

Annual Report of the Independent Review Committee of the CST Bright Plan

December 3, 2020

IRC annual report to: Plan holders in the CST Bright Plan (the “Plan”).

Dear Plan holder,

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), the Manager, C.S.T. Spark Inc., established an Independent Review Committee (the “Committee” or “IRC”) for the Plan. 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 Plan holders, covering the period from November 1, 2019 to October 31, 2020 (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 a 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 certain 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.

The IRC is empowered to represent the best interest of the Plans in any matter where the Manager has referred a conflict of interest matter to it. Where a conflict is referred to it, the IRC's responsibility is to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Plans.

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: Sandford Borins, Toronto, Ontario	Professor Emeritus at Rotman School of Management	Initial Appointment: May 1, 2016. Re-appointed for a period of 2 years with effect from June 19, 2020.
Don McCreesh, Oakville, Ontario	Management Consultant, Corporate Director	Initial Appointment: June 19, 2012. Retired June 18, 2020
Edna Chu, Toronto, Ontario	Lawyer, Compliance Consultant	Initial Appointment June 19, 2019 for a period of three years
Gregory Chrispin, Boucherville, Quebec	Investment Professional	Initial Appointment June 19, 2020 for a period of three years

Don McCreesh resigned on June 18, 2020. As part of the IRC's established succession plan, the IRC undertook a selection process in keeping with the succession policy, interviewing a number of candidates. Gregory Chrispin was appointed to the IRC as Mr. McCreesh's replacement on June 4, 2020 for a period of three years with effect from June 19, 2020.

On June 15, 2020, Sandford Borins was appointed as the Chair of the IRC.

Compensation and Indemnification

Review of Compensation

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

- 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.

After a review of the above factors, the IRC determined that its compensation was satisfactory and no changes were recommended.

Members' Fees

In aggregate, the IRC members were paid \$31,000 including expenses during the Reporting Period, plus applicable taxes. These fees and expenses are shared proportionately with the Canadian Scholarship Trust Plans.

Indemnities Granted

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

Disclosure of IRC Member's Holdings

As of October 31, 2020, the IRC Members did not beneficially own, directly or indirectly:

- any investments in the Plan;
- any interests in the Manager; or,
- any interests in a company or person that provides services to the Manager or the Plan.

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 that permit the Manager to proceed with the specific action(s) set out in the SIs on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager 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 conflicts of interest matters including:

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

This report is available on C.S.T. Spark Inc.'s website at <http://www.cstspark.ca> or you may request a copy, at no cost to you, by contacting C.S.T Spark Inc. at 1-800-461-7100. This document and other information about the CST Bright Plan are available on www.sedar.com.

Yours truly,



Sanford Borins, Chair

Schedule of IRC Members who sit on IRCs for other Fund Families

Sandford Borins serves as a member of the Independent Review Committees for the following funds:

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

Investment funds that are reporting issuers managed by Chou Associates Management Inc.

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

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

Certain funds that are reporting issuers managed by Goodwood Inc.; and

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

Gregory Chrispin

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