



Proxy Voting Policy

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1. Introduction

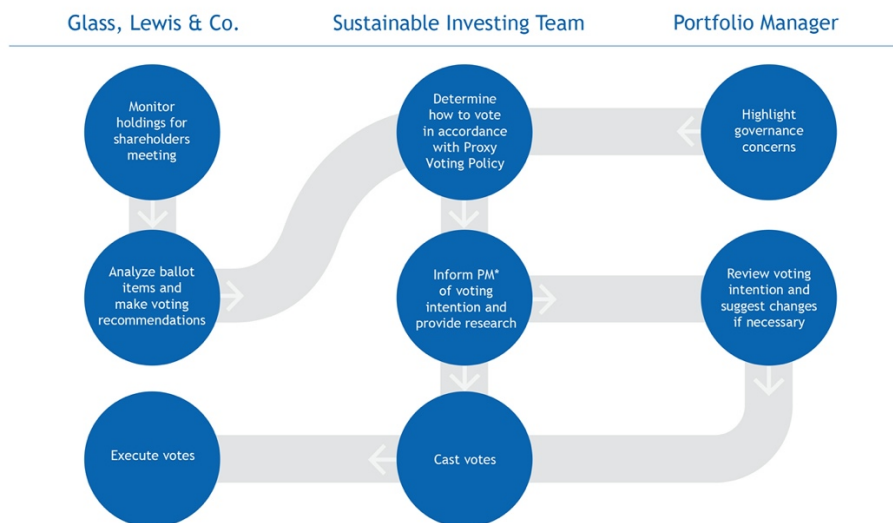
Shareholders of public companies have the right to vote on proposals brought before them at special and annual meetings. For Addenda Capital, this most important right incurs a responsibility to cast votes in a way that will protect and enhance the long-term value of our clients' and other stakeholders' investments. Addenda usually votes "by proxy," that is by mandating someone to vote our clients' shares in accordance with our instructions, which are based on the guidelines outlined below. Where necessary, we will attend a meeting and vote in person.

2. Why Is Proxy Voting Important?

Voting at shareholder meetings is one of the key ways by which Addenda can influence governance, communicate its choices and signal its confidence—or lack thereof—in the management and oversight of a company. We emphasize voting on the evidence that companies with good corporate governance practices generate more sustainable long-term value for their shareholders and other stakeholders than similar companies with weaker corporate governance practices.

3. Proxy Voting Process

Our proxy voting process is focused on promoting companies' long-term performance and sustainable success for the benefit of shareholders and other stakeholders. We review each ballot item, with the assistance of Glass, Lewis & Co. and determine how to vote in a manner consistent with the guidelines outlined below. Portfolio managers have the full authority for all votes relating to securities held in the portfolios they manage.



4. Proxy Voting Guidelines

The voting guidelines set out below are general in nature. Ballot items will all be considered individually and assessed on their merits. As such, some specific features of a given ballot item may prompt us to vote in a way that is inconsistent with these guidelines. In all cases, we will cast our vote to promote the best interest of our clients over the long term while taking into consideration the interest of other stakeholders. These guidelines establish our ballot position on some commonly raised or contentious issues. They, however, don't cover all the issues and questions that may arise.

Addenda will vote in accordance with the guidelines set out below unless a client with a segregated account has provided us with specific proxy voting guidelines, in which case we will abide by the client's specific guidelines.

Subject to their respective investment policy, some of Addenda's segregated accounts and pooled funds may participate in securities lending, which would prevent us from voting shares that are on loan on the record date. We may seek to recall securities in order to vote at meetings during which contentious issues are likely to be discussed if the long-term value of exercising our voting rights will foreseeably exceed the incremental returns of securities lending. We don't expect to recall securities often.

Issue	Voting Guideline
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Boards of Directors

A majority of directors should be unrelated to the company. Addenda will vote for directors on a case-by-case basis, taking into consideration these guidelines and the long-term performance of the company and directors.

- 1. Independence**

Oppose the election of the chair of the board and chair of the committee responsible for nominating directors when at least 2/3 of the board members are not independent.

For controlled companies, where the CEO is not related to the controlling shareholder, the number of related directors should be proportional to the controlling shareholder's ownership share, up to a maximum of 2/3 non-independent directors.

Oppose the election of the chair of the board and chair of the committee responsible for recommending committee members if any of the following committees are not 100% independent: nominating, governance, compensation, and audit.

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| 2. Election of directors | <p>Support the election of directors individually rather than as a slate.</p> <p>Support the majority vote standard for the election of directors.</p> |
| 3. Staggered board terms | <p>Oppose staggered boards but apply the voting guidelines for the election of directors who are sitting for staggered terms.</p> |
| 4. Term or age limits for directors | <p>Oppose proposals to impose term or age limits.</p> |
| 5. Independent chair | <p>Support the election of an independent director as chair of the board.</p> <p>Support proposals to separate the roles of chair of the board and chief executive officer.</p> |
| 6. Board committee accountability | <p>Support proposals for committee chairs to report personally to shareholders.</p> |
| 7. Directors' insurance and indemnification | <p>Support adequate insurance and indemnification, subject to actions having been taken in good faith.</p> |
| 8. Size of board | <p>Support a board composed of 7 to 15 members for optimum effectiveness.</p> |
| 9. Director attendance at meetings | <p>Support the disclosure of each director's attendance record to all board and committee meetings.</p> <p>Oppose the election of directors who attend fewer than 75% of their board and committee meetings without a reasonable explanation.</p> |
| 10. Independent auditors | <p>Oppose auditor ratification if non-audit fees exceed 25% of total fees paid to the audit firm.</p> |

11. Effective boards

Oppose the election of directors who appear to be “overboarded” and have too many commitments to effectively fulfill their duties as directors by

- serving as an executive officer at a public company while serving on the boards of more than two widely held public company (excluding the company for which they serve as an executive); or
- serving on the boards of more than four widely held public company;

unless the company provides sufficient rationale for their service on the board. Subsidiaries will be counted as separate boards, except in the case of subsidiaries that are more than 50% controlled by the company on which the director is an executive.

Support proposals to implement and develop education programs for directors and performance evaluations for boards of directors.

12. Diversity on boards

Support recruitment processes and nominations of directors that improve the board’s effectiveness by appointing adequately diverse boards. Gender, professional experience, education and ethnicity are among the diversity criteria to be considered.

Oppose the election of the chair nomination committee when:

- The board is not comprised of at least three men and three women; or
- The company has not publicly announced a board gender diversity policy that seeks to have at least three men and three women on the board within a reasonable period of time.

Executive and director compensation

Executive and director compensation should be tied to performance in a way that aligns with the long-term interests of the company. Addenda will vote on compensation on a case-by-case basis, taking into consideration these guidelines and the connection between pay and company performance.

13. Executive compensation design

Support executive compensation tied to specific operational and financial performance metrics that are disclosed and in the long-term best interests of the company.

Support linking executive compensation to reasonable social and environmental performance metrics that are likely to enhance long-term corporate financial performance in addition to traditional financial performance indicators.

Oppose executive compensation that includes:

- long-term incentive awards that don't incorporate performance measurement in a significant way; or
- long-term incentive awards where performance is measured over less than three consecutive years.

Addenda will focus on one problematic executive compensation practice each year agreed upon by all portfolio managers. Every time we encounter that practice, we will write to the chair of the board committee overseeing executive compensation to express our concerns and urge better compensation practices.

Oppose the election of members to a compensation committee that failed to initiate changes to the executive compensation plan design when we did not support the prior advisory vote on executive compensation that did not win majority approval.

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| 14. Equity-based compensation | <p>Support compensation through shares and deferred shares that aligns shareholder interests with executive and director interests.</p> <p>Oppose:</p> <ul style="list-style-type: none"> • repricing of stock options or reissuing of underwater options; • total potential dilution above 10% of equity compensation plans; • annual grants of more than 2% of outstanding shares; • stock options for non-executive directors. |
| 15. Loans to management and directors | Oppose preferential loans or loans secured by or granted for company shares. |
| 16. Severance benefits | <p>Oppose excessive severance benefits.</p> <p>Oppose “single trigger” severance benefits.</p> |
| 17. Share ownership | Support share ownership requirements for directors and executives. |

Shareholder Rights

Wherever possible, Addenda will vote for proposals that protect the rights of shareholders and against proposals that may infringe on them.

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| 18. Disclosure of shareholder vote results | Support the disclosure of results of all shareholder votes within a reasonable time. |
| 19. Super-majority voting | Oppose super majority voting requirements, which can make it impossible to obtain enough votes under usual shareholder meeting conditions. |
| 20. Dual-class shares | Oppose dual-class share structures. |
| 21. Linked proposals | Oppose proposals that link more than one issue together if at least one of the issues would be opposed according to these guidelines except if the overall effect of the proposals would benefit the long-term performance of the company. |

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| 22. Confidential shareholder voting | Support confidential voting at shareholder meetings. |
| 23. Other business proxies | Oppose approvals of requests to management for open-ended proxies for other business from unspecified “other businesses.” |
| 24. Acting by written consent | Support shareholder actions by written consent instead of meeting as it allows shareholders to raise important matters outside the normal annual meeting cycle. |
| 25. Right to call a special meeting | Support such proposal when the aggregate ownership percentage required to call a meeting is more than 10%. |
| 26. Proxy access | Support binding proposals with reasonable ownership thresholds and caps on the number of shareholder-nominated seats at 25%. |

Takeover Protection

Takeover protection can take various forms including a poison pill, an increase in authorized shares, the issue of blank cheque preferred shares, a crown jewel defence and greenmail. Addenda will review transactions on a case-by-case basis.

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| 27. Takeover protection | Oppose measures that entrench management.

Support those that are in the best interest of minority shareholders. |
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Environmental and Social Issues

Companies face significant financial, legal and reputational risks as a result of poor environmental and social practices, or negligent oversight thereof. Addenda considers the identification, mitigation and management of environmental and social risks as an integral part of its overall assessment of a company’s risk exposure.

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| 28. Disclosure of risks and management practices | Support reasonable requests for increased disclosure of risks and management practices related to or arising from social, environmental and ethical issues. |
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29. Standards and business practices	Support compliance with internationally recognized norms and conventions and adoption of environmental and social policies and practices likely to improve long-term corporate financial performance.
30. Climate change	<p>Support reasonable requests for increased public disclosure of climate change risks and management practices addressing those risks.</p> <p>Support requests to adopt cost-effective greenhouse gas emissions reduction measures.</p> <p>Support requests to adopt corporate strategies and business plans that are consistent with limiting the global temperature increase to 2 °C above pre-industrial levels.</p> <p>Support requests to end lobbying against (or otherwise obstructing) policies supporting limiting the global temperature rise to 2 °C above pre-industrial levels.</p>
31. Political contributions	Support reasonable requests to improve disclosure of political contributions and trade association spending and strengthen the company’s relevant policies and practices.
32. Diversity policies	Support the implementation and disclosure of diversity policies and practices.
33. Human rights policies	Support the implementation and disclosure of human rights policies.
34. Environmental expertise on boards	Support the nomination of directors with environmental expertise to boards of companies operating in industries where environmental issues are predominant.

Additional Note on Shareholder Proposals

In the event that the spirit of a shareholder proposal is in line with our voting guidelines but the terms are excessively restrictive, we will abstain from voting instead of voting against the proposal altogether. We will oppose the election of directors who fail to implement measures to address shareholder proposals that we supported and won majority approval.

5. Amendments and Reviews

Date of Modification	Amendments/Reviews
December 2009	Creation
June 2019	Review
December 2019	Amendment