



Policy

Sustainable Investing

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1. Purpose

This Sustainable Investing Policy highlights the principles that underscore Addenda Capital’s commitment to being a Canadian leader in sustainable investing and provides a framework for implementing that commitment. Addenda Capital will work with clients, employees, our shareholders and other stakeholders through an interactive process to further optimize long-term investment returns for our clients through the implementation of this policy.

2. Definitions

We define “sustainable investing” as an investing approach that integrates consideration of environmental, social and governance (“ESG”) matters into investment and stewardship activities with the objective of enhancing long-term investment performance for our clients.

3. Principles

Addenda Capital’s approach to sustainable investing is guided by the following principles:

- Good ESG policies, practices and performance have a positive influence on long-term corporate financial performance and investment performance.
- Considering ESG practices and encouraging good ESG practices will help us protect and enhance the long-term value of investments for our clients.
- Sustainable investing will help us fulfill our duty to act in the best long-term interests of our clients.
- Our approach to sustainable investing must be continuously improved and we have a duty to proactively contribute to the development and promotion of sustainable investing globally.
- Cooperation with other investors and stakeholders can help us improve our approach and can increase the effectiveness of our activities.
- Sustainable investing will help us better align our investment activities with the broader objectives of our clients and the best interests of society.

4. Policy

Our approach to sustainable investing is consistent with the framework provided by the United Nations-sponsored Principles for Responsible Investment (“PRI”). This framework enables us to apply Addenda Capital’s principles as listed above to our investment decision-making and stewardship practices. Therefore, where consistent with our fiduciary responsibilities and based on the principles established by the PRI, we commit to the following:

- Identify the ESG issues that could have a material impact on investment performance and incorporate their consideration into investment analysis and decision-making.
- Monitor the ESG practices of the entities in which we invest, exercise voting rights and engage in a dialogue with the entities in which we invest in accordance with our Stewardship Policy and our Proxy Voting Policy.
- Promote acceptance and implementation of sustainable investing and support regulatory or policy initiatives that would enable sustainable investing practices.
- Collaborate with other investors to promote and enhance sustainable investing practices.

5. Scope

Implementation of our approach to sustainable investing rests with each investment team. Addenda Capital offers a comprehensive array of investment strategies across a broad range of asset classes and responsibility for investment decision making is distributed accordingly. Each team is supported by the Sustainable Investing Team.

6. Disclosure

We will report on our sustainable investing activities to our stakeholders at least annually. Public disclosure will include voting and engagement activities, carbon footprints and applicable policies.

7. Amendments and Reviews

Date of Modification	Amendments/Reviews
December 2014	Creation
December 2016	Amendment
June 2019	Review
October 2021	Review