

## Addenda Remains Committed to Climate Change and the Net Zero Asset Managers Initiative

The firm stands by its conviction that a transition to a net zero world is imperative.

As we remain committed to serving clients who wish to set portfolio climate goals, we continue to support and participate in the Net Zero Asset Managers (NZAM) initiative, which fosters peer learning and the advancement of best practices. However, our involvement in climate action extends beyond participation in any network. We are continuously growing our awareness and understanding of climate-related risks and opportunities, as well as embedding these insights into our investment research and stewardship activities<sup>1</sup>. We believe that identifying material sustainability issues, including climate change, simply makes us smarter investors. We also believe that preparing for climate transition can potentially improve Canada’s competitive global positioning and make communities across our country more prosperous and resilient.

We also work collaboratively and innovatively as willing partners with our clients who wish to set climate goals, drive climate stewardship activities or allocate capital towards impact solutions. These efforts can help to make our economies, cities and communities resilient and thriving.

We took the opportunity presented by the relaunch of NZAM to review and update our ongoing climate commitments. Our four focus areas remain the same, and we will continue to report on our progress. We have refined our goals and targets, focusing on areas where we have the most direct influence and oversight: portfolio decarbonization and climate solutions.

### Four core areas of climate commitments

Commitments	Transparency and Reporting	Quantitative Target
Assets under management with climate and net-zero goals*	Report annually on progress	NA
% of carbon-emitting investees we actively engage on climate change	Report annually on progress	NA
Portfolio decarbonization performance	Report annually on progress	50% Portfolio decarbonization performance to year end 2030 from 2019 baseline
Assets under management in climate solutions	Report annually on progress	US \$3B in climate solutions investments**

<sup>1</sup>We will only include assets where clients have formally requested to set portfolio climate goals. These assets can also be referred to as ‘in-scope’ assets. Note that the following three climate commitments and targets are for in-scope assets only. We do not implement climate goals and practices without formal instruction from clients.

\*\*We define climate solutions as technologies, goods or services that mitigate the effects of climate change or adapt and help companies and communities be more resilient to a changing climate.

We recognize that progress towards our portfolio climate goals also depends on changes in the real economy such as climate supportive policies and industry practices. This is why our stewardship commitments include engaging with companies, policymakers and industry bodies to help advance these systemic changes.

As a Net Zero Asset Owner Alliance (NZAOA) member, our parent company Co-operators has remained steadfast in advancing its climate transition, solutions, and carbon emissions goals.<sup>2</sup> We share this commitment and remain proud of our stance on climate change. We will continue to report on progress in line with the Taskforce on Climate-related Financial Disclosure (TCFD or now referred to IFRS S2) as we have done previously through our Annual Sustainable Investing Report.

For more information, please reach out to:

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<sup>1</sup> For examples of how we engage on systems level issues such as the climate transition see [Promoting Sustainable Markets | Addenda Capital](#) and our SI Annual Report Insights and News | [Addenda Capital Releases 2024 Sustainable Investing Report](#)

<sup>2</sup> <https://www.cooperators.ca/en/integratedreport/purpose#investing>