

CC&L Q EMERGING MARKETS EQUITY STRATEGY

QUEEN'S UNIVERSITY ENDOWMENT FUND

March 15, 2024

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PREAMBLE

In accordance with Queen’s University’s Responsible Investing Policy, as approved in May 2017, we require all of Queen’s External Investment Managers to take due regard of environmental, social, and governance (“ESG”) factors in making investment decisions. Managers will be asked to engage where appropriate and report to the University on their ESG activities on an annual basis.

Link to Responsible Investing Policy: <https://www.queensu.ca/secretariat/policies/board-policies/responsible-investing-policy>

To assist with our due diligence, we request that you respond to the following questions no later than March 22, 2024.

Note: Responses to this questionnaire will be posted in full on Queen's website.

GENERAL

- 1) Please provide your ESG-related policies. Please provide a formal statement of your ESG- related policies if you have one.

Please refer to the attached ‘Appendix I - CC&L Responsible Investing Policy’, ‘Appendix II - CC&L Stewardship & Engagement Policy’ and ‘Appendix III - CC&L Voting Rights Policy’ and ‘Appendix IV - CC&L TCFD Report’.

2) Are sustainable investing and ESG factors integrated into your investment process and portfolio management decisions? If yes, please provide details.

CC&L’s Quantitative Equity team (Q team) incorporates MSCI E, S, and G ratings as systematic risk factors, as well as predictors of stock-specific risk, in the quantitative investment process. In addition, MSCI carbon data is used to manage carbon exposures for all quantitative strategies. Within the three pillars of ESG, MSCI ESG Ratings identify 10 themes and 37 key issues which are highlighted in the below table:

3 Pillars	10 Themes	37 ESG Key Issues	
Environment	Climate Change	Carbon Emissions Product Carbon Footprint	Financing Environmental Impact Climate Change Vulnerability
	Natural Resources	Water Stress Raw Material Sourcing	Biodiversity & Land Use
	Pollution & Waste	Toxic Emissions & Waste Packaging Material & Waste	Electronic Waste
	Environmental Opportunities	Opportunities in Clean Tech Opportunities in Green Building	Opportunities in Renewable Energy
Social	Human Capital	Labour Management Health & Safety	Human Capital Development Supply Chain Labour Standards
	Product Liability	Product Safety & Quality Chemical Safety Financial Product Safety	Privacy & Data Security Responsible Investment Health & Demographic Risk
	Stakeholder Opposition	Controversial Sourcing	
	Social Opportunities	Access to Communications Access to Finance	Access to Health Care Opportunities in Nutrition & Health
Governance	Corporate Governance*	Board* Pay*	Ownership* Accounting*
	Corporate Behaviour	Business Ethics Anti-Competitive Practices Tax Transparency	Corruption & Instability Financial System Instability

3)

a) Are you a signatory to the UNPRI?

Yes, CC&L has been a signatory to the UN PRI since 2015.

b) If you are signatory to other coalitions, please list them.

Canadian Coalition for Good Governance

In June 2002, CC&L became a founding member of the Canadian Coalition for Good Governance (CCGG). In addition to CC&L’s engagement activities, the firm collaborates extensively with the CCGG as an active member of this organization. Phil Cotterill, Head of Client Solutions, and a director at CC&L, is a director of the CCGG.

Task Force on Climate Related Financial Disclosures (TCFD)

In June 2021, CC&L endorsed the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD). In doing so, CC&L actively encourages investee companies to incorporate the TCFD recommendations in their future disclosures.

Note, the TCFD was disbanded in 2023 and was incorporated into the IFRS's International Sustainability Standards Board.

International Corporate Governance Network (ICGN)

In July 2019, CC&L became supporters of the International Corporate Governance Network (ICGN) through their affiliation with member CC&L Financial Group. This membership complements CC&L's active involvement in the CCGG.

Responsible Investment Association of Canada (RIA)

CC&L is a member of the RIA through its affiliation with member CC&L Financial Group. Ella McLeod, Manager of Stewardship & Engagement at CC&L Financial Group, is a member of the RIA's ESG Working Group Steering Committee.

Climate Engagement Canada (CEC)

In October 2021, CC&L became founding participants in Climate Engagement Canada, a Canadian-led collaborative engagement platform to drive broader, more consistent dialogue between finance and industry on climate risks and opportunities. The goal of the engagement is to educate company boards and senior leaders on the concerns and expectations of the financial sector as they relate to a timely transition to net-zero by 2050, spur organizational change, and move Canada forward on achieving commitments to the Paris Accord.

- c) Indicate any other international standards, industry guidelines, reporting frameworks, or initiatives that guide your responsible investing practices.

Please refer to the response 3(b) above.

CC&L participates in collaborative engagements and initiatives sponsored by other institutional investors, industry associations or advocacy groups. These collaborations allow CC&L to pool resources and speak with a stronger unified voice to protect the interests of shareholders in the companies in which it invests on behalf of its clients.

Examples of collaborative initiatives CC&L has participated in:

- In 2016, CC&L's first full year as a signatory to the UN-backed Principles for Responsible Investment (PRI), CC&L signed on to a UN PRI collaborative initiative, the Statement on ESG in Credit Ratings and Analysis. This statement encourages credit rating agencies and fixed income investors to formally integrate ESG factors into their credit ratings and analysis.
- In 2017, CC&L endorsed the CCGG's proposed amendments to the Canada Business Corporations Act as set out in Bill C-25. Proposed amendments included adding a majority voting system for director elections, annual individual elections of directors, and diversity disclosure.
- In January 2020, CC&L signed on to a letter put forward by the UN PRI to be sent to the SEC which voiced concerns over proposed rule changes related to proxy voting. The proposed changes would make it meaningfully more difficult for shareholders to put forward.

- shareholder proposals and would hinder the independence and timeliness of proxy advisor recommendations such as those CC&L utilizes from ISS.
- In September 2020, CC&L signed on to the Responsible Investment Association's (RIA) Canadian Investor Statement on Diversity & Inclusion. The Statement acknowledges the existence of systemic racism and its impacts on Black and Indigenous communities and People of Colour in Canada and globally, and asks Canadian public companies to endeavor to increase transparency, adopt policies, and expand and disclose organizational efforts to address barriers to diversity and inclusion.
- In June 2021, as members of the CCGG, CC&L supported a submission sent to the US Securities & Exchange Commission (SEC) in response to the SEC's request for public input on the topic of climate change disclosure. In this letter, the CCGG advocated for the following: increased disclosure, support for the Task Force on Climate-related Financial Disclosure (TCFD) as an appropriate framework and indicated support for the International Financial Reporting Standards Foundation's (IFRS) initiative to establish an International Sustainability Standards Board (ISSB) as a global standard setter to achieve consistency and global comparability in sustainability reporting.
- In January 2022, CC&L supported a CCGG submission to the Canadian Standards Association (CSA) in support of the CSA's proposed approach to align disclosures with the recommendations of the TCFD and encouraged harmonization with the International Sustainability Standards Board.
- In December 2022, CC&L supported a submission sent to the Canadian Securities Administrators (CSA) acknowledging and supporting its announcement to consider the impact of international developments on the CSA's proposed climate-related disclosure rule. The submission voiced support for globally aligned climate-related disclosures, which enhance comparability and consistency across regions, enabling decision-useful information for institutional investors.
- In February 2024, CC&L signed up to a sign-on statement created by the International Corporate Governance Network (ICGN), of which it is a member, regarding the UK Financial Conduct Authority's (FCA) proposed listing rules reform which was open for consultation. The objective of the rule change is to reduce barriers to companies listing in the UK in order to provide more investment opportunities. One of the FCA's proposed rule changes is to replace the existing premium and standard listing share categories with a single listing category. The ICGN noted concerns with some of the changes, as they are more permissive to dual class share structures and removes shareholder vote requirement prior to significant and related party transactions. The Canadian Coalition for Good Governance, of which CCL is also a member, echoed the ICGN's concerns and considers the proposals a "race to the bottom" regarding shareholder rights and governance standards which may potentially erode investor protections. CC&L shared these concerns and supported the letter.
- In February 2024, CC&L endorsed the British Columbia General Employees Union's investor letter to TSX-60 companies on responsible virtual meeting conduct. The letter calls on constituents to publicly disclose in advance of their shareholder meeting how they intend to preserve shareholder participation rights and virtual shareholder meetings.

4) Please describe how ESG oversight and integration responsibilities are structured at your firm, including the process for escalation of key ESG issues. Also, if applicable, describe how responsible investment objectives are incorporated into individual or team employee performance reviews and compensation mechanisms.

The CC&L Board of Directors has ultimate responsibility for the firm’s approach to Responsible Investing (RI). In 2015, the Board established the CC&L ESG Committee, which is comprised of leaders from each of the firm’s investment teams, the client solutions team, and compliance team. The ESG Committee is required to meet at least quarterly, however, meetings and discussions are more frequent in practice. The composition of the Committee was purposefully created to facilitate the flow of information between the Committee and the investment teams as well as to foster dialogue across investment teams. The CC&L ESG Committee reports directly to the Board and its mandate is to oversee and coordinate firm wide RI activities including:

- Integration of ESG factors in investment processes,
- Education of the firm’s teams including the internal communication of industry best practices and gathering of team insights regarding RI,
- External communication efforts including reporting to CC&L’s clients on RI issues,
- Stewardship and engagement practices, including proxy voting,
- ESG related policies and guidelines, including proxy voting and stewardship and engagement policy,
- Oversight of commitments under industry collaborative initiatives, including as a signatory to the UN-backed Principles for Responsible Investing (PRI),
- Review and evaluation of additional industry collaborative initiatives, and
- Most importantly, recommendations to investment teams and the Board of ongoing improvements in all of these areas.

Each of the investment teams are responsible for ensuring the firm’s ESG policies are being implemented.

The CC&L ESG Committee is currently comprised of the following individuals:

Name	Title	ESG Committee Tenure (Years)*	CC&L Tenure (Years)*	Industry Tenure (Years)*
Lori Satov	Portfolio Manager, Client Solutions	8	12	28
John Novak	Portfolio Manager, Fundamental Equity	8	17	30
Dion Roseman	Portfolio Manager, Quantitative Equity	8	19	30
Brian Milne**	Senior Analyst, Fundamental Equity	4***	5	13
Derrick Crowe	Chief Compliance Officer	8	22	22

*As of 2023

**Effective January 1, 2024, Brian Milne moved to the Fundamental Equity Team. The ESG Committee will be reviewing the membership to ensure appropriate representation from each of our teams.

***All have been committee members since the creation of the CC&L ESG Committee in 2015, with the exception of Brian Milne who replaced David George on March 4, 2019.

The ESG Committee and investment teams also receive the support of the centralized Stewardship & Engagement (S&E) team, who assist with direct corporate engagement, collaborative initiatives, and proxy voting. The S&E team hired a full time Senior Analyst in Q3 2023. All of the personnel on the S&E team are 100% dedicated to ESG. The S&E team provides support to CC&L's analysts and portfolio managers to more proactively engage with investee companies, collaborate with like-minded investors and facilitate proxy voting.

Key investment professionals are owners of the firm and not directly rewarded for performance or revenues. The majority of their compensation is via equity ownership and the long term success of the business. This aligns individual financial rewards with CC&L's clients' long-term goals.

That said, the CC&L ESG Committee reports directly to the Board. Objectives and priorities for each calendar year are set out and the ESG Committee members, particularly the Chair, have performance objectives that are tied to these goals.

In addition, the S&E team's incentive pay is tied to the achievement of ESG objectives.

In terms of escalations, CC&L recognizes that it is not always possible to eliminate all ESG risks from the portfolio. In circumstances where the team believes that there are risks present for holdings, the portfolio manager will engage regularly with management and monitor these risks very closely. Where the outcome of these discussions do not satisfy the portfolio manager, various escalation steps may be considered including using the firm's proxy voting rights in support of these engagement goals. Escalation activities will be undertaken at the discretion of the portfolio manager when the issue is deemed to be material and prior engagement efforts have not been successful.

- 5) How do you obtain ESG information/data (e.g. public information, third party research, reports and statements from the company, direct engagement with the company)? Please provide specific details of what information is obtained from each source, and how this information is acquired.**

ESG factors, using MSCI ESG data, are integrated into CC&L's quantitative investment process as systematic risk factors, as well as predictors of stock-specific risk. In addition, MSCI carbon data is used to manage carbon exposures for all quantitative strategies.

In addition, the global proxy research and voting services of Institutional Shareholder Services Inc. (ISS) are employed to help analyze and vote proxies on behalf of CC&L's clients. ISS prepares the voting recommendations in accordance with the CC&L's customized guidelines for all items for which it is entitled to vote.

- 6) What channels do you use to communicate ESG-related information to clients and/or the public? Do you produce thought leadership (written reports and publications)? If so, is the information available to the public? Please provide links, if applicable.**

As a signatory to the UN-backed PRI, CC&L is required to report annually on ESG-related activities in accordance with the PRI reporting framework. CC&L's PRI Transparency Reports are available on the company website.

CC&L's proxy voting reports are prepared quarterly for each client and can be accessed on the firm's corporate website. Additional interim information is always available to clients upon request.

CC&L's first annual Responsible Investing Update was sent to clients in November 2019 and annually thereafter. These updates provide information on the firm's ESG and active ownership activities. Additional interim information is always available to clients upon request.

As official supporters of the TCFD, CC&L published its own TCFD-aligned disclosures and will continue to advocate for further adoption of the recommendations in its engagements with issuers. CC&L will provide carbon related exposures for their equity portfolios on request.

All of CC&L's RI policies are available to clients annually as part of the communication of governance documents, and are also available on the firm's website.

Please see the attached 'Appendix VI - CC&L Responsible Investing Update', 'Appendix V - CC&L PRI Transparency Report' and 'Appendix IV - CC&L TCFD Report'.

7) Do you have periodic reviews of your ESG process/approach to assess its effectiveness? If so, how frequent are the reviews? What are the results? What would cause you to disregard ESG issues in your investment/analysis decisions?

The ESG Committee sets out an annual project plan at the beginning of each calendar year for Board review and approval. Additional projects may arise throughout the year, however, and the Committee is flexible in adding new initiatives to their agenda as needed.

In 2022, CC&L's ESG Committee undertook a market research project looking at RI practices to ensure CC&L is adhering to industry best practices and to identify areas where we can improve on our approach. As an outcome of this work, several recommendations were made by the ESG Committee and approved by our Board in June 2023. We have now identified 5 areas for prioritization coming out of the longer list of recommendations that will take place over the next 9-12 months.

- Investment processes: Augment and add discipline to our current ESG integration practices in order to be more systematic in our approach to integration. This project will evaluate third-party ESG tools and data, as well as leverage internal synergies that can be achieved across our investment teams.
- Enhance and formalize our ESG training strategy: The board approved an ESG Training Strategy in late 2023. The ESG committee is now focused on the execution of the strategy.
- Stewardship and engagement: Augment engagements carried out by investment teams with additional engagements by the CC&L Financial Group Stewardship & Engagement (S&E) team, including greater attention to leveraging collaborative initiatives and considering the use of a third-party service. This will expand our scope of focus beyond Canada to global markets.
- Documentation and tracking: Improve workflow processes to systematically document and record all ESG activities across the firm. This includes improvements in tracking ESG integration and engagement activities.
- Communication strategy: Improve our reporting and ensure that ESG communication is updated regularly and conveys information important to our clients.

In addition, the Quantitative Equity team undertakes regular research projects in order to find ways to improve the integration of ESG factors into our investment process.

All of CC&L's investment strategies incorporate the assessment of ESG factors in their analysis of securities. CC&L does not anticipate disregarding ESG factors at any point in the future, as the firm believes these factors form an integral part of the analysis and research it undertakes for each of its strategies.

CLIMATE

8) Describe how you identify, assess, and manage climate-related risks, and whether climate-related risks and opportunities are integrated into pre-investment analysis.

CC&L's approach to climate risk is documented in the firm's Task Force on Climate-related Financial Disclosures (TCFD) aligned disclosure published on our website. Please refer to the attached 'Appendix IV - CC&L TCFD Report'.

At the firm level, portfolio carbon exposure is reported to the CC&L Investment Risk Committee on a monthly basis.

CC&L also utilizes engagement, both direct and collaborative, to address climate risk. For example, in 2021 CC&L became founding participants in Climate Engagement Canada (CEC) as part of Connor, Clark & Lunn Financial Group. CEC is a Canadian finance-led collaborative initiative to drive dialogue between the financial community and Canadian corporations on climate-related risks, opportunities, and transition to a net zero economy.

At the strategy level, all of CC&L's quantitative equity strategies utilize carbon data from MSCI to manage carbon exposures. This is in addition to the inclusion of MSCI ESG Ratings, which are integrated into the quantitative investment process as systemic risk factors as well as predictors of stock-specific risk.

In regards to climate risk, CC&L updated its guidelines to withhold votes from certain directors if a company has not established appropriate climate risk oversight and utilizes a custom ISS tool to assist in aligning our voting outcomes with this update to our policy. As supporters of the Task Force on Climate-Related Financial Disclosures (TCFD), we feel this is an important way we can encourage companies to mitigate the risks associated with climate change.

9) Describe the climate-related risks and opportunities you have identified over the short, medium, and long term.

CC&L's strategy towards climate risk focuses on both our integration activities, which tend to reflect a shorter-term time horizon, and the firm's stewardship activities that reflect longer term advocacy. Integration of climate risk in the quantitative equity team's strategies involves use of carbon data from MSCI to manage carbon exposure as well as integration of ESG Ratings from MSCI as systemic risk factors as well as predictors of stock-specific risk. MSCI's ESG Ratings take into account key issues such as carbon footprint, product carbon footprint, financing environmental impact and climate change vulnerability.

Over the long term, CC&L has identified the transition to a net zero economy as a material risk that exists outside of the investment time horizon. The CC&L Financial Group Stewardship & Engagement (S&E) team provides support to the fundamental equity and fixed income team to proactively engage on this topic. While engagement is not specifically part of CC&L's quantitative equity process, the ESG Committee has begun a project to augment the engagements carried out by the fundamental equity and fixed income teams with additional engagements by the S&E team, including greater attention to leveraging collaborative initiatives and considering the use of a third-party service. This will expand our scope of focus beyond Canada to global markets.

10) Describe how you analyze the effectiveness of your investment strategy when taking into consideration different climate-related scenarios, including 1.5 degree and 2 degree Celsius warming scenarios.

At this time, we do not take into consideration different climate-related scenarios for our portfolios, including a 2° Celsius or lower scenario.

11) Do you track the carbon footprint of portfolio holdings?

Yes

If yes, how frequently? Please provide the results as of December 31, 2023 and describe the methodology and metrics used, including whether you have set targets and/or a net zero objective for reducing the portfolio's footprint, and comment on any related progress over the past year.

CC&L will provide carbon related exposures for their equity portfolios on request. Additionally, the ESG Committee has recommended that carbon emission disclosure for all their equity strategies be included in the quarterly reporting. This has now been approved by the Board and will be launched by Q3 2024.

At the strategy level, all of CC&L's quantitative equity strategies utilize carbon data from MSCI to manage carbon exposures relative to the benchmark, with the expectation that over the long run, the portfolio's carbon exposure will be neutral relative to the benchmark.

Please refer to the attached 'Appendix VII - CC&L Q Emerging Markets Equity Strategy ESG and Carbon Report'.

12) What are your firm's emissions as of December 31, 2023? Please provide scope 1 and scope

2 emissions, and, separately, scope 3 emissions if available. Please demonstrate how/whether you are taking steps to reduce these emissions.

On an annual basis, CC&L Financial Group retains an external consultant to assist with the measurement of our corporate carbon footprint. In 2022 (latest measurement available), the total GHG emissions from the operations of CC&L Financial Group and its affiliates were approximately 540 tCO₂e.

13) For the mandate you manage for Queen's, what percentage of equity holdings (if applicable) have credible net zero commitments? Please answer on both an equally-weighted and market cap-weighted basis?

CC&L does not have current statistics on the number of issuers that have made net zero commitments in its portfolios.

14) How do you assess the credibility of a company's emission reduction targets?

Assessing the credibility of individual company's emission reduction targets is not part of CC&L's quantitative investment process.

15) What forward-looking metrics do you use to assess an investment's alignment with global temperature goals?

CC&L does not currently utilize any forward-looking metrics to assess investment's alignment with global temperature goals.

16) Has your firm produced a Task Force on Climate-Related Financial Disclosures (TCFD) report?

If yes, please provide a link to the most recent report.

Please refer to the attached 'Appendix IV - CC&L TCFD Report'.

17) Has your firm produced a Sustainability Accounting Standards Board (SASB) report? If yes, please provide a link to the most recent report.

Not applicable.

DIVERSITY

18) Please provide the composition of your senior leadership team and board of directors, including women and visible minorities. How do you encourage diversity of perspectives and experience?*

- Currently 35% of CC&L overall are female. CC&L Investment Management currently does not track minority, legally protected racial or ethnic groups, disability or protected veterans.

- Currently 19% of CC&L's owners are female. CC&L Investment Management currently does not track minority, legally protected racial or ethnic groups, disability or protected veterans.
- Currently 11% of the board of directors are female. CC&L Investment Management currently does not track minority, legally protected racial or ethnic groups, disability or protected veterans.
- Currently 28% of CC&L's Quantitative Equity Investment Team are female. CC&L Investment Management currently does not track minority, legally protected racial or ethnic groups, disability or protected veterans.

CC&L Financial Group's approach to Diversity, Equity, Inclusion and Belonging (DEIB) is documented in the attached 'Appendix VIII - CC&L Financial Group & Affiliate DEIB Policy'. The firm's approach to DEIB is relevant to its practices and policies on recruitment and selection, compensation and benefits, professional development and training, promotions and social programs.

CC&L Financial Group and its affiliates are committed to workforce diversity, promoting equity and creating a culture of inclusion. To ensure people feel a sense of belonging, the firm strives to foster a culture that unites people of diverse backgrounds and perspectives, in an environment where everyone has the opportunity to achieve personal and professional success. CC&L Financial Group's DEIB is aligned with the firm's three overarching organizational goals of Community, Growth and Recognition.

DEIB contributes to the vitality and quality of the firm's work environment and in turn this strengthens the business. It helps the organization identify, attract and retain high quality people. It enables those who work at the firm to be themselves and make their best contributions. It facilitates collaboration to solve business problems and it helps create the conditions needed for learning from mistakes, questioning the status quo, incorporating varied views and fostering innovation.

Across CC&L Financial Group, Diversity means the welcoming and presence of aspects that make us different including (but not limited to) gender, age, religion, (dis)ability, sexual orientation, socioeconomic status, language, culture, education, personality, skill set, experience, and knowledge. Equity means promoting fairness in the firm's policies, procedures, resources and decision making, so that everyone has the opportunity to succeed in their role. Inclusion means building a work environment that fosters collaboration, support and respect, where everyone's thoughts, ideas and perspectives matter. Belonging is something people feel. CC&L Financial Group's efforts strive to result in people feeling accepted, valued and connected with the company.

While CC&L does not currently use fixed targets, as a part of CC&L Financial Group, CC&L has established six objectives to promote DEIB:

1. Understand where the organization is and seek to continuously improve.
2. Research and keep current on themes related to DEIB and share this information with the organization. As part of this, make recommendations about industry initiatives and/or changes that the organization may want to consider as a business.
3. Continually review the policies, procedures, and resources and identify improvements to support people to achieve their best.
4. Recommend actions that support creating and nurturing an inclusive environment where everyone feels safe to bring their whole self.

5. Deliver ongoing education, communications and events to discuss initiatives and promote a culture of celebration throughout the year.
6. Partner with the CC&L Foundation to augment the impact of the DEIB initiatives.

CC&L also hosts webinars and networking opportunities for all employees for the purpose of supporting inclusion and mentorship:

- In March 2021, CC&L hosted a virtual panel discussion on International Women’s Day featuring female senior leaders across CC&L. The discussion focused on each panelist’s career journey, leadership insights and words of wisdom through the lens of their diverse backgrounds.
- In March 2021, CC&L, in partnership with Ad Idem Consulting Group, presented “Women in the City”. The virtual event provided an opportunity for participants to meet fellow women in finance professionals to share experiences and learn from the panel of female leaders and mentors. In addition, the event provided an opportunity to network within this inclusive and like-minded group of women in finance.
- In June 2021, CC&L hosted the webinar “Raise Every Voice: A Discussion about Inclusion” with panelists from various levels of management throughout CC&L and its Affiliates. The panelists shared their respective stories about resilience and resourcefulness and focused on Juneteenth, Allyship, mentorship and how the firm can create a space to make everyone feel welcome.
- CC&L’s Culture Committee undertook a series of breakout sessions to further identify and source ideas for areas where the firm can improve – similar to Women in Leadership CC&L is working through these and in the process of developing recommendations.
- Leadership development training has been rolled-out company wide and a big part of this initiative is to ensure CC&L provides the skills to become leaders to everyone, rather than simply people who the existing leaders will think are going to be leaders in the future.
- In May 2022, CC&L hosted a DEI offsite event for the firm with an external facilitator. The focus was on learning practical methods to increase diversity and promote inclusion in the workplace.
- In 2024, CC&L hosted a virtual speaker during Black History Month featuring Sean Mauricette highlighting racial biases that persist, and strategies that benefit all and support a more inclusive and welcoming work environment.

Within CC&L specifically, there are a number of ongoing and future initiatives which are focused on company culture including areas pertaining to recruitment, work environment, and career development. The majority of these ideas came from CC&L’s Women in Leadership initiative which started in 2021. This initiative was created as a voluntary committee with the objective of identifying key symptoms, root causes, and ultimately proposing solutions to proactively tackle the gender-based leadership gap that exists in the finance industry generally and in the firm specifically. CC&L has noted that in its organization, investment teams are tilted towards men, particularly as seniority increases. The result of this is that there is a gender imbalance in senior investment roles, team leaders and on the board. This is a consistent theme within the investment industry as the hiring pools the firm is surfacing for investment team jobs tends to be predominantly male oriented.

The firm recognizes that the gap that exists is a complex, multi-dimensional problem where no silver bullet can change the current circumstances overnight. For this reason, CC&L took an iterative approach with the immediate focus in 2021 on identifying key symptoms, root causes, and potential solutions to help break down barriers that have potentially limited the progression of women into leadership roles.

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Throughout 2022, the committee delivered their findings as well as ideas for proposed solutions to CC&L's Board of Directors. There were four working groups that evaluated: Hiring Practices, Societal Norms, Leadership Competencies and Work Environment topics. Overall, the proposed solutions were well received by CC&L's Board and the committee and will ultimately benefit all staff including women. The recommendations were prioritized and shared in early 2023, and the implementation of new initiatives have begun. Some examples are:

- Leadership development training to ensure CC&L provides the skills to become leaders to everyone, rather than simply people who the existing leaders will think are going to be leaders in the future.
- Fostering a culture of ongoing, real-time feedback through education and training for everyone at CC&L that was led by a third-party consulting business.
- Updating CC&L Investment Management's parental leave policy to introduce a top-up pay benefit for up to 13 weeks for non-birthing parents, adoptions, and births via surrogacy. The policy also increased maternity leave top-ups to 23 weeks.
- Standardizing a framework for managers and staff to better manage parental leave, and partnering with a third-party consulting business to provide one-on-one coaching for staff and managers for all stages of parentally leave.
- Providing annual education seminars for all employees on career progression and compensation.
- In 2024 CC&L will be launching its new career development program with updated materials, and providing formal training to both staff and leaders to ensure optimal employee/career coaching alignment as people create and progress on their career development plans.

For more details, please refer to the attached 'Appendix IX – CC&L Women in Leadership Report'.

PROXY VOTING

19) Do you use an external proxy voting service such as ISS or Glass Lewis? If yes, please specify.

Yes, the global proxy research and voting services of Institutional Shareholder Services (ISS) are employed to help assess and vote proxies in accordance with our custom voting policy.

20) If the answer to the previous question is no, please describe your proxy voting guidelines. (If the answer to the previous question is yes, please indicate "not applicable" and move on to the next question.)

Not applicable.

21) If you use an external proxy voting service, do you customize your guidelines for proxy voting? If yes, describe your customized guidelines. If you use the default service guidelines, describe how often and in which situations you deviate from the external proxy voting

service recommendations. (If you do not use an external proxy voting service, please indicate “not applicable” and move on to the next question.)

Yes, the global proxy research and voting services of Institutional Shareholder Services (ISS) are employed to help assess and vote proxies in accordance with our custom voting policy. Taking into account our custom guidelines, ISS prepares voting recommendations for all proposals on which we are entitled to vote. CC&L will generally rely on these recommendations, however, certain situations will warrant additional review and may result in CC&L voting contrary to ISS’ recommendations.

ENGAGEMENT

22) What are your engagement goals? Are these goals outcome/action-based (e.g. decreases in emissions or increases in number of women on the board) or means-based (reporting on emissions or number of women on the board)?*

While not specifically part of CC&L’s quantitative equity process, the Stewardship and Engagement team provides support to CC&L’s fundamental equity analysts and portfolio managers to more proactively engage with investee companies, collaborate with like-minded investors and facilitate proxy voting. CC&L’s engagement activity focuses on the Canadian universe where they believe they have the largest influence given their holdings across their fundamental and quantitative mandates. Engagement with companies outside of Canada is undertaken on an ad-hoc basis.

In recent years, CC&L’s engagement and proxy voting activity has increased its focus on climate and D&I issues. These themes align with our collaborative engagement activity, such as our endorsement of the TCFD recommendations, status as founding members of Climate Engagement Canada and our support for the Responsible Investment Association’s (RIA) Canadian Investor Statement on Diversity & Inclusion. In addition, our custom proxy voting guidelines focus on some key governance themes, specifically board independence, insiders on key committees, gender diversity, tenure and over-boarding and climate related disclosures.

23) What is your policy around the escalation of engagement; how and why might this happen and what is the ultimate tool you might use (e.g. voting against board re-election, etc.)?*

Escalation policy for not successfully addressing the ESG issues through engagement or voting engagement is not specifically part of CC&L’s quantitative equity process. That said, the S&E team provides support to CC&L’s fundamental equity analysts and portfolio managers to engage with investee companies more proactively, collaborate with like-minded investors and facilitate proxy voting. CC&L’s engagement activity focuses on the Canadian universe where they believe they have the largest influence given their holdings across their fundamental and quantitative mandates. The outcomes benefit all of CC&L’s Canadian strategies, including their Canadian quantitative mandates. In circumstances where the team believes that there are risks present for holdings, the portfolio manager will engage regularly with management and monitor these risks very closely. Where the outcome of these discussions do not satisfy the portfolio manager, various escalation steps may be considered including using the firm’s proxy voting rights in support of these engagement goals. Escalation activities will be undertaken at the discretion of the portfolio manager when the issue is deemed to be material and prior engagement efforts have not been successful. CC&L does not have any restrictions on the escalation measures that can be used.

24) Describe a specific example of your firm's engagement with a company over the past year, including the outcome and any lessons learned.

Canadian Natural Resources

Engagement:

In January 2022, CC&L engaged with management at CNQ on the topic of the company's climate-related disclosure. During the call, CC&L discussed the company's approach to third-party verification of their reported GHG emissions, and whether their emissions were verified using audit standards. CNQ confirmed that they do verify their GHG emissions, but their approach is based on regulatory standards rather than audit standards, and this assurance is executed on an asset-by-asset basis. The company was receptive to feedback, and was open to providing auditor assurance in reporting in the future. We were pleased with the company's openness to feedback, and communicated our plan to follow up regarding the company's progress.

Outcome:

In February 2023, CC&L followed up on this issue by reviewing the company's climate disclosures. As per CNQ's 2022 CDP submission, the company now provides auditor assurance on its scope 1 & 2 emissions and limited assurance on its scope 3 emissions. This assurance covers 100% of the company's reported GHG emissions. The company's scope 3 emissions include the emissions associated with their products sold (category 11 in the GHG protocol), which they consider to be the most material category to the company. Based on CC&L's review, CNQ has taken reasonable steps to address the concerns CC&L raised in 2022, and at this stage, CC&L determined that no further escalation regarding CNQ's climate accounting and audit work was necessary at this time.

CN Rail (CEC Engagement)

In April 2023, as part of Connor, Clark & Lunn Financial Group, CC&L engaged with Canadian National Railway Company in its role as members of CEC. CN Rail is Canada's largest railway, serving Canada and the Midwestern and Southern United States.

The meeting topics included an introduction to the CEC initiative, updates regarding their progress meeting their 2050 net-zero target, an overview of their climate governance approach, and discussion regarding other climate-related initiatives underway. The investor group commended CN Rail on their climate reporting and initiatives, noting that the company is viewed as a leader in the transportation sector.

The company shared details regarding their track record, such as being amongst the first 100 companies globally to set a Science-based target (SBT) and being approximately 15% more fuel efficient than their peers. CN Rail noted that innovative technology, big data, and utilization of cleaner fuels are important components of their action plan to achieve net zero by 2050, sharing details regarding various initiatives and pilot projects underway. The investor group suggested that the company collaborate with peers from the aviation sector to address concerns surrounding the supply of bio-fuels. Finally, CN Rail emphasized that decarbonization is integrated into the company's business strategy.

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