



# 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