

September 15, 2025

The Right Honourable Mark Carney, P.C., M.P.
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2
pm@pm.gc.ca

Dear Prime Minister Carney,

Subject: Support for a price on industrial carbon emissions

On behalf of the Co-operators Group ("Co-operators") and Addenda Capital, we affirm our strong support for Canada's industrial carbon pricing mechanism as the foundation of both our economic competitiveness and decarbonization goals.

Our organizations are committed to delivering financial security to Canadians, their families, and our communities. Addressing the impacts of climate change and implications of the energy transition is part of this responsibility.

As you are well aware, transitioning to a net-zero economy is a financial necessity to avoid a future where climate impacts, or shocks, accelerate faster than our ability to adjust and recover. We need effective policies, regulations, and standards to position our economy and drive markets to contribute to this transition.

Industrial carbon pricing is a key foundation for building economic competitiveness while transitioning our high carbon economy. According to [research from the Canadian Climate Institute](#), industrial carbon pricing, or large-emitter trading systems (LETS), will do more to reduce greenhouse gas by 2030 than any other policy. Clearly, other policies and investment supports are also needed to drive businesses to transition to clean production practices and processes such as investment tax credits (ITCs), clean procurement policies, implementation of the methane regulations, and capital de-risking mechanisms from the Clean Growth Fund and Canada Infrastructure Bank.

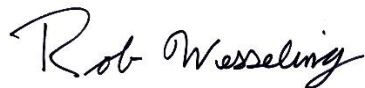
We appreciate there are potential improvements to be made to the federal industrial carbon backstop, including the need to address the lack of integration of carbon compliance markets across the country, which would strengthen investment signals and contribute to the removal of inter-provincial trade barriers. An integrated national system would improve the integrity of Canada's industrial carbon pricing approach and create more certainty for businesses and investors. It is important to build on what we have implemented to improve its efficiency and outcomes, but this foundation of Canadian climate action should not be compromised.

As fiduciaries and investors, we need public policies on energy and climate risks to provide the certainty, consistency, backstop and incentives to reward companies for decarbonizing their business strategies and for building the solutions and jobs for a competitive economy. In turn, this will allow the mobilization of more private capital for Canadian businesses and provide the incentives for the financial sector to develop additional innovative investment solutions.

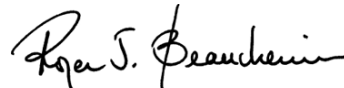
We maintain our firm belief that public policy is best served when invested stakeholders work collaboratively to assist in the development of that policy. We welcome your commitment to championing issues that will meet the ill-met and un-met needs of Canadians across our country.

We also look forward to engaging with your government to discuss potential policies that can attract private capital to support Canadian competitiveness, resilience, and transition. Thank you for your leadership and consideration of our comments. Please reach out to Maya Milardovic, AVP of Government Relations, Co-operators at maya_milardovic@cooperators.ca to schedule a discussion.

Sincerely,



Rob Wesseling
President & CEO
The Co-operators Group Limited



Roger J. Beauchemin, CFA
President & CEO
Addenda Capital

Cc:

Hon. Francois-Phillippe Champagne, Minister of Finance
Hon. Tim Hodgson, Minister of Energy and Natural Resources
Hon. Mélanie Joly, Minister of Industry
Hon. Julie Dabrusin, Minister of Environment and Climate Change

About Co-operators

Co-operators is a leading Canadian, diversified, integrated, multi-line insurance and financial services organization. Governed by 46 co-operatives and credit union centrals across the country, we provide financial solutions and security through property and casualty insurance, life insurance, wealth management solutions, institutional asset management, and brokerage operations.

Our footprint in Canada is strong; with over \$71.5 billion in assets under administration, 7,500 staff employed and 613 retail outlets across the country. We are proud to provide insurance and financial services to more than two million Canadians while staying true to our co-operative values. We insure 635,000 lives, 965,000 homes, 326,000 businesses, 44,000 farms, and 1.7 million vehicles.

Co-operators is the only Canadian insurer in the Net-Zero Asset Owner Alliance with 52.6% of invested assets in impact and climate transition investments.

About Addenda Capital

Addenda is an investment management firm majority owned by Co-operators, that looks after pension, private wealth, insurance, corporate and foundation assets. We are a multi-asset investment firm with over \$40 billion under management, and offices across Canada in Montreal, Toronto, Guelph and Regina. We are committed to contributing to the goal of meeting net-zero greenhouse gas emissions by 2050 or sooner, in line with limiting global warming to 1.5 degrees Celsius; and to working with clients to align investing with this goal.