

**2021 REPORT OF THE INDEPENDENT REVIEW COMMITTEE
FOR THE SUBSCRIBERS OF THE KALEIDO FOUNDATION**

This report to the subscribers of the Kaleido Foundation (hereinafter, “the Foundation”) describes the composition and activities of the Independent Review Committee (hereinafter, the “IRC”) for the period of January 1 to December 31, 2021.

Securities regulators specifically gave the IRC the mandate to review conflict of interest issues raised and submitted by Kaleido Growth Inc. (hereinafter, “KGI”) to the IRC, and to give its approval or recommendations.

During the reporting period, the IRC applied measures pursuant to *Regulation 81-107 respecting Independent Review Committee for Investment Funds* (hereinafter “Regulation 81-107”). This report was written in compliance with Regulation 81-107.

MEMBERS OF THE INDEPENDENT REVIEW COMMITTEE (IRC)

Name	Place of Residence	Date of Appointment	Work History
Pierre Lapointe, FCPA, FCA, ASC	Lévis (Quebec)	September 13, 2018 Renewed mandate until April 20, 2024	<ul style="list-style-type: none"> ➤ Licentiate in Accounting Sciences, <i>Université Laval</i>, 1979 ➤ Fellow member of the Order of Chartered Professional Accountants of Quebec and Chartered Professional Accountants of Canada ➤ Member of the Disciplinary Council for the Order of Chartered Professional Accountants of Quebec until May 2018 ➤ Director and Chair of the Audit Committee at COREM until June 2019 ➤ Director of Auray Capital and of Auray Sourcing ➤ Member of the Governance Committee of Econoler Inc. ➤ Director of the Saint-Roch Foundation until March 2018 ➤ Partner at RCGT
Jacques Jobin, LL.B., ASC	Quebec City (Quebec)	April 29, 2020, for a 3-year term	<ul style="list-style-type: none"> ➤ Licentiate in Law, <i>Université Laval</i>, 1977 ➤ <i>École du Barreau</i>, Quebec, 1978 ➤ City Councillor, Quebec City , 1989 to 2005

			<ul style="list-style-type: none"> ➤ Vice-Chairman of the Executive Committee and City Councillor, Quebec City, 2001 to 2005 ➤ Associate Secretary General for Administration, National Assembly of Québec, April 2005 to January 2015 ➤ Chair of the Advisory Committee, Renaud Insurance and Risk Management, January 2015 to May 2019 ➤ President of Médiato, January 2015 to this day ➤ Member of the Board of Directors of <i>Capital régional et coopératif Desjardins</i> (CRCD), 2016 to May 2019 ➤ Chairman of the Board of <i>Caisse Desjardins Des Rivières</i>, 2009 to 2018 ➤ Chairman of the Société Gilbert Advisory Committee, member of the Port of Québec Board of Directors
Nicole Bilodeau, FCPA, FCA	Québec	April 20, 2020, for a 3-year term	<ul style="list-style-type: none"> ➤ Licentiate in Accounting Sciences, <i>Université Laval</i>, 1983 ➤ Fellow member of the Order of Chartered Professional Accountants of Quebec ➤ Graduate Microprogram in Administration and Educational Evaluation - Management of People and Educational Organizations - Université Laval - 2008-2010 ➤ Executive Director – Mérici College from 2012 to present ➤ CEGEP Garneau, Director, Administrative services from 2004 to 2012 ➤ Member of the Board of Directors of College Mérici since 2012 ➤ Member of the board of Directors for the Fondation Mérici Collégial privé since 2012 ➤ Chair of the Governance Committee for the Board of

			<p>Directors of the Chambre de commerce et de l'industrie de Québec from 2017-2021</p> <ul style="list-style-type: none"> ➤ Member of the Board of Directors - TOPMED, center for technology transfer in orthotics, prosthetics and medical equipment since 2012 ➤ First Trustee of the Ursulines Cultural Heritage Trust since 2022 ➤ Member of the Advisory Committee of the Gilbert Society since 2020 ➤ Director and Chair of the Human Capital Committee at CAA Quebec since 2020 ➤ Director and Vice-President of the Board of Directors and Executive Committee of the Caisse Desjardins de Sillery/St-Louis de France from 2002 to 2018
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All members of the IRC declare to be completely independent from the Foundation and KGI. In fact, in addition to being independent from the Foundation and KGI, the subsidiary and manager of the Foundation, IRC members are independent from any other affiliated entity.

None of the IRC members sits on the KGI board of directors or the Foundation's board. From the point of view of a reasonable person and in the opinion of the IRC and KGI, the members of the IRC have no relationship that could jeopardize their independence.

SECURITIES HELD

The securities promoted by the Foundation are scholarship plan units (hereinafter called "the units").

THE FOUNDATION'S PLANS SERVED BY THE IRC

- UNIVERSITAS Plan
- REFLEX Plan
- INDIVIDUAL Plan (collectively the "Plans")

INVESTMENT FUND

During the period covered by this report, the unit percentage for each of the Foundation's plans for which the members of the IRC were subscribers did not exceed a total of 10%.

MANAGER

The manager, KGI, is a wholly owned subsidiary of the Foundation.

During the reporting period, no IRC member was the beneficial owner, directly or indirectly, of any class of securities of KGI.

SERVICE PROVIDERS

During the period covered by this report, no member of the IRC was the beneficial owner, directly or indirectly, of voting or equity securities of any third party that provides services to KGI or to the Foundation.

COMPENSATION

The total compensation paid by the Plans to the members of the IRC for the period of January 1 to December 31, 2021, amounted to \$35,317.

The following criteria are taken into consideration when calculating the members' compensation:

- 1) the best interest of the Foundation;
- 2) the number, nature and complexity of the Foundation's Plans;
- 3) the nature and importance of the IRC members' workload, considering the time commitment required to perform their duties;
- 4) the best practices in the Foundation's sector of activity and, in particular, studies on the compensation paid to IRCs of comparable organizations;
- 5) the recommendations of KGI, if any;
- 6) the most recent evaluation of the IRC.

INSURANCE AND INDEMNITY

An insurance policy with a clause for indemnification, exemption and commitment was purchased for the members of the IRC in the performance of their duties.

No claim or indemnity was paid to the members of the IRC during the period covered by this report.

NUMBER OF MEETINGS

The IRC held four (4) meetings over the period of January 1 to December 31, 2021.

CONFLICT OF INTEREST ISSUES

Regulation 81-107 requires that the IRC review any matter pertaining to conflicts of interest raised and submitted by KGI or the Foundation, and to give its approval or recommendations depending on the nature of the issue submitted. A brief summary of any approval and/or recommendation applied by KGI and/or the Foundation can be found hereinafter.

APPROVALS AND STANDING INSTRUCTIONS

During the period covered by this report, the Foundation and KGI, as applicable, complied with the approvals, recommendations and standing instructions issued by the IRC. In each case, the standing instructions required the Foundation and KGI to comply with the policies and related procedures, and to submit regular reports to the IRC.

No new standing instructions were issued by the IRC during the reporting period.

ADMINISTRATION AND MANAGEMENT FEES

An administration fee is charged to the plans and is collected by KGI—as investment fund manager—from the income on plan contributions to cover the costs for the administration of the plans. This fee is equal to 1.35% (excluding applicable taxes) of the assets under management. Any proportion of the administration fee that is not required to maintain and develop KGI is deducted from excess revenues over the company's expenditures in order to return any surplus to the plans by reducing the administration fee, if applicable.

In addition to the administration fee, there are management fees that include those paid to the trustee, the custodian and the portfolio managers. The compensation of the members of the IRC is invoiced to the different Plans and prorated to the average value of each plan's assets under management.

During the reporting period, the IRC determined that the allocation of management fees between the Plans is equitable and does not conflict with the interest of the Plans; that the allocation of the administration fee between the plans is fair and does not conflict with the interest of the Plans; and that the administration fee charged to the Plans by KGI is just and reasonable and does not conflict with the interests of the Plans.

COMPENSATION ARRANGEMENTS

KGI is compensated according to the number of scholarship plans opened or their value. The sales charges paid by subscribers pursuant to the plan opened are paid to KGI in order to pay the commissions of the representatives and other distribution costs. The representatives are compensated through commissions calculated according to the number of units sold and, in certain cases, the savings invested. They may also receive, as applicable, additional compensation based on their sales volume within a given period and sales of the optional group life and disability insurance offered with the RESP and receive a bonus for INDIVIDUAL Plans opened on behalf of a beneficiary from a family eligible for the Canada Learning Bond (CLB). As applicable, the representatives'

compensation is paid by KGI primarily from the sales charges, with part of their compensation being paid from the administration fee.

As compensation, representatives may also win prizes, participate in contests or receive awards during the annual convention. All the expenses paid by KGI for these incentives are taken from its own funds and are not charged to subscribers, beneficiaries or the Plans.

During the reporting period, the IRC deemed the compensation arrangements of KGI and its representatives to be just and reasonable, and that these do not conflict with the interests of the Plans.

APPROVALS AND RECOMMENDATIONS

During the reporting period, KGI requested the recommendation or approval for certain items regarding a conflict of interest issue, all of which were reviewed by the IRC, and recommendations were brought forward.

During the period covered by this report, the IRC issued a recommendation concerning the audit mandate given to Deloitte. The IRC recommends, as a matter of good governance, that a competitive bidding process be conducted. The committee recommends that for the 2024 fiscal year.

The IRC perceived no situation where the Foundation or KGI was in a conflict of interest and failed to meet the conditions imposed by the IRC when the latter submitted its recommendations or approval.

ASSESSMENT OF INDEPENDENCE, EFFICIENCY AND COMPENSATION

The IRC also assessed the independence, compensation, efficiency and contribution of IRC members, as well as the overall efficiency of the IRC, namely through a self-assessment process supported by a questionnaire addressed to the latter. A copy has been attached hereto.

TRANSMISSION TO KGI

The IRC submitted this report to KGI this day.

Signed at Quebec City on March 4, 2022.

(s) Nicole Bilodeau, FCPA, FCA

(s) Jacques Jobin, LL.B., ASC

(s) Pierre Lapointe, FCPA, FCA, ASC

Enclosures: Summary list of recommendations in effect, summary list of resolutions adopted, self-assessment questionnaire of the IRC.