



Infrastructure Strategy ESG Procedures

Effective August 1, 2019

Introduction

The TD Asset Management Inc. (“TDAM”) Infrastructure Strategy (the “Strategy”)¹ seeks to be a leader in sustainable infrastructure investing. Due to the long-life span of infrastructure assets, we systematically consider environmental, social and governance (“ESG”) factors in our processes. We believe that our sustainability strategy is fully aligned with our culture that focuses on risk management, disciplined processes, sustainable returns and creating mutually beneficial solutions for our clients and our key stakeholders.

These procedures set out our objectives and how we strive to embed sustainability in our fund operations, investment process and asset management.

Our Commitments

- Adopt best practice corporate governance in our fund operations and advocate for commensurate levels of governance in our portfolio investments
 - Strong shareholder protection rights
 - Appropriate and diverse board structure
 - Independence of directors
 - Fair executive compensation
 - Formalized business ethics and risk controls
 - Mitigated or no perceived or known conflicts of interest
- Strive to invest in assets that minimize environmental impact and enable positive social contribution, and where possible:
 - Minimize greenhouse gas emissions and adapt to climate change
 - Maximize energy and water efficiency
 - Reduce waste output, repurpose operational by-products, divert waste from landfill and ensure proper disposal of hazardous waste
 - Protect and enhance biodiversity

¹ Comprised of the TD Greystone Infrastructure Fund (Global Master) LP (“GIF Master Fund”), TD Greystone Infrastructure Fund (Canada) LP (“GIF Canada I”) and the TD Greystone Infrastructure Fund (Canada) LP II (“GIF Canada II”) collectively referred to as the “GIF Canada Funds”.

- Deploy leading occupational health and safety practices
 - Foster productive labour and union relations
 - Engage local communities and key stakeholders
 - Support local job creation and procurement
 - Conduct environmental and social impact assessments for construction projects to identify, assess and mitigate negative impacts
 - Exceed (where possible) and comply with all applicable laws or regulations
 - Consider other material ESG factors specific to asset types
- Engage with our stakeholders to accelerate the adoption of ESG practices
 - Communicate our ESG Procedures to all stakeholders and the public
 - Explain sustainability benefits and our approach to clients
 - Train members of the Infrastructure Investments team on our commitments, practices and tools
 - Advocate for responsible development, contracting and procurement with project partners
 - Encourage and support investment companies to adopt sustainability best practices
 - Share our sustainability practices and participate in industry collaboration and disclosure initiatives

Implementation

In seeking to meet our commitments and ensuring continual improvement, we will:

- Integrate ESG factors into our investment processes, including due diligence, monitoring and reporting
 - Develop an internal toolkit of ESG knowledge and best practices
 - Systematically review all investments for material ESG risks and opportunities at the macro, country, sector and asset levels
 - Address material ESG factors in both qualitative and quantitative financial assessment
 - Develop strategies to address all material ESG factors in risk assessment
 - Adopt and report ESG performance indicators to clients
- Actively engage with our investment companies and asset managers to accelerate implementation of ESG practices in our holdings
 - Measure, report and set targets for energy and water use, greenhouse gas emissions and waste management
 - Pursue sustainability certifications, where applicable
 - Facilitate the sharing of knowledge and best practices among assets/companies
 - Use shareholder rights and board representation to advocate for ESG integration in governance
- Monitor and report on the implementation of these procedures and asset sustainability performance

Responsibilities

These procedures apply to all members of the Infrastructure Investments team and forms part of TDAM's fully integrated corporate ESG strategy.

The Managing Director and Head of Infrastructure is responsible for the implementation of and adherence to these procedures. The Infrastructure Investments team's ESG representative reports on progress to TDAM's ESG Committee annually.

These procedures are reviewed annually.

