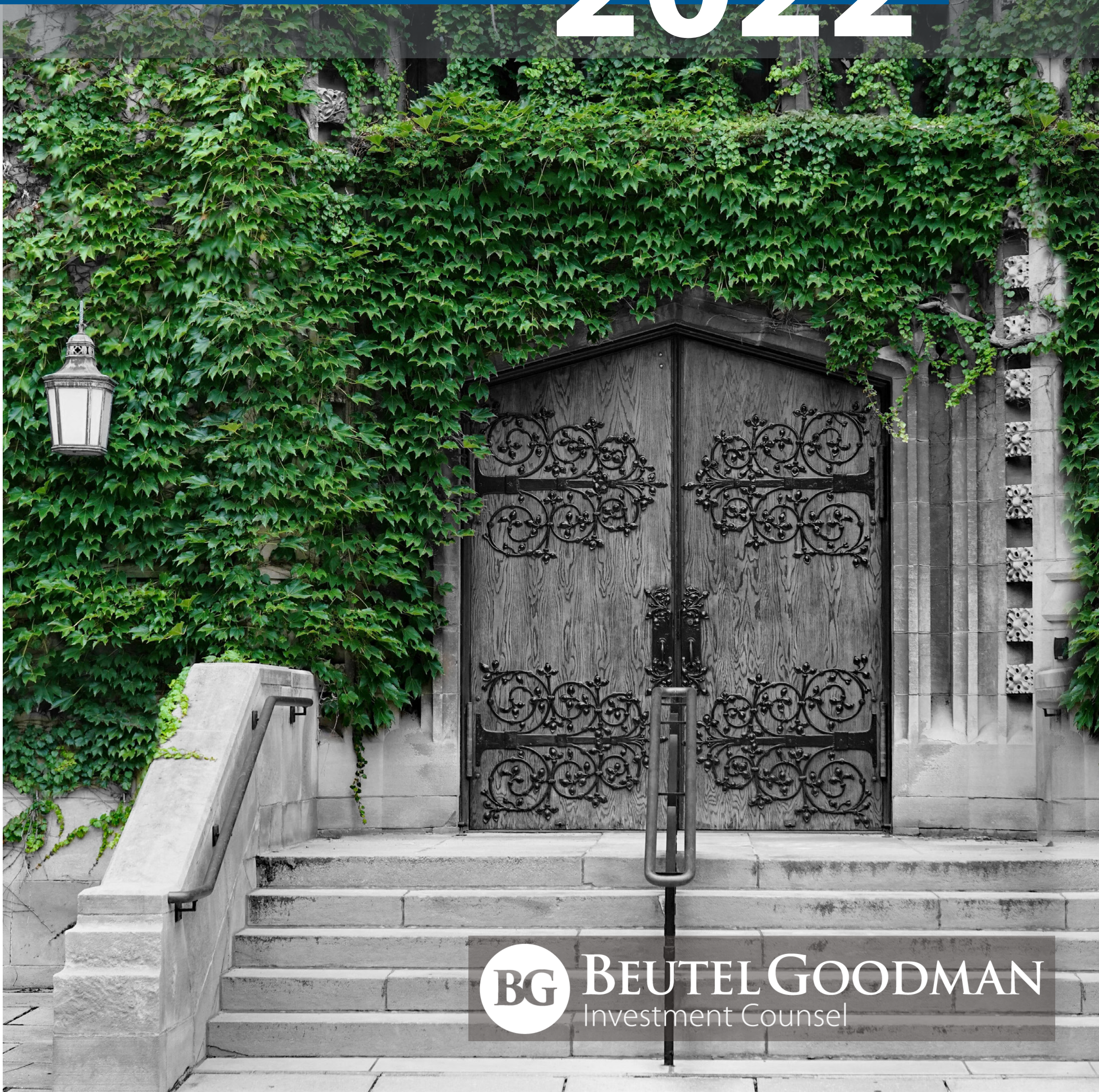
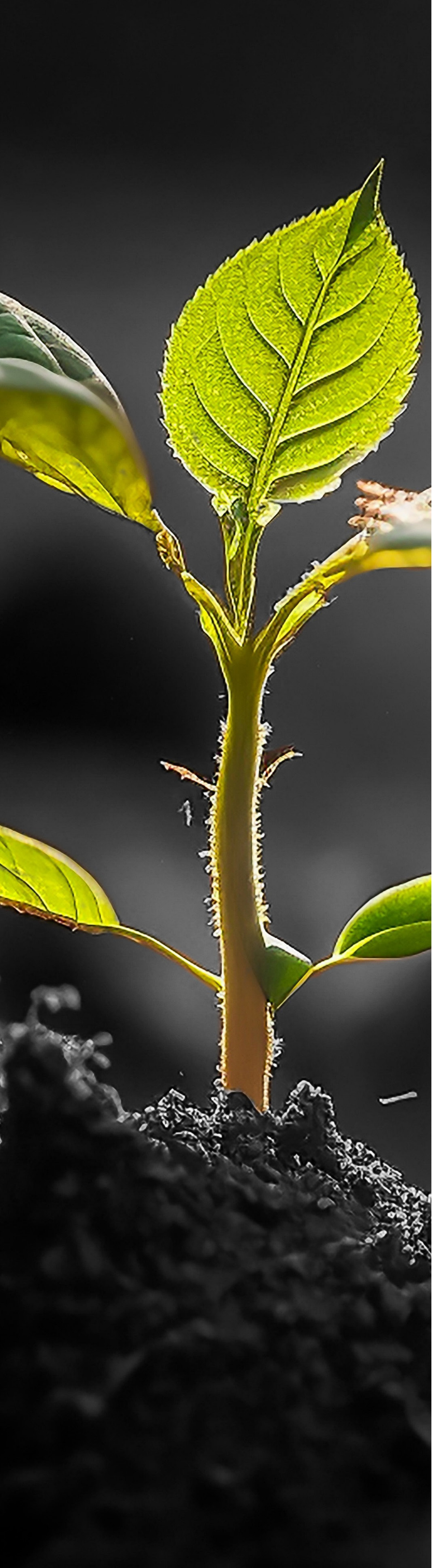
Annual Responsible Investment Report 2022





At Beutel Goodman (or BG), we continue to progress on our ESG journey to help us deliver superior risk-adjusted financial performance to our clients over the long term. This report covers developments in 2022. In 2023, we will engage further on evolving ESG topics such as net-zero targets, Scope 3 emissions disclosure, supply-chain due diligence, biodiversity, and diversity, to help us thoroughly evaluate the financial results and long-term prospects of each company we consider.

Projects we continue to work on include climate scenario testing, ESG training for staff, and considering the addition of sustainable products. Engagement, proxy voting and collaboration remain cornerstones of our highly disciplined investment approach, and we are focused on remaining diligent and thoughtful in these critical areas, in support of enhancing the long-term financial value of investments for our clients.

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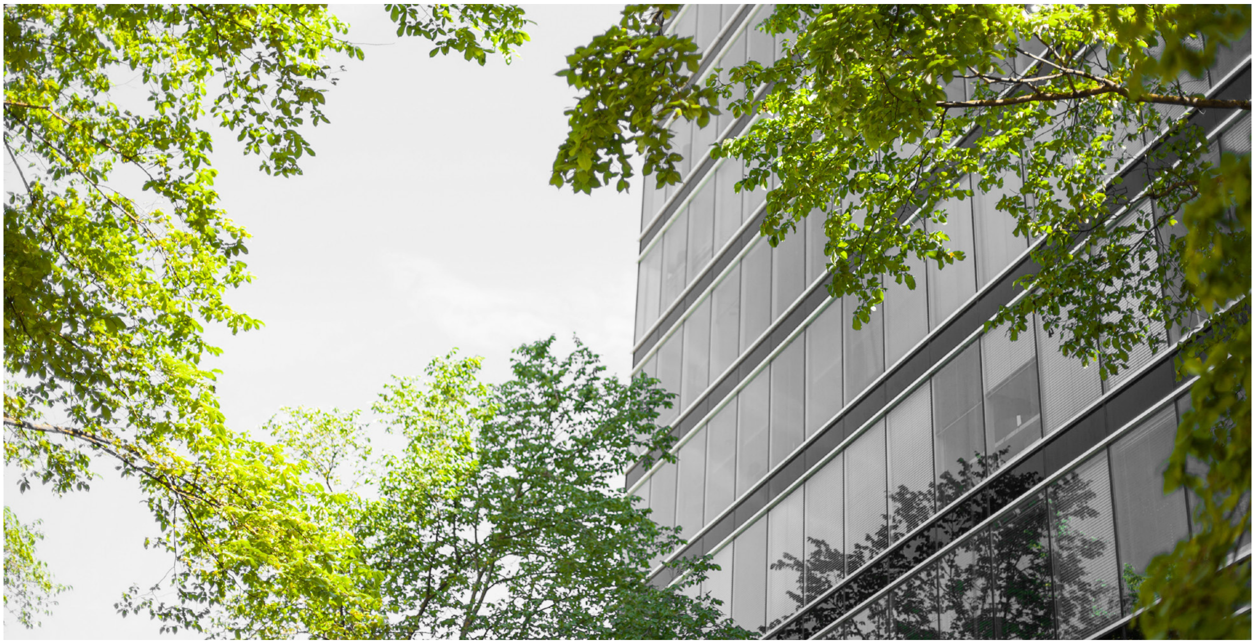

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2022 RESPONSIBLE INVESTING ACTIVITIES

STAFFING & RESOURCES

In August, Sue McNamara, Senior Vice President and Head of Credit, Fixed Income, was appointed to the newly created role of Head of Responsible Investing at Beutel Goodman. As **Head of Responsible Investing**, Sue oversees BG's Responsible Investing (RI) governance and the consistent application of our RI approach firm-wide—including our ESG framework, execution, and communication—and reports to the Management Committee on all RI initiatives. BG's Portfolio Managers/Analysts retain responsibility for all security-level decisions, using the BG ESG framework in their analytical processes and corporate engagement activities to seek to enhance the long-term financial performance of investments for our clients.

During the first quarter, we hired an **ESG Analyst**, Kaili Ma, as we continue to evolve and build out our internal ESG capabilities. Kaili brings three years of ESG experience in the investment industry and is an FSA Credential Holder. Kaili works with our ESG leads to enhance our responsible investing research as part of our research and valuation process for our investment activities, as well as regulatory and client reporting.

In addition to changing ESG research providers (described in our 2021 Annual Report), we upgraded our license with **MSCI ESG Research** in the second quarter, expanding our screening capabilities to understand portfolio companies' exposure to certain activities, controversies, management and oversight of ESG-related risks, and carbon risk exposure to assist in our research and valuation process. Portfolio-level Climate Risk Reports produced by MSCI, highlighting a portfolio's key ESG risks and implied temperature rise, are now available upon request.

PROCESS ENHANCEMENT

We continue to formalize and refine our efforts related to ESG data collection and communication with our investment teams to augment our research and valuation process. As part of these efforts, we improved our **ESG monitoring process**, documenting in a summary file material ESG information, including ESG-related engagements, proxy-voting decisions, potential engagement topics, rating changes, and progress made by our portfolio companies, as well as ESG-related controversies. We set up **quarterly ESG review meetings** with portfolio managers to communicate the information and inform future engagement topics.

In order to consistently and clearly document material ESG considerations into our investment research and valuation process, our equity and fixed income teams have been working together to formalize a detailed **standardized ESG factsheet** to be included in our research reports for all companies under coverage.

Beutel Goodman's Responsible Investing policy statement has been enhanced and updated to include European Sustainable Finance Disclosure Regulations (SFDR) required disclosures. Enhancements revolve mainly around the governance framework for our ESG activities, as well as our collaborative initiatives. The current version of the policy can be found here.

REPORTING

In addition to our **Annual Responsible Investing Report** and **Quarterly Responsible Investing Reports**, we have been working on our inaugural **TCFD report**, which will be published in 2023.

FIRM INITIATIVES

Michelle Corrado joined Beutel Goodman as our Director, Human Resources, in August 2022. She adds to BG's capacity in our ongoing performance management and career development as well as other DEI initiatives.

In 2022, Beutel Goodman supported the Beutel Goodman Charitable Foundation, which in turn funded 13 registered charities in support of youth achievement, mental wellness and Ukraine humanitarian effort.

At Beutel Goodman, we recognize the importance of respecting Indigenous rights and interests. During 2022, we hosted one well-attended awareness session, which featured Maurice Switzer, Bnesi, a citizen of the Mississaugas of Alderville First Nation in southern Ontario and author of **We are all Treaty People**. Mr. Switzer spoke to us about the history and current status of Treaties in Canada.

COLLABORATIVE INITIATIVES

Beutel Goodman's **first PRI Public Transparency Report** was made publicly available on the PRI website in September 2022. The report can be found here. PRI has also announced that the 2023 reporting season will open in mid-May and continue through to August 2023.

*Logo used with permission from CEC. Climate Engagement Canada is a finance-led initiative that drives dialogue between the financial community and corporate issuers to promote a just transition to a net zero economy. For more information, please visit our website https://climateengagement.ca/about/

We joined **Climate Action 100+** in the second quarter of 2022 and we continue to participate in our engagements. In the third quarter, we were designated as a Collaborating Investor to engage with these focus companies: Duke Energy Corp. and Unilever plc. In addition, we completed the CA100+ Consultation on Strategy Renewal (2023–2030).

In the second quarter, **Climate Engagement Canada (CEC)**, an initiative we are a founding member of, released its Focus List, which comprises the top 40 Canadian companies that its engagement efforts will be focused on. A detailed list can be found here. From the list, we are conducting ongoing engagement with Cenovus Energy Inc. and Pembina Pipeline Corp. on the fixed income side and Lundin Mining Corp., Canadian Pacific Railway Ltd. and Loblaw Companies Ltd. on the equity side.

Also during the second quarter of 2022, we signed the **RIA's Canadian Investor Statement on Climate Change**, acknowledging that climate change presents a major threat to long-term growth and prosperity, and that there is an urgent need to accelerate the transition towards a net-zero economy. We also became signatories of the **CDP** network, a charity that focuses on environmental disclosures to assist investors, companies and cities in managing environmental impacts.

In the third quarter of 2022, we participated in the **Responsible Investment Association's 2022 Canadian RI Trends study**. The RI Trends Report is a study of responsible investment in Canada, describing the size, growth and outlook for RI and highlighting RI practices being employed, which is intended to provide the Canadian RI industry with a reliable new baseline.

Beutel Goodman has become a member of the **Defined Contribution Institutional Investment Association (DCIIA)**, a community of industry participants dedicated to enhancing the employer-based DC system by emphasizing access, innovation, best practices, and institutional approaches. Eva Grant, VP, Portfolio Analytics and Responsible Investing, has joined the DCIIA's ESG Subcommittee focused on encouraging best practices for the integration of environmental, social and governance factors in defined contribution plans.

We also joined fellow Canadian investors in submitting the Discussion Document on the Options to Cap and Cut Oil and Gas Sector Greenhouse Gas Emissions to Achieve 2030 Goals and Net-Zero by 2050 to the **Environment and Climate Change Canada Consultation**.

THOUGHT LEADERSHIP

Our Head of Responsible Investing, Sue McNamara, was a panel member for **Investor Perspectives in Fixed Income ESG Analysis and Ratings** at the RBC Capital Markets Sustainable Debt Symposium on April 6, 2022. The panel discussed third-party ESG ratings and their usefulness/differences/challenges, as well as the structure of sustainable debt offerings. She was also a panel member for **The rise of sustainability-linked financing solutions** at the Responsible Investor Canada conference on October 19, 2022. The panel discussed the ESG incentives for borrowers, innovative models in the Canadian market and the impact of sustainability-linked financing solutions. On November 29, Sue spoke on TD Securities Women in Leadership Forum's Sustainability Investing panel, providing a comprehensive **introduction to sustainable investing**.

We published two **Insight pieces** related to responsible investing throughout the year. We also hosted a **webinar** featuring our Head of Responsible Investing.

- Energy Transition: An Opportunity and a Risk, Beutel Goodman, March 15, 2022
- Proxy Voting Season 2022, Beutel Goodman, August 3, 2022
- 3 Key Questions on Responsible Investing (webinar), October 26, 2022

BG SUSTAINABLE BOND FUND

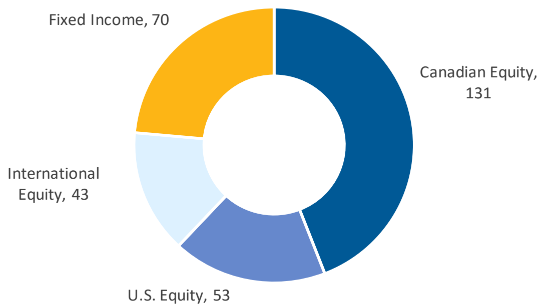
In June 2022, we launched a new private fund for discretionary managed clients, the BG Sustainable Bond Fund, with a mandate to invest primarily in Canadian dollar-denominated debt instruments using a responsible investing approach that will seek to deliver a materially reduced carbon footprint compared to the Fund's benchmark over time.

2022 ENGAGEMENT AND PROXY VOTING

ENGAGEMENT

We actively engage with company management and boards on ESG issues through direct dialogue as part of our diligence and ongoing monitoring of investments since inadequate ESG practices can be a risk to the future financial performance of the company. In 2022, our investment teams conducted **297 engagements** that included ESG-related discussions with the management and/or boards of portfolio companies. These meetings were balanced across our three investment teams—Canadian Equity, U.S. and International Equity, and Fixed Income—which highlights the commitment of all our investment professionals to company engagement, including understanding and integrating ESG into our process to support the financial performance and long-term value of each company.

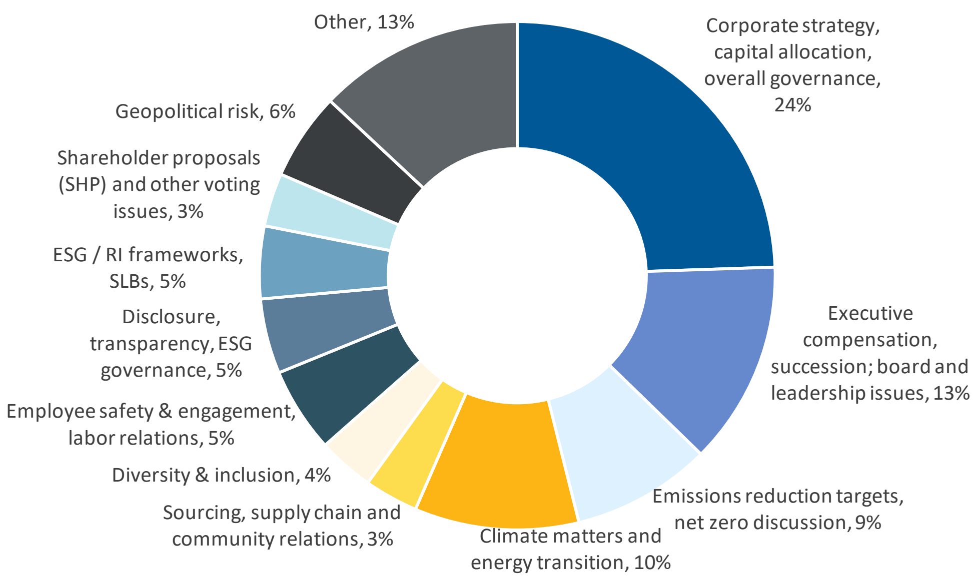
Engagements by Asset Class



An overview of 2022 engagement statistics broken down by asset class is included in Appendices A, B, C, and D. In the case of joint fixed income and equity engagements, we include the engagements under equities to avoid double-counting.

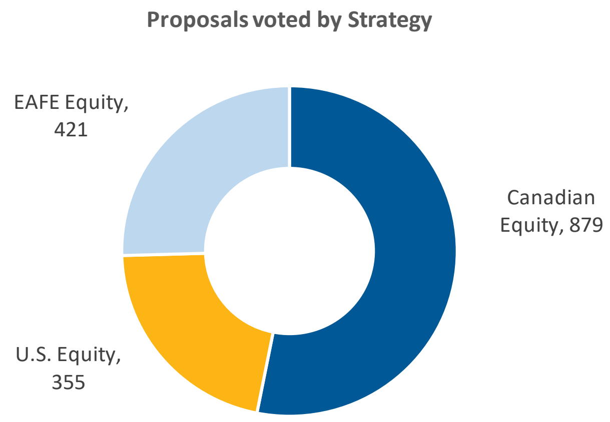
Our investment teams focused on several engagement themes in 2022, as shown in the chart below. Following the start of the Russia-Ukraine War in February, we had multiple conversations with portfolio companies on the topic, categorized under geopolitical risk.

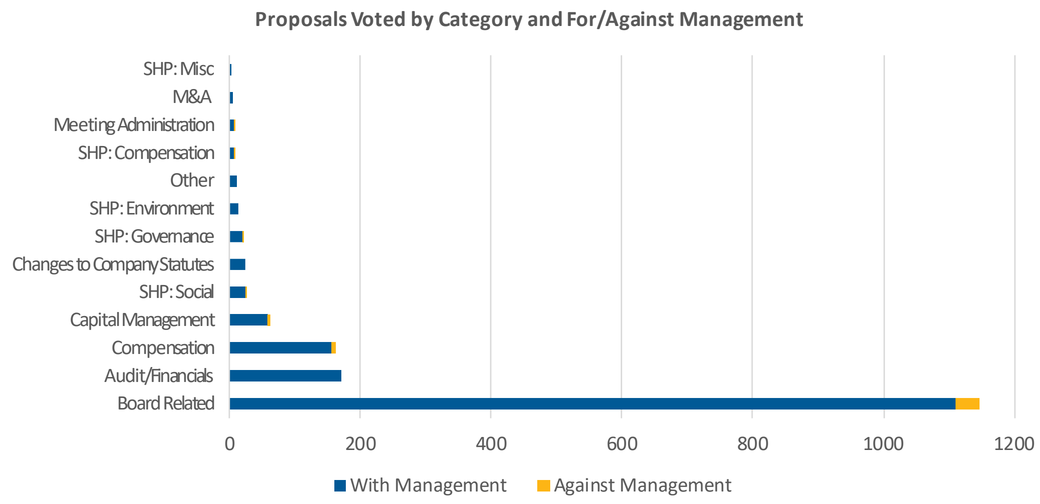
Engagements by Theme



PROXY VOTING

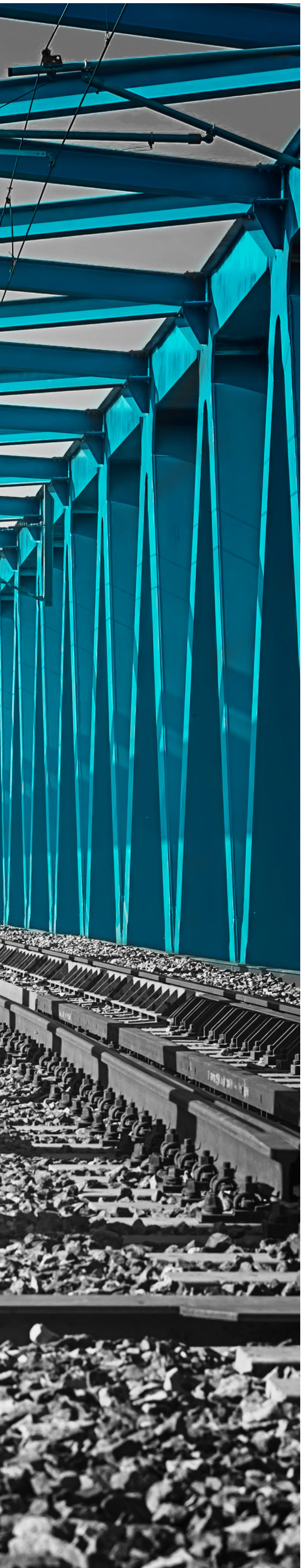
The proxy voting statistics below have been aggregated for all accounts managed on a discretionary basis by Beutel Goodman across strategies. When voting on a proposal that relates to a company's approach to ESG, Beutel Goodman. votes in a manner that it believes supports the financial performance and long-term value of the company. Each vote is ultimately cast on a case-by-case basis, taking into consideration the relevant facts and circumstances at the time of the vote.





An overview of 2022 proxy voting statistics for our various flagship funds are included in Appendices A, B, and C.

RESPONSIBLE INVESTING CASE STUDIES



CANADIAN EQUITY AND FIXED INCOME JOINT ENGAGEMENT: CANADIAN PACIFIC RAILWAY

In the second quarter, the equity and fixed income teams met with CP Rail's Vice President, Capital Markets; Managing Director, Investor Relations; and Vice President, Safety, Environment, and Regulatory Affairs.

The ESG topics we discussed included the company's commitment to net-zero GHG emissions by 2050, emission-reduction targets, safety policies, and Indigenous relations.

One of the main points of the engagement was to discuss the company's commitment to net-zero by 2050 because of the risk it poses to the future financial performance of the company. More specifically, we wanted to get their thoughts on the initiative, and whether they were contemplating joining the likes of CN Rail, which announced its commitment to a 2050 net-zero target for carbon emissions in the fourth quarter of 2021.

Railways play a vital role in the flow of goods for both international and domestic trade. According to the American Association of Railroads, freight rail accounts for approximately 40% of U.S. long-distance freight volume (measured by ton-miles)[1]—more than any other mode of transportation. Railways are the backbone of economies because they haul all types of cargo, including agriculture and food products, chemicals, construction materials, coal, crude oil, auto components, lumber, and shipping and trucking trailers (known as intermodal).

The transportation sector is a significant contributor to global GHG emissions, many of which are hard to abate. Railroads are the most fuel-efficient way to move freight over land; one ton of freight can be moved using nearly 500 miles per gallon of fuel, on average.[2] This makes rail 3–4x more efficient than trucks. From an emissions standpoint, moving freight by rail instead of truck lowers greenhouse gas (GHG) emissions by up to 75%, on average.[3] As a result, while rail accounts for a large percentage of volume moved, the industry accounts for just 2% of transportation-related GHG emissions.[4]

Despite the small share of transportation-related GHG emissions, the rail industry continues to look for innovative ways to reduce their emissions. The industry is nearly unanimous in its acknowledgement that changes to the locomotive are the means by which emissions can be reduced. The industry disagrees, however, on how best to effect those changes.

[1]https://www.aar.org/facts-figures#Economic-Impact
[2]https://www.aar.org/facts-figures#Fuel-efficiency
[3]Ibid
[4]Ibid

For example, CN is exploring the use of electric locomotives on its network; in the fourth quarter of 2021, the firm announced the purchase of an electric locomotive produced by Wabtec (FLXdrive). CP is exploring the use of hydrogen to power its locomotives, and Burlington Northern Santa Fe (BNSF) is exploring both options. CP has yet to make an explicit commitment to net-zero GHG emissions by 2050 as management has not wanted to make the pledge without an achievable roadmap, interim goals, and a well-defined path. CN's disciplined approach to precision-schedule railroading (PSR) extends to its exploration of hydrogen locomotives. CP is undertaking extensive studies to understand how a locomotive powered by an alternative fuel source fits into its network. Its PSR approach will give the firm an intimate understanding of the ways in which it will need to adapt operations to accommodate a new locomotive type. For example, an electric locomotive would be a (costly) rebuild, while a hydrogen power source would be a retrofit using the locomotives' existing body and footprint. Further, whereas electric locomotives need charging locations off the main lines and generally will increase dwell times, refueling a hydrogen locomotive is similar to diesel refueling and can be done with minimal operational change. Put simply, CP is looking at which alternative fuel source best fits with its network over the long term, and is hesitant to commit to net zero without having a roadmap to execute.

While CP has not yet made an explicit commitment to net-zero GHG emissions by 2050, in 2021 it released a climate strategy, as well as ambitious emission-reduction targets, which is an interim but effective step. CP has established two science-based emission-reduction targets that address 100% of CP's Scope 1 and Scope 2 emissions, and more than half of its Scope 3 emissions.

- CP committed to reducing Scope 1, 2, and 3 GHG emissions intensity of its locomotives by more than 38% by 2030.
- CP also committed to reducing absolute Scope 1 and Scope 2 GHG emissions from non-locomotive operations by more than 27% by 2030.

In both cases, the base year will be 2019 GHG levels. The company has established a carbon reduction task force to evaluate operational changes that can help achieve these goals. While it may not be a linear path to reductions out to 2050, the company notes there are many levers it can pull. Biofuel will be an important component as the supply and quality continue to improve.

We also engaged with CP on the social topics of safety and Indigenous relations. CP has a robust safety culture at all levels of the organization—executive compensation is linked to accident frequency and all internal training has a safety aspect, even for "in-office" workers. In addition, CP also strives to extend safety into other areas of the business, such as data integrity, accounting controls and other aspects relevant to a safe working environment. CP has worked to redefine what safety means for each department in a relatable way, fostering a safety culture for all employees within the organization. The results speak for themselves, as 2021 marked the 16th consecutive year that CP Rail has had the lowest Federal Railroad Administration reportable train accident frequency (per million train miles) among Class 1 railroads in North America.

CP manages Indigenous relations both externally and internally. Externally, the company has a long history of respectfully working with Indigenous partners, including seeking Indigenous-owned suppliers for earthwork and remediation programs, being active at the community level, and ensuring CP's safety culture extends to Indigenous communities along CP's network. CP works to ensure that all Indigenous communities in remote areas along CP's network are equipped with the training and resources to respond to rail-related emergencies, and frequently conducts outreach to discuss safety practices and listen to communities' concerns. Internally, CP seeks Indigenous representation in its workforce, and tries to remove any barriers in its practices. For example, CP found that requiring a diploma for employment consideration was a barrier; the firm saw application numbers increase when it waived the diploma as a prerequisite and enabled an education program where employees were able to attain a GED while working on the railroad. Further, the U.S. regulator (the Surface Transportation Board) recognizes the importance of Indigenous relations and is frequently turning to Canadian railways for guidance on how best to approach and manage Indigenous relationships in the U.S., as it is a few years behind Canada in terms of dialogue.

Through engagement, we can better understand companies' approach to a variety of ESG topics and their impact on the company's valuation and risk profile. In the case of CP, it was helpful to understand the company's thinking around net-zero initiatives—simply because it has not committed to net-zero GHG emissions by 2050 does not mean it is not working on aligning to a net-zero pathway by focusing on the issue and taking interim steps before an explicit commitment is made.

U.S. EQUITY: AMGEN INC.

As part of its dedication to shareholder engagement, Amgen Inc.'s board reached out to discuss several ESG issues with us.

Although Amgen's board has extensive scientific and health care experience, which is essential as a biotechnology company, its gender diversity could be improved. Currently, the board has three female directors out of a total of 13, below 30%. Amgen is aware that Glass Lewis will recommend voting against the chair of the nominating committee of any board with less than 30% gender diversity and is considering the ramifications. The board also has three racially diverse directors. Eight new directors have been added since 2015, indicating strong refreshment practices, but the firm admits that additional work on diversity is required.

Other board refreshment practices include a retirement age of 75, which will provide an opportunity for further board refreshment to come in 2024, and board tenure of six years, which is suitable in our view.

We view executive compensation as critical to alignment with shareholders. In our opinion, Amgen's incentive package is well structured, as it is focused on returns with a long-term equity base. Also important is that ESG is a component of the short-term incentive plan, with ESG KPIs linked to executive compensation via a 5% mix of diversity inclusion & belonging (DI&B) and environmental goals. In our view, this is a powerful signal to the entire organization of the critical importance of these objectives, which are evaluated annually. Amgen's board also advised that discussions are underway for ESG to be considered in the long-term compensation plan.

Amgen has recently announced a new environmental sustainability plan that includes a carbon neutrality target for Scope 1 and Scope 2 emissions in its operations by 2027. The emissions target has been approved by the Science Based Target initiative (SBTi), validating that it meets the goals of the Paris Agreement. We queried why Amgen had not set a net-zero target and discussed the differences in carbon neutrality and net zero. Amgen uses carbon offsets, purchasing electric certificates

for renewable energy and is committed to buying green energy when feasible. The 2027 targets are aggressive, and the company advised they will make further 2050 commitments in due time.

Amgen is also working to improve health equity through efforts around clinical trial diversity and supplier diversity. Amgen's Safety Net Foundation is focused on patient support and assistance to expand access to medicines. The company faces challenges around safely transporting products in lower-income countries and is addressing this by partnering with non-profits with a good presence in these countries.

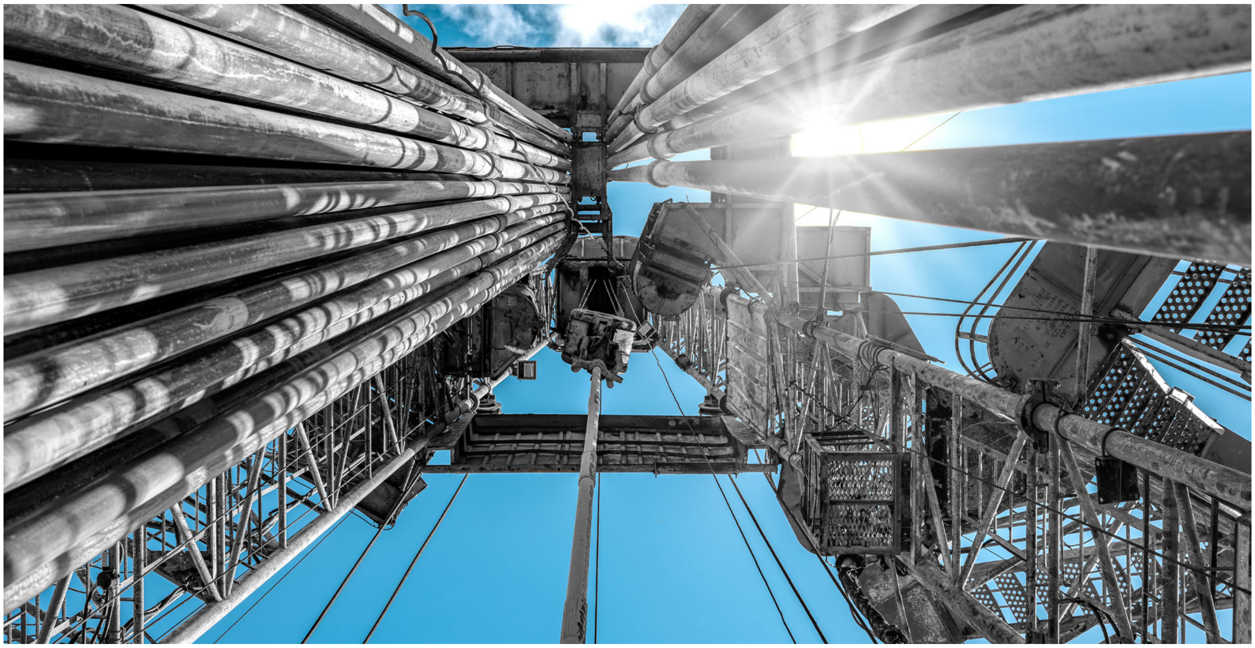
We will continue to monitor Amgen's progress on board diversity, its sustainability plan and emissions-reduction targets, and their impact on the company's valuation and risk profile.

INTERNATIONAL EQUITY: TGS ASA

TGS ASA, an energy services company, provides a strong example of how we analyze and engage with companies regarding ESG risks and opportunities as part of our fundamental research process. We discussed the company's exposure to Russia, and more broadly, energy security and transition, on a call with a member of TGS's Nomination Committee. While we were assured that TGS's exposure to Russia was effectively zero, the conversation broadened to include an interesting exchange regarding the role of natural gas in the energy transition; the need to balance the advancement of green or renewable sources with providing a safe and steady supply of conventional energy; and the crucial role TGS had to play in these areas.

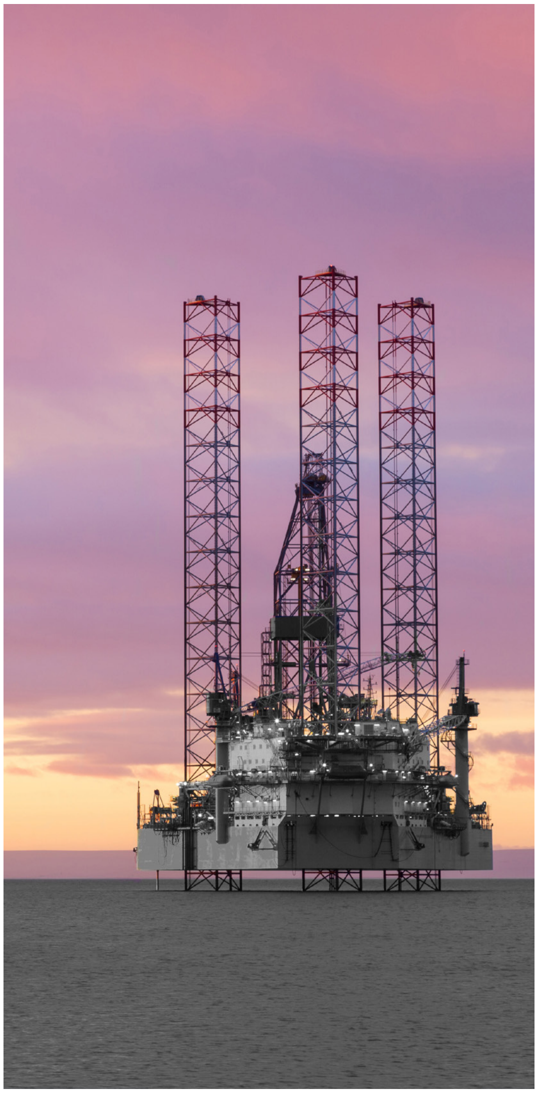
TGS is inherently a data acquisition and analytics company whose services can be applied to any user requiring detailed subsurface mapping. These users could be interested in carbon capture and storage, geothermal energy or offshore wind, all of which TGS is already addressing. We have been supportive of the company's efforts in growing these business divisions. However, at present, TGS is primarily serving traditional energy clients. Despite this, we recognize that the path to global carbon emissions reduction is long and will involve multiple stages of lower carbon intensity. As well, the Russia-Ukraine war has highlighted social issues that are deeply intertwined within the global energy trade.

We emphasize three priorities in our fundamental research and valuation process for the Energy industry: transitioning to cleaner fuels (e.g., thermal coal to natural gas), decreasing carbon intensity between the well and consumer (i.e., the full chain of production to the end consumer), and realigning supply chains to regions with a strong regulatory backdrop and rule of law (i.e., social and governance aspects). Announcements in 2021 by the U.S. and the U.K. with respect to resuming oil and gas development in the Gulf of Mexico and licensing in the North Sea,

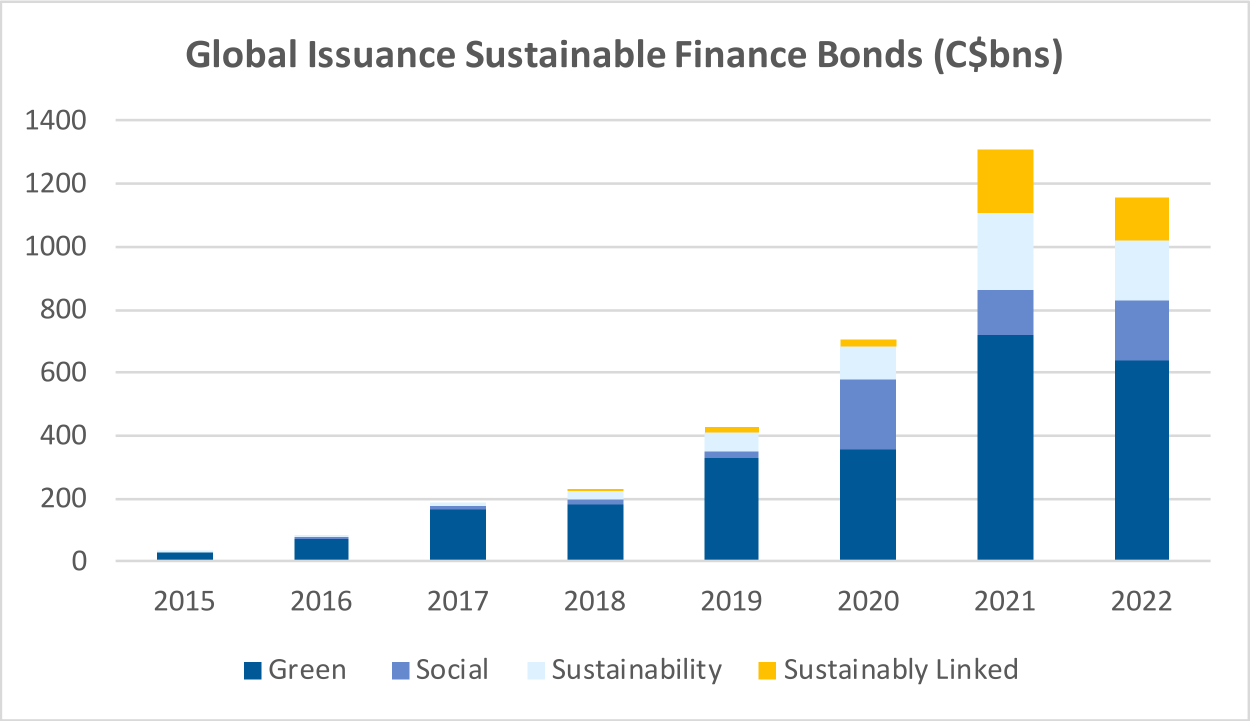


respectively, are in our view positive. The North Sea and U.S. Gulf of Mexico currently produce the two least carbon-intensive barrels of oil to extract and refine, and the regions benefit from strong rule of law and human rights.

TGS's contemporary digital technologies address these three priorities. We believe these technologies will be in high demand as the world awakens from long inaction around exploration spending—which has had a cost, as highlighted by the Russia-Ukraine war. Transitioning from thermal coal to natural gas requires identifying more gas reserves to start production. TGS's global subsurface data represents an excellent starting point for such work. Decreasing carbon intensity between the well and the consumer requires shifting production to higher-quality reserves. Regions like the Gulf of Mexico and the North Sea will continue to experience reinvestment as energy stakeholders realize that demand during the long energy transition is better served with cleaner sources and political backing. Finally, the social imperatives weighing on the Energy industry will require shifting supply towards more stable regions with appropriate respect for both the environment and workers alike. TGS's services are well positioned to identify appropriate resources to move these priorities forward.



FIXED INCOME: SUSTAINABLE FINANCE 2022 ROUNDUP



Source: Bloomberg Finance L.P. as at December 31, 2022

Sustainable finance issuance declined in 2022 by ~12% versus 2021, after several years of rapid growth. There are several reasons for the decline; however, in our view, none point to the imminent death of the product. New issuance fell globally as interest rates increased and periods of market volatility reduced new issue opportunities. The reduction in corporate new issuance was most pronounced in the high yield sector, a significant source of corporate sustainable finance. Greeniums also started to decline or in some cases disappear altogether, which may have kept some issuers on the sidelines.

In 2022, C$1.15 trillion of sustainable-finance bonds was issued globally. Green bonds still make up the majority of issuances, at 55%, followed by social and sustainability bonds at 15% each, rounded out by sustainability-linked bonds (SLB) at 14%.

The issuance of SLBs declined significantly (by 31%) year over year. This is most likely attributable to growing pains within the sector. Poorly constructed SLB frameworks brought incidents of greenwashing to the forefront. In one such case, a company had already reached one of the key performance indicators (KPI) outlined in the SLB before it was issued. Another tied the KPIs to reductions of the company's Scope 1 and Scope 2 emissions when the vast majority of the company's carbon footprint is Scope 3 emissions. It is likely that the fear of being accused of greenwashing made several potential SLB issuers pause.

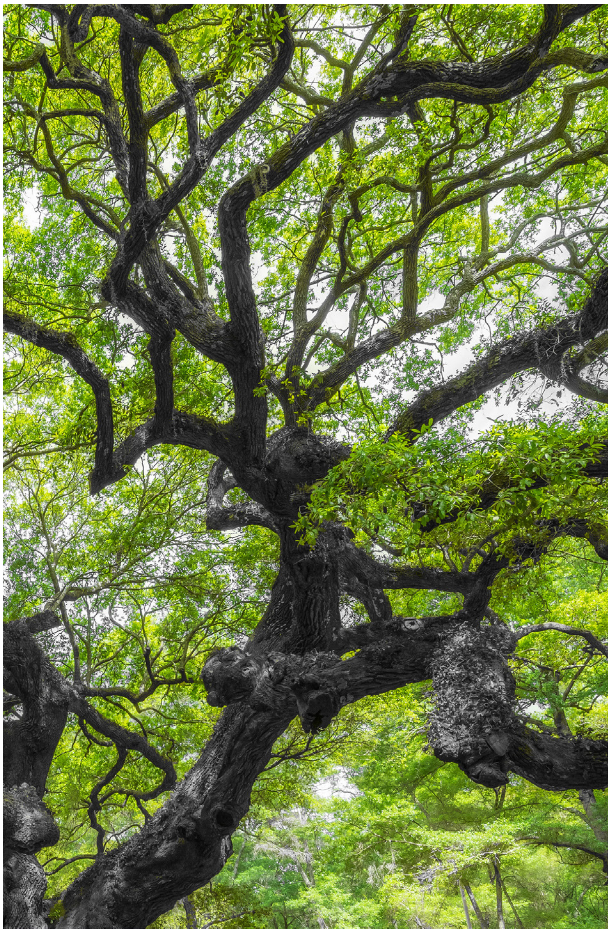
We believe that SLBs will likely remain a key part of the sustainable market as pressures from investors should lead to stronger frameworks. In our process we consider:

(i) KPIs;
(ii) timeline between the observation date for the KPI and the manurity date; and
(iii) penalties for failure to meet the KPI that are actually punitive.

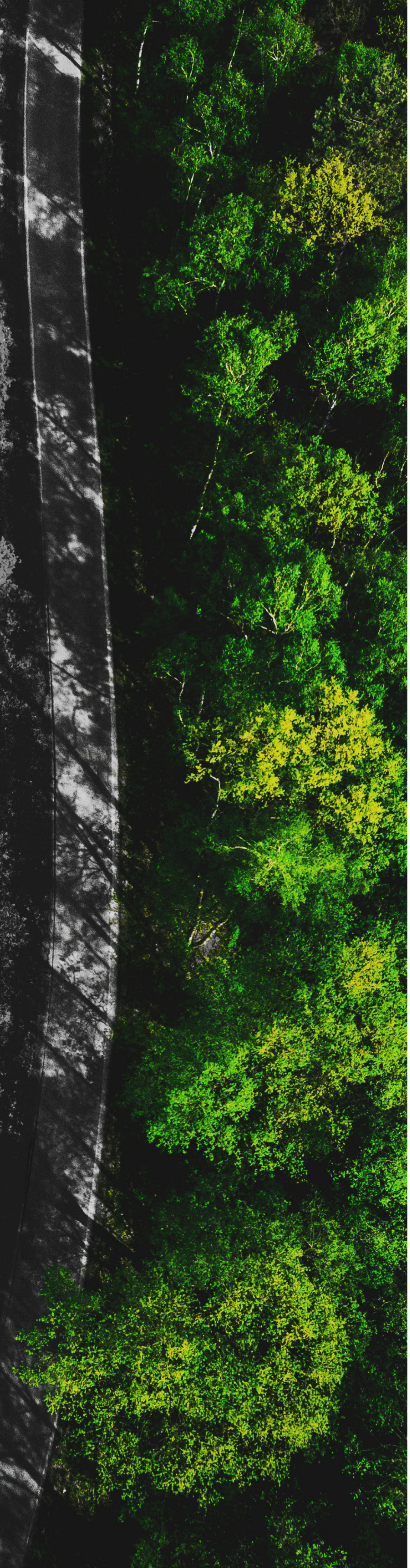
During 2022, two initiatives were announced that could also strengthen the SLB market: the International Capital Markets Association issued a registry of 300 acceptable KPIs and the Climate Bond Initiative stated that it plans to start certifying SLB frameworks. Companies could also build credibility into their frameworks by having their emissions and targets certified by the Science Based Targets initiative (SBTi).

PKN Orlen, a Polish oil refiner, was the first SLB in 2022 to miss its target, triggering a step up in its coupon. One of its KPIs was tied to its third-party rating by MSCI. The company's goal was to maintain or improve its "A" rating. After MSCI downgraded the company's rating by one notch to BBB in December 2021, the company had to increase the coupon of the 1 billion Zloty bonds outstanding by 10 basis points. We note that relatively few SLBs have KPIs linked to third-party ratings. Going forward, we believe that there is a risk that the energy crisis in Europe and reversal of some energy-transition projects as energy security has taken precedence over green issues, which could lead to some European energy companies missing their KPIs in 2023.

Quasi-sovereign issuers made up 48% of the sustainable-finance issues followed by corporates (44%), sovereigns (5%), and securitized (3%). The largest sovereign issuers were Italy, Austria and Germany. Uruguay issued a fairly unique SLB in 2022. The KPIs were tied to two goals: (1) the country's Nationally Determined Contributions;[5] and (2) biodiversity (maintenance of the country's native forest). If the Government of Uruguay does not meet its KPIs, there is the traditional step up in coupon as a penalty; in addition, if the country exceeds its targets, it receives the bonus of a step down in the coupon. Also of note, the International Bank for Reconstruction and Development issued an impact bond where the use of proceeds would be used for the protection and increasing the population of the black rhinos in South Africa.
In Canada, there were 38 sustainable-finance



[5]Nationally Determined Contributions (NDCs) are at the heart of the Paris Agreement and the achievement of its long-term goals. NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change.



issues during the year: 66% green bonds, 16% sustainability bonds, 15% SLBs and 3% social bonds. Green bond issuance continues to be dominated by REITs and power generators on the corporate side, and by supranationals, provinces, and municipals on the government side. Of note, Ontario Power Generation followed the lead set by Bruce Power by issuing a green bond where the use of proceeds is to fund nuclear projects. Only three Canadian companies, Enbridge, Telus and Tamarack Valley Energy, have issued SLBs. The Government of Canada issued its first green bond in 2022 followed by a smaller-in-size social bond focused on helping Ukraine. We remain optimistic that Canada will soon release a taxonomy to help clear the path for the issuance of transition bonds. We believe that transition bonds are an important financial opportunity especially for a country like Canada that has a significant amount of its economy tied to hard-to-abate sectors. In March 2022, Export Development Canada (EDC) released a new Sustainable Bond Framework that includes the possibility of issuing transition bonds. However, we do not think that SLBs replace transition bonds, as transition bonds have a cleaner structure given the use of proceeds from a bond issue is tied directly to carbon-reduction projects rather than general corporate purposes.

In the U.S., there were 118 sustainable-finance issues during the year totaling C$81.8 billion, broken out as follows: 48% green bonds, 24% sustainable, 23% SLBs and 5% social. Corporate issuance was dominated by the Financials, Utilities and Industrials sectors. The largest corporate issuers during the year were Citigroup, Prologis LP, S&P Global and General Motors. California utility PG&E issued a securitized green bond during 2022 with the use of proceeds to fund previously incurred wildfire mitigation costs and expenses.

APPENDIX A. CANADIAN EQUITY STRATEGY

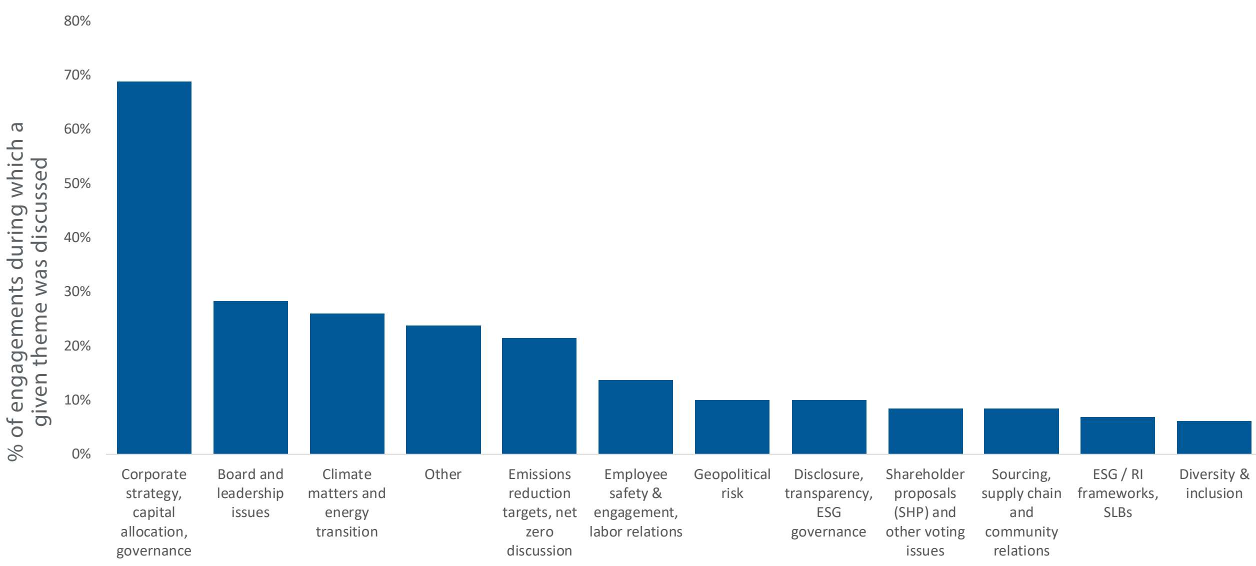
CANADIAN EQUITY

PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	No action/ unvoted	Total
Totals	**856**	**23**	**0**	**879**
Audit/Financials	70	0	0	70
Board Related	659	19	0	678
Capital Management	1	0	0	1
Changes to Company Statutes	10	0	0	10
Compensation	69	3	0	72
M&A	4	0	0	4
Meeting Administration	0	1	0	1
Other	2	0	0	2
SHP: Compensation	2	0	0	2
SHP: Environment	12	0	0	12
SHP: Governance	13	0	0	13
SHP: Social	14	0	0	14

ENGAGEMENT STATISTICS

Engagements by Theme



APPENDIX B.
U.S. EQUITY STRATEGY

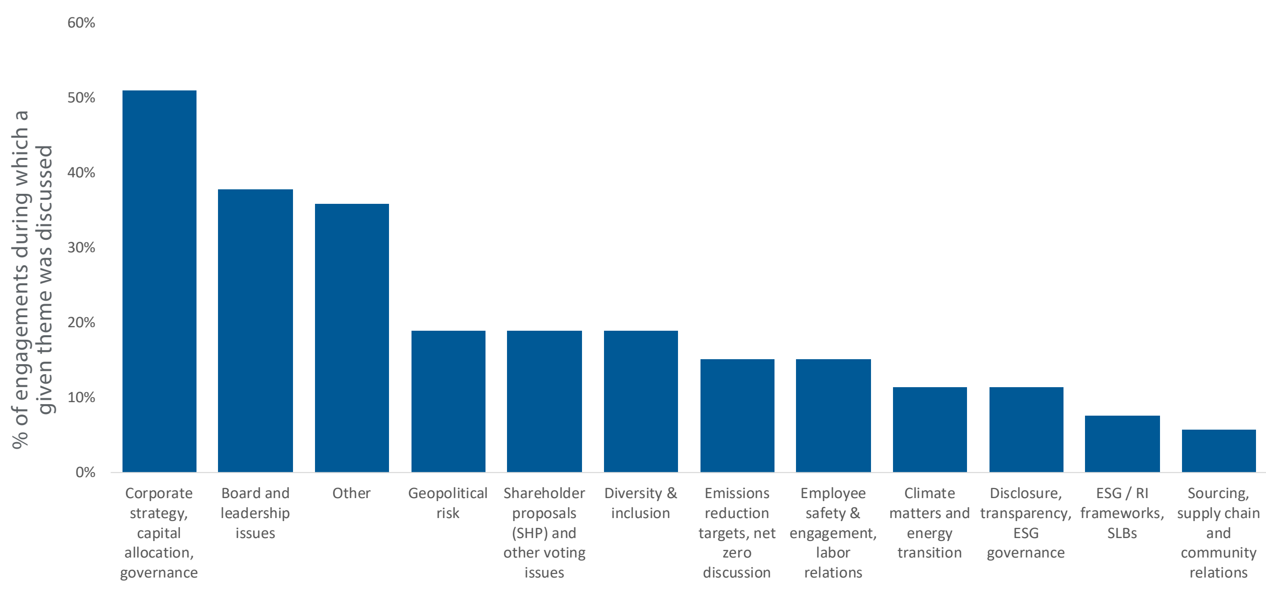
U.S. EQUITY

PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	No action/ unvoted	Total
Totals	**347**	**8**	**0**	**355**
Audit/Financials	30	0	0	30
Board Related	258	3	0	261
Changes to Company Statutes	2	0	0	2
Compensation	34	1	0	35
SHP: Compensation	5	1	0	6
SHP: Governance	6	2	0	8
SHP: Misc	2	0	0	2
SHP: Social	10	1	0	11

ENGAGEMENT STATISTICS

Engagements by Theme



APPENDIX C.
INTERNATIONAL EQUITY STRATEGY

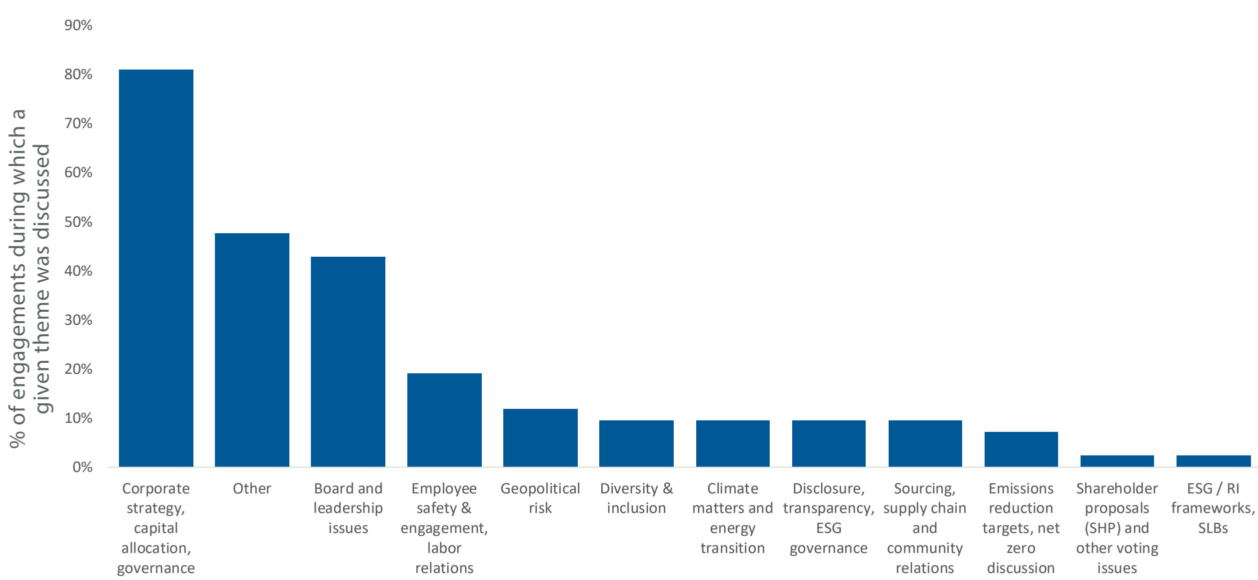
INTERNATIONAL EQUITY

PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	No action/ unvoted	Total
Totals	**400**	**21**	**45**	**466**
Audit/Financials	70	0	6	76
Board Related	193	15	22	230
Capital Management	57	3	5	65
Changes to Company Statutes	11	0	0	11
Compensation	52	3	9	64
M&A	1	0	0	1
Meeting Administration	7	0	3	10
Other	9	0	0	9

ENGAGEMENT STATISTICS

Engagements by Theme



APPENDIX D.
FIXED INCOME

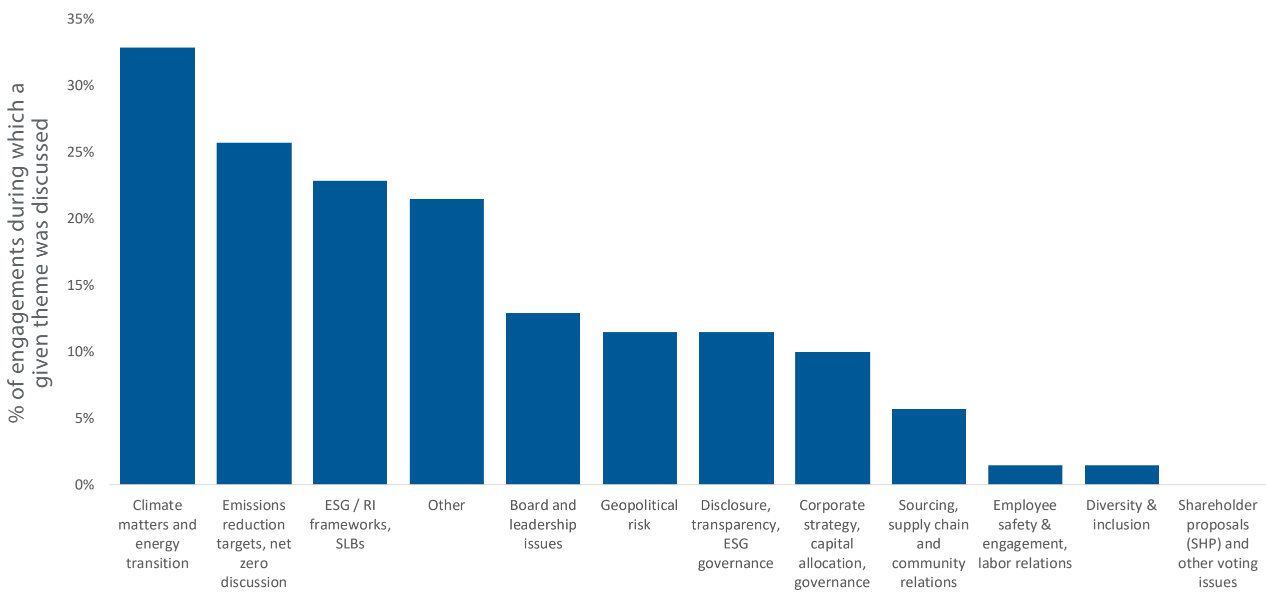
FIXED INCOME

PROXY VOTING STATISTICS

None

ENGAGEMENT STATISTICS

Engagements by Theme



APPENDIX E. NOTES

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The information provided is as at December 31, 2022. Beutel Goodman has taken reasonable steps to provide accurate and reliable information. Beutel Goodman reserves the right, at any time and without notice, to amend or cease publication of the information.

Please note Beutel Goodman's ESG and responsible investing approach may evolve over time. We do not use ESG factors to pursue non-financial ESG performance. This report refers to activities during the calendar year 2022 and our approach as of December 31, 2022. Also note that the integration of ESG and responsible investing considerations into our fundamental research investment process does not guarantee positive returns. Past performance does not guarantee future results.

For more information on our approach to ESG and Responsible Investing, please visit https://www.beutelgoodman.com/about-us/responsible-investing/.

Certain portions of this document may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" and other similar forward-looking expressions. In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future action, is also forward-looking statement. Forward-looking statements are based on current expectations and forecasts about future events and are inherently subject to, among other things, risks, uncertainties and assumptions which could cause actual events, results, performance or prospects to be incorrect or to differ materially from those expressed in, or implied by, these forward-looking statements.

These risks, uncertainties and assumptions include, but are not limited to, general economic, political and market factors, domestic and international, interest and foreign exchange rates, equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events. This list of important factors is not exhaustive. Please consider these and other factors carefully before making any investment decisions and avoid placing undue reliance on forward-looking statements. Beutel Goodman has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.

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