Scotia Global Asset Management
Responsible Investment Policy
(as managed by 1832 Asset Management L.P.)
Approval Date: February 14, 2020
1) Purpose of Policy

This document formalizes the incorporation of Environment, Social and Corporate Governance (ESG) factors into the investment process at 1832 Asset Management L.P. (1832 AM). As part of our responsibility to act in the best interests of our unitholders, the consideration of ESG factors in the investment process is a component of delivering superior long-term investment performance for our clients.

2) Scope

This policy applies to all portfolios managed by 1832 AM across all asset classes, sectors and countries in which we invest.

3) Principles for Responsible Investment

To formally reflect our commitment to responsible investing, 1832 AM became a signatory to the United Nations-supported Principles for Responsible Investment (PRI) in 2018. As a signatory, we have committed to six voluntary principles defined by global institutional investors and the United Nations:

- **Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.
- **Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.
- **Principle 6:** We will each report on our activities and progress towards implementing the Principles.

4) Definitions

Responsible Investing: Responsible Investing is defined as an approach to investing that incorporates ESG factors into investment decisions.

Environmental Factors: Refer to issues impacting the natural environment, including climate change, greenhouse gas emissions, resource depletion and water scarcity, waste and pollution, biodiversity and deforestation, among others.

Social Factors: Can refer to issues centred around people (i.e. employees and communities) and can include but are not limited to: working conditions, including modern slavery and child labour, local communities, including indigenous communities (or other vulnerable groups), health and safety, employee relations and diversity.
Governance Factors: Refer to issues regarding how companies are managed and governed, including: executive pay, bribery and corruption, political lobbying and donations, board diversity and structure, tax strategy and risk management, among others.

5) Integration of ESG into the Investment Process & Active Ownership Procedures

Responsibility for incorporating ESG factors into the investment process resides with each portfolio management team as fiduciaries for client mandates. We believe that ESG factors can have a material impact on the long-term performance of investments. As fundamental investors, our investment managers take ESG factors into consideration when they assess the risk/reward merits of investments. We do not generally exclude any particular investment based on ESG factors alone.

Key components of the fundamental investment process at 1832 AM are regular meetings and direct engagement between our investment professionals and the entities in which they invest. Through direct engagement our investment professionals develop a deeper understanding of the entities they invest in, including on ESG-related issues. Direct engagement facilitates better informed investment decisions, while also allowing our investment professionals to communicate views and concerns to those entities.

Proxy voting is an important part of 1832 AM’s fiduciary duty to clients, and an important part of the fundamental investment process. 1832 AM has established formal proxy voting policies. In all cases, proxies will be voted in a manner consistent with the best interests of our clients. Special or non-routine matters, including ESG-related matters, are brought to the attention of the portfolio manager(s) of the applicable mandate. After assessment, the portfolio manager(s) will direct that such matters be voted in a way that he or she believes will better protect or enhance the value of the investment mandate.

At the firm level, our risk oversight process will also review ESG factors as part of the regular review of investment portfolios.