

Statement of Corporate Governance Revised on the 15th of september, 2023

Preamble

The Kaleido Foundation (the “Foundation”) is a non-profit organization constituted in 1964. The Foundation’s mission statement is: “Help each child achieve their full potential by accompanying them on their journey towards imagining a brighter future.”

It is the promoter of the education savings plans issued by the REFLEX Plan, the UNIVERSITAS Plan and the INDIVIDUAL Plan as well as the Plans IDEO+ ADAPTATIVE, IDEO+ CONSERVATIVE and IDEO+ INDIVIDUAL (the “Plans”).

Under an agreement dated November 15, 1985 and reframed as of March 2nd, 2022, the Foundation appointed its Subsidiary, Kaleido Growth Inc. (“KGI”) as exclusive manager of its affairs and the sole distributor of its savings products. Since 2010, KGI is the investment fund manager of the education savings products promoted by the Foundation.

The Foundation and KGI make it their duty to comply with all legal and regulatory governance standards, and ensure they adopt the best industry practices.

The KGI Human Resources and Governance Committee recommended the Foundation and KGI to adopt the *Statement of Corporate Governance Practices*.

The proximity of the Foundation and KGI, as well as the similarity of their governance made it possible to develop a single statement of corporate governance practices.

Members of the Foundation

Anyone who believes in the Foundation’s mission with an interest in the development of education in Canada can be a member of the

Foundation, provided this person’s application is approved by the Foundation’s Board of Directors.

Composition of the Foundation’s Board of Directors

The Board of Directors comprises eleven (11) directors. The following individuals currently hold a seat on the Foundation’s Board of Directors: Isabelle Gosselin, Isabelle Grenier, Julie Lalonde, Paule-Anne Morin and Geneviève Verrier, as well as Albert Caponi, Michel Després, François Ducharme, François Lavoie (Chair), Jacques Topping and Christian Trudeau. Isabelle Grenier, KGI’s president and CEO, is a member of the Board. Director mandates are renewable every year; the maximum term is ten (10) years.

In the opinion of the Foundation’s Board of Directors, no current director has an interest in or a business relationship with the Foundation or KGI which could – under the adopted conflict of interest management policies and standards – be reasonably perceived as likely to interfere with the director’s ability to act in the best interest of the Foundation and the Plans.

Composition of KGI’s Board of Directors

KGI’s Board of Directors consists of a maximum of eleven (11) directors. The following individuals currently hold a seat on KGI’s Board of Directors: Isabelle Gosselin, Isabelle Grenier, Julie Lalonde, Paule-Anne Morin and Geneviève Verrier, as well as Albert Caponi, Michel Després, François Ducharme, François Lavoie (Chair), Jacques Topping and Christian Trudeau. KGI’s president and CEO is a member of the Board. The terms of office of the directors are renewable every year; the maximum term is ten (10) years.

Quorum

To reach quorum during a meeting held by either board, over 50 percent of the members must be in attendance. In the event of a tie vote, the Chair has an overriding vote.

Recruiting and Appointing Directors

The procedure for the recruitment and appointment of directors adopted by the KGI Human Resources and Governance Committee serves as a guide for determining the composition of the Foundation and KGI's Board of Directors. The KGI Human Resources and Governance Committee assesses the competencies and skills of potential directors and evaluates each candidate's contribution as a board member while considering of the board's composition and which qualifications further enhance the group.

Independence of the Directors

The majority of the directors serving on the Foundation's Board, KGI's Board and their respective committees are independent, as defined under sections 1.4 and 1.5 of *Regulation 52-110 respecting Audit Committees*. The KGI Human Resources and Governance Committee assesses the independence of directors regularly using information provided annually in a written statement disclosing its business relations with the Foundation or KGI, as well their nature and costs. The Foundation's Board of Directors then reviews, as needed, the independence assessment made by the KGI Human Resources and Governance Committee.

To favour frank and open discussions, it is expected that independent board and committee members hold part of their meetings without management officers in attendance.

KGI's Board of Directors ensures that the roles of Chair of the Board and President and CEO are distinct.

Role and Responsibilities of the Chair of the Board

Both the Chair of the Foundation's Board and the Chair of KGI's Board are the guardians of their respective organization's mission and corporate values. They see to the preparation and proper running of the boards. They guide the directors in the exercise of their functions to ensure sound decision-making regarding business strategies and policies. They ensure the proper supervision of the organization's activities.

Role and Responsibilities of the President and CEO

The President and CEO of KGI reports to its Board of Directors and is responsible for the ongoing administration of the company. The President and CEO also assumes the duties delegated to him or her by the board.

Mandate of the Foundation's Board of Directors

The main duty of the Foundation's Board of Directors is to protect the Foundation's mission. To do so, the board:

1. determines strategic directions;
2. ensures KGI adopts and implements a realistic strategic plan;
3. monitors the management and administrative activities of the Foundation and the Plans; and
4. establishes policies, procedures and disclosure mechanisms to protect the subscribers and beneficiaries of the Plans, as well as the assets invested.

Mandate of KGI’s Board of Directors

The main duty of KGI’s Board of Directors is to monitor KGI’s activities as scholarship plan dealer, distributor and investment fund manager of the Plans. To do so, the Board:

1. ensures the strategic directions determined by the Foundation are implemented; and
2. ensures KGI’s viability, sound financial management and long-term development.

Code of Ethics and Business Conduct applicable to Foundation and KGI Directors

Following the recommendations of the KGI Human Resources and Governance Committee, the Foundation’s Board of Directors and that of KGI adopted a Code of Ethics and Business Conduct that directors must observe.

The rules set out in the Code are in addition to the obligations of the directors pursuant to the laws and regulations governing the Foundation or KGI, as applicable, and enacted by regulatory organizations.

The Code of Ethics and Business conduct is available upon request by contacting Customer Service in writing at info@kaleido.ca, or by calling the toll-free number 1-877-710-RESP.

Guiding of the New Directors

The KGI Human Resources and Governance Committee oversees the orientation of new directors to ensure they fully comprehend the nature of the organization and its procedures and understand the expectations inherent to their new functions.

The new directors meet with certain members of KGI’s senior management to discuss the mission, organizational structure and activities of the Foundation and KGI.

Performance Reviews of the Foundation’s Board, KGI’s Board and Individual Directors

The boards and directors are evaluated regularly by their members and peers, as applicable.

Evaluating the boards allows the directors to express their opinion regarding the effectiveness of the boards, whereas individual reviews allow the directors to express their opinion on the contribution of each director to the different boards.

The review process is overseen by the KGI Human Resources and Governance Committee, and the results are compiled by its General Secretary.

Continuous Update Reports

Directors regularly attend presentations to keep them informed of any changes within KGI and/or the requirements of the legislative standards and regulations to which it must comply.

Committees of the Foundation’s Board of Directors and KGI’s Board of Directors and their respective mandates

GOVERNANCE STRUCTURE



The Committee of the Foundation's Board of Directors and its mandate

Audit and Risk Management Committee of the Foundation:

Mandate and Composition

The Audit and Risk Management Committee of the Foundation operates under the oversight of the Foundation's Board of Directors. Its mandate is to ensure the integrity of the financial reporting of the Foundation and the Plans. It represents the Foundation in matters with the external auditors and oversees the risk management of the Foundation.

The following directors currently sit on the Audit and Risk Management Committee: Paule-Anne Morin, Albert Caponi (Chair), François Ducharme and Christian Trudeau. All committee members are independent, unrelated directors.

Committees of KGI's Board of Directors and their respective mandates

Audit and Risk Management Committee of KGI: Mandate and Composition

The Audit and Risk Management Committee of KGI operates under the oversight of KGI's Board of Directors. Its mandate is to ensure the integrity of the financial reporting related to KGI. It represents KGI in matters with the external auditors and oversees the risk management of KGI.

The following directors currently sit on the KGI'S Audit and Risk Management Committee: Paule-Anne Morin, Albert Caponi (Chair), François Ducharme and Christian Trudeau. All committee members are independent and unrelated directors.

Investment Committee: Mandate and Composition

The Investment Committee operates under the oversight of KGI's Board of Directors. Its mandate is to develop the investment policies of the Plans. It is responsible for recommending the appointment or, if necessary, the dismissal of a portfolio manager, as well as for the performance reviews of portfolio managers. The Committee oversees the implementation of the investment policies that are in the best interest of the subscribers and beneficiaries of the Plans.

The following directors currently sit on the Investment Committee: Julie Lalonde (Chair), François Lavoie and Michel Jalbert (outside member). All committee members are independent, unrelated directors.

Human resources and Governance Committee: Mandate and Composition

The Human resources and Governance Committee operates under the oversight of the KGI's Board of Directors. Its mandate is to monitor and ensure the quality of the governance structures and mechanisms in place and make recommendations to the Boards in this regard. The Committee stays informed of the latest trends in corporate governance best practices. The Committee is also mandated to review the human resources and compensation policies, practices and organizational structures of KGI.

The Human Resources and Governance Committee recommends to each of the Boards of Directors of the Foundation and KCI the compensation of their respective directors based on their responsibilities and risks without compromising the independence of a director. Any director who is an officer is not compensated for work performed in connection with board and committee meetings.

The following directors currently sit on the KGI's Human Resources and Governance Committee: Geneviève Verrier (Chair), Isabelle Gosselin, Michel Després and Jacques Topping. All committee members are independent and unrelated directors.

Description and Composition of the Investment Fund's Independent Review Committee (IRC)

The Independent Review Committee reviews actual or potential conflict of interest matters (or any situation that could be perceived as such) referred to the IRC by KGI. The IRC gives its recommendation to KGI's Board of Directors or issues a standing instruction in accordance with *Regulation 81-107 respecting Independent Review Committee for Investment Funds*.

The IRC has the authority to retain the services of an outside advisor for any issue related to its mandate. The IRC can also contact the *Autorité des marchés financiers* directly regarding any issue.

The IRC's current members are Nicole Bilodeau, Pierre Lapointe (Chair) and Jacques Jobin. All members declare themselves to be independent of the Foundation and KGI.

Indemnification

The Foundation shall indemnify any director or officer who is party to a proceeding, whether civil, criminal, administrative, investigative or of any other nature by virtue of being a director, including:

1. an amount paid to settle an action or satisfy a judgment;
2. expenses and fees reasonably incurred to ensure the director's defense.

The following conditions must be met for the fees and expenses incurred to be reimbursed to the director or officer:

- has acted honestly and in good faith with a view to the best interest of the Foundation, KGI and the Plans;
- there was no reasonable cause to believe his or her conduct was unlawful.

Liability Insurance

The Foundation maintains liability insurance for its directors, officers and the Foundation itself against any losses incurred that the Foundation may be authorized or obligated to cover, under the law, to indemnify its directors and officers. This policy also covers KGI and its directors and officers, as well as members of the Independent Review Committee.

Appointing Auditors

The current auditor of the Foundation, the Plans and KGI is the firm Deloitte, LLP. Auditors of the Foundation and the Plans are appointed by members of the Foundation, while KGI's auditors are appointed by its sole shareholder, the Kaleido Foundation.

Approval of the Directors

The directors of the Foundation and KGI approve this Statement of Corporate Governance.