return. We believe good governance practices and responsible corporate behavior contribute to the positive long-term performance of companies and can help reduce investment risk.

Investment and ESG Philosophy

1. Sustainable free cash flow generation and the effective allocation of capital drive long-term value creation. These, together with price and risk, determine risk-adjusted return.

2. Good corporate governance is essential to ensure that companies create long-term value for their investors. Many other factors, including those related to broader social and environmental issues, have always and, for some companies, will increasingly affect return and risk.

3. The financial materiality of ESG factors varies by industry, country, and company.

4. As a result, it is important for us to consider ESG-related factors which impact returns and risk, and to seek to influence management teams to address ESG-related issues that may affect our investment results.

Activity

Our purpose and investment beliefs have guided our stewardship, investment strategy and decision-making through the application of the following principles:

1. Investment team members are responsible for integrating ESG into the investment process. In making investment decisions, the Investment team evaluates those ESG factors which it believes are relevant and material to return or risk over the anticipated time horizons of our investments. The Portfolio Manager, in conjunction with fundamental investment analysts, is responsible for the ultimate assessment of financial materiality of ESG issues.

2. TD Epoch has a dedicated Sustainable Investing team, with a presence in both New York and London. This team provides oversight and domain expertise on ESG matters. This team collaborates with other Epoch investment professionals in assessing ESG considerations. We also leverage the ESG capabilities of TDAM where appropriate, particularly in overseeing the ESG framework for the fixed income assets under TD Epoch's legal entity.

3. We will demonstrate Active Ownership in a variety of ways, including but not limited to:
    a. Engaging with company management teams through meetings or written correspondence to advocate that they address ESG-related issues which we believe will meaningfully enhance the return or reduce the risk of our investment;
    b. A thoughtful approach to proxy voting, evaluating the merits of proxy proposals in furthering our clients' interests and fulfilling our fiduciary duty; and
    c. Contributing to industry associations which support shareholders' rights and further our fiduciary goals of providing attractive risk-adjusted returns
4. TD Epoch is willing to, and does, manage separate accounts with client-directed restrictions on investment in specific securities, industries or countries, provided these do not materially alter the investment strategy.

Outcome

To date, we are satisfied that we have executed our stewardship goals in line with our business model, strategy and fiduciary duty to our clients. These goals revolve around the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society.

We detail some of these accomplishments throughout this report. For example, under Principle 4, we provide details of our involvement in industry-led initiatives to support enhanced climate-risk oversight by financial regulators. Under Principle 9, we discuss our engagement activities to date, including our work exploring the climate transition for companies in hard-to-abate sectors. Finally, under Principle 6, we describe how the evolution of our ESG and Stewardship program has enabled us to meet the increasingly sophisticated stewardship and ESG requirements of our clients. We help clients meet their own reporting needs through providing rigorous responses to client due diligence questionnaires ("DDQs"), as well as detailing our activities transparently in our annual and quarterly reporting.

This work is constantly evolving. We continuously judge the effectiveness of our stewardship activities by seeking feedback from our clients as to whether our approach aligns with their stewardship needs. Therefore, we seek to refine our approach over time. We believe that a strong governance structure at the firm level, combined with a commitment to more robust stewardship, will provide the foundation for these future developments.

Principle 2

Signatories' governance, resources and incentives support stewardship.

Activity: Signatories should explain how: • their governance structures and processes have enabled oversight and accountability for effective stewardship within their organisation and the rationale for their chosen approach; • they have appropriately resourced stewardship activities, including: - their chosen organisational and workforce structures; - their seniority, experience, qualifications, training and diversity; - their investment in systems, processes, research and analysis; - the extent to which service providers were used and the services they provided; and • performance management or reward programmes have incentivised the workforce to integrate stewardship and investment decision making.

Outcome: Signatories should disclose: • how effective their chosen governance structures and processes have been in supporting stewardship; and • how they may be improved.

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are in the midst of harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Activity

TD Epoch demonstrates its oversight and governance of its ESG policy in a number of ways:

- TD Epoch's ESG initiatives are directly overseen by our Head of Sustainable Investing, who reports to one of the firm's co-CIOs. Our Head of Sustainable Investing also reports on ESG-related issues to the firm's Portfolio Management Group, comprising the firm's senior Investment leaders.
- The firm's senior leadership also oversees ESG through several other avenues. TD Epoch's ESG policy is reviewed by TD Epoch's co-CIOs, Head of Sustainable Investing and Chief Compliance Officer ("CCO") on an annual basis. Proposed changes must be approved by TD Epoch's President and TD Epoch's Policy Oversight Committee ("POC") before they can be implemented.

- TD Epoch's proxy voting policy is reviewed by TD Epoch's co-CIOs, Head of Sustainable Investing and Chief Compliance Officer on an annual basis. Proposed changes must be approved by TD Epoch's President and POC before they can be implemented. We also have proxy voting policy that is overseen by a separate Proxy Voting Group made up of our Head of Sustainable Investing, co-CIO, Head of Risk Management, Compliance & Operations teams as well as members of our Investment team to evaluate proxy-specific issues which also may include ESG related proposals that are submitted to shareholders for a vote.
- Our ESG efforts are ultimately overseen by our President, ensuring implementation across the organization.
- TD Epoch's President also reports on ESG activities to the Epoch Board of Directors.
- TD Epoch's Head of Sustainable Investing participates in several working groups with colleagues from TDAM as we seek greater alignment on our ESG reporting and ESG efforts more broadly.

TD Epoch has a dedicated team working solely on the ongoing implementation of our ESG program. Their bios are included below:

Ravi Varghese, Director, Head of Sustainable Investing, joined Epoch in 2019 as an ESG analyst, focusing on ESG research across the firm. Prior to joining Epoch, he completed an MSc in Climate Change and Finance from Imperial College London and worked at Ceres, a sustainability organization in Boston. He also has investment experience spanning multiple asset classes at HighVista Strategies, long/short equities work at Arbiter Partners and global macro investing at Protégé Partners. Ravi earned a B.A. in Sociology with Economics from Yale University and a Masters in Finance from London Business School. He has been Epoch's Head of Sustainable Investing since January 2021.

Maya McFann, Associate, ESG Analyst, joined Epoch in 2021. Prior to joining Epoch, Maya was a consultant on PwC's Sustainability and Climate Change team. Maya holds an MSc in Climate Change and Finance from Imperial College London, an integrated Masters in Chemical Engineering from the University of Birmingham, and the CFA Certificate in ESG Investing.

An additional ESG analyst has also joined the firm on a 6-month contract.

We believe our current team is qualified to meet the Firm's stewardship needs, but we will consider bringing on additional resources as needed. Our team members bring a range of prior professional experience which produces the necessary cognitive diversity for our stewardship needs. Both members of our team are also experienced in incorporating climate change considerations into business, which has practical applications for our Stewardship work. Furthermore, with the creation of our new global distribution brand, TDGIS, we are considering aligning our ESG efforts more closely with TDAM. We look to leverage the capabilities of the TDAM ESG team and reorganize tasks for maximum impact and efficiency.

ESG integration is also implemented by our fundamental analysts who are required to submit an ESG research note documenting their views of material ESG factors for names they cover in the portfolio. In those circumstances that we deviate from ISS, our proxy voting adviser, our fundamental analysts are also tasked with making proxy voting recommendations. As with Epoch's dedicated risk management function, we believe partnering the fundamental investment team with a dedicated ESG team will produce the best outcomes. Our ESG team members are domain experts on stewardship and ESG , while our fundamental analysts use their deep knowledge of individual companies to identify material ESG issues and appropriate voting stances. We bring these groups together in forums such as our Proxy Voting Group, which includes members of our ESG, Compliance, Operations and Investment teams. This group meets several times a year and as needed when unusual events arise. For example, we convened this group in the 2021 proxy season to debate several Social proposals at our larger technology company holdings. In this and other circumstances, we harness the collective knowledge and capabilities of the firm to further our stewardship goals.

In order for this model to work, it is crucial that we provide our team with the requisite resources which includes external providers of ESG related information and analysis. In 2019, after trialing nine data providers and surveying numerous clients and competitors, we decided to use MSCI and S&P Trucost due to the quality of their analysis and market credibility. In 2023, we carried out a review of the data providers' landscape, analyzing the

ESG product offering of 18 market players and having deeper conversations with 5 shortlisted providers. In particular, we wanted to explore the range of company-specific ESG research. The result of our analysis showed that currently none of the alternative providers seem superior in meeting our needs compared to our existing ESG research provider. We subscribe to MSCI ESG research to provide general ESG research, which is a useful foundation for our investment analysts. We use S&P Trucost, a noted industry leader in specialized environmental data, to provide carbon analytics. We run this data quarterly for several of our strategies, which is highly informative for understanding our portfolio carbon exposure and creating a focus list for engagements. We generally target engagements with the largest 2-3 largest carbon contributors of each portfolio. We also draw research from a host of additional sources, including industry associations such as CDP, PRI and Ceres, each of whom provides a different angle on ESG issues. These are the best-established industry associations, and they have a history of interacting with many of the companies in our portfolios. We also use ISS, our proxy advisor, for research and industry developments related to proxy voting. In 2022, we evaluated ISS's Benchmark policy and found it to be aligned with Epoch's approach to stewardship and proxy voting. While we have found our current suite of service providers well placed to meet our client's stewardship and reporting needs, we continue to assess new service providers who may provide new capabilities.

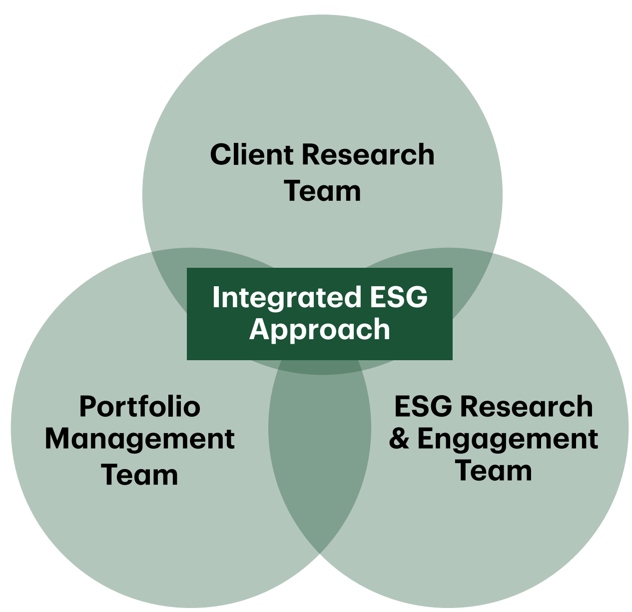
We aim to keep the firm's ESG knowledge current by using both internal and external resources to update our Investment team frequently. In Q4 2022, we arranged for an external research firm, Melius Research, to address our Investment team on various ESG issues they had investigated in the Industrials space and beyond. In Q2 2023, we invited one of our colleagues from TDAM to speak to our Investment team about assessing executive compensation.

In our integrated ESG model, it is our dedicated ESG team who allow the firm to maintain leading-edge knowledge on ESG issues. They provide a holistic perspective on best practices and areas for improvement across sectors, industries, and countries, as well as providing objective, unbiased insights and feedback regarding investments made at Epoch. We are committed to the development of our ESG specialists through training, conferences and other educational resources as appropriate.

Finally, we consider how our team is incentivized to pursue its ESG and stewardship goals. The Sustainable Investing team is incentivized to meet certain pre-agreed goals for the year. While ESG is not specifically accounted for in the Investment team's compensation plan (excluding the Sustainable Investing team), adherence to TD Epoch's ESG goals is an increasingly important qualitative expectation for the entire Investment team.

Fixed Income Stewardship and Governance

Fixed income assets under the TD Epoch legal entity still use the TDAM fixed income approach to ESG, which will be referenced throughout this submission to ensure we are capturing the entire scope of TD Epoch's managed assets. TDAM's internal approach to scoring ESG risk is an integral part of the TDAM credit rating process, and involves interaction between our Credit Research, Portfolio Management, and ESG Research and Engagement teams.



1. The TDAM **Public** and **Private Credit** teams consist of a team of full-time credit analysts, specialized by industry. Within the credit team, there is a dedicated **ESG Credit Sub-Committee** that meets quarterly and provides oversight over the ESG ratings process. The Committee was established in 2019 and contains members from Credit Research, Active Portfolio Management, and the ESG Research & Engagement and teams. TDAM's Credit Research team evaluates ESG factors as part of a comprehensive credit review process for both corporate and government issuers. In addition to evaluating the financial and business strength of issuers, an ESG assessment is conducted for every issuer included on the TDAM credit approved list. To gain a complete picture of a company's credit quality, the team also engages management to understand how issuers are addressing material ESG exposures. Our credit research and issuer engagement inform both our internal credit ratings as well as an ESG-specific score. Our analysis is regularly updated and incorporated into research reports that are then reviewed by TDAM's Credit Committee

2. The **Active Portfolio Management** teams for public and private debt include the credit team's ESG Ratings as part of a number of considerations for portfolio construction.

3. The **TDAM ESG Research & Engagement team** supports the investment teams with ESG research, ESG integration and stewardship efforts by identifying best practices for investment teams, data availability, overall firmwide ESG approach, and areas of focus that pose systemic risks for TDAM's investments.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these strategies represent less than 3% of total firm AUM as of June 30, 2023.

Outcome

We believe our governance structures have thus far been effective in supporting our stewardship goals as set out in Principle 1, namely the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the economy, the environment and society. As noted above, we are in the process of working closely with TDAM to align our ESG efforts more closely under the TDGIS umbrella. We expect that this will further enhance our ESG governance and allow us to use our ESG resources more effectively.

Principle 3

Signatories manage conflicts of interest to put the best interests of clients and beneficiaries first.

Context: Signatories should disclose their conflicts policy and how this has been applied to stewardship.

Activity: Signatories should explain how they have identified and managed any instances of actual or potential conflicts related to stewardship.

Outcome: Signatories should disclose examples of how they have addressed actual or potential conflicts. Conflicts may arise as a result of: • ownership structure; • business relationships between asset owners and asset managers, and/or the assets they manage; • differences between the stewardship policies of managers and their clients; • cross-directorships; • bond and equity managers' objectives; and • client or beneficiary interests diverging from each other

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are considering harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Context

TD Epoch's Code of Ethics and Business Conduct lays out our policy on managing conflicts: https://www.td.com/content/dam/tdgis/document/gl/en/pdf/resources-pdf/policies-and-frameworks/Epoch-2022-Code-of-Ethics-Final.pdf The relevant section is excerpted below:

Section 206(2) of the Advisers Act prohibits investment advisers from engaging in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or prospective client whereas Section 206(4) of the Advisers Act prohibits investment advisers from engaging in any act, practice, or course of business which is fraudulent, deceptive, or manipulative. Rule 206(4)-8(a) under the Advisers Act effectively extends this prohibition so as to apply to pooled investment vehicle investors or prospective investors. A failure to identify, disclose and/or manage a conflict of interest could constitute a violation of any of these provisions.

Epoch's policy is to disclose, mitigate, and/or eliminate all identified conflicts of interest in the best interests of its Clients and Investors. In the event that a conflict of interest arises between Clients and/or Investors, Epoch's policy is to seek to resolve such conflict as fairly as possible in relation to all parties.

You must avoid any activity or personal interest that creates, or appears to create, a conflict between your interests and the interests of Epoch or a Client or Investor. A conflict of interest occurs when your private interest interferes or appears to interfere with the interests of the Company or a Client or Investor. For example, a conflict of interest would arise where You or a Family Member receives improper personal benefits as a result of your position in the Company. Conflicts of interest include, by way of example:

- Soliciting or accepting gifts, entertainment, or other benefits from an organization that does, or seeks to do, business with Epoch in violation of Epoch's policies;
- Owning a meaningful financial interest in, being employed by or acting as a consultant to or board member of an organization that competes with Epoch; Owning a meaningful financial interest in, being employed by or acting as a consultant to or board member of an organization that does, or seeks to do, business with Epoch;
- Borrowing money from a Business Associate unless that Business Associate is regularly engaged in the business of lending money or such other property, and the loan and the terms thereof are in the ordinary course of the Business Associate's business; or
- Making a material decision on a matter on behalf of Epoch or a Client where your financial, reputational, or other self-interests may reasonably call the appropriateness of the decision into question.

Disclosure and Reporting of Conflicts of Interest

Epoch requires You to fully disclose any potential or actual conflicts of interest as soon as it is known by speaking with the Code of Ethics Contact Person who may discuss and/or seek the approval of the conflict with the Conflict Resolution Group and the Operating Committee depending on the nature and severity of the conflict. Additionally, Epoch requires You to complete a Compliance Questionnaire upon joining the firm and at least annually thereafter. Many of the questions contained in the Compliance Questionnaire are intended to identify actual or potential conduct that could constitute a conflict of interest.

Neither You nor a Family Member shall personally benefit, directly or indirectly, or derive any other personal gain from any business transaction or activity of Epoch, except when the transaction or activity has been fully disclosed to and approved in writing by the Conflict Resolution Group. For the avoidance of doubt, the receipt of business gifts or entertainment pursuant to Epoch's Business Entertainment and Gift Policy does not require written Conflict Resolution Group approval.

Neither You nor a Family Member shall have any meaningful personal business or financial interest in any Business Associate or competitor of Epoch, without prior written consent from the Conflict Resolution Group. For the avoidance of doubt, holding 5% or less of the outstanding equity interests of a Business Associate or competitor whose equity interests are publicly traded shall not be deemed "meaningful."

Neither You nor a Family Member shall hold any position with (including as a member of the board of directors or other governing body) or perform services for a Business Associate or a competitor of Epoch, without prior written consent from the Conflict Resolution Group.

Neither You nor a Family Member shall provide any services to other business enterprises which reasonably could be deemed to adversely affect the proper performance of your work for Epoch or which might jeopardize the interests of Epoch or a Client, including serving as a director, officer, consultant or advisor of another business, without prior consent in writing by the Conflict Resolution Group. In addition, You must list all outside business interests on the new employee certification and on the annual Code of Ethics and Business Conduct acknowledgement and certification.

Neither You nor a Family Member shall direct, or seek to direct, any business of Epoch to any business enterprise in which you or a Family Member has a meaningful ownership position or serves in a leadership capacity, without prior written consent from the Conflict Resolution Group. For the avoidance of doubt, holding 5% or less of the outstanding equity interests of a Business Associate or competitor whose equity interests are publicly traded shall not be deemed "meaningful."

Activity and Outcome

These conflicts of interest are primarily managed by TD Epoch's Compliance team. The Compliance team conducts an annual training session to educate employees on, among other things, the various potential conflicts. TD Epoch employees are also subject to the compliance and conflict of interest policies of our parent, TD Bank. TD Epoch employees are required to complete online training sessions certifying their understanding of various compliance-related issues, including conflicts of interest.

We also note several other types of conflicts which may arise in our business, particularly related to Stewardship:

- **Divergence of proxy voting recommendations across strategies:** Using a combination of ISS and internal research, an analyst makes his/her recommendation, which is reviewed/approved by the relevant portfolio manager. However, where a security is held in multiple of TD Epoch's portfolios, analysts are permitted to make different recommendations depending on the strategy's goals. From time to time, we identify instances where one analyst had offered recommendations which diverge from other colleagues covering the same name in a different strategy. These conflicts are generally identified on a case-by-case basis through our proxy voting efforts. Internal conflicts may be referred to the Proxy Voting Group, made up of our Sustainable Investing team, the relevant research analyst, co-CIO Bill Booth, Head of Risk Management, and representatives from Compliance and Operations to evaluate proxy-specific issues. However, discretion ultimately lies with the Portfolio Managers of a given strategy. As an example, in Q4 2019, a mega-cap US tech company was held in four different portfolios at the firm. Our third party proxy advisor, ISS, recommended voting against the company on two proposals related to executive compensation and diversity. We convened a meeting of the Proxy Voting Group, the four relevant PMs and their analysts. After a full discussion, two PMs decided to vote consistent with ISS's recommendation while two PMs deviated from ISS's recommendation. We believe this is a good illustration of a conflict which was managed through our stewardship framework. As the strategies had differing mandates, we viewed it as acceptable for this conflict to result in different voting decisions across the strategies. In a more recent example, in Q2 2022, a large cap healthcare company was held in two different strategies. After a detailed discussion of a proposal questioning the company's disclosures of its lobbying practices, the two strategies decided to vote differently. We believe both arguments had merits and ultimately gave our PMs discretion to decide which position would best support their clients.

- **Divergence of ESG evaluation among analysts:** Each analyst is required to submit an ESG analysis of companies held in the portfolio. However, where a stock is held in multiple portfolios, different analysts are asked to submit their own analyses since their assessment of the materiality of ESG issues may differ based on the strategy's goals. These are identified on a case-by-case basis. The Sustainable Investing team may highlight differences between approaches and encourage analysts to compare their analyses.
- **Managing client wishes for exclusionary lists:** In the event of divergence between TD Epoch and clients, we may be able to tailor solutions for clients. For example, we do not utilize exclusionary lists in managing our strategies. However, we are able to implement client-provided restricted lists which are reasonable. We believe this allows us to fulfil our fiduciary responsibility to all our clients.
- **Divergence between Epoch voting recommendations and client wishes:** We are also able to vote a client's share in accordance with their wishes, even if it goes against Epoch's recommendations. These conflicts are generally identified on a case-by-case basis through our proxy voting efforts. In Q2 2020, one of our clients requested our voting intentions against a large-cap US integrated energy company with significant fossil fuel exposure. We offered our initial recommendations, which we intended to implement for all clients in the strategy. This particular client believed our initial recommendations, which we believed to best fulfil our fiduciary duty, did not represent their values. We voted the client's shares in line with their stated values on the proposals in question. We also placed the company on our engagement Focus List to further evaluate its approach to climate change and address our client's concerns. We engaged with the company in Q3 2020, noting that the company could clarify its views on the low-carbon transition as well as its lobbying practices. We shared these findings with the client.

  Another of our clients has retained their own proxy advisor, which they believe better fits their values. As of Q3 2021, we have voted the client's proxies in accordance with their own proxy advisor, even if these votes diverge from Epoch and/or ISS's recommendations (ISS being the proxy advisor Epoch has retained).

  In 2022, one of our clients requested the use of a different ISS proxy voting policy, which the client believed to better represent their ESG goals than the ISS Benchmark policy used by the rest of Epoch's clients. We implemented this for the 2023 proxy season.

We review our conflicts of interest policy on an annual basis, led by our Compliance group. We also evaluate our Stewardship program annually to identify possible improvements. We reviewed our relationship with our proxy advisor in Q4 2022 and found the ISS Benchmark policy to be appropriate for the majority of our clients.

We have not identified any instances of conflict of interest arising from our management of both equity and fixed income assets.

The greatest divergence we are witnessing is among clients in different jurisdictions. As ESG becomes a political issue, we have observed major differences in the ESG goals of clients in the US vs. those in Europe. This creates challenges in designing an ESG framework that suits the needs of all our clients. We aim to manage this conflict by giving clients the choice to implement certain sector exclusions or to retain control of their proxy voting.

Principle 4

Signatories identify and respond to market-wide and systemic risks to promote a well-functioning financial system.

Activity: Signatories should explain: • how they have identified and responded to market-wide and systemic risk(s), as appropriate; • how they have worked with other stakeholders to promote continued improvement of the functioning of financial markets; • the role they played in any relevant industry initiatives in which they have participated, the extent of their contribution and an assessment of their effectiveness, with examples; and • how they have aligned their investments accordingly.

Outcome: Signatories should disclose an assessment of their effectiveness in identifying and responding to market-wide and systemic risks and promoting well-functioning financial markets. Market-wide risks are those that lead to financial loss or affect overall performance of the entire market and include but are not limited to: • changes in interest rates; • geopolitical issues; and • currency rates. Systemic risks are those that may lead to the collapse of an industry, financial market or economy and include but are not limited to: • climate change; and • the failure of a business or group of businesses. Stakeholders may include investors, issuers, service providers, policymakers, audit firms, not-for-profits, regulators, associations and academics.

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Activity

In our role as fiduciaries, we are responsible for promoting a well-functioning financial system. We endeavor to do this through our stewardship activities, which involve identifying and responding to market and systemic risks through a variety of channels.

All members of our investment team have responsibility for considering how market-wide and systemic risks could affect the performance of our investments. This process is supported by TD Epoch's Investment Policy Group ("IPG"), which comprises the firm's senior investors and portfolio managers and our dedicated global investment strategist specializing in macroeconomic trends. The IPG meets on a regular basis to review and discuss broad secular and macroeconomic trends and identify investment themes that could affect stock selection and portfolio weightings. This includes, but is not limited to, changes in interest rates, geopolitical issues, currency rates, climate change, the failure of a business or group of businesses and the COVID-19 pandemic. A wide variety of macroeconomic data and news sources inform these discussions.

While our stock selection process is bottom-up, the Investment Policy Group helps develop a macroeconomic framework in which our analysts can assess companies, particularly as they stress test their ideas. In addition, having a solid understanding of the macroeconomic environment assists in portfolio construction and may tilt the portfolio toward or away from more volatile markets or sectors. We identified COVID-19 as a risk in January 2020 and were moderately effective in responding to it from an investment perspective. For example, we identified COVID-19 as a risk to our clients in a Mar 2020 webinar: https://www.td.com/gl/en/global-investment-solutions/insights/insight-thought-leadership-detail-page/comparing-two-market-crises--a-new-type-of-crisis-requires-a-new. Similarly, the failure of Silicon Valley Bank in Q1 2023 prompted several firm-wide meetings to debate the implications of the event. These meetings brought together TD Epoch Investment teams managing both equity and fixed income assets to provide a more holistic view of the circumstances. We believe these to be important avenues for managing risk as well as identifying future opportunities even though the long-term nature of many of our investment strategies does not lend itself to sudden shifts in portfolio positioning.

Our equity and fixed income teams also benefit from the collective knowledge of TD's Wealth Asset Allocation Committee (WAAC), whose mandate is to issue market outlooks which provide its concise view of the upcoming market situation for the next six to eighteen months. A TD Epoch co-CIO and our investment strategist are voting members of the committee, which meets monthly.

We work with other stakeholders including industry-led groups to promote continued improvement of the functioning of financial markets. For example, we believe climate change could pose a systemic risk to financial markets. As such, we have devoted a large amount of effort to raising awareness and encouraging action on climate change. For example in Q2 2021, we supported a Ceres-led initiative on increasing climate integration into US financial regulation. This includes supporting the Ceres-led letter responding to the SEC's Request for Information on climate change. The letter outlined core elements that climate change disclosure rules from the SEC should include. In Q4 2019, Epoch supported the PRI-led Investor Expectations Statement on Climate Change for Airlines and Aerospace Companies. Ravi Varghese, currently our Head of Sustainable Investing, also penned a guest blog post for the PRI in Q1 2020 explaining Epoch's support of this initiative: https://www.unpri.org/pri-blogs/coronavirus-concerns-should-not-divert-aviations-climate-response/5635.article. We believe that future regulation of airline emissions is a significant risk for companies in the sector, and have pushed them to proactively address these challenges, albeit in a more measured fashion given stresses from COVID-19.

In 2020, Epoch also supported a Ceres-led letter calling on financial regulators to take climate risk into account in their regulatory frameworks. Ravi Varghese was featured in GreenBiz explaining Epoch's support for this initiative: https://www.greenbiz.com/article/why-investors-want-financial-regulators-tackle-climate-risk. We believe that climate change is a systemic economic risk and that investors will be served well by having regulators approach it in a more robust fashion to avoid stranded assets, among other risks. Since we supported the Ceres initiative, we observed heightened awareness of climate issues among financial regulators and noted the momentum building throughout 2021. For example, in the United States, the Federal Reserve announced the creation of the Financial Stability Climate Committee and the Supervision Climate Committee. While we certainly do not claim credit for this outcome, we believe Epoch's voice is a valuable addition to investor requests for more robust regulation of systemic risks. We have also participated in numerous meetings with central banks around the world to exchange ideas on climate change and ESG investing generally.

In 2022, we also joined the CDP Non-Disclosure Campaign. We believe that appropriate disclosure of ESG information is a critical component for stewardship and therefore financial market stability. Finally, Ravi participated in a podcast with Imperial College to describe the investor's view on using climate models in investing: https://imperialbizpodcast.podbean.com/e/imperial-many-minds-1-what-global-climate-change-models-are-missing/.

We also believe that we contribute to the better functioning of markets by explaining our ESG philosophy to clients and prospects. For example, in Q2 2022, Ravi Varghese wrote a series of blog posts explaining how the war in Ukraine had revealed various misconceptions about ESG investing. Ravi was also featured on the Epoch podcast describing how the firm thinks about Social issues in ESG. Ravi was also a speaker at the 2022 Marine Money conference, explaining how Epoch's ESG approach could be applied to the shipping industry. By shaping the dialogue around ESG, we hope to advocate for a rigorous but nuanced approach to ESG in investing.

Outcome

We believe we can be most effective in responding to market-wide and systemic risks through working collaboratively: both within our firm, through harnessing the expertise and diversity of thought brought by TD Epoch employees, and through participating in broader industry initiatives that are aligned with our purpose and investment beliefs.

We acknowledge that, our capacity to achieve substantive outcomes is limited based on our percentage of the vote. However, in summary, we believe that our stewardship activities encourage our portfolio companies, to take a long-term, holistic view of investing through the incorporation of ESG considerations. We also hope that our increasing alignment under the TDGIS distribution umbrella will give us greater reach in advocating for financial market stability.

Principle 5

Signatories review their policies, assure their processes and assess the effectiveness of their activities.

Activity: Activity: Signatories should explain:
• how they have reviewed their policies to ensure they enable effective stewardship;
• what internal or external assurance they have received in relation to stewardship (undertaken directly or on their behalf) and the rationale for their chosen approach; and • how they have ensured their stewardship reporting is fair, balanced and understandable.

Outcome: Signatories should explain how their review and assurance has led to the continuous improvement of stewardship policies and processes. Internal assurance may be by given by senior staff, a designated body, board, committee, or internal audit and external assurance by an independent third party.

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Activity

TD Epoch's ESG policy is reviewed by our co-CIOs, Head of Sustainable Investing and Chief Compliance Officer on an annual basis. Proposed changes must be approved by Epoch's President before they can be implemented. We released an updated ESG policy on Jan 1, 2023. This review process involved the Epoch Policy Oversight Committee, which includes colleagues from TDAM to ensure a more holistic and rigorous review.

We review our proxy voting policies and processes annually. In 2021, we updated our Proxy policies and processes. An important part of this process was reviewing our relationship with ISS, who we have historically used as our proxy advisor. We receive regular communications from ISS including policies and voting recommendations which portfolio managers and analysts review. We also obtain quarterly voting statistics from ISS. These updates have enabled Epoch to take a more active approach to voting. In Q3 2022, we reviewed our use of ISS's benchmark policy to ascertain if it aligned with our ESG goals. Our conclusion was that the Benchmark policy was more appropriate than some of the specialized policies. We will continue to review the policy periodically as our ESG integration and Stewardship efforts evolve. The most important body for evaluating our proxy efforts is Epoch's Proxy Voting Group, which includes our Sustainable Investing team, co-CIO, Head of Risk Management, Compliance and Operations personnel as well as members of our Investment team. This group meets as necessary. We are in the midst of reviewing our proxy voting policies to ensure alignment with TDAM as part of the TDGIS distribution umbrella.

Our ESG efforts are ultimately overseen by our President, ensuring implementation across the organization. In addition, Compliance periodically reviews our practices to ensure compliance with the policy.

We also review and assure our ESG integration and stewardship at the implementation level internally and on a continuous basis. This internal assurance is undertaken by the Sustainable Investing team, one of our co-CIOs and Compliance team. We chose an internal assurance process because we believe this provides the greatest value to our investment team and clients, and is most suited to our business strategy. Specifically, our Sustainable Investing team and co-CIO understand the intricacies of our ESG integration approach, which has been designed to complement Epoch's investment philosophy and ways of working. The Sustainable Investing team works across all our strategies, endeavoring to ensure ESG best practices are implemented consistently. This enables us to maintain a fair and balanced approach which is understood by all our investment analysts.

One example of our internal review at the implementation level is the analyst ESG Note. We currently incorporate ESG factors into our assessment of a company through an ESG Note prepared by our investment analysts or through engagements generally led by our Sustainable Investing team. The ESG Notes are reviewed by the Sustainable Investing team and one of our co-CIOs. In 2022, we introduced a dashboard monitoring various metrics related to the ESG notes. The goal of this dashboard is to provide different groups a snapshot of the Investment team's compliance with our policy on producing these ESG notes. We also launched a review of the analyst ESG Notes in Q3 2022 to provide analysts with clear and detailed feedback on assessing potentially material ESG issues. This review is ongoing and has continued through 2023.

Another part of our efforts to continuously review and improve our ESG and Stewardship activities has been to create a feedback form for analysts to fill in after each ESG engagement. Analysts are asked a variety of questions to reflect on the overall effectiveness of the engagement, and the responses are monitored by the Sustainable Investing team.

We also use external evaluation frameworks such as the PRI annual assessment to measure our progress. The PRI assessment process allows us to identify gaps in our ESG structures and processes. For example, we updated our ESG Policy in Q1 2020 reflecting lessons from the previous year's assessment. Similarly, we incorporated the PRI framework into our 2022 refresh of our ESG policy. This is also an important way for us to ensure that our stewardship reporting is balanced and updated, along with our Annual Sustainable Investing report. We believe that the continuous improvement in our PRI scores as well as various internal metrics reflect our ongoing progress as well as our commitment to further advancement.

Finally, to ensure our reporting is understandable, we rely on feedback from our clients. We request client input on our ESG reporting through written DDQs, client meetings and informal interaction.

We note that our continued alignment with TDAM is a two-way process. Our Sustainable Investing team provides feedback on TDAM ESG and proxy policies to ensure suitability for our clients.

Fixed Income

From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we describe the ESG framework used by TDAM to provide a comprehensive look at assets under our legal entity. Within the Credit team, this is a dedicated group of 6 core individuals (the ESG Credit Sub-Committee) and guests, including portfolio managers, that meets at least quarterly to provide oversight regarding our ESG ratings and processes, including engagements. Key responsibilities include:

- Calibration of ESG ratings between fixed income asset classes.
- Review of the ESG sub-categories for ongoing relevance.
- Engagement with other TDAM Groups or external parties.
- Review of Key ESG Industry Articles & Conferences.
- In-depth sector & ESG topic reviews

The Credit Sub-Committee sits within the broader ESG governance structure at TDAM, which can be seen in our annual Sustainable Investing Report. The TDAM ESG Committee is responsible for establishing and reviewing TDAM's firm-wide ESG approach, policies, objectives and commitments for applicable strategies.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these represent less than 3% of total firm AUM as of June 30, 2023.

Outcome

As described above, we review our stewardship policies and processes on a continuous basis and through numerous channels. We find this to be a highly effective approach, which has enabled us to continuously iterate and improve on our practices. Since the initiation of our ESG and Stewardship program in 2015, we have revised and updated our ESG policy; introduced new policies including our Proxy Voting Policy and Modern Slavery Statement; recorded significant improvement across all categories from the PRI; defined our approach to our ESG focus issues, as well as broadened our understanding of ESG risks and opportunities; expanded the skillset of our investment team through periodic ESG training and feedback sessions.

Principle 6

Signatories take account of client and beneficiary needs and communicate the activities and outcomes of their stewardship and investment to them.

Context: Signatories should disclose: their client base, for example, institutional versus retail, and geographic distribution; - assets under management across asset classes and geographies; • the length of the investment time horizon they have considered appropriate to deliver to the needs of clients and/or beneficiaries and why.

Activity: Signatories should explain: how they have sought and received clients' views and the reason for their chosen approach; • how assets have been managed in alignment with clients' stewardship and investment policies; • what they have communicated to clients about their stewardship and investment activities and outcomes to meet their needs, including the type of information provided, methods and frequency of communication to enable them to fulfil their stewardship reporting requirements.

Outcome: Signatories should explain: • how they have evaluated the effectiveness of their chosen methods to understand the needs of clients and/or beneficiaries; • how they have taken account of the views of clients and what actions they have taken as a result; • where they have not managed assets in alignment with their clients' stewardship and investment policies, and the reason for this.

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Context

The firm had total AUM of $29.6 billion as of 30 June 2023, 90.4% of which was institutional, including sub-advised funds. Our clients include public pension plans, corporate pension plans and wealth management groups, among others. 91% of AUM is domiciled in the U.S. and Canada, with roughly 4% each in Europe/UK and Asia/Australia.

Our investments are generally made with a 3–5-year time horizon in mind. As an active manager, TD Epoch believes that the market may misprice securities temporarily but that business fundamentals should assert themselves over a 3–5-year period, allowing for fair value to materialize. The impact of a company's capital allocation policies may also be realized over this timeframe, revealing the company's value—for example, by repurchasing stock. Nonetheless, our stewardship activities look at a much longer time horizon, ranging from 10-30 years, since we believe the market can discount distant events into current prices quickly.

Activity

While TD Epoch has always taken its commitment to stewardship seriously, we noticed a major uptick in client interest in this area in 2018. Our Head of Sustainable Investing and our Client Relationship team engaged deeply with a group of existing clients in a series of one-on-one meetings to best understand their stewardship goals and needs. These clients had all expressed a desire for Epoch to take a more formal stance on ESG. We believed this series of meetings would best allow us to align with our clients' stewardship and investment needs. We learned that climate change and good corporate governance were the top ESG issues for these clients, who were primarily based in Australia, Canada, Europe and the United Kingdom. One of our clients requested that we report the carbon footprint of the strategy in which they were invested. This was the basis of a 6-week project to identify an appropriate carbon analytics data provider, culminating in our decision to begin a subscription with S&P Trucost. Over time, we have grown our coverage from three strategies to nine, covering a significant portion of the firm's AUM.

We also ascertained that most of our clients preferred an integrated ESG approach rather than implementing exclusions. We determined that integrating ESG into our investment processes was the best solution for meeting our fiduciary duty to our clients while aligning with clients' investment and stewardship policies. In practice, this means that we first and foremost seek to identify areas where ESG issues may affect a firm's valuation positively or negatively, whether through a change in cash flows or the cost of capital ascribed to companies. We also seek to support industry standards which benefit all companies in an industry or which ensure that externalities are not passed on to other stakeholders. This has continued to guide TD Epoch's efforts in our ESG and stewardship activities, and has been the cornerstone of various ESG frameworks developed since 2018.

Another issue of importance to our clients was on ESG standards and disclosure. In response to client requests, we signed the PRI in 2018 and have reported three years in a row. Our current ESG reporting mainly revolves around several documents. The first is the PRI Transparency Report, which is the outcome of the annual PRI assessment process. The second is our Annual Sustainable Investing Report, which we typically publish in the first half of the year. The most recent Annual Report is available on our website. In these documents, we report on a wide range of descriptive elements and quantitative indicators such as:

a. Governance structures,

b. ESG Processes (e.g. how we select major ESG focus areas; how we select engagement targets; how we engage with companies; what informs our proxy voting)

c. Engagement case studies

d. Proxy voting statistics

We also report on our ESG and stewardship activities through client DDQs. These DDQs often provide more detail about our efforts in this area. We note clients' increasing use of these DDQs to learn more about our ESG initiatives. Our Sustainable Investing team began tracking its involvement in prospect RFPs, client DDQs and other interactions in 2019. While the number of client requests stabilized between 2021 and 2022, this represents roughly 3 times the number of requests we received in 2019 . We note the increasing complexity and sophistication of RFPs, DDQs and client questions. We welcome this interest in our ESG and stewardship processes, and use these interactions as an opportunity to learn how best to serve our clients.

Fixed Income

Regarding the fixed income components in the TD U.S. Monthly Income Fund – TDAM reports on its annual stewardship activities in its annual Sustainable Investment Report, available on our website. These are broken out by asset class and include specific details to the Fixed Income Team's engagements. TDAM also participates in annual PRI reporting. A summary of our most recent assessment is available on our website. Additionally, TDAM produces engagement reports tailored to clients' holdings upon request.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm but we note that these represent less than 3% of total firm AUM.

Outcome

We continue our close dialogue with clients as well as the investment consultant community to understand how to best act as stewards of their capital and how we can effectively communicate our activities to them. As an example, in Q2 2020, one of our clients requested our voting intentions against a large-cap US integrated energy company with significant fossil fuel exposure. We offered our initial recommendations, which we intended to implement for all clients in the strategy. This particular client believed our initial recommendations, which we believed to best fulfil our fiduciary duty, did not represent their values. We voted the client's shares in line with their stated values on the proposals in question. We also placed the company on our engagement Focus List to further evaluate its approach to climate change and address our client's concerns. We engaged with the company in Q3 2020, noting that the company could clarify its views on the low-carbon transition as well its lobbying practices. We shared these findings with the client.

In 2022, one of our clients requested the use of a different ISS policy (the "SRI policy"), which they believed to better represent their ESG goals than the ISS Benchmark policy used by the rest of Epoch's clients. We implemented this for the 2023 proxy season.

To evaluate the effectiveness of our stewardship activities in meeting client needs, we use a multi-faceted approach. We **(a)** assess our ability to answer client DDQs and **(b)** solicit client feedback in formal and informal meetings. The latter involves a whole-of-firm approach, meaning the ESG team is constantly assimilating information from TD Epoch's Client Relations, Sales & Distribution and Investment teams, ensuring clients' desires are reflected in our ESG processes. We also try to use these interactions to proactively meet clients' needs, forming a picture of what issues may be important in 12-24 months. As an example, we have taken note of various Net Zero climate commitments at asset management firms and are assessing the suitability of such a commitment for our client base.

Principle 7

Signatories systematically integrate stewardship and investment, including material environmental, social and governance issues, and climate change, to fulfil their responsibilities.

Context: Signatories should disclose the issues they have prioritized for assessing investments, prior to holding, monitoring through holding and exiting. This should include the ESG issues of importance to them.

Activity: Signatories should explain: • how integration of stewardship and investment has differed for funds, asset classes and geographies; • the processes they have used to: - integrate stewardship and investment, including material ESG issues, to align with the investment time horizons of clients and/or beneficiaries; and - ensure service providers have received clear and actionable criteria to support integration of stewardship and investment, including material ESG issues.

Outcome: Signatories should explain how information gathered through stewardship has informed acquisition, monitoring and exit decisions, either directly or on their behalf, and with reference to how they have best served clients and/or beneficiaries.

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Context

TD Epoch's approach to ESG supports our mission as fiduciaries to address the interests of our clients and provide attractive, risk-adjusted returns. Our investment process incorporates ESG issues and evaluates whether these issues may have a material impact on either investment risk or return. We believe good governance practices and responsible corporate behavior contribute to the positive long-term performance of companies and can help reduce investment risk.

Central to TD Epoch's investment beliefs is the view that sustainable companies will be able to generate positive free cash flow from operations over the longer term. Good governance practices provide the framework for this through the provision of appropriate strategic direction and policy setting. In addition, successful capital allocation requires astute management and oversight by Boards. Epoch believes that the effective allocation of free cash flow over time drives long-term value creation for shareholders.

Such Governance, or "G", considerations have always been a central focus of our investing approach. We similarly believe that "E" and "S" considerations are extremely helpful in broadening the investment research lens to help better understand both risks and opportunities for the companies we invest in.

We evaluate ESG factors in the same way we evaluate factors defined by more traditional economic and financial metrics – what effect will this have on the ability of the company to sustainably generate cash flow? In this sense, ESG factors are part of the overall risk/reward evaluation we conduct.

In the near term, we have decided to primarily focus on issues related to climate change and governance practices, particularly the alignment of executive compensation with shareholder interests. We believe these issues are widely applicable across most industries. Nonetheless, we note that he financial materiality of ESG factors varies by industry, country, and company. As a result, it is important for us to consider ESG-related factors which impact returns and risk, and to seek to influence management teams to address ESG-related issues that may affect our investment results. We explain our approach to specific ESG issues in more detail below:

Environmental Factors:

Environmental factors may be a material driver of risk and return for the companies Epoch invests in. In particular, Epoch considers climate change a major influence on economic activity, generating potential threats as well as opportunities associated with the shift to less carbon-intensive activities. Global policy seeks to address climate change through the Paris Agreement and the United Nations Sustainable Development Goals (SDGs), together with various national targets. In practice, some companies will be better prepared than others to deal with the inevitable constraints on current business practices from regulation, the risk of supply chain interruptions, and potential stranded assets. Similarly, some companies will be better prepared than others to offer new products and services suited to a carbon-constrained scenario.

Accordingly, we aim to understand companies in terms of their strategies to mitigate carbon emissions or growth potential through new processes, technologies or activities that are consistent with the Paris Agreement. In addition, we seek to understand how climate-related regulations at national and local levels might affect companies both positively and negatively. We seek to incorporate carbon risk assessment into our investment processes as appropriate.

We use external data sources to review and monitor the carbon intensity of portfolios and focus on the major portfolio carbon contributors. We may then engage with certain companies, as a result of this analysis, to understand the business context and what actions if any are being taken to address these issues. These analytics are produced quarterly for review by relevant portfolio managers and fundamental investment analysts. We may supplement these with additional analysis to evaluate company-level alignment with global policy objectives.

Social Factors:

Social factors may be a material driver of risk and return for the companies Epoch invests in. This includes a wide range of considerations such as workforce development , labor and supplier relations, health & safety practices as well as reputation with customers and regulators. The financial materiality of social issues tends to be highly specific to the company, and its industry and geography.

Governance Factors:

Epoch believes that companies which are governed effectively will generate increasing shareholder value in the longer term. Governance covers many aspects and are often company-specific. The themes/aspects that we most commonly focus on are accountability, expertise and board tenure, risk oversight, remuneration, and external assurance processes.

- **Accountability:** Epoch expects clear lines of accountability among the Board, Chair, President, executive officers, and management along with written mandates for the Board and each committee setting out their duties and accountabilities. Leadership of the board and leadership of the company should be separate but, if not, a Lead Independent Director should be clearly identified for shareholder interaction. Audit and remuneration committees should consist of a majority of independent non-executive board members.

- **Expertise and Board Tenure:** Boards should be diverse, offering relevant skills and experience. Board members should not have undue obligations elsewhere, have enough time to devote to the role, and independence is often better obtained by limiting tenure to a reasonable period, which may vary by jurisdiction. Every member of the board should stand for re-election at an acceptable interval, roughly no more than every 3 years.

- **Risk Oversight:** Boards should regularly identify and assess business risks including financial, operational, reputational, and environmental, and report their findings publicly. The Board is responsible for strategic leadership in establishing the company's risk tolerance and developing a framework and clear accountabilities for managing risk. Directors are responsible for understanding the current and emerging short- and long-term risks the company faces, the performance implications, and actions to mitigate such risks.
- **Remuneration:** The Compensation Committee should be comprised of independent directors that are tasked with developing and overseeing executive compensation plans and targets linked to objectives that are aligned with shareholders' interests, including the long-term sustainability of the business.
- **External Assurance:** Independent external assurance processes are valuable in helping determine confidence around the quality and accuracy of company reported financial statements and other disclosures.

Regarding the fixed income components in the TD U.S. Monthly Income Fund, we integrate material and relevant ESG risks into our overall credit rating process. ESG risks are identified and quantified in our TDAM Fixed Income ESG Scores for all approved issuers. The impact on credit ratings is then assessed and documented.

We currently consider over 25 risk criteria when we assess ESG risk for corporate credits. The risk criteria come from MSCI ESG Ratings Key Issue Framework and other sources and are periodically reviewed for their appropriateness by an ESG focused sub-committee of our Credit Committee. ESG risks for sovereign credits are driven by a ranking model that assesses 12 risk criteria based on 34 quantitative metrics from the World Bank and other public sources.

Activity

Epoch has a dedicated team working solely on the ongoing implementation of Epoch's ESG program. ESG integration is also implemented by our fundamental analysts who are required to submit an ESG research note documenting their views of material ESG factors for names they cover in the portfolio. As with Epoch's dedicated risk management function, we believe partnering the fundamental investment team with dedicated ESG specialists will produce the best outcomes. Our dedicated ESG specialists allow the firm to maintain leading edge knowledge on ESG issues; to provide a holistic perspective on best practices and areas for improvement across sectors, industries, and countries; and to provide objective, unbiased insights, and feedback regarding investments made at Epoch.

We currently incorporate ESG factors into our assessment of a company through an ESG Note prepared by our investment analysts or through engagement material generally led by our Sustainable Investing team. We believe that the relevance, materiality, and timeliness of ESG factors vary by industry and company. We expect any ESG issue that is material to the potential outcome of our investments to be researched and analyzed by our investment team. Our investment team evaluates ESG factors which it believes are relevant and material to return or risk over the anticipated time horizons of our investments. We formally document our ESG assessment of portfolio holdings in our proprietary research database. The ESG Notes are audited by the Sustainable Investing team and one of our co-CIOs.

We use a combination of internal and external research to identify and understand ESG risks and opportunities. These include the sell side, general ESG research sources such as MSCI, or more issue-specific sources such as climate change think tanks.

Information is also generated through the engagement process. One of our objectives in meeting with management is to assess the company's strategy to address the business implications of a carbon-constrained world and the impact of climate change. We aim to gauge management's thoughtfulness, credibility, and commitment to future-proofing the business to align with global policy objectives (i.e. a "2-degree scenario"). Depending on the company, our engagement calls/meetings can address other ESG issues. Some of the other issues we have discussed include plastic waste, tobacco regulation and diversity & inclusion.

Engagement calls are led by our Sustainable Investing team and are also typically attended by our fundamental research analysts. Call notes are shared through our Research Management System, and such information can then be used by portfolio managers and analysts in their evaluation of the company. Ultimately, Epoch's analysts and portfolio managers decide on the utility of the information gained from such engagements and how, if at all, it should impact investing decisions.

Finally, we continually monitor our service provider relationships to assess their value to our ESG integration efforts. It is important to note that we use service providers as inputs into our own process. We do not outsource our stewardship activities to service providers. As such, it falls on us to evaluate if our service providers are fulfilling their functions, rather than instructing our service provider to execute an agreed-upon set of criteria or tasks. As detailed in Principle 8, we undertake an annual or biennial process of reviewing our service providers to ensure they are meeting our ESG and Stewardship needs. As an example, Epoch has historically used ISS as its proxy advisor. We receive regular communications from ISS including policies and voting recommendations which portfolio managers and analysts review. However, we regularly refresh our views of the provider. For example, we reviewed ISS's benchmark policy in Q3 2022 to ascertain if it aligned with our ESG goals. Our conclusion was that the Benchmark policy was more appropriate than some of the specialized policies. In a similar vein, we aim to periodically review our various service providers to evaluate if they are contributing effectively to our ESG and stewardship integration efforts.

Regarding the fixed income components in the TD U.S. Monthly Income Fund: The overall output of our ESG process is the 'TDAM Fixed Income ESG Risk Score' which identifies the potential credit supports and risks faced by issuers, mainly in terms of relevance and materiality to financial and/or ratings impacts. FI Analysts consider the risk criteria when arriving at their sub-scores for our separate E, S and G ratings. We follow a 1-10 ranking scale for assigning sub-scores, although only certain issues will be material to each issuer, with immaterial factors marked '0' in the ESG database. Analysts then assign a final 'TDAM Fixed Income ESG Risk Score' based on the workup of the underlying E, S, G, scores, while also taking into consideration how the company should rank on a relative basis.

All ESG scores are initiated by the credit analysts specialized in the industry. These initial ratings are brought to the senior analysts of TDAM Credit Research for further discussion on the depth of research and consistency of approach. Finally, these ratings are brought to the TDAM Credit Committee for final debate and approval. All credits and the corresponding ESG Risk Score are reviewed and, if required, updated, as per the TDAM Credit Committee Policy. Ad-hoc reviews and updates occur when there is a material change in credit or ESG risk to the business.

Additionally, to gain a complete picture of a company's credit quality, the team also engages management to understand how issuers are addressing material ESG exposures. Our credit research and issuer engagement inform both our internal credit ratings as well as an ESG-specific score. Our analysis is regularly updated and incorporated into research reports that are then reviewed by TDAM's Credit Committee.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these represent less than 3% of total firm AUM.

Outcome

The information gathered through our stewardship activities are a crucial part of the investment mosaic our team tries to construct for every company. Through the lens of our firm's investment beliefs - that the best predictors of long-term shareholder return are growth in free cash flow and management's skill in allocating that cash - our portfolio managers will consider the implications of the information gathered through stewardship on our holding companies. In this way, our stewardship activities inform acquisition, monitoring and exit decisions.

We view engagements as an integral component of our stewardship activities. Our engagements thus far have given us increased information about how companies are approaching climate transition risk in particular. We have been primarily interested in understanding whether companies are at risk of stranded assets, but we have uncovered relatively little such risk in our analysis. To date, we have focused largely on whether we meet qualitative objectives set out before the meeting, largely to do with understanding a company's ESG strategy. Over time, we may seek to further quantify our impact in our engagements.

On occasion, the findings of our engagements can be very influential in an investment decision.

For example, in 2020, one of our strategies held a position in a US utility which was alleged to be involved in a bribery scandal. We engaged with the company to hear its side of the story while evaluating its climate strategy in more detail. The company was unable to provide us any confidence of a positive outcome from the bribery case, and we ultimately decided to exit the position completely. However, these situations tend to be exceptions. In general, Epoch's process attempts to identify ESG challenges prior to purchasing a stake in a company. It is more common for us to use engagements as a means of verifying our ESG thoughts rather than as the trigger for a sell decision.

The Fixed Income team conducted 40 engagements in 2022 within 26 unique meetings. This included 13 ESG-oriented discussions with sovereign and provincial governments. In 2022, TDAM provided feedback to several governmental entities on their proposed green bond frameworks, including which SDGs to focus on and which projects could be funded with bond proceeds. TDAM also provided feedback to a major electrical grid provider on how to improve its ESG reporting, as well as on how to develop a framework for sustainability-linked bonds.

Principle 8

Signatories monitor and hold to account managers and/or service providers.

Activity: Signatories should explain how they have monitored service providers to ensure services have been delivered to meet their needs.

Outcome: Signatories should explain: • how the services have been delivered to meet their needs; OR • the action they have taken where signatories' expectations of their managers and/or service providers have not been met. For example: • asset managers monitoring proxy advisors to ensure, as far as can reasonably be achieved, that voting has been executed according with the manager's policies; and • asset managers monitoring data and research providers to ensure the quality and accuracy of their products and services.

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are considering harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Activity

We monitor the effectiveness of our ESG service providers on a continuous basis, and conduct formal reviews when contracts are up for renewal, typically on an annual or biennial basis.

We manage our service provider contracts through our Vendor Management Tool, which alerts us to upcoming contract expirations. Prior to renewal we will review the terms of our agreement and consider how services have been delivered to meet our needs. As part of the contract renewal process the Sustainable Investing team, in collaboration with the wider investment team, evaluates the service provider's ESG capabilities, identifying any missing provisions or required improvements, to ensure they meet the needs of Epoch's evolving ESG strategy.

As noted in Principle 7, we use service providers as inputs into our own processes and therefore continually monitor our service providers through regular use of their services and frequent communication with their representatives. Typically, we will speak to representatives to resolve ad hoc queries or issues. For example, as part of our integrated ESG research process, we sought to make both fundamental research and ESG research available through our research management platform. We worked with MSCI to link ESG research with FactSet, making it easier for analysts to incorporate ESG considerations into their existing research process. In the occasional instance where we have uncovered discrepancies in their data, our providers have been responsive in trying to understand our viewpoint and correcting inaccuracies if necessary. We also speak to representatives periodically to stay abreast of general platform updates and to learn about new products/services which may add value to our ESG integration program.

Another example of our monitoring vis-à-vis service providers is Epoch's relationship with ISS, whom we have historically used as our proxy advisor. We receive regular communications from ISS, including policies and voting recommendations. Portfolio managers and analysts review all relevant communications before deciding whether to vote with, or deviate from, ISS's recommendation. In addition, Epoch's Proxy Voting Group, made up of our Head of Sustainable Investing, co-CIO, Head of Risk Management, Compliance & Operations teams as well as members of our Investment team, meets regularly to provide a platform for the investment team to discuss their views on ISS's recommendations raise issues as required. We reviewed ISS's benchmark policy in Q3 2022 to ascertain if it aligned with our ESG goals. Our conclusion was that the Benchmark policy was more appropriate than some of the specialized policies. In a similar vein, we periodically review our various service providers to evaluate if they are contributing effectively to our ESG and stewardship integration efforts.

In 2023, we carried out a review of the data providers' landscape, analyzing the ESG product offering of 18 market players and having deeper conversations with 5 shortlisted providers. In particular, we wanted to explore the range of company-specific ESG research. The result of our analysis showed that currently none of the alternative providers seem superior in meeting our needs compared to our existing ESG research provider.

Outcome

We regularly refresh our views of our service providers and to date, we believe that our service providers have delivered strong results in meeting our needs. This includes our relationships with MSCI, our general ESG research provider, and S&P Trucost, who provides us specialized environmental data. We believe these are both highly credible data providers.

If our views were to change, we would work with our service providers to amend the terms of the contract and/or the nature of services provided. Where this is not possible, we will act in accordance with the non-renewal/termination clause and seek a more suitable arrangement with an alternative service provider.

While we monitor our service providers continuously, we believe a two-year cycle is generally appropriate for assessing their effectiveness in meeting TD Epoch's needs.

Principle 9

Signatories engage with issuers to maintain or enhance the value of assets.

Activity: Signatories should explain: • how they have selected and prioritised engagement (for example, key issues and/or size of holding); • how they have developed well-informed and precise objectives for engagement with examples; • what methods of engagement and the extent to which they have been used; • the reasons for their chosen approach, with reference to their disclosure under Context for Principle 1 and 6; and • how engagement has differed for funds, assets or geographies. Examples of engagement methods include but are not limited to: • meeting the chair or other board members; • holding meetings with management; • writing letters to a company to raise concerns; and • raising key issues through a company's advisers.

Outcome: Signatories should describe the outcomes of engagement that is ongoing or has concluded in the preceding 12 months, undertaken directly or by others on their behalf

For example: • how engagement has been used to monitor the company; • any action or change(s) made by the issuer(s); • how outcomes of engagement have informed investment decisions (buy, sell, hold); and • how outcomes of engagement have informed escalation. Examples should be balanced and include instances where the desired outcome has not been achieved or is yet to be achieved.

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are considering harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Activity

Engaging with issuers is an important element of TD Epoch's ESG integration and stewardship efforts. We view engagement as a way to deepen our research of a company's strategy and processes. We also use engagement as an avenue for advocating for desired strategies and policies, while serving as a sounding board for corporate management teams who are eager to understand ESG best practices.

Engagement selection and prioritization

Currently, TD Epoch's engagements are centered on understanding climate change risk, especially transition risk. We view climate change as an issue of systemic risk with implications for many companies across our strategies. It is also an issue of high priority for our clients. Our Head of Sustainable Investing and our Client Relationship team engaged deeply with a group of existing clients in a series of one-on-one meetings to best understand their stewardship goals and needs. These clients had all expressed a desire for Epoch to take a more formal stance on ESG. We believed this series of meetings would best allow us to align with our clients' stewardship and investment needs. We learned that climate change and good corporate governance were the top ESG issues for these clients, who were primarily based in Australia, Canada, Europe and the United Kingdom.

We use S&P's Trucost database to assess the carbon exposure of our portfolios on a quarterly basis. This analysis identifies key metrics at a portfolio level and indicates which stocks are the principal drivers of the carbon exposure within the portfolio. This is an effective tool for identifying possible engagement needs. Across most of our strategies the top 2–3 carbon emitters are prioritized for engagement on carbon and climate risk. The Sustainable Investing team may increase this number where required, such as in strategies that contain more high carbon emitters than others.

TD Epoch's integrated approach to ESG means that potential engagements are also identified by our investment teams throughout the investment process. Engagement opportunities may be recognized through the work of our fundamental analysts when preparing ESG notes or other company specific research. Our analysts also review the proxy statements for our holdings. The identification of material issues through any of these channels may inform our engagement activities. Additionally, our Proxy Voting Group provides a platform to discuss significant proxy proposals and voting decisions, which may also be incorporated into engagement activities.

Methods of engagement

Engagement calls/meetings are led by our Sustainable Investing team and are also typically attended by our fundamental research analysts. Prior to the engagement, we prepare detailed research to understand a company's positioning on various ESG issues and outline important questions. One of our main objectives in meeting with management is to assess the company's strategy to address the business implications of a carbon-constrained world and the impact of climate change. We aim to gauge management's thoughtfulness, credibility, and commitment to future-proofing the business to align with global policy objectives (i.e. a "2-degree scenario"). Depending on the company, our engagement calls/meetings can address other ESG issues such as plastic waste and diversity & inclusion.

Call notes are shared through our Research Management System, and such information can then be used by portfolio managers and analysts in their evaluation of the company. Ultimately, Epoch's analysts and portfolio managers decide on the utility of the information gained from such engagements and how, if at all, it should impact investing decisions.

While TD Epoch does not have a prescribed process for engagement follow-up, we monitor engagement company performance on an annual basis if deemed necessary. We continue our engagement if, for instance, a company is not meeting the ESG goals it has set for itself, if we feel the company can be more ambitious in their goals, or if we need further clarity on issues surrounding a company's ability to achieve its goals.

We expect some geographical differences in our engagement activity. ESG practices are generally more robust in developed markets. We observe that we occasionally face challenges in pursuing ESG engagements in emerging markets. This may manifest itself in poor response rates from companies, challenges in locating the right employee with whom to engage or unwillingness from corporates to disclose information.

Fixed Income

The TDAM Fixed Income team's engagement efforts are coordinated with the TDAM ESG Research & Engagement and Equity Teams' efforts. The majority of our ESG engagements are done through meetings with company management, however we also have engaged Board Members where there is an opportunity to. We also have engaged through letter writing, both individually and as part of a broader coalition of investors.

Engagement rationale and outcomes

Epoch's approach to Stewardship and ESG engagement has been designed around our investment philosophy, collaborative culture and commitment to think as long-term owners.

While engagement calls are led by the Sustainable Investing team, fundamental analysts are actively involved in the process. This enables us to bring together the perspective and judgement required to evaluate investments according to Epoch's investment beliefs (described in Principle 1) with the broader goals of our ESG efforts. In many cases, our fundamental analysts have strong pre-existing relationships with our engagement companies, better enabling us to develop an honest and constructive dialogue on ESG topics.

We maintain detailed records of our engagements and provide specific information about engagements to clients upon request. As described in Principle 6, we share an overview and some highlights from our engagement activities on an annual basis in our Sustainable Investing report, available on our website. We frequently provide information and updates on our Stewardship activities to clients/prospect through Due Diligence Questionnaires ("DDQs") and requests for Proposal ("RFPs"), as well as through calls and meetings. We have found that the evolution of our own reporting practices has enabled us to meet our clients' increasingly sophisticated ESG reporting requirements.

We follow a similar approach to selecting, prioritizing and leading ESG engagements across all of our strategies. To date, this has mostly focused on large carbon emitters and climate transition risk. We do, however, take a nuanced approach to researching companies and crafting questions for engagement. For example, we take into account the jurisdiction a company operates in, which can greatly affect its exposure to climate-related risks, as do its governance practices.

For fixed income assets, the details and outcomes of our ESG engagements are tracked in TDAM's ESG Engagement Tracking Tool.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these represent less than 3% of total firm AUM.

Outcome

We conducted 15 full engagements firm-wide in 2020, 20 in 2021 and 27 in 2022. Our discussions typically include Heads of Sustainability, Investor Relations, relevant Board Members and Executives. These engagements were centered on high-emitting companies in the Utilities, Energy and Materials sectors. In a few cases we engaged with companies on governance and proxy-related topics. Our engagements have given us increased information about how companies are approaching climate transition risk in particular. We have been primarily interested in understanding whether companies are at risk of stranded assets, but we have uncovered relatively little such risk in our analysis.

To date, we have focused largely on whether we meet qualitative objectives set out before the meeting, largely to do with understanding a company's ESG strategy. Increasingly we are focusing on companies' plans to achieve Net Zero Emissions by 2050. An example of this is our work advocating for Net Zero by 2050 targets to be implemented by some of our utilities sector companies.

As part of our activities to monitor our engagement activities we solicit feedback from our fundamental analysts after each ESG engagement. This covers a variety of questions to reflect on the overall effectiveness and outcomes of the engagement.

Over time, we may seek to further quantify our impact in our engagements. Furthermore, we are also likely to expand the range of ESG issues where we engage with companies. This may entail a shift in our engagement processes, away from the current model, which is largely led by the Sustainable Investing team.

Case study – TD Epoch 2022 ESG Engagements with Materials sector

The materials sector encompasses producers of a wide range of commodity products. This includes industrial and agricultural chemicals, industrial gases, glass, paper and forest products and construction materials such as steel and cement. Companies operating in this sector face a variety of ESG challenges including compliance with environmental regulations, labor management practices, workplace health and safety, and the physical and transition risks of climate change. TD Epoch has been engaging with companies in the materials sector since 2019, with a focus on climate change. The materials sector is a significant contributor to global carbon emissions, contributing to ~30% of global greenhouse gas emissions annually.[1] However, the sector is also uniquely positioned to provide more sustainable product solutions to many different industries.

In 2022, we engaged with a wider range of companies in the materials sector as part of our enhanced focus on "hard-to-abate" emissions. Our discussions have illuminated some of the challenges materials companies face when developing decarbonization roadmaps. For instance, there are significant technological and economic hurdles to electrifying manufacturing processes, such as those for cement and chemicals. Companies must be clear-eyed when allocating capital to sustainable projects as lower-carbon commodity products may not be able to command a price premium in the market. One example is the production of hydrogen, which can act as a zero-carbon fuel and is expected to play a substantial role in a low-carbon economy. However, most hydrogen today is manufactured through reforming natural gas in a highly carbon-intensive process, producing what is known as gray hydrogen. Alternative methods of producing hydrogen include capturing and storing carbon emissions from gray hydrogen production (blue hydrogen) or producing hydrogen through the electrolysis of water (green hydrogen). However, both alternative methods introduce significant additional costs and new technological challenges. Below, we provide further details on three materials sector engagements from 2022.

Air Products & Chemicals (APD) is a world-leading industrial gas producer and the world's largest hydrogen producer. TD Epoch initiated engagement with APD in 2022, as the company is a high emitter and operates in a hard-to-abate sector. APD's strategy is fundamentally based on doing two things simultaneously: **(1)** operating its base industrial gas business in the most efficient way and continuing to invest and grow that business; **(2)** focusing on zero and low-carbon hydrogen projects that produce the hydrogen energy of the future. The company has ambitions to become the world's largest blue and green hydrogen producer. Our engagement focused on APD's emissions profile and low-carbon megaprojects.

We engaged with APD to gain a clearer breakdown of the sources of emissions reductions which will get the company to its "Third by '30" Scope 1, 2 & 3 emissions intensity targets and to encourage them to disclose more details on their absolute emission trajectory over the time period. APD anticipates reaching their targets through a combination of new low-carbon projects; decarbonizing existing operations; procuring renewable energy/grid greening; and operational excellence. The company acknowledges that their absolute emissions trajectory over the time period will depend on the interplay of these factors and may seem counterintuitive. For example, new blue hydrogen projects will incrementally increase absolute emissions.

[1] Emissions by sector - Our World in Data

APD's low-carbon megaprojects, slated for development in California, Louisiana, Alberta and NEOM, break significant new ground. We note that APD's peers prefer smaller projects, and we discussed the thinking behind the company's decision to pursue megaprojects, as well as the defensibility of their "first-mover advantage." APD set out to pursue the strategy that "made the most sense" with regards to low/zero-carbon hydrogen. For the most part, these turned out to be very large projects. The defensibility of their first-mover advantage involves: closeness to the market (e.g. developing relationships with city bus managers worldwide), being the first to "stake the ground" in desirable project locations and being ahead of peers in terms of operational experience in large projects. APD sees demand for green and blue hydrogen outstripping supply in the future and believe their strategy sets the company up to benefit in this scenario. IRA tax credits for blue and green hydrogen will improve the economics and make these products more competitive with gray hydrogen. Future policy support in Europe and other parts of the world could also make the shift from gray to blue/green easier.

We will continue to monitor the company's emissions trajectory and progress against its decarbonization targets, as well as the delivery of its low-carbon megaprojects and how the advantages of scale materialize.

Nutrien (NTR) is the world's largest provider of crop inputs and services. The company has four operating segments: potash, nitrogen and phosphate production, and a retail business in the U.S., Canada, Australia and South America. TD Epoch initiated engagement with Nutrien in 2022 as the company is relatively carbon-intensive and operates in a hard-to-abate sector. Our initial discussions focused on the technological challenges of decarbonizing the business and the agricultural chemicals sector more broadly, and the actions we can expect to see from Nutrien on decarbonization in the near-term.

Nutrien has committed to reducing Scope 1&2 emissions by 30% by 2030. Our discussion focused on the decarbonization approaches they will use to achieve this goal. The majority of Nutrien's emissions come from nitrogen/ammonia production. The company sees great potential in the market for blue ammonia, which reduces emissions through carbon capture & sequestration (CCS), with a spectrum of new end uses emerging. We discussed the anticipated evolution of CCS technology to decarbonize ammonia, particularly in light of enhanced tax credits introduced through the U.S. Inflation Reduction Act. This focused on Nutrien's experience so far at the Geismar Clean Ammonia Production Facility, which will likely make a significant contribution to Nutrien's 2030 emissions reduction plans when operations commence in 2027.

We also explored the viability of a net zero by 2050 target for Nutrien. Reaching net zero poses a challenge for the company and the industry more broadly. Nutrien is exploring potential pathways towards this goal through partnerships with the Science Based Targets initiative (SBTi), World Business Council for Sustainable Development (WBCSD) and other industry peers. The key challenge is ensuring climate commitments are met without jeopardizing global food security, and we will continue to watch Nutrien's progress here.

Dow (DOW) is a global commodity chemicals business. We initiated engagement with Dow in 2022 as the company has a large carbon footprint and operates in a "hard-to-abate" sector. Dow's emissions profile is predominantly from the production of olefins (hydrocarbons used as building block materials for products including plastics, detergents and adhesives) as well as energy generation and procurement. Dow has a net zero by 2050 target and a 15% by 2030 reduction target for Scope 1&2 emissions. The company anticipates $1bn annually in decarbonization-related capex and has various projects and innovations in the pipeline.

In our initial discussions, we explored some of the challenges and opportunities associated with decarbonizing Dow's business. Specifically, we delved into the company's emissions profile to understand where emissions cuts will require new technologies and what the most viable options are. We focused on Dow's Fort Saskatchewan Path2Zero project. Dow predicts the Fort Saskatchewan site will be the world's first net zero carbon emissions integrated ethylene cracker and derivatives site. It is expected to decarbonize ~20% of Dow's global ethylene capacity while growing polyethylene supply by ~15%.

The company outlines a multi-pronged decarbonization approach, starting with reducing emissions through technology and process improvements (such as new catalysts, cofiring furnaces with hydrogen, scaling-up electric-hydrocarbon crackers and deploying small modular nuclear reactors), and then capturing the remaining CO_2. The Fort Saskatchewan project works economically because a number of crucial elements have come together. First, the site has a feedstock cost advantage. Second, it is a brownfield site and retrofit costs are manageable. Third, the Alberta Carbon Trunkline is in place, enabling captured CO_2 to be transported and sequestered into oilfields. Finally, the carbon price in Canada is ~$50, making the additional cost of CCUS viable.

Dow's long-term plan is to take the blueprint of the Fort Saskatchewan site and deploy it, site-by-site, around the world, starting with the U.S. Gulf Coast, where IRA tax credit provides an advantage. The learnings from Dow's Fort Saskatchewan project should advantage the company as they attempt to decarbonize their sites worldwide. The biggest hurdle is the upfront cost of CCUS infrastructure. CCUS still needs significant investment and government support in the US and EU to reach viability. Despite this, the company is confident that CCUS is the most viable decarbonization option for the industry over the next decade.

Our initial conversations with Dow significantly enhanced our understanding of the technical aspects of decarbonizing hard-to-abate chemical processes. These learnings will enable us to more objectively assess the progress of chemical companies generally on their pathway to net zero. In particular, we will monitor updates on progress with CCUS infrastructure in the Gulf Coast, and how site-level emissions reductions and learnings in Fort Saskatchewan are translating into firm-wide emissions improvements. We look forward to continuing our discussions with the company.

Principle 10

Signatories, where necessary, participate in collaborative engagement to influence issuers.

Activity: Signatories should disclose what collaborative engagement they have participated in and why, including those undertaken directly or by others on their behalf. For example: • any action or change(s) made by the issuer(s); • how outcomes of engagement have informed investment decisions (buy, sell, hold); and • whether their stated objectives have been met. Examples should be balanced and include instances where the desired outcome has not been achieved or is yet to be achieved.

Outcome: Signatories should describe the outcomes of collaborative engagement. For example: • collaborating with other investors to engage an issuer to achieve a specific change; or • working as part of a coalition of wider stakeholders to engage on a thematic issue. Signatories should provide examples, including • the issue(s) covered; • the method or forum; • their role and contribution.

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Activity

Since our focused ESG and engagement efforts began in 2019, we have largely prioritized our own engagements to develop a depth of knowledge about specific companies while cultivating a relationship with their management teams. Nevertheless, we see collaborative engagement as an emerging trend in the ESG and stewardship fields. In this spirit, we began our collaborative engagements in 2020 by leading the CDP Non-Disclosure Campaign with one of our holdings, Martin Marietta Materials. In this instance, we were unsuccessful in spurring change at the company, as they received feedback from other large investors that responding to the CDP questionnaire was not an investor priority. We did not continue our engagement with the company having lowered our exposure to the name after very positive performance. We have continued this effort with other companies and in 2022 we co-signed letters to two further companies, strongly encouraging the organizations to respond to the CDP Climate Change Questionnaire.

Prior to engaging with two US energy companies, we also spoke with Ceres to understand the broader engagement they had mobilized as part of Climate Action 100+, whose work we follow closely. This experience encouraged us to pursue membership in CA100+, which we describe below.

We have also devoted a large amount of effort to broader industry collaboration on various themes. Most notably, we have been involved in raising awareness and encouraging action on climate change. For example, in Q4 2019, Epoch supported the PRI-led Investor Expectations Statement on Climate Change for Airlines and Aerospace Companies. Ravi Varghese also penned a guest blog post for the PRI explaining Epoch's support of this initiative in Q1 2020: https://www.unpri.org/pri-blogs/coronavirus-concerns-should-not-divert-aviations-climate-response/5635.article. We believe that future regulation of airline emissions is a significant risk for companies in the sector, and have pushed them to proactively address these challenges, albeit in a more measured fashion given stresses from COVID-19.

Epoch also supported a Ceres-led letter calling on financial regulators to take climate risk into account in their regulatory frameworks. Ravi Varghese was featured in GreenBiz explaining Epoch's support for this initiative: https://www.greenbiz.com/article/why-investors-want-financial-regulators-tackle-climate-risk. In Q2 2021, we supported a Ceres-led initiative on increasing climate integration into US financial regulation. This includes supporting the Ceres-led letter responding to the SEC's Request for Information on climate change. The letter outlined core elements that climate change disclosure rules from the SEC should include. We believe that climate change is a systemic economic risk and that investors will be served well by having regulators approach it in a more robust fashion to avoid stranded assets, among other risks. Since we supported the Ceres initiatives, we have observed heightened awareness of climate issues among financial regulators and believe this momentum will continue to build throughout 2023 and beyond.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these represent less than 3% of total firm AUM.

Outcome

We believe our collaborative engagement efforts have begun to bear fruit. In Feb 2021, the Federal Reserve created two new committees, the Financial Stability Climate Committee and the Supervision Climate Committee, to more stringently monitor how climate change could engender financial and economic risk. In a speech, Governor Lael Brainard explicitly noted, "We are actively gathering essential knowledge from a wide range of groups, including nongovernmental organizations such as Ceres, private-sector market participants, academic researchers and others."[2] This is as clear a signal as we could have hoped that collaborating through organizations such as Ceres is productive. The Federal Reserve also joined the Network for Greening the Financial System (NGFS), a consortium of central banks identifying best practice on climate-related risk. This was another of the recommendations from our work with Ceres.

We continue to seek opportunities to use our collective voice as investors where we believe this would be in the best interests of our clients and stakeholders. In Aug 2021, we joined Climate Action 100+ and participated in the collaborative engagement with Duke Energy. Previously, Epoch had engaged with Duke Energy about climate change on an individual basis in 2019 and 2020. During the span of our individual engagement, the company greatly increased its decarbonization efforts, including releasing a net zero target. Naturally, we acknowledge that sustained engagement by multiple investors contributed to this success. An important early phase in the Duke Energy engagement was to monitor the company's execution of its net zero plan and advocate for alignment of the company's practices to the "three asks" of the CA100+ agenda. First, to implement a strong governance framework which clearly articulates the board's accountability and oversight of climate change risk. Second, to take action to reduce greenhouse gas emissions across the value chain, consistent with the Paris Agreement. Third, to provide enhanced corporate disclosures in line with the Task Force on Climate-related Financial Disclosures (TCFD) and other sector-specific frameworks. We continue to participate in the engagement with Duke Energy via the CA100+ initiative. The main areas of recent focus include discussing the implications of the CA100+ Net Zero Company Benchmark 2.0, released in March 2023, and trying to better understand expectations around the Just Transition pillar. CA100+ investors also continue to push for more details on Duke's climate scenario analysis modelling work.

[2] Brainard, Lael: Financial Stability Implications of Climate Change: https://www.federalreserve.gov/newsevents/speech/brainard20210323a.htm

Principle 11

Signatories, where necessary, escalate stewardship activities to influence issuers.

Activity: Signatories should explain: • how they have selected and prioritized issues, and developed well-informed objectives for escalation; • when they have chosen to escalate their engagement, including the issue(s) and the reasons for their chosen approach, using examples; and • how escalation has differed for funds, assets or geographies.

Outcome: Signatories should describe the outcomes of escalation either undertaken directly or by others on their behalf. For example: • any action or change(s) made by the issuer(s); • how outcomes of escalation have informed investment decisions (buy, sell, hold); • whether their stated objectives have been met; and • any changes in engagement approach. Examples should be balanced and include instances where the desired outcome has not been achieved or is yet to be achieved.

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are considering harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Activity

While TD Epoch is not an activist investor, escalation is part of our stewardship toolkit and we follow a similar approach to escalation across Epoch's different strategies and investment geographies given a single asset class focus. For Epoch, escalation may include the following tools:

a. Writing letters to a Board;

b. Supporting/filing resolutions;

c. Arranging follow-up meetings at shorter intervals;

d. Continuing the dialogue with employees at different seniority levels or working in different parts of the company;

e. When appropriate, exiting a position.

We appraise the need for escalation by evaluating a company's actions against our engagement objectives. Since beginning our focused ESG efforts in 2019, we have had limited cause to escalate our stewardship activities while remaining shareholders.

Outcome

Generally, we have had little cause to date to escalate our stewardship efforts beyond engagement. Our engagement efforts have often been successful, eliminating the need for escalation. For example, in 2019, the overarching message of our engagements was to encourage companies to raise the ambition of their climate strategies, particularly with regards to reducing emissions, since we believed this would insulate them from future regulatory change. In 2020, several of the companies held in our portfolios, particularly in the utilities sector, responded to our previous climate-related engagement by releasing aspirations or commitments to achieve net zero emissions in the 2040-2050 timeframe. We assess these companies annually to gauge their progress, with the understanding that, for many of these companies, decarbonization is a complex process which will unfold over decades.

If a company continues to ignore material ESG risks, despite our best efforts at engagement, it may be in our fiduciary interests to exit the holding rather than engage over the long term. The nature of the dialogue held with companies, as well as the extent of progress made through engagement, may inform buy, sell, and hold decisions. However, discretion ultimately lies with the Portfolio Managers of a given strategy. For example, one of our US utility holdings was alleged to be involved in a bribery scandal. While we engaged with the company with the intention of gaining a greater understanding of the sequence of events leading to the alleged scandal, as well as preventative measures the company would implement going forward, we ultimately felt we could not gain sufficient clarity on the situation and chose to exit the holding. In 2022, we also engaged deeply with a pharmaceutical company on its capital allocation policies. We wrote a letter to the board requesting a thorough review of the company's capital allocation and corporate governance. We observed little urgency on the part of management or the board to act on our suggestions. Due to a decreasingly favorable risk/reward relationship, we exited the position.

We continue to enhance our ESG and Stewardship efforts, and in 2021, we joined the Climate Action 100+ initiative (CA100+). We have joined a collaborative engagement with Duke Energy, with whom we engaged on an individual basis in 2019 and 2020. During this time the company has greatly increased its decarbonization efforts, including releasing a Net Zero by 2050 target. We consider this a successful outcome in terms of meeting our objective for the company to raise its decarbonization ambitions, acknowledging that sustained engagement by multiple investors contributed to the success. The next phase for us in the engagement process has been to continue monitoring the company's performance against its decarbonization plan, in collaboration with other CA100+ members. The latest CA100+ engagement with Duke in April 2023 focused on the implications of the CA100+ Net Zero Company Benchmark 2.0, released in March 2023, and the newly introduced "Just Transition" pillar. As our engagement and escalation activities evolve, we may increase our collaborative efforts.

Fixed Income

In 2022, TDAM's ESG Committee formally adopted an escalation process where, on an as-needed basis, the ESG R&E team and other investment team members may escalate items. This can be done in cases where company progress is assessed as being insufficient to mitigate ESG risks, or in cases of poor responsiveness from a company about how it is managing its ESG risks. The escalation process has multiple steps, including further engagement (individually or via industry groups), adverse proxy votes where appropriate, potential filing of shareholder resolutions, and potential for reduced exposure should other escalation strategies fail to achieve results and the relevant portfolio manager deems the issue to negatively change the risk and return profile of the asset.

TD Epoch's Global Absolute Return and Global Equity Growth strategies do not use the same ESG integration as the rest of the firm, but we note that these represent less than 3% of total firm AUM.

Principle 12

Signatories actively exercise their rights and responsibilities.

Reporting expectations for listed equity and fixed income investments are below. In addition, signatories should report on how they have exercised their rights and responsibilities across other asset classes they are invested in, where they have the ability to do so, as disclosed in their reporting against Principle 6.

Context: Signatories should: • explain how they exercise their rights and responsibilities, and how their approach has differed for funds, assets or geographies. In addition, for listed equity assets, signatories should: • disclose their voting policy, including any house policies and the extent to which funds set their own policies; • state the extent to which they use default recommendations of proxy advisors; • report the extent to which clients may override a house policy; • disclose their policy on allowing clients to direct voting in segregated and pooled accounts; and • state what approach they have taken to stock lending, recalling lent stock for voting and how they seek to mitigate 'empty voting'.

Activity: For listed equity assets, signatories should: • disclose the proportion of shares that were voted in the past year and why; • provide a link to their voting records, including votes withheld if applicable; • explain their rationale for some or all voting decisions, particularly where: - there was a vote against the board; - there were votes against shareholder resolutions; - a vote was withheld; - the vote was not in line with voting policy. • explain the extent to which voting decisions were executed by another entity, and how they have monitored any voting on their behalf; and • explain how they have monitored what shares and voting rights they have. For fixed income assets, signatories should explain their approach to: • seeking amendments to terms and conditions in indentures or contracts; • seeking access to information provided in trust deeds; • impairment rights; and • reviewing prospectus and transaction documents.

Outcome: For listed equity assets, signatories should provide examples of the outcomes of resolutions they have voted on over the past 12 months.

TD Epoch is a global investment firm with roughly US$29.6 billion in assets under management as of 30 June 2023. We are primarily investors in public equities across developed and emerging markets, mainly providing services to institutional clients. TD Epoch's legal entity also includes roughly US$7.8 billion in AUM in international equity and fixed income strategies as of 30 June 2023. From an ESG perspective, these assets continue to be overseen by TDAM's Canadian ESG team which has previous expertise in ESG for fixed income. Where applicable, we highlight instances where the fixed income assets under our legal entity use a different ESG process. Over time, we expect greater alignment between these processes. Our new distribution identity, TD Global Investment Solutions (TDGIS), will distribute all the capabilities of TDAM, and TD Epoch. We are considering harmonizing our ESG reporting efforts to reflect this greater alignment. Finally, we note that two TD Epoch strategies, Global Absolute Return (GAR) and Global Equity Growth (GG), do not use the full scope of ESG integration common to the rest of the firm's strategies. We highlight where our responses do not apply to GAR or GG, but emphasize that these two strategies represent less than 3% of total firm AUM.

Context

We primarily exercise our rights and responsibilities as shareholders through two avenues, namely corporate engagement and proxy voting. We view engagement as a means of advocating for desired strategies and policies, while serving as a sounding board for corporate management teams who are eager to understand ESG best practices.

Proxy voting is another crucial component of exercising our shareholder rights and responsibilities. TD Epoch's proxy voting policy, available on our firm website, is as follows:

Epoch maintains proxy voting authority for Client accounts, unless otherwise instructed by the client. Epoch votes proxies in a manner that it believes is most likely to enhance the economic value of the underlying securities held in Client accounts. Epoch will not respond to proxy solicitor requests unless Epoch determines that it is in the best interest of Clients to do so.

In light of Epoch's fiduciary duty to its Clients, and given the complexity of the issues that may be raised in connection with proxy votes, the Firm has retained Institutional Shareholder Services ("ISS"). ISS is an independent adviser that specializes in providing a variety of fiduciary-level proxy-related services to institutional investment managers. The services provided to the Firm include in-depth research, voting recommendations, vote execution and recordkeeping.

Notwithstanding the foregoing, the Firm will use its best judgment to vote proxies in the manner it deems to be in the best interests of its Clients. In the event that judgment differs from that of ISS, or that investment teams within Epoch wish to vote differently with respect to the same proxy in light of their specific strategy, the Firm will memorialize the reasons supporting that judgment and retain a copy of those records for the Firm's files. Additionally, the CCO will periodically review the voting of proxies to ensure that all such votes, particularly those diverging from the judgment of ISS, were voted consistent with the Firm's fiduciary duties. On at least an annual basis, the CCO or a designee will review this Proxy Voting and Class Action Monitoring policy. In addition, Epoch has formed a proxy voting group comprised of investment team, trading and compliance representatives. The group meets periodically.

Procedures for Lent Securities and Issuers in Share-blocking Countries: At times, neither Epoch nor ISS will be allowed to vote proxies on behalf of Clients when those Clients have adopted a securities lending program. The Firm recognizes that Clients who have adopted securities lending programs have made a general determination that the lending program provides a greater economic benefit than retaining the ability to vote proxies. Notwithstanding this fact, in the event that the Firm becomes aware of a proxy voting matter that would enhance the economic value of the client's position and that position is lent out, the Firm will make reasonable efforts to inform the Client that neither the Firm nor ISS is able to vote the proxy until the Client recalls the lent security. In certain markets where share blocking occurs, shares must be "frozen" for trading purposes at the custodian or sub-custodian in order to vote. During the time that shares are blocked, any pending trades will not settle. Depending on the market, this period can last from one day to three weeks. Any sales that must be executed will settle late and potentially be subject to interest charges or other punitive fees. For this reason, in blocking markets, the Firm retains the right to vote or not, based on the determination of the Firm's Investment Personnel. If the decision is made to vote, the Firm will process votes through ISS unless other action is required as detailed in this policy.

Procedures for Conflicts of Interest: Epoch has identified the following potential conflicts of interest:

- Whether there are any business or personal relationships between Epoch, or an employee of Epoch, and the officers, directors or shareholder proposal proponents of a company whose securities are held in Client accounts that may create an incentive to vote in a manner that is not consistent with the best interests of Epoch's Clients;

- Whether Epoch has any other economic incentive to vote in a manner that is not consistent with the best interests of its Clients; If a conflict of interest has been identified and Epoch intends to deviate from the proxy voting recommendation of ISS, then Epoch shall bring the proxy voting issue to the attention of affected Clients for guidance on how to vote the proxy.

Procedures for Proxy Solicitation: In the event that any officer or employee of Epoch receives a request to reveal or disclose Epoch's voting intention on a specific proxy event, then the officer or employee must forward the solicitation to the CCO.

Procedures for Voting Disclosure: Upon request, Epoch will provide Clients with their specific proxy voting history.

Initial and Ongoing Diligence of Proxy Service Provider: The Compliance Department will conduct additional diligence on ISS to ensure the provider continues to have the capacity and competency to adequately analyze proxy issues on an annual basis. As part of the due diligence process the CCO, or a designee, obtains a completed questionnaire from ISS that assists Epoch in evaluating ISS's services and any potential conflicts of interest that may exist. Recordkeeping Epoch must maintain the documentation described in the following section for a period of not less than five (5) years, the first two (2) years at its principal place of business. The Firm will be responsible for the following procedures and for ensuring that the required documentation is retained.

Client Request to Review Proxy Votes: If a Client requests to review the proxy votes, the Relationship Management team will:

- Record the identity of the Client, the date of the request, and the disposition (e.g., provided a written or oral response to Client's request, referred to third party, not a proxy voting Client, other dispositions, etc.) in a suitable place.

- Furnish the information requested, free of charge, to the Client within a reasonable time period (within 10 business days). Maintain a copy of the written record provided in response to client's written (including e-mail) or oral request.

Proxy Voting Records: The proxy voting record is periodically provided to Epoch by ISS. Included in these records are:

- Documents prepared or created by Epoch that were material to making a decision on how to vote, or that memorialized the basis for the decision.

- Documentation or notes or any communications received from third parties, other industry analysts, third party service providers, company's management discussions, etc. that were material in the basis for the decision.

Disclosure: The CCO will ensure that Part 2A of Form ADV is updated as necessary to reflect: (i) all material changes to this policy; and (ii) regulatory requirements related to proxy voting disclosure.

As noted above, TD Epoch's Operations team monitors what shares and rights the firm has in partnership with custodians. The Sustainable Investing team reviews voting statistics on a quarterly basis to act as a further layer of checks.

As indicated in our policy, TD Epoch uses Institutional Shareholder Service (ISS) to vote proxies, with the relevant research analyst reviewing each of their recommendations. After their review, the analyst can accept the recommendation or deviate from the ISS. The analyst then makes their recommendation, which is reviewed/approved by the relevant portfolio manager.

In Q4 2022, we reviewed ISS's benchmark policy to ascertain if it aligned with our ESG goals. Our conclusion was that the Benchmark policy was more appropriate than some of the specialized policies ISS offers. We will continue to review the policy. We also review ISS's policy updates to ensure these align with Epoch's views on the relevant issues. Where the analyst or PM has a different view from ISS, they have the discretion to deviate from the ISS recommendation. TD Epoch deviated from ISS 26 times at different 21 companies in calendar 2023

Clients in segregated vehicles are able to override Epoch's house policy and direct voting according to their own wishes. In Q2 2020, one of our clients requested our voting intentions against a large-cap US integrated energy company with significant fossil fuel exposure. We offered our initial recommendations, which we intended to implement for all clients in the strategy. This particular client believed our initial recommendations, which we believed to best fulfil our fiduciary duty, did not represent their values. We voted the client's shares in line with their stated values on the proposals in question. Another of our clients has retained their own proxy advisor, which they believe better fits their values. As of Q3 2021, we began voting the client's proxies in accordance with their own proxy advisor, even if these votes diverge from Epoch and/or ISS's recommendations (ISS being the proxy advisor Epoch has retained).

Clients in pooled vehicles do not have the ability to override Epoch's house policy.

Our proxy efforts are primarily overseen by our Proxy Voting Group, which is made up of our Sustainable Investing team, the relevant research analyst, co-CIO Bill Booth, Head of Risk Management, and representatives from Compliance and Operations to evaluate proxy-specific issues.

Fixed Income

The TDAM fixed income team reviews indentures for any major issues such as change of control language, or any special redemption options. The team also reviews sustainability labeled bonds to ensure their use of proceeds are aligned with industry standards on sustainable activities. The team also has screened for any and all covenants that an issuer may have.

Activity

Epoch voted on 7,195 proposals, which consisted of 98.14% of voteable items, in the year from 1 January 2022 through 31 December 2022.

We voted in line with our policy on 99.08% of the items. This high number is unsurprising as the policy serves as a formal framework to guide our voting processes. Furthermore, Epoch voted with management on 92.42% of items. This high number is largely explained by the fact that Epoch tends to invest in companies where we identify strong management teams with excellent capital allocation skills, so we are reasonably likely to support management's performance. However, we are always seeking to increase the rigor of our analysis and are looking at various ways of evaluating management and corporate governance more critically in 2024.

More detailed proxy voting statistics are available in our 2022 Sustainable Investing Report.

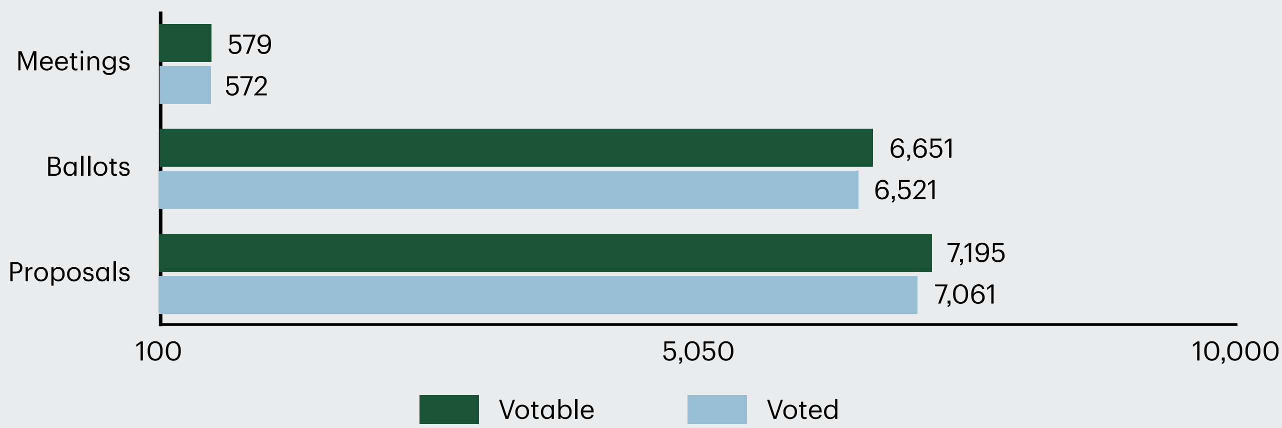
Meeting Overview

Category	Number	Percentage
Number of votable meetings	579	
Number of meetings voted	572	98.79%
Number of meetings with at least 1 vote Against, Withhold or Abstain	228	39.38%

Ballot Overview

Category	Number	Percentage
Number of votable ballots	6.651	
Number of ballots voted	6,521	98.05%

Voting Statistics

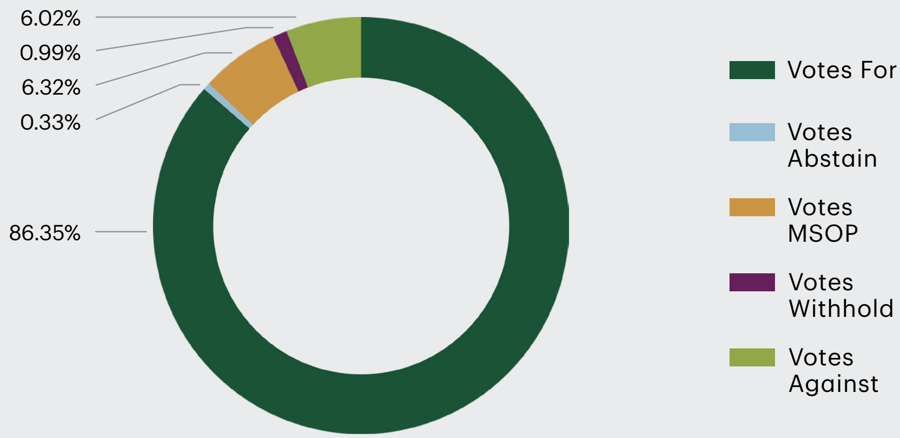


Proposal Overview

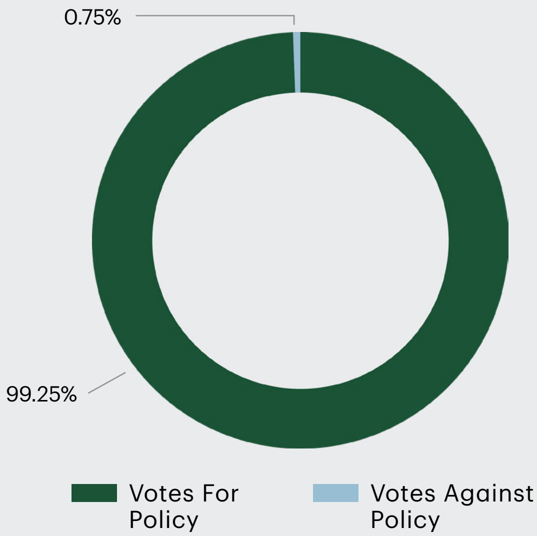
Category	Number	Percentage
Number of votable items	7,195	
Number of items voted	7,061	98.14%
Number of votes FOR	6,098	86.36%
Number of votes AGAINST	425	6.02%
Number of votes ABSTAIN	23	0.33%
Number of votes WITHHOLD	70	0.99%
Number of votes MSOP	446	6.32%
Number of votes With Policy	6,996	99.08%
Number of votes Against Policy	53	0.75%
Number of votes With MGMT	6,526	92.42%
Number of votes Agaist MGMT	536	7.59%
Number of votes on Shareholder Proposals	377	5.34%

Notes: Instructions of Do Not Vote are not considered voted. Frequency of Pay votes of 1,2,3 years are counted by type (For, Against, etc.) per proposal. Votes on MSOP proposals will only be counted as a vote on MSOP and not as the actual vote cast (For, Against, etc.) per proposal to avoid duplication of data. In cases of different votes submitted across ballots for a single meeting, votes cast are distinctly counted by type (For, Against, etc.) per proposal. So, a meeting may have inflated total votes submitted than unique proposals voted.

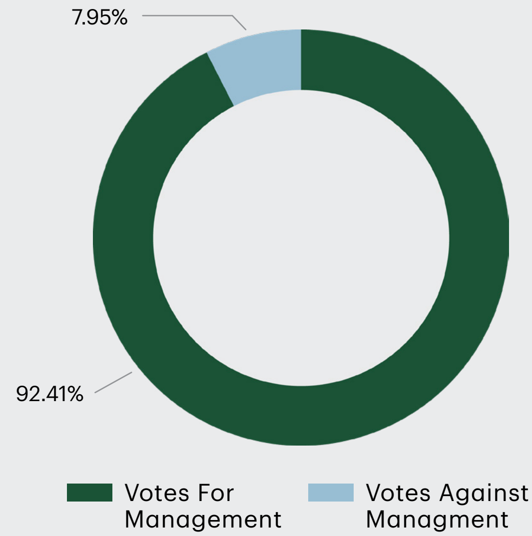
Vote Cast Statistics



Vote Alignment with Policy



Vote Alignment with Management



Outcome

In this section we highlight two examples of the rationale behind our voting decisions.

Coca-Cola European Bottling Partners

Coca-Cola European Bottling Partners provides a good example of Epoch's approach to proxy voting. In 2022, we voted against ISS's recommendation and with management on a proposed waiver of the company's tender bid requirement. The tender bid requirement is generally in place to assuage minority investors about the risk of "creeping control" and to ensure that minority investors receive a suitable takeover premium. As such, ISS recommended voting against the waiver. Nonetheless, the relevant Epoch analyst and portfolio manager felt that this recommendation would complicate the company's proposed share buyback. Effectively, in the absence of a tender bid waiver, the major shareholders would have to sell down their stakes while the company was repurchasing shares. We believed this to be contrary to the best interests of our clients, so we voted to waive the tender bid requirement. This example demonstrates the nuances of using our proxy voting as a means of exercising our shareholder rights and responsibilities. We have supported this waiver for several years, which demonstrates the consistency of our philosophy in this regard.

Genmab

The 2022 proxy season at Genmab is another good example of our approach to voting and stewardship. Genmab is a biotech company headquartered in Denmark. ISS opined that Genmab's director compensation was considerably higher than the norm for directors in the region. However, our analyst noted that Genmab competes for director talent on a global scale as befits its international operations. He determined that Genmab's director compensation was acceptable compared to US/international peers rather than a Nordic/Danish competitor set. Epoch's view was that constraining director compensation would be detrimental to the quality of governance and ultimately to our clients. As such, we voted to support the proposal on director compensation.

Learn more about TD Epoch

www.tdgis.com