

Annual Report of the Independent Review Committee **of the Canadian Scholarship Trust Plans**

December 4, 2023

Dear Planholder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), the Manager, C.S.T. Savings Inc., established an Independent Review Committee (the “Committee” or “IRC”) for the Plans. The IRC has functioned in accordance with the applicable securities laws and is composed of three individuals, each of whom is independent of the Plans, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its annual report to Planholders, covering the period from November 1, 2022, to October 31, 2023 (the “Reporting Period”).

Mandate of the IRC

In accordance with the Instrument, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Plans. A conflict of interest is defined as a situation where a reasonable person would consider the Manager to have an interest that may conflict with the Manager's ability to act in good faith and in the best interest of the Plans. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Plans, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a recommendation to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Plans. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions (“SIs”) that enable the Manager to proceed with such recurring matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

At least annually, the IRC reviews and assesses the adequacy and effectiveness of the Manager's policies and procedures relating to conflict of interest matters in respect of the Plans, and conducts a self-assessment of the IRC's independence, effectiveness and compensation. The IRC also reviews, on an annual basis, its written charter that outlines its mandate, responsibilities and functions, and procedures it will follow to perform its functions.

Composition of the IRC

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

Name and municipality of residence	Principal Occupation	Term of Office
Chair: Edna Chu, Toronto, Ontario	Lawyer, Compliance Consultant	Initial Appointment on June 19, 2019, for a period of three years Re-appointed for a further three years effective June 19, 2022
Caroline Cathcart, Toronto, Ontario	Consultant, Independent Director	Initial Appointment on June 19, 2023, for a period of three years
Gregory Chrispin, Boucherville, Quebec	Investment Professional	Initial Appointment on June 19, 2020, for a period of three years. Retired effective June 18, 2023
Kerry Ho, Vancouver, B.C.	Investment Professional	Initial Appointment on June 19, 2022, for a period of two years

Gregory Chrispin retired effective June 18, 2023. On June 6, 2023, the IRC met and, in accordance with its succession plan, selected Caroline Cathcart to replace Gregory Chrispin on the C.S.T. Savings Inc. IRC, appointing her for a period of three years, effective June 19, 2023.

Disclosure of IRC Member's Holdings

As of October 31, 2023, the IRC Members did not beneficially own, directly or indirectly:

- any investment in any of the Plans;
- any interest in the Manager; or,
- more than 0.01 per cent interest in a company or person that provides services to the Manager or any Plan.

Compensation and Indemnification

Compensation

The compensation paid by the Plans, as well as the funds comprising the CST Spark Education Portfolios managed by C.S.T. Spark Inc., to the IRC members during the Reporting Period was in aggregate \$46,500 including expenses, plus applicable taxes. This amount was allocated amongst the Plans and the CST Spark Education Portfolios in a manner considered by the IRC and the Manager to be fair and reasonable.

At least annually, the IRC reviews its compensation considering the following factors:

- the nature and extent of the workload of each member of the IRC, including the commitment of time and energy expected from each member;
- the number of meetings required by the IRC including special meetings to consider conflict issues brought to the committee;
- industry best practices, including industry averages and surveys on IRC compensation; and
- the complexity of the conflict issues brought to the IRC.

In early 2023 and after reviewing the above factors and consulting with the Manager, the IRC determined that compensation for the Chair should be increased to \$16,000 per annum and that the fees for the members should be increased to \$13,000 per annum with a per meeting fee of \$1,500 for each meeting in excess of two meetings. This fee increase covers both the CST Spark Education Portfolios and the CST Scholarship Trust Plans. This increase was retroactive to November 1, 2022.

Indemnities Granted

The Plans and the Manager have entered into a contractual indemnity with each IRC Member, in accordance with NI 81-107. No indemnities were paid to the IRC Members by the Plans or the Manager during the Reporting Period.

Recommendations and Approvals

There were no recommendations or approvals during the Reporting Period.

Standing Instructions Approved

The IRC has approved SIs which constitute a written approval or recommendation from the IRC. The SIs permit the Manager to proceed with the specific action(s) set out in the SIs on an ongoing basis. The Manager may do so without having to refer the conflict of interest matter or its proposed action to the IRC, provided that it complies with the terms and conditions of the relevant SI. In each case, the SI requires the Manager to comply with its related policies and procedures and to report periodically to the IRC. The Manager relied on the SIs during the Reporting Period.

Standing Instructions

The SIs deal with several conflict of interest matters including:

1. Fees charged to Planholders; and,
2. Other arrangements with a service provider in which the Manager or a related party to the Manager may have an interest.

Canadian Scholarship Trust Plans served by the IRC

- Canadian Scholarship Trust CST Advantage Plan
- Canadian Scholarship Trust Individual Savings Plan
- Canadian Scholarship Trust Family Savings Plan
- Canadian Scholarship Trust Group Savings Plan
- Canadian Scholarship Trust Founders' Plan

This report is available on C.S.T. Savings Inc. website at <http://www.cstsavings.ca> or you may request a copy, at no cost to you, by contacting C.S.T. Savings Inc. at 1-877-333-RESP (7377). This document and other information about the Canadian Scholarship Trust Plans are available on www.sedarplus.ca.

Yours truly,

“Edna A. Chu”

Edna A. Chu, Chair

Schedule of the Independent Review Committees on which the IRC Members Serve

Edna Chu serves as a member of the Independent Review Committee for the following funds:

Investment funds that are reporting issuers managed by C.S.T. Spark Inc.

Investment funds that are reporting issuers managed by Harvest Portfolios Group Inc.

Gregory Crispin served as a member of the Independent Review Committee for the following funds:

Investment funds that are reporting issuers managed by C.S.T. Spark Inc. *(Retired effective June 18, 2023)*

Investment funds that are reporting issuers managed by the Horizons Group. *(Retired effective August 31, 2023)*

Kerry Ho serves as a member of the Independent Review Committee for the following funds:

Investment funds that are reporting issuers managed by C.S.T. Spark Inc.

Investment funds that are reporting issuers managed by Connor, Clark & Lund.

Caroline Cathcart serves as a member of the Independent Review Committee for the following funds:

Investment funds that are reporting issuers managed by C.S.T. Spark Inc.

Investment funds that are reporting issuers managed by NEI L.P.