

2026 RESPONSIBLE INVESTING UPDATE

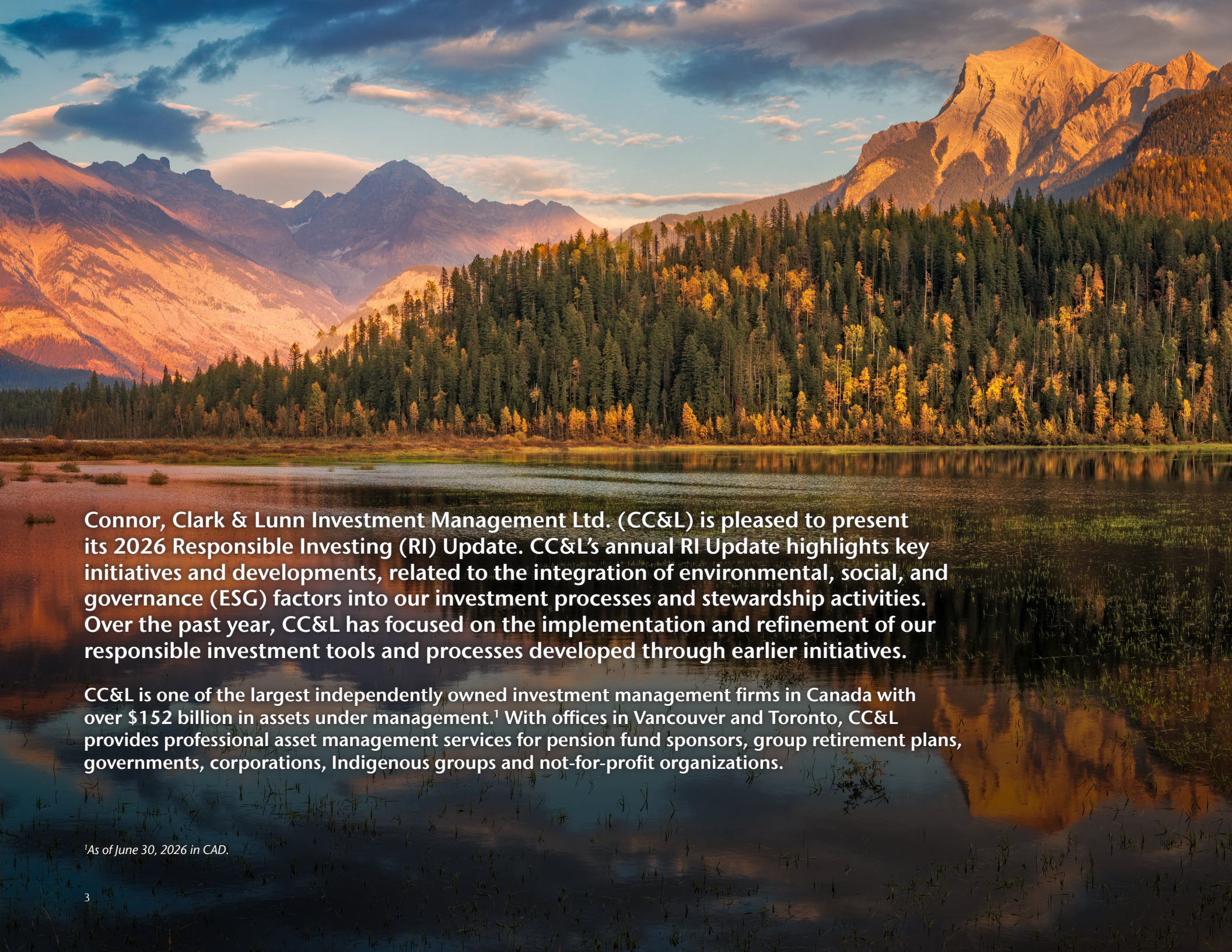






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Connor, Clark & Lunn Investment Management Ltd. (CC&L) is pleased to present its 2026 Responsible Investing (RI) Update. CC&L's annual RI Update highlights key initiatives and developments, related to the integration of environmental, social, and governance (ESG) factors into our investment processes and stewardship activities. Over the past year, CC&L has focused on the implementation and refinement of our responsible investment tools and processes developed through earlier initiatives.

CC&L is one of the largest independently owned investment management firms in Canada with over \$152 billion in assets under management.¹ With offices in Vancouver and Toronto, CC&L provides professional asset management services for pension fund sponsors, group retirement plans, governments, corporations, Indigenous groups and not-for-profit organizations.

¹As of June 30, 2026 in CAD.

CC&L's approach to RI at a glance

We believe that our investment processes should be based on rigorous research and account for all factors – including ESG – that materially impact the valuation of the companies in which we invest.

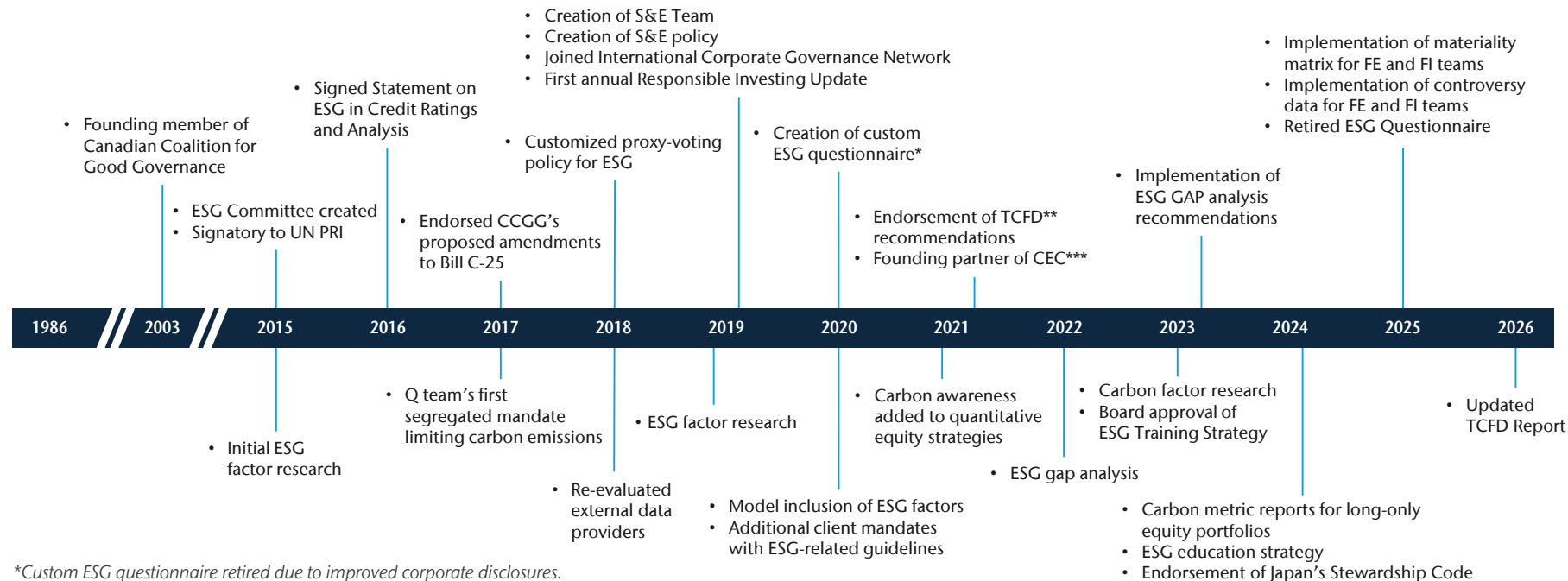
CC&L believes that, all else equal, companies with sound business practices, including appropriate attention to environmental issues, social practices and corporate governance, are more likely to outperform those without. More specifically, we believe that companies that are attentive to climate change, diversity and inclusion, human capital management and board structure, among other issues, will have better long-term financial outcomes than those that ignore these issues.



Evolution of RI at CC&L

Since our inception, CC&L has incorporated all relevant factors, including material ESG considerations, into our investment process. In 2015, we formalized our commitment to RI by becoming a signatory to the UN Principles for Responsible Investment (PRI) and establishing a dedicated ESG Committee. Since then, we have evolved our tools and practices to create a systematic framework, elevating our approach to RI with respect to our stewardship activities as well as our three investment teams' approaches to ESG integration.

FIGURE 1: EVOLUTION OF RESPONSIBLE INVESTING



*Custom ESG questionnaire retired due to improved corporate disclosures.

**Task Force on Climate-related Financial Disclosures.

***Climate Engagement Canada.

As of June 30, 2026. Chart is for illustrative purposes only and is not drawn to scale. Source: Connor, Clark & Lunn Investment Management Ltd.



Governance and oversight

The CC&L Board of Directors has ultimate responsibility for the firm's approach to RI. To support this, the Board established the CC&L ESG Committee, composed of leaders from each of the firm's investment teams, the client solutions team and the compliance team. The committee was purposefully created to facilitate the flow of information between the investment teams and the committee, and to foster cross-team dialogue. Reporting directly to the Board, the ESG Committee is mandated to oversee and coordinate firm-wide RI activities.

At the end of 2026, ESG Committee member Dion Roseman will be retiring from his roles as Portfolio Manager for the Quantitative Equity Team. Chris Archbald, Co-Head of Portfolio Construction and Portfolio Manager on the Quantitative Equity Team, replaced Dion on the ESG Committee effective March 31, 2026, bringing his valuable 30+ years of firm and industry experience. Dion has been an instrumental member of the ESG Committee and we thank him for his insights and commitment. We are looking forward to Chris' contributions to the firm's overall approach to RI.

Since the execution of the ESG market research project, CC&L had been focused on implementation and refinement of the tools developed and have now refocused our efforts and resources on the governance and oversight of our approach to RI. As part of our priorities, we continue to monitor evolving regulatory requirements, client expectations, and industry practices to ensure our responsible investment approach remains effective and relevant.

Year in review

GOVERNANCE

- 100% ESG education for new hires: CC&L's ESG training strategy creates a framework that formalizes and enhances our approach to ESG education. ESG orientation sessions are held for new hires semi-annually.
- 40+ communication updates for the ESG Committee on new and emerging topical ESG trends, events and regulations.

STEWARDSHIP AND ENGAGEMENT

- In 2026, CC&L completed a review of its stewardship approach for its quantitative equity strategies and reaffirmed its focus on Canadian issuers where we have meaningful holdings across both our quantitative and fundamental equity portfolios, as well as established relationships through our Fundamental Equity Team.

EMISSIONS REPORTING

- In addition to reporting carbon metrics² for our long-only equity strategies, CC&L completed a project to enhance its client reporting by incorporating carbon emissions metrics into its long-only fixed income quarterly reports in late 2025.

CLIMATE-RELATED DISCLOSURE

- In 2026, CC&L updated its Task Force on Climate-related Disclosure report, outlining the firm's approach to identifying, assessing and managing climate-related risks in our investments on behalf of clients. You can find this report on the Responsible Investing page of our website at cclinvest.cclgroup.com.

²Please note that the carbon emission data shown in our reports are for informational purposes only as these metrics are an outcome of our investment approach. These metrics do not change a fund's investment objectives or constrain the fund's investable universe, except in cases where these metrics have been explicitly incorporated into the agreement for a separately managed account.

UN PRINCIPLES FOR RESPONSIBLE INVESTMENT

- CC&L has been a signatory to the UN-supported Principles for Responsible Investment (PRI) since 2015, committing to the six Principles and to transparent reporting on our responsible investment activities through the PRI Reporting Framework. We are pleased to share our 2025 PRI Assessment Results in Table 1 below, which reflect our responsible investment practices as of 2024. CC&L received four- or five-star ratings across all nine assessment modules, ranking at or above the median in every measured category.
- Compared with our previous PRI Assessment completed in 2023, CC&L improved its scores in four of the nine assessment modules. These improvements reflect the continued implementation of enhancements developed through the ESG Committee's multi-year ESG market research project, which strengthened the firm's responsible investment governance, processes, reporting and oversight.
- The PRI reporting and assessment helps inform the ongoing enhancement of our governance, stewardship and responsible investment practices by identifying opportunities to further strengthen our approach and learn from our peers.

TABLE 1 – CC&L PRI SUMMARY SCORECARD

Module Name	CC&L 2025 Star Score	CC&L 2025
Policy Governance and Strategy	★★★★☆	77
Direct - Listed Equity - Active Quantitative	★★★★☆	85
Direct - Listed Equity - Active Fundamental	★★★★★	94
Direct - Fixed Income - SSA	★★★★☆	81
Direct - Fixed Income - Corporate	★★★★★	94
Direct - Hedge Funds - Multi-strategy	★★★★★	92
Direct - Hedge Funds - Long/Short Equity	★★★★★	92
Direct - Hedge Funds - Long/Short Credit	★★★★★	92
Confidence Building Measures	★★★★☆	81

The Assessed Modules provided are based on the UN PRI scoring methodology for the 2025 Reporting Framework. The PRI Reporting Framework is based on responses provided by signatories for the preceding calendar year which are captured in their PRI Transparency Report. CC&L's PRI Transparency Reports are available at unpri.org. CC&L's 2025 PRI Assessment Report is available on request. More information on the 2025 reporting period is available on the PRI website at www.unpri.org/.



ESG integration

Our approach to ESG integration

At CC&L, material ESG factors are incorporated into each of our teams' investment processes.

QUANTITATIVE EQUITY

CC&L's Quantitative Equity Team ("Q Team") uses MSCI data to integrate ESG factors into its investment process as systematic risk factors, as well as predictors of stock-specific risk. In addition, all of CC&L's quantitative strategies utilize carbon data from MSCI to manage carbon-related risk exposure. The Q Team is committed to undertaking ongoing ESG research with the objective of improving the quantitative model's forecasts of risk and/or return.

FIXED INCOME

CC&L's Fixed Income Team ("FI Team") integrates ESG considerations into its investment process. In addition to its own internal research, the team draws on external research, such as ESG controversy data, and uses internal tools such as CC&L's proprietary sector materiality matrix to better uncover and understand any material ESG issues. The analysis may include an issuer's relative preparedness in adapting to the demands of climate change, the quality of management, the strength of the company's governance model, labour practices and any other ESG risks. The team will adjust the spread forecast for an issuer where the research indicates that an ESG issue may have a material impact on the issuer's credit fundamentals within the investment forecast horizon.

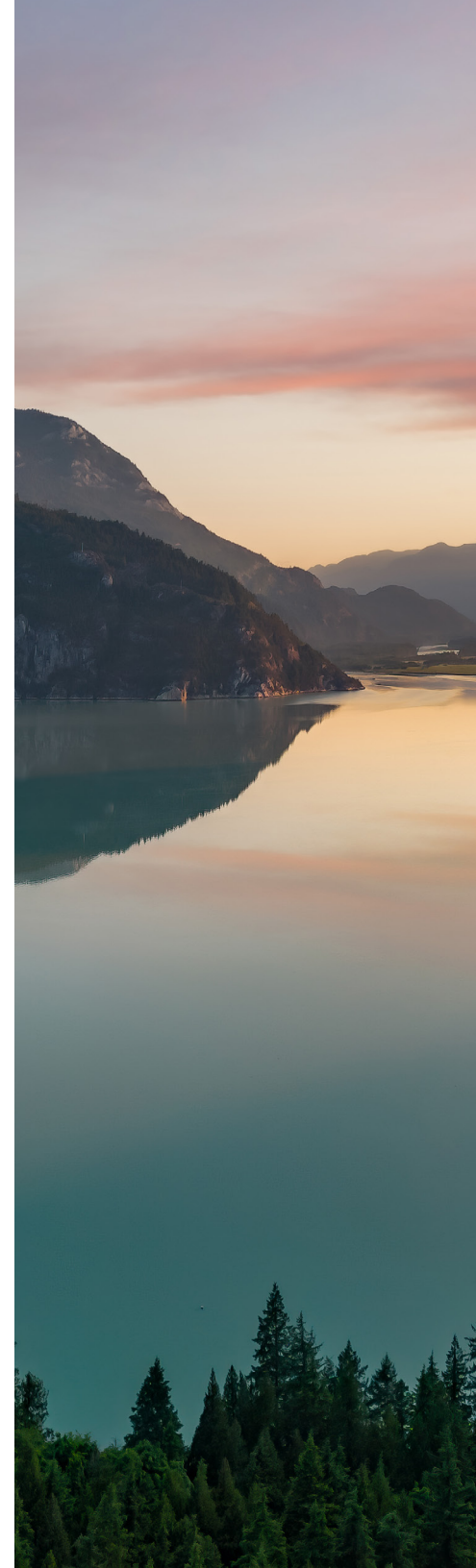
FUNDAMENTAL EQUITY

CC&L's Fundamental Equity Team ("FE Team") integrates ESG factors into its research using both a top-down and bottom-up approach.

From a top-down perspective, the FE Team considers longer-term secular themes, including, but not limited to, climate change, income inequality and demographic shifts, and incorporates these views into both stock specific research and portfolio tilts. These themes can reflect risks and/or opportunities.

From a bottom-up perspective, the FE Team takes into account ESG considerations through its research, target price analysis, engagements with management and/or members of the board of directors, and proxy voting. The team relies on internal research, which is augmented by proprietary tools such as its sector materiality matrix and external research, such as ESG scores and controversy data. To the extent that there is a material financial implication (positive or negative) over the investment time horizon of the strategy, the team will reflect this in its financial forecasts and target price analysis. They will also use this information to inform their proxy voting decisions and to prioritize additional engagement activity.

The FE Team uses the model risk parameters from the Q Team, which adds another element of ESG integration into their process.





Case study – Powering the artificial intelligence (AI) economy: Rising electricity demand

The FE and FI teams view rising electricity demand as a long-term investment opportunity driven by electrification, AI adoption and increasing data-centre development. As demand for electricity continues to grow, the teams assess opportunities across the power value chain, including generation, transmission, electrical equipment, engineering services and critical energy resources. Research considers factors such as generation capacity, grid reliability, capital investment plans and the resilience of infrastructure needed to support the growing digital economy. ESG considerations, such as climate transition planning, environmental impacts, community and Indigenous engagement and governance of major capital projects, may form part of the teams' research and company analysis where relevant.

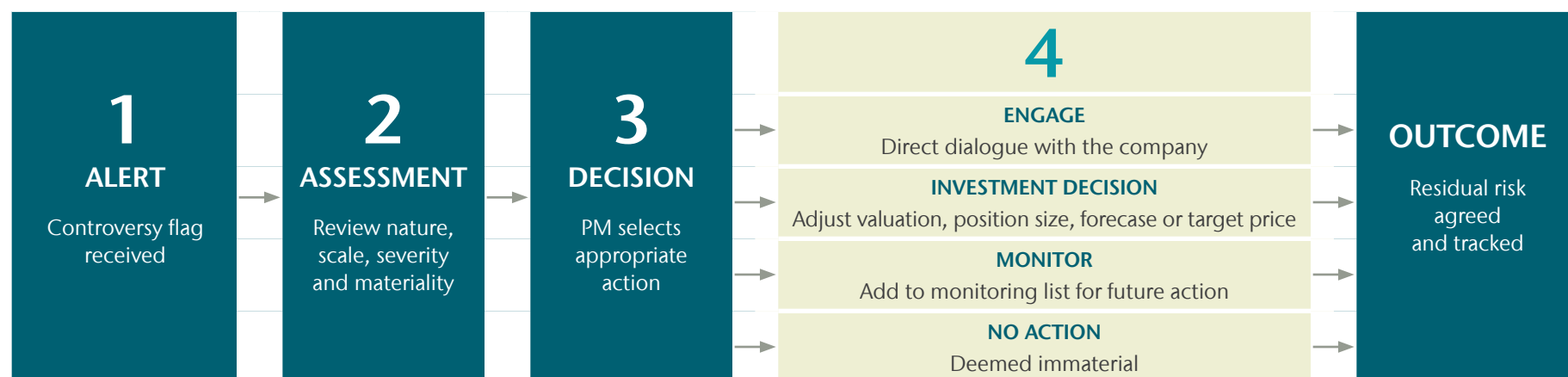
The teams have engaged with a range of companies exposed to these themes through meetings with company management. Discussions have focused on long-term business strategy, capital allocation, risk management, growth opportunities and the ability to meet increasing infrastructure and energy demands associated with electrification and AI-driven investment. In addition, engagements also included discussions related to climate change, environmental management, governance practices and board oversight. These interactions provide valuable insight into how companies are positioning themselves to address growing electricity demand while managing operational and sustainability-related risks.

The FI Team has similarly identified opportunities among utility and energy issuers expected to benefit from increased investment in electricity infrastructure. The team believes a diversified energy mix, including renewable energy, natural gas and nuclear power, will continue to play an important role in maintaining grid reliability as electricity demand grows. Canada is viewed as particularly well positioned given its relatively low-cost electricity, growing AI and data-centre investment and abundance of critical resources required for electrification. Through ongoing research and company engagement, the teams seek to identify businesses and issuers that may benefit from the long-term infrastructure investment required to power the AI economy.

ESG controversy monitoring

As part of the FE and FI Teams' investment process, portfolio managers are notified of any material ESG controversies involving portfolio holdings, using MSCI Controversy data. Analysis is conducted to assess and address incidents deemed financially material, and any follow-up actions and outcomes are tracked. This may include additional engagement with company management to better understand the issue and the company's response. The teams also review all flagged controversies, monitor developments on an ongoing basis and identify any need for further engagement or action.

FIGURE 2: CONTROVERSY PROCESS AT A GLANCE



Case Study: Assessing impact on local communities

FE TEAM

As part of CC&L’s process for monitoring material ESG controversies, a significant social controversy was identified. A North American transportation company experienced an accident that resulted in multiple fatalities and injuries.

During engagement with the company’s investor relations team, CC&L was informed that the company’s personnel were operating in accordance with established procedures, the company was not the focus of the official investigation, and no material financial, regulatory or insurance impacts were anticipated.

While the human impact of the incident was significant and tragic, the company’s operational compliance, lack of direct liability and transparent communication suggested limited residual ESG risk. Although reputational sensitivity may persist given the severity of the event, the absence of expected financial or regulatory consequences indicated limited long-term implications for investors. Following its review, CC&L’s FE Team concluded that the incident was not expected to have a material impact on the company’s earnings, valuation, or investment thesis. Nevertheless, CC&L, in collaboration with the CC&L Financial Group Stewardship & Engagement (S&E) team will continue to monitor the company given the seriousness of the incident and the inherent social risks associated with its operations.

FIGURE 3: TIMELINE OF EVENTS

SEPTEMBER 9, 2025	SEPTEMBER 23, 2025	SEPTEMBER 24, 2025		SEPTEMBER 25, 2025	
RAIL COLLISION Passenger train collides with a bus, resulting in multiple fatalities and injuries.	ALERT CC&L flags the incident through an MSCI controversy alert.	ASSESSMENT PM reviews the incident’s nature, severity, scale and materiality against escalation criteria.	DECISION PM decides that engagement with the company is warranted.	ENGAGE CC&L engages the company’s Investor Relations team to assess the incident and response.	OUTCOME Issue assessed as low risk, with no material impact on CC&L’s earnings, valuation or risk assessment. Monitoring continues for material developments.

Source: MSCI ESG controversy data.



Proxy voting highlights:

86,408

TOTAL NUMBER OF VOTES

9,319

COMPANY MEETINGS

63

COUNTRIES

18%

VOTES AGAINST MANAGEMENT

1,674

SHAREHOLDER RESOLUTIONS

79%

DIRECTOR ELECTIONS SUPPORTED

Stewardship and Engagement

At CC&L, we view stewardship as an important component of our active ownership approach. It enables us to gain clarity on material ESG issues, promote greater transparency and disclosure and share our perspectives on best practices.

S&E encompass our interactions with companies, including discussions of ESG matters during meetings with management and/or board directors, proxy voting and participation in collaborative initiatives.

Our ESG Committee and investment teams are supported by the S&E team that assists with direct corporate engagement, collaborative efforts and proxy-voting activities.

Proxy voting³

As part of our fiduciary duty to clients, CC&L votes proxies in a timely manner and in the best interests of our clients. The central tenet of our proxy-voting policy is that good corporate governance enhances long-term shareholder value. 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. This policy reflects our views on best practices for corporate governance, among other issues, and guides voting decisions across the firm. We may use our voting as a tool to escalate concerns with issuers' attentiveness to ESG risks of a pecuniary nature. CC&L's proxy-voting policy is reviewed annually and amended as needed to ensure that it reflects evolving industry standards and best practices.

Over the last year, CC&L executed 86,408 votes, voting against management 18% of the time.

Table 2 provides a summary of CC&L's proxy-voting activity from July 1, 2025 – June 30, 2026, across all proposals on which we were eligible to vote.

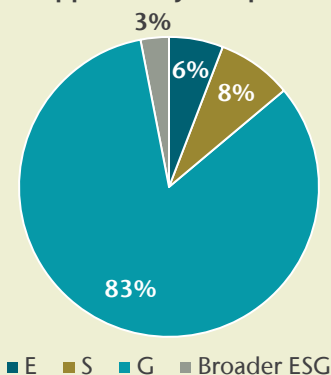
In order to make more informed investment decisions and better evaluate issuers' exposure to climate risks and opportunities, CC&L encourages better climate related disclosure through its active ownership activities. CC&L may withhold votes for certain directors if a company has not established appropriate climate risk oversight and may elect to vote against financial reporting in response to lack of climate related disclosures. CC&L voted against over 965 proposals over the last year, due to these factors.

During the reporting period, CC&L voted on approximately 1,674 shareholder resolutions for which it was eligible to vote. The firm supported 728 governance-related, 69 social-related, and 53 environmental-related shareholder proposals, as well as 26 proposals addressing broader ESG topics. Overall, CC&L's voting activity and support for shareholder proposals remained largely consistent with the prior year.

Figure 3 provides a breakdown of the shareholder proposals CC&L supported by ESG pillar.

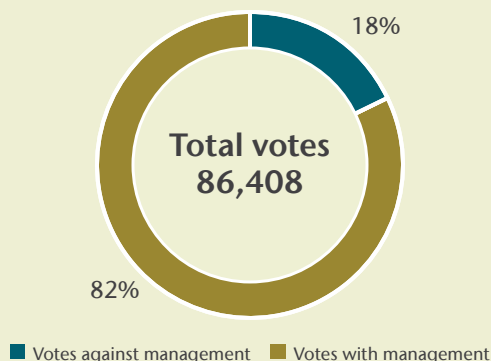
³Unless otherwise stated, data in the "Proxy voting" section represents the reporting period July 1, 2025 – June 30, 2026, including all accounts voted by "CC&L's custom voting policy." Source: ISS

Figure 4: Shareholder proposals supported by ESG pillar



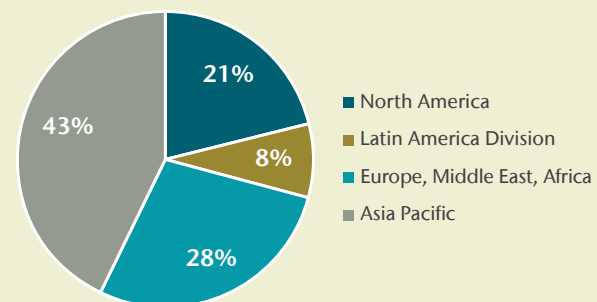
Source: CC&L proxy voting records, as recorded by ISS.

Figure 5: Total proxy votes



Source: CC&L proxy voting records, as recorded by ISS.

Figure 6: Total proposals by region



Source: CC&L proxy voting records, as recorded by ISS.

Table 2 – Votes against management and ISS by proposal category

Proposal Categories	Voted against management	% Voted against management	Voted against ISS	% Voted against ISS	Sum of total vote
Audit related	898	17%	649	13%	5,140
Capitalization	959	18%	0	0%	5,255
Company articles	925	23%	1	0%	4,058
Compensation	2,115	21%	19	0%	10,150
Corporate governance	85	84%	0	0%	101
Director election	7,932	21%	4,468	12%	38,335
Director related	1,163	15%	220	3%	7,587
E&S blended	17	9%	14	8%	183
Environmental	63	53%	55	46%	120
Miscellaneous	80	12%	2	0%	666
Mutual funds	0	0%	0	0%	3
Non-routine business	212	12%	2	0%	1,816
Routine business	639	6%	93	1%	10,577
Social	99	34%	54	19%	291
Strategic transactions	429	26%	4	0%	1,655
Takeover related	74	16%	1	0%	471
Grand total	15,690	18%	5,582	6%	86,408



Proxy-voting examples

CLIMATE GOVERNANCE

In May 2026, CC&L voted in favour of a shareholder proposal calling for enhanced disclosure on governance and board oversight of climate-related risks at a Canadian energy company. While ISS recommended voting against the proposal, CC&L determined that the shareholder's proposal was reasonable and aligned with widely accepted disclosure frameworks and may provide investors with more decision-useful information on a key, self-identified financial risk. CC&L noted that existing disclosures do not fully address gaps in the company's climate governance reporting, particularly following the withdrawal of prior disclosures in 2024. The proposal was not considered unduly prescriptive or duplicative and, in CC&L's view, reflected standard market expectations and supported stronger governance through improved transparency.

INDIGENOUS RIGHTS DISCLOSURE

CC&L supported a shareholder proposal at a large US oil and gas company requesting a report assessing the effectiveness of the company's policies and practices relating to Indigenous Peoples' rights and associated business risks. The proposal highlighted potential legal, regulatory, operational and supply chain risks arising from projects located in or near Indigenous territories. While the company maintained that its existing human rights policies, governance frameworks and stakeholder engagement processes provide adequate oversight, CC&L supported the proposal because additional disclosure may enable shareholders to more effectively assess how the company oversees and manages its policies, practices and impacts on Indigenous Peoples' rights.

RESPONSIBLE AI GOVERNANCE PROPOSAL

In June 2026, CC&L supported a shareholder proposal at a Canadian technology company requesting the adoption of a responsible AI policy, including a commitment to align AI development and deployment practices with internationally recognized standards and human rights principles. CC&L supported the proposal because enhanced transparency regarding the company's approach to AI governance could help investors better understand how AI-related risks and opportunities are being managed, including the safeguards in place to support responsible AI deployment and the board's role in overseeing these evolving risks.

Engagement

The primary objectives of CC&L’s engagement activities are to improve and protect the long-term, risk-adjusted performance of our portfolios and to improve the availability of disclosures and decision-useful information for investors. As such, engagement is an important component of our active ownership efforts. It provides us with the opportunity to gain greater clarity on material ESG issues, promote increased transparency and disclosures and share perspectives and our views on best practices for these issues.

Engagement interactions with companies include meetings with management, dialogue with companies and collaborative initiatives.

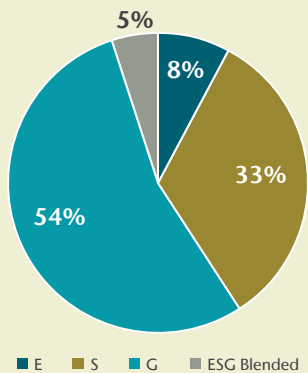
DIRECT ENGAGEMENTS

The portfolio managers and analysts of CC&L’s FE and FI teams engage directly with the management of companies they invest in as part of their approach to investment research. ESG issues identified as material within the

team’s investment horizon will form part of these discussions. Where there is a material ESG issue of a longer-term nature, typically outside of the investment horizon, the S&E team will proactively engage with the investee companies in collaboration with the portfolio managers. CC&L may raise issues with management when material ESG risks in an investee company have been identified, a material ESG controversy has been identified and/or where CC&L’s views regarding a proxy vote differ from management. In all cases, engagement objectives are set and outcomes and follow-up actions are tracked.

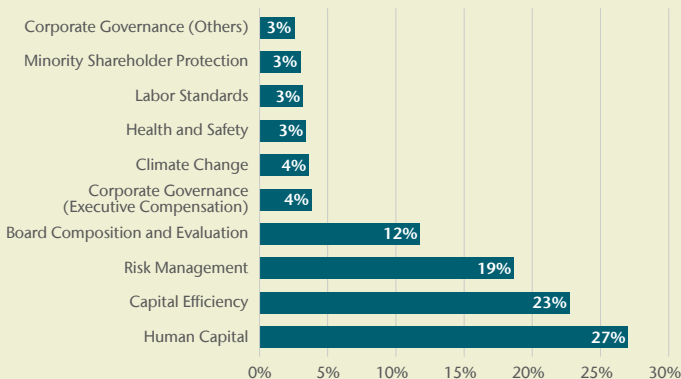
During the reporting period, CC&L’s FE and FI teams and the S&E team held 158 engagements with 98 issuers where ESG issues were discussed. Figure 7 highlights the most common topics discussed during these engagements, excluding topics related to the issuer’s Annual General Meeting. Figure 6 indicates CC&L’s engagement activity broken down by ESG pillar.

Figure 7: Engagement breakdown by ESG pillar



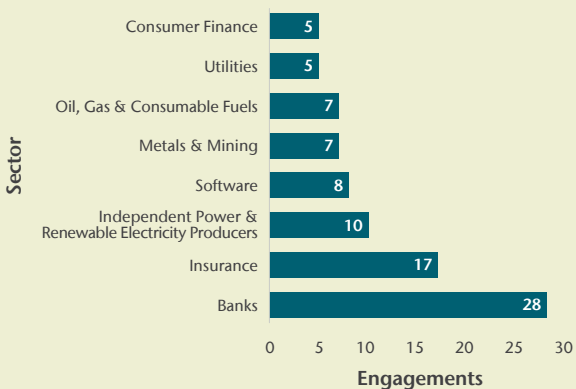
*Source: Connor, Clark & Lunn Investment Management Ltd.

Figure 8: Top engagement topics



*Source: Connor, Clark & Lunn Investment Management Ltd.
Numbers may not add to 100% due to rounding.

Figure 9: Top sectors by number of engagements



*Source: Connor, Clark & Lunn Investment Management Ltd.
Numbers may not add to 100% due to rounding.



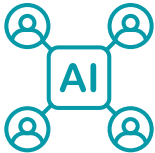
Engagement examples



EXECUTIVE COMPENSATION AND GOVERNANCE

In January 2026, CC&L engaged with Canadian communications company to follow up on previous voting concerns related to executive compensation design and disclosure practices. The discussion focused on changes implemented in 2025 to the company's executive incentive framework, including more rigorous performance expectations, a greater emphasis on long-term incentives, and updates to its peer-group benchmarking approach. The company indicated that these changes were intended to strengthen the alignment between executive compensation and the company's long-term strategic objectives.

Management indicated a willingness to consider enhanced forward-looking disclosure in future proxy materials. CC&L viewed the engagement as constructive and recognized the company's progress made in addressing prior shareholder concerns. Future engagement will focus on monitoring continued improvements in disclosure and the ongoing alignment between executive pay and performance.



AI GOVERNANCE AND WORKFORCE MANAGEMENT

In October 2025, CC&L engaged with a Canadian technology company to discuss board oversight of responsible AI governance, product integration, and workforce management. The company identified AI as a strategic priority, with board oversight supported by a cross-functional management committee and the development of a responsible AI policy aligned with emerging international standards. Management also highlighted ongoing director education on AI-related risks and opportunities.

Additionally, the company outlined the growing integration of AI capabilities across its products and services, supported by established risk management controls throughout the AI lifecycle. Following a recent restructuring, the company confirmed that AI initiatives and research and development investments remain strategic priorities, which also covered workforce implications associated with AI adoption which management reported strong employee engagement, targeted incentive programs, and the introduction of AI training initiatives. CC&L encouraged the company to further enhance transparency around its responsible AI framework and formalize AI training objectives to strengthen governance, accountability, and disclosure.



ESG FOCUS-LIST ENGAGEMENTS

CC&L has established an engagement focus list of Canadian companies to engage with where material sustainability and governance risks and opportunities may have implications for long-term shareholder value. We choose to focus our engagement activities in Canada, given our strong relationships with domestic management teams.

CC&L's FE and FI teams collaborate with the S&E team to develop and annually review the engagement focus list. Companies are selected based on a quantitative and qualitative analysis, including an assessment of their exposure to ESG risks and opportunities, significance of ESG incidents or controversies and other holistic considerations.

The case studies below highlight examples of CC&L's engagement activities with companies on the engagement focus list. They illustrate how CC&L uses stewardship and constructive dialogue to discuss material sustainability and governance matters, support informed investment decision-making, and encourage corporate practices that, where appropriate, are aligned with the long-term interests of shareholders.

ESG focus-list example

Human rights and community relations

Sector: Metals & Mining

Material themes:

Climate change



Water resources



Biodiversity



Human rights and communities



Health and safety



Objective: Review progress on climate, biodiversity, human rights, and health and safety commitments to identify priorities for ongoing engagement and enhanced disclosure.

CC&L has engaged with a Canadian Mining Company since 2024 on human rights, climate strategy and health and safety, with a focus on strengthening governance and transparency around material ESG topics. CC&L's recent engagements with the company included its progress on climate and human rights, and its completion of independent human rights impact assessments across its higher-risk operations over the last three years, while community grievances declined significantly in recent years. The company has also updated its Scope 3 emissions targets to closely align with key frameworks, and has expanded supplier emissions data to cover over half of total procurement spend, exceeding its internal target, and has improved the quality of emissions data used to support future decarbonization efforts. While these developments demonstrated progress, CC&L continues to engage on opportunities including the ambition of scope 3 targets and health and safety concerns.

Outcome: Confirmed continued progress across key sustainability priorities, including health and safety, climate, biodiversity and human rights. Given forthcoming disclosures and evidence of improving practices, the engagement has transitioned to ongoing monitoring while remaining focused on future climate and human rights milestones.

Collaboration

CC&L participates in certain collaborative engagements and initiatives with like-minded investors, industry associations and advocacy groups to pool resources and speak with a stronger, unified voice. CC&L participates in collaborative initiatives only where these are consistent with CC&L's fiduciary duty to its clients and in line with CC&L's RI approach.

Our participation in these groups allows us to exchange knowledge with peers, discuss best practices and challenges and communicate to companies and/or policymakers on shared expectations.



CLIMATE ENGAGEMENT CANADA

In 2021 CC&L became one of the founding participants in Climate Engagement Canada (CEC) as part of Connor, Clark & Lunn Financial Group. CEC is a Canadian finance-led collaborative initiative set up to drive dialogue between the financial community and Canadian corporations on climate-related risks, opportunities and transition to a net zero economy.

Methanex Corporation

CC&L has engaged with Methanex Corporation since 2022 as the lead investor in the CEC group, focusing on strengthening the company's climate targets, decarbonization strategy, climate policy engagement, climate governance and disclosures.

Over the course of these discussions, Methanex has made meaningful progress across several engagement priorities. The company has achieved its 2030 Scope 1 and 2 emissions reduction target five years ahead of schedule, has incorporated an emissions reduction component into executive remuneration demonstrating an improvement in climate governance, and on climate advocacy it has expanded disclosures around its lobbying positions on key policies and trade association memberships.

While progress has been meaningful, we continue to engage with the company on the next phase of its climate strategy, including the adoption of more ambitious medium-term targets.



CANADIAN COALITION FOR GOOD GOVERNANCE

CC&L is an advocate of good governance practices globally and is pleased to be a founding member of the Canadian Coalition for Good Governance (CCGG). The members of CCGG manage approximately \$5.8 trillion in combined assets and CCGG provides a cohesive voice on behalf of investors on corporate governance issues related to Canadian public issuers.



PRINCIPLES FOR RESPONSIBLE INVESTMENT

In 2015, CC&L became a signatory to the UN PRI. As a signatory, CC&L has committed to adhering to the six principles and to transparently reporting on its ESG activities in accordance with the PRI reporting framework. CC&L has completed the 2026 PRI reporting framework, which includes highlights on its RI initiatives from 2025. The PRI assessment results are expected to be available later in 2026.



INTERNATIONAL CORPORATE GOVERNANCE NETWORK

In July 2019, CC&L became a supporter of the International Corporate Governance Network (ICGN). This membership is through its affiliation with member CC&LFG and complements CC&L's active involvement in the CCGG.



RESPONSIBLE INVESTMENT ASSOCIATION

CC&L is a sustaining member of the RIA through its affiliation with member CC&LFG.





Corporate Social Responsibility

As a business, CC&L values being responsible corporate citizens. We recognize that our business practices should consider the impact on our workplace, community and society. In addition, through supporting CC&L Foundation, we focus on philanthropic and volunteering initiatives.

Below we provide a summary of some of the initiatives undertaken by CC&L Financial Group and affiliates over the last 12 months.

CULTURE OF INCLUSION

To ensure our people feel a sense of belonging, we strive 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. Over the last 12 months, some highlights of the education, communications and events across CC&L Financial Group and affiliates to promote a culture of inclusion included:

- Observing and celebrating Black History Month, Lunar New Year, International Women's Day, LGBTQ2S+ Pride Month and National Day for Truth and Reconciliation.
- Promoting the completion of the 4 Seasons of Reconciliation course across the company that describes the foundation of the relationship between Canada and Indigenous peoples and promotes a renewed relationship through education.
- Continuing to advance CC&L's Women in Leadership (WiL) initiative — a voluntary committee dedicated to identifying the root causes of gender-based leadership gaps in finance, both within our firm and across the industry. The committee is focused on proposing actionable solutions to close these gaps.

Additionally, there have been ongoing initiatives focused on company culture, many of which stemmed from the WiL initiative, recognizing that these activities will not only benefit women, but all staff. Recent highlights include:

- **Career development:** We launched a firm-wide career development program, including an annual seminar on compensation transparency, leadership training and targeted manager education to help embed development practices within teams.
- **Enhanced parental leave support:** We introduced a standardized framework to guide staff and managers through the leave process, alongside access to external coaching and an enhanced policy that includes top-up benefits for birthing and non-birthing parents, adoptive parents and those using surrogates.

ENVIRONMENTAL STEWARDSHIP

We believe that through our actions we can contribute to the vitality of our environment, and we value initiatives that support ongoing environmental stewardship.

Over the last 12 months, the Environmental Stewardship Committee undertook a range of initiatives across CC&L Financial Group and affiliates, including the following highlights:

- Delivered events and communication circulars to promote a culture of environmental consciousness such as Earth Month, featuring a fireside chat event with BC Parks Foundation CEO Andrew Day and a Personal Carbon Footprint Faceoff.
- Improved visibility, labelling and access to recycling facilities in our offices supporting waste diversion efforts.
- Explored ways to address GHG emission data collection challenges and implemented process improvements in the collection of employee travel-related emissions data.

HEALTH AND WELLNESS

We believe the health and well-being of the people who work here is critical to maintaining our collective performance. We encourage initiatives that support a safe and healthy work environment within a culture where everyone feels secure and supported.

Over the last 12 months, the Health & Wellness Committee undertook a range of initiatives across CC&L Financial Group and affiliates, including the following highlights:

- During Mental Health Month in May, we promoted employee well-being through expert-led workshops focused on the importance of self-care, recognizing the signs of burnout and strategies to prevent it both at work and at home.
- We launched our Terry Fox Run campaign with an inspiring webinar featuring Fred Fox, Terry Fox's brother, who shared personal reflections on Terry's enduring legacy and the lasting impact of his resilience, determination and commitment to community. Thanks to everyone's efforts across Canadian offices, including generous matching from the CC&L Foundation, we raised over \$14,000 for cancer research.
- Hosted Health & Wellness Month in September, which included a workshop on the topic of "The Journey to Wellness" as well as a guided meditation session that included information on how meditation can train and strengthen the brain. In addition, we continued our annual company-wide fitness challenge where participants were eligible to win prizes for maintaining a consistent level of activity throughout the month.



CONNOR, CLARK & LUNN FOUNDATION

We aim to enrich the communities in which we live and work by creating opportunities for both philanthropy and volunteerism in support of causes that are important to our employees, partners, clients, and stakeholders.

Connor, Clark & Lunn Foundation (CC&L Foundation) has provided support to a broad range of organizations that focus on promoting a better environment, improving education, advancing science and medicine, creating stronger communities, and encouraging the arts. Over the last 12 months, CC&L Foundation supported a broad range of philanthropic and volunteer opportunities, some of which are highlighted below:

- An employee-led Week of Giving campaign focused on strengthening communities, alleviating poverty and addressing food insecurity. This initiative supported CC&LFG's community partners, including United Way, Covenant House and Over the Wall Camp. This year, we raised over \$409,000.
- Aided students through bursaries and scholarships, including Concordia and Carleton's Women in Finance programs, Indspire's Building Brighter Futures program, the National Educational Association of Disabled Students and the Onion Lake Education Trust Fund.
- Provided support to the United Way British Columbia Kapwa Strong Fund, created to provide immediate and long-term support to those directly impacted by the tragic events at the Lapu Lapu Day Festival in Vancouver on April 26, 2025.







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INVESTMENT MANAGEMENT

