

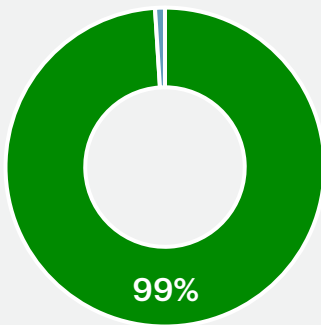


About the Report

- This report provides a summary view of the Q3 2022 proxy voting activity across all TD Asset Management Inc. (TDAM) managed portfolios in the U.S., Canada and international markets. Proxy voting is an important part of our stewardship efforts; it's a means to influence company practice, particularly in the area of good governance and on environmental and social issues and carry out our responsibility as active owners. *Please note that this report is based on the TDAM fiscal year which begins November 1.*

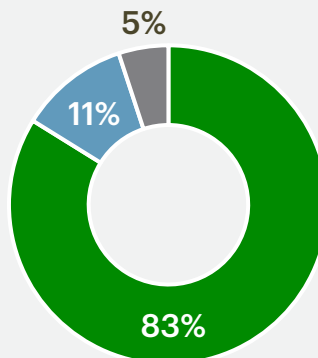
Basic Voting Activity

Q3 Voteable ¹ vs. Voted ²



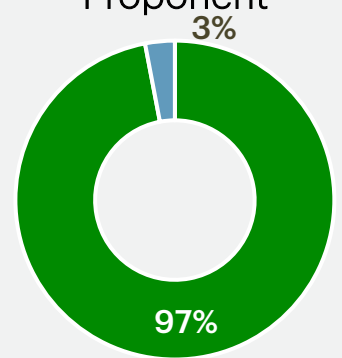
■ Voted
■ Voteable

Q3 Vote Instruction



■ For
■ Against
■ Withhold

Proposals Voted by Proponent



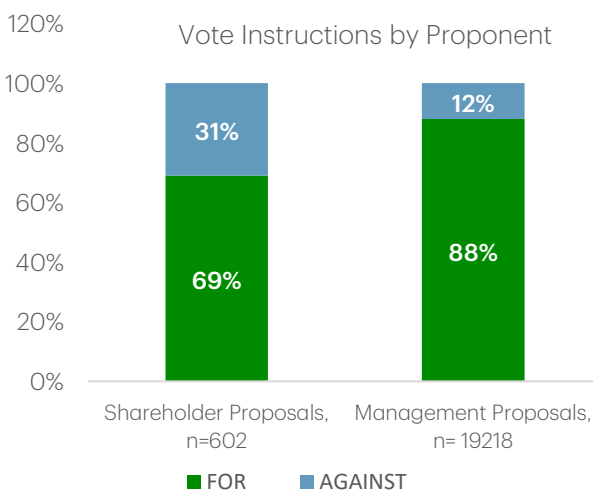
■ Management
■ Shareholder

¹ meetings (n=1682), ballots (n=10304), and proposals (n=21,504)

² Percentage of voted meetings, ballots and proposals

Source: TDAM, As of July 31, 2022.

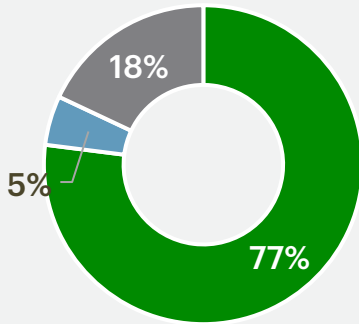
ESG-Related Voting Activity



Source: TDAM, As of July 31, 2022.

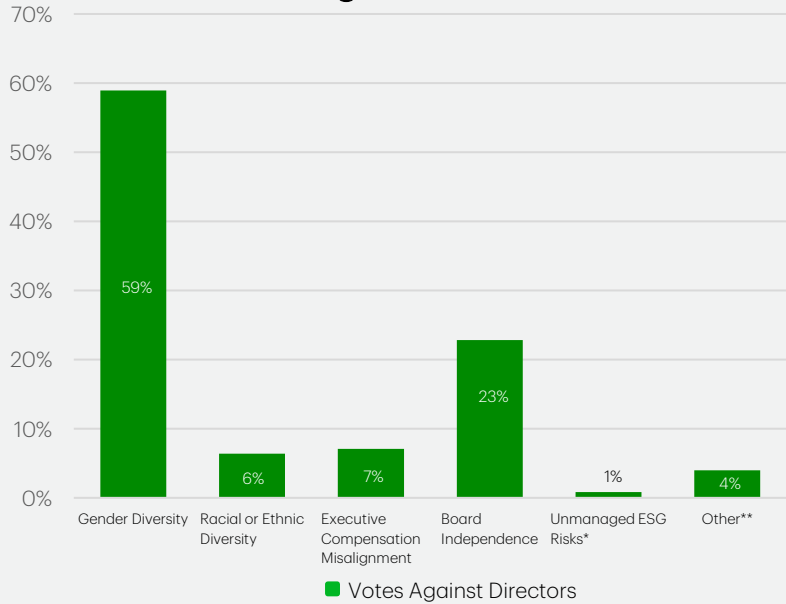
- The fiscal year Q3 (FYQ3) represented peak proxy season, with the highest volume of proposals voted on compared to any other quarter in the year, roughly double from FYQ2, with most meetings occurring in May and early June.
- Gender diversity remains the top rationale for votes against directors, followed by board independence. While 30% is the current threshold for gender diversity within TDAM's Proxy Voting Guidelines, our engagement discussions with our portfolio companies are increasingly indicating gender parity to be the next bar to reach. Similarly, although TDAM expects companies to have a board that is at least majority-independent, best practices are moving towards 75% in certain markets. As we look ahead to our annual proxy voting review process, which typically takes place in the fall, these are evolutions in the industry that we may consider and deliberate with regard to any updates to our proxy voting guidelines.

Vote Against Management³



- Against Directors
- Against MSOP
- Against 'Other'

Vote Against Directors⁴



³Against Directors = votes against individual directors; MSOP = "Management Say on Pay"

⁴Some Directors may have received an AGAINST/WITHHOLD vote due to more than one rationale (ie lack of gender diversity AND lack of racial or ethnic diversity on the board)

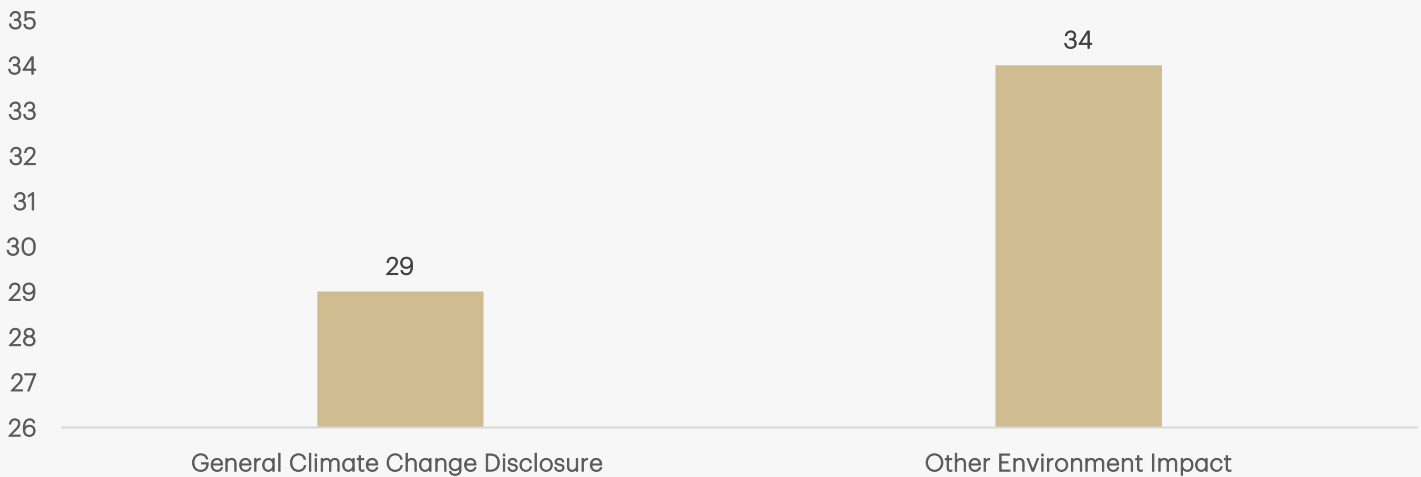
**Generally attributed to involvement in moderate or severe controversies. **Other: Other corporate governance matters

Source: TDAM, As of July 31, 2022.

Shareholder Proposals Supported - Environmental

Key Takeaways from Shareholder Proposals

- Outside of climate-related items, which continues to be the most common topic within environmental proposals submitted by shareholders, TDAM also supported several proposals related to plastic pollution and water.
- Many of our portfolio companies saw multiple social-related shareholder proposals on the ballot this year. In FYQ3, 40% of the social-related shareholder proposals that TDAM supported were raised at only 10 companies. Of the social-related shareholder proposals that we vote FOR this quarter, 15% were tied to companies with multiple social-related shareholder proposals.



Source: TDAM, July 31, 2022.

Shareholder Proposals Supported - Social



*EEO = Equal Employment Opportunity (per the Equal Employment Opportunity Commission in the US)

Source: TDAM, As of July 31, 2022.

Engagement and Proxy Voting in Action

Companies often leverage proxy season as an opportunity to conduct shareholder outreach on agenda items up for vote at the annual general meeting. Below are some highlights of TDAM's discussions with issuers in FYQ3.

Internet and Direct Marketing Retail Company

May 2022

Summary

This was our first direct Environmental, Social, Governance (ESG)-related engagement with this company. Our engagement was primarily focused on the several shareholder proposals on the ballot in 2022. We touched on many topics that underpinned the shareholder resolutions, including labor relations and management, and diversity & inclusion (D&I), within its workplace. We also briefly discussed executive compensation and general updates about fleet electrification.

Outcome

Although the company provided some general updates and anecdotal case studies on measures it is taking to address its operational and reputational risks around employee and workplace management, we still saw opportunity for improvement in these areas, particularly given the company's market presence and outsized level of scrutiny by stakeholders. As such, TDAM supported the relevant shareholder resolutions. All shareholder resolutions put forth to vote at the company's Annual General Meeting (AGM) were defeated, although a number received over 38% support.

Summary

We met with this company to discuss updates to its governance and climate program, particularly as it related to specific shareholder proposals up for vote at its pending AGM. Specifically, we asked questions about its executive compensation plan, including the performance criteria linked to special awards and disclosure of pre-set metrics. We further inquired about absolute emissions reductions disclosure and target setting, and its overall progress on its climate strategy. The company noted that it is moving in the direction of disclosing absolute emissions and intends to release a standalone TCFD report by the end of 2022.

Additionally, the company noted its policy changes around separating the CEO/Chair, in response to shareholder feedback from previous years, which we acknowledged as a positive update in this area.

At the time, the company did not have any publicly disclosed D&I targets.

Outcome

Given concerns raised in our research about the one-time awards granted, as well as a pay-for-performance flag in the period analyzed and other issues around performance metric disclosure, TDAM voted against the management "say on pay" (MSOP) proposal. We also supported the shareholder proposal requesting the company report on absolute targets and reduction expectations, as this is deemed best practice, and is something we echo with other financial institutions and companies we engage.

2022 MSOP result: Defeated with 68.5% voting against the proposal. The shareholder proposal to report absolute reduction targets was also defeated with 83% against votes.

Despite TDAM's principles regarding the separation of CEO and Chair, we voted against the 2022 shareholder request regarding this issue, in the form proposed. This decision was made with active input from our investment team. The decision was based on the company's updated CEO/Chair separation policy, which we deemed to be sufficiently responsive to shareholder concerns. This shareholder proposal was defeated with 60% against votes.

► **For more information, please contact your
Relationship Management team.**



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