



Annual Responsible Investment Report

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LAND ACKNOWLEDGEMENT

Beutel, Goodman & Company Ltd. (Beutel Goodman or we) acknowledges that our work is being developed on the lands of First Nation, Métis and Inuit communities across Canada, whose enduring relationship with the earth, water and air has spanned tens of thousands of years. We recognize the inherent rights and contributions of Indigenous Peoples in protecting and sustaining these lands and waters to date, and for generations to come. We recognize and respect the significance of both treaty and unceded lands, and we honour the diverse knowledge, cultures, governance structures and histories of Indigenous Peoples across Canada.

INTRODUCTORY LETTER

At Beutel Goodman, we continue to progress on our responsible investing journey to help us deliver superior risk-adjusted financial performance to our clients over the long term. This year we have combined our Annual Responsible Investing Report and our Climate Report. The climate section of the report remains structured around Canadian Sustainability Disclosure Standard Climate-related Disclosure 2 (CSDS2) which incorporates the former Task Force on Climate-related Financial Disclosures' (TCFD) four thematic areas of governance, strategy, risk management, and metrics and targets. With this more comprehensive report, we have also added sections on Social and Governance factors.

During 2025, Eva Grant, Vice-President, Portfolio Analytics and Responsible Investing, announced her retirement effective April 15, 2026. We thank Eva for the huge role she played in laying the foundation for Beutel Goodman's responsible investing approach. We are pleased to welcome Adelaide Chiu who joined the firm as Vice President, Responsible Investing in March 2026. Adelaide brings extensive experience in capital markets and sustainable investing. She is an inaugural board member on the Canadian Sustainability Standards Board (CSSB) and a board director of the Responsible Investment Association (RIA).

Part of our highly disciplined investment research process involves meeting with company management; this can provide important insights into responsible investing-related issues and, as applicable, how sustainability factors may impact long-term value. We believe that we can effect change on these issues that may enhance a company's long-term value by engaging with management as owners of a company's stock or bonds. In our engagements in 2025, we continued to probe companies on their commitments to reducing their carbon footprint and committing to GHG emissions reduction targets. Physical risk, climate adaptation and resiliency became very topical as global temperatures rose to record levels, and droughts, wildfires and other climate-related events impacted companies. As both nature and climate are interconnected, we are working on incorporating biodiversity and nature-related risks and disclosures. We are also focusing on the impact on transmission grid investment and reliability as well as water scarcity from the massive construction plans for data centres.

On the social side, we have been engaging with companies on issues such as employee safety, geopolitical risks, cybersecurity threats, Indigenous relations, and the potential impacts of artificial intelligence and the energy transition on their labour force. We engage on the creation and progression of Indigenous Reconciliation Action Plans where required, as well as securing Free, Prior and Informed Consent for new projects that cross Indigenous lands especially as the federal government embarks on its Build Canada initiative.

We continue to discuss governance issues—including leadership succession, board refreshment, incentive structures that align with value creation, and capital allocation – in the pursuit of financial performance. In addition to engagement, proxy voting provides a means to have our voices heard. We evaluate shareholder proposals and consider whether the proposal aligns with the interests of shareholders, encourages long-term value creation and is consistent with our objective of advancing companies' financial performance, including on any material ESG factors identified in our investment process. We consider the steps that the company may have already taken to address the issues raised in the proposal. The number of environmental and social shareholder proposals received for our portfolio companies has increased, and we are actively and directly engaging with stakeholders, including our investee companies. These conversations provide us with valuable context and help inform our voting decisions.

While the backdrop for responsible investing remains challenging, our approach continues to be firmly rooted in financial materiality at the security level and how issues may impact the long-term sustainability of a business, with a focus on capital preservation, absolute risk reduction and downside protection. Engagement, proxy voting and collaboration remain the cornerstones of our stewardship approach, and we remain diligent and thoughtful in these critical areas.

We observe that some companies are scaling back disclosures and/or backtracking on climate-related commitments and targets. We believe that the targets are moving to become more pragmatic and less aspirational. Where material, we encourage companies to have short-term, achievable GHG emissions reduction targets. We also believe that there should be an increased focus on company climate transition plans and near-term goals. We will continue to engage with our portfolio companies on their climate commitments and strategy where we believe there is a potential material financial risk to investment. If companies soften their climate commitments and GHG emissions targets, they may be more vulnerable to energy transition risk.

We continue to monitor the regulatory environment in Europe as the European Commission seeks to simplify complex regulations and lessen the reporting burden on companies. We await further progress on Canada's commitment to developing green and transition taxonomies. We are looking forward to additional details on the federal government's commitment to issuing Canada's first transition bonds in 2027.

Beutel Goodman is a privately owned, independent Canadian investment manager. For over 50 years, we have been dedicated to helping our institutional, private wealth and retail clients achieve their long-term investment goals. As value investors, a focus on absolute risk and capital preservation is the cornerstone of our fundamental research and disciplined investment process. We are committed to integrating sustainability criteria into our investment process as part of our evaluation of the financial results and prospects for investments. As active managers managing concentrated portfolios, engagement, proxy voting and collaboration are key elements of our investment activities, and we remain diligent and thoughtful in these critical areas. We believe that addressing sustainability risk is an important part of the process of evaluating the financial results and prospects of an investment and is consistent with our fiduciary duty to our clients. As an investment manager, we are committed to working with portfolio companies to support the achievement of these goals and help drive long-term value.



Sue McNamara, CFA
Head of Responsible Investment
and Head of Credit



Adelaide Chiu, FCPA, FCA, CFA
Vice President, Responsible Investing



Eva Grant, CFA
Vice-President, Portfolio Analytics &
Responsible Investment



2025 CORPORATE ACTIVITIES UPDATE

POLICY UPDATE

In 2025, we updated Beutel Goodman's Responsible Investing (RI) Policy Statement as part of our annual review and enhancement process. This year's updates included the addition of a Just Transition section, reflecting our commitment to considering the social dimensions of the low-carbon transition, including the interests of workers and Indigenous communities. The policy is publicly available.¹

To further support the implementation of the policy statement, we also developed an internal ESG Integration Framework. This framework translates our responsible investing principles into detailed guidance for how sustainability considerations are assessed within our fixed income and equity strategies, including how we determine materiality, evaluate sustainability risks and opportunities, and integrate these insights into valuation and stewardship activities. By documenting the processes, tools and resources that underpin ESG integration, the framework enhances internal alignment and provides a clear reference point to maintain practices that are robust, repeatable and well governed.

We continue to uphold an internal Human Rights Policy and a Diversity, Equity and Inclusion Policy as part of our responsible investing practices. These policies formalize our commitment to respecting human rights in line with international standards and fostering an inclusive workplace where all employees are welcomed, supported and empowered to contribute fully.

COLLABORATION

Beutel Goodman has been a Principles for Responsible Investment (PRI) signatory since 2019. In 2025, we completed our PRI reporting for our responsible investing activities for fiscal year 2024. Beutel Goodman's 2025 PRI Public Transparency Report was made publicly available on the PRI Data Portal² in Q4.

We joined Climate Action 100+ in 2022. We continued in our role as a Collaborating Investor³ for Duke Energy Corp. and Unilever plc engagements. We believe that collective engagement with companies on financially material climate change topics, as well as risks and opportunities associated with the energy transition, can be effective. According to the 2025 Climate Action 100+ Net Zero Company Benchmark⁴, while progress among high-emitting companies remains mixed, there are signs of momentum. The Benchmark indicates that approximately 69% of assessed companies reduced their absolute Scope 1 and 2 emissions over the past three years and more companies aligned their emissions intensity with a credible 1.5°C sectoral pathway compared with 2024, reinforcing the impact of persistent investor stewardship.

As a founding member of Climate Engagement Canada, we continue to participate in ongoing engagement with Cenovus Energy Inc. and Pembina Pipeline Corp. on the fixed income side, and with Lundin Mining Corp., Canadian Pacific Kansas City Ltd. and Loblaw Companies Ltd. on the equity side.

¹Beutel Goodman's Responsible Investing Policy Statement, available at <https://www.beutelgoodman.com/wp-content/uploads/2025/03/Beutel-Goodman-Responsible-Investing-Policy-Statement.pdf>

²UN PRI, "PRI Transparency Data Portal". <https://ctp.unpri.org/dataportalv2/transparency>

³A collaborating investor provides support and input to the engagement team, while the lead investor coordinates and drives the engagement activities.

⁴Climate Action 100+, "Climate Action 100+ Benchmark Results Show Mixed Progress Amongst the World's Highest-Emitting Companies," October 22, 2025. <https://www.climateaction100.org/news/climate-action-100-benchmark-results-show-mixed-progress-amongst-the-worlds-highest-emitting-companies/>

THOUGHT LEADERSHIP

In 2025, our Head of Responsible Investing, Sue McNamara, continued to contribute to industry dialogue, moderating Indigenous finance panels at the Canadian Bond Investors' Association (CBIA) in Q1 and Q4, and presenting on responsible investing challenges and opportunities at the RBC Sustainable Debt Conference in Q2.

Our thought leadership included the publication of ESG+I – The Opportunity for Indigenous Financing⁵ and our annual Proxy Voting Summary 2025⁶, which outlined key governance themes, stewardship actions and voting outcomes across our equity strategies.



CARBON FOOTPRINT AT BEUTEL GOODMAN

Our office building, the Yonge-Eglinton Centre in midtown Toronto, Ontario, is certified as a BOMA BEST sustainable building. The certification represents a globally recognized symbol of sustainability achievement by providing a roadmap on how to decarbonize, reduce water and waste, retrofit for accessibility and equity, and navigate climate risk. The building introduced a new waste management initiative in 2024 with a target of 80% waste diversion by 2025. Potential climate risks affecting the office location are considered in our business continuity and disaster recovery plans and hybrid work policy. We consider the following as having the largest contributions to Beutel Goodman's carbon footprint: power usage, paper usage, employee travel (business and commuting) and energy efficiency. Since the pandemic, our flexible work policy has led to a material reduction in our energy and paper usage. As an investment manager, we consider our greatest climate-related risks to be regulatory (impacts from the changing regulatory backdrop), reputational (greenwashing risk) and client-based (ensuring that client requests are accurately followed). The largest source of our Scope 3 GHG emissions is our investment portfolios.



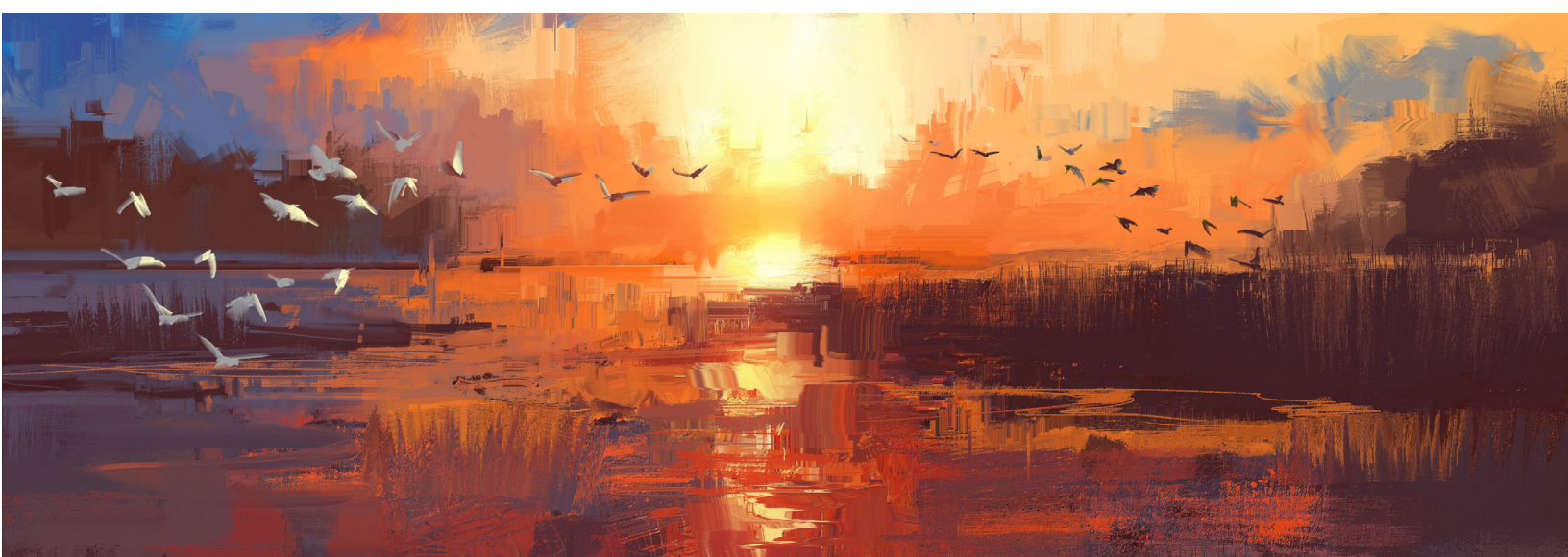
⁵Beutel Goodman, "ESG+ I – The Opportunity for Indigenous Financing", June 12, 2025. <https://www.beutelgoodman.com/esg-i-the-opportunity-for-indigenous-financing/>

⁶Beutel Goodman, "Proxy Voting Summary 2025", September 8, 2025. <https://www.beutelgoodman.com/proxy-voting-summary-2025/>

INDIGENOUS COMMUNITIES

For over 20 years, Beutel Goodman has been a trusted partner of Indigenous communities. We have worked directly with many Indigenous trustees to help communities better understand the investing principles that achieve the financial objectives of their trust portfolio. Our team recognizes that different communities have different needs, and we understand the importance of not only servicing the needs of today but also preparing for the generations to come.

The Truth & Reconciliation Commission of Canada's report lists 94 Calls to Action that government, educational institutions, regulating bodies, religious institutions and the business community can take "to redress the legacy of residential schools and advance the process of Canadian reconciliation" with Indigenous peoples, with Call to Action #92 setting out specific recommendations for the corporate sector.



At Beutel Goodman, we are dedicated to answering the call to action through a number of initiatives.

- Call to Action #92(i): Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior and informed consent of Indigenous peoples before proceeding with economic development projects.
 - o As founding members of the National Aboriginal Trust Officers Association (NATOA), we have contributed to Indigenous investment and trust management workshops as speakers and sponsors for many years.
 - o We have delivered education sessions to Chief, Council, Trustees and Members/Citizens on investment basics.
 - o We are corporate members of the Aboriginal Financial Officers Association of Canada (AFOA).
 - o In early 2024, we became a Partnership Accreditation in Indigenous Relations (PAIR) Committed company and started our journey of tracking and managing our Indigenous relations strategies. This represents our commitment to continual improvement in Indigenous relations and to working across cultures.

- Call to Action #92(ii): Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
 - o We are proud co-sponsors of an Aboriginal scholarship awarded each year to support Aboriginal students studying at the University of Toronto in the Faculty of Social Work.
 - o In 2025, we launched an Indigenous internship program and in May 2026, Beutel Goodman welcomed our second intern under the program. We are committed to helping Indigenous youth gain exposure to jobs, training and education as part of our commitment to the Truth and Reconciliation Commission of Canada Calls to Action.
- Call to Action #92(iii): Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal-Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights and anti-racism.
 - o As part of our response to Call to Action #92(iii), Beutel Goodman has begun an educational journey. In 2021, our employee-led Social Committee embarked on a multi-year initiative to help educate Beutel Goodman employees about Indigenous history as well as the impact of colonialism and the residential school system.
 - o In 2025, we hosted a fireside chat with Clint Davis, CEO and Misko McGregor, Debt Capital Markets of Cedar Leaf Capital. Cedar Leaf is Canada's first and only majority Indigenous owned and operated investment dealer. We were the first institutional client onboarded with Cedar Leaf.
 - o In addition, we have a long-standing relationship with the Native Canadian Centre of Toronto and we have participated in Indigenous cultural awareness seminars as well as many First Nations ceremonies.
 - o Other engagements include the Certificates of Achievement for participating in the Indigenous Awareness and Reconciliation Dialogue for Leaders, and participation in the Responsible Investment Association Reconciliation Dialogue Workshop.



DIVERSITY, EQUITY AND INCLUSION

We aim to create a safe, inclusive workplace for all our staff and believe diversity, equity and inclusion (DEI) is a key factor in our success. Our goal is for diversity to be reflected and our workplace to be inclusive, so that all employees can be themselves and feel welcome and accepted.

We currently have several policies and programs that foster DEI, both at the hiring stage and during our employees' tenure, including our Health & Safety policy and program, our accessibility policy, our pregnancy and parental leave policy, as well as our training and development Human Resources policy.

With the adoption of our DEI Policy, we also initiated mandatory company-wide DEI training for all employees starting in 2025 including sessions: An Introduction to DEI in the Workplace and Disrupting Our Unconscious Bias Training. Additionally, we have an Internal Rotation Program, which is designed to provide a path for existing employees to gain experience with a variety of teams at Beutel Goodman and to learn the practical skills required to accelerate their careers.

In 2020, we launched the Beutel Goodman Female Mentorship Program, to help provide opportunities for female employees to gain meaningful career and life advice from experienced staff members. The popularity of the initiative led to an expansion to a firmwide Beutel Goodman mentorship program in 2024 as well as a rebranded Beutel Goodman Women's Network that will continue to nurture a supportive community among female staff and provide a safe space for meaningful connections.

In 2022, we became a Silver Sponsor of Women Investment Professionals, an organization that provides a forum for networking and professional development for women involved in institutional investing, including plan sponsors, investment managers, consultants, accountants and attorneys.

In 2023, we adopted the CFA Institute DEI Code for Investment Professionals in the U.S. and Canada, which provides investment industry organizations with an action-oriented and principles-based framework to drive measurable and meaningful change concerning DEI within their own organizations. As of September 2025, this has been rebranded to CFA Institute Inclusion Code (Canada).⁷

BEUTEL GOODMAN CHARITABLE FOUNDATION

Beutel Goodman continues to support the Beutel Goodman Charitable Foundation. In 2025, the Foundation funded 12 registered charities in support of youth achievement and mental wellness.



⁷CFA Institute, "Inclusion Code". <https://rpc.cfainstitute.org/codes-and-standards/inclusion-code>

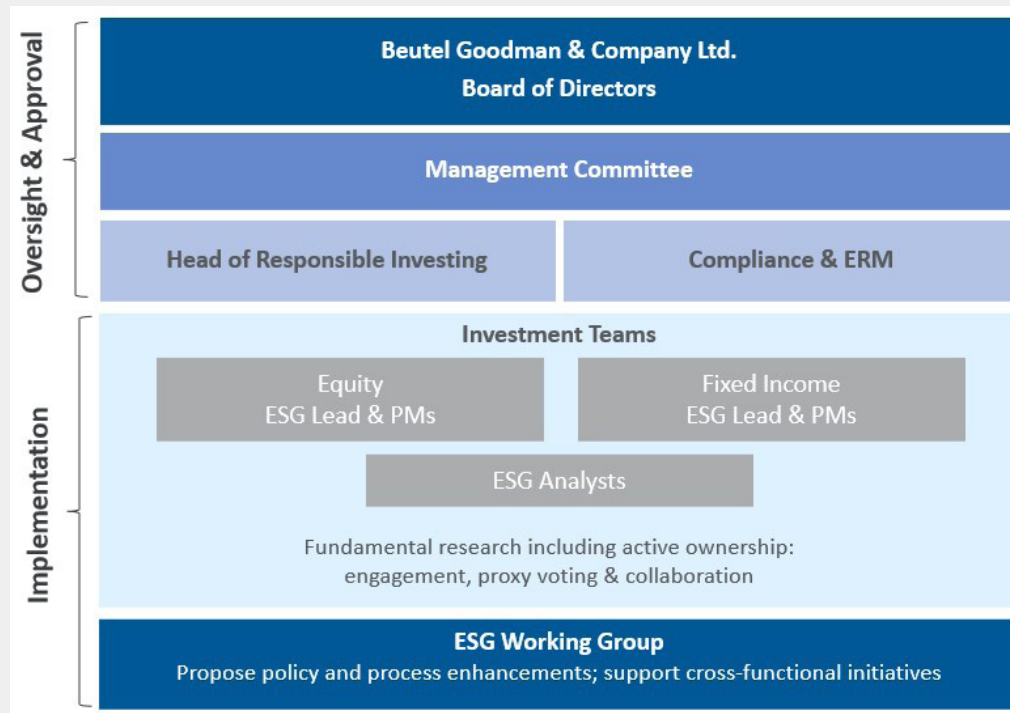


RESPONSIBLE INVESTING OVERSIGHT

GOVERNANCE STRUCTURE

Beutel Goodman's governance structure for responsible investing oversight is shown below in the Exhibit, outlining the roles and responsibilities that guide our firmwide approach.

Exhibit 1. Beutel Goodman Governance Structure for Responsible Investing Oversight



Source: Beutel, Goodman & Company Ltd.

We believe our clearly defined responsible investing responsibilities enhance the way we operate and service our clients as part of our overall investment approach:

- The **Management Committee** of Beutel Goodman, a key decision-making body of our company, oversees our responsible investing and climate approach, including review and approval of our climate-related framework, responsible investing policies and reports, PRI reporting and climate reporting, as well as climate-related initiatives/collaborations.
- The **Head of Responsible Investing** is accountable for Beutel Goodman's responsible investing governance and the consistent application of our responsible investing approach firmwide, which includes all climate-related activities. The Head of Responsible Investing reports directly to the Management Committee.
- At the firm level, ESG or sustainability risks are monitored by our **VP, Enterprise Risk Management (ERM)** and encompass oversight of our responsible investing and climate approach, commitments and reporting requirements for our climate-related pledges, assurance over our internal process, and providing periodic reporting to the Management Committee.

- Beutel Goodman's **Chief Compliance Officer (CCO)** provides leadership for monitoring, assessing and communicating ESG and climate-related regulatory compliance requirements, while overseeing overall firm compliance. The CCO reports directly to the Management Committee.
- The **Portfolio Managers (PMs)/Analysts** are responsible for all security-level decisions and using the Beutel Goodman ESG framework in their analytical processes and corporate engagement activities, as applicable. The PMs/analysts consider all material factors that may impact investment recommendations, including climate-related factors. The investment team's responsible investing activities, including engagement and proxy voting, are reported on a quarterly basis to the firm's Management Committee.
- **ESG Leads, equity PMs and fixed income PMs** have the responsibility for defining RI policy and procedures, which includes climate-related activities and spearheading the implementation and coordination of our sustainability- and climate-related investment activities, in addition to considering future responsible investing initiatives.
- **ESG Analysts** are responsible for producing, reporting and managing our data sources, and providing general support for our sustainability- and climate-related activities.
- Our **ESG Working Group**, composed of members of our equity and fixed income investment teams and representatives of our various client channels, meets regularly to discuss opportunities for future responsible investing initiatives, as well as to provide updates and feedback.



RISK MANAGEMENT

Beutel Goodman has Enterprise Risk Management (ERM) structures and processes in place to identify, assess and manage risks, including setting appropriate governance structures and accountabilities. Our investment-related risks include market, credit and liquidity risk. We are also exposed to non-investment risks, such as strategic, financial, legal and compliance, investment, operational, cybersecurity and data privacy risks. We have incorporated environmental-related risks and opportunities in our overall risk management framework and approach. We consider climate-related risks as part of our investment, strategic, reputational and operational risk categories.

Exhibit 2. Beutel Goodman's Climate-related Risks

Risk Category	Climate-Related Risks	Actions
Investment Risk	Adverse climate events, transition and/ or related operational and reputational risks impacting the valuations of portfolio companies	We incorporate climate considerations as part of our disciplined fundamental research investment process.
Strategic Risk	Inability to meet evolving client expectations around climate-related risks	We work with clients and industry groups to understand climate and industry developments. We employ a thoughtful approach in meeting client needs and expectations in line with our disciplined value investing principles.
Reputational Risk	Negative perception around our approach to climate-related risks	We strive toward open and transparent communication of our investment approach and business practices related to climate risks via ongoing reporting and industry participation (e.g., PRI)
Operational Risk	- Rapid change and increased regulatory and industry expectations around compliance and disclosure. - Increased risk of regulatory enforcement and/or legal actions - Adverse climate events and/or transition risks impacting our operations	- We actively monitor regulatory changes and evolving industry expectations. - We have implemented robust business continuity and disaster preparedness processes, and are committed to proactive risk management and continual improvement to manage climate-related risks.

Our portfolio managers, analysts, ESG Leads, ESG Working Group and the Head of Responsible Investing form the first line of defence and are primarily accountable for identifying, assessing and managing climate-related risks in our portfolios. Compliance, Legal and ERM serve as the second and third lines of defence and are responsible for oversight. Compliance, Legal and ERM are independent from the first line and report directly to the firm's Management Committee. Management monitors climate risks as part of ongoing management reporting.

Exhibit 3. Climate-related Risk Lines of Defence

Our risk process for climate-related risks is described below in Exhibit 4.

Exhibit 4. Climate-related Risk Process

Identify	- Stewardship is the cornerstone of our climate integration efforts. We directly engage with our portfolio companies, and we thoughtfully vote our proxies to understand risks in portfolio companies and support long-term financial outcomes for investors. - For the companies that are most exposed to climate-related risks, engagements are often focused on the credibility of a transition plan, target setting, disclosure and the robustness of climate strategies. - We track our engagements and outcomes of those engagements. Our engagements are audited annually by our risk management team.
Assess	- PMs assess the climate-related risks that have been identified and determine the level of materiality for each investment. In determining the level of materiality, applicable physical and transition risks are considered (e.g., location of assets, stranded asset risk, regulatory jurisdiction). - PMs consider various metrics such as Morgan Stanley Capital International (MSCI)'s Climate VaR, Weighted Average Carbon Intensity and Implied Temperature Rise to assess the level of climate-related risk exposure within each portfolio company, as well as at the portfolio level.

Respond	• Stewardship is the cornerstone of our climate integration efforts. We directly engage with our portfolio companies, and we thoughtfully vote our proxies to understand risks in portfolio companies and support long-term financial outcomes for investors. • For the companies that are most exposed to climate-related risks, engagements are often focused on the credibility of a transition plan, target setting, disclosure and the robustness of climate strategies. • We track our engagements and outcomes of those engagements. Our engagements are audited annually by our risk management team.
Monitor and Report	• ESG fact sheets are produced as part of the fundamental research process at the time of investment initiation and generally updated annually for each company across both fixed income and equity portfolios. These sheets highlight and track the material performance indicators we have deemed important and are categorized by environmental, social and governance factors, including climate considerations and data. • ESG summary reports are generated on a quarterly basis using MSCI to track the carbon footprint and GHG intensity of the portfolios compared to the applicable benchmark. • Responsible investing reports are produced quarterly and annually, highlighting our responsible investment-related activities, including engagements and proxy voting. • Investment teams discuss areas of material risk on a company-by-company basis during quarterly ESG review meetings with PMs and the respective ESG Lead. • Management monitors relevant climate risks and commitments as a standing item in the quarterly management reporting package.



RESPONSIBLE INVESTING INTEGRATION

INTEGRATION IN THE INVESTMENT PROCESS

We align our ESG integration approach with the industry-standard framework set out in the PRI and CFA Institute's Guidance and Case Studies for ESG Integration: Equities and Fixed Income.⁸ This report defines ESG integration as "the explicit and systematic inclusion of ESG factors in investment analysis and investment decisions" and outlines three core components: research, security and portfolio analysis, and investment decision-making. These components guide our process.

As a value manager, our primary objective is to deliver superior long-term, risk-adjusted returns for our clients. We pursue this through ownership of high-quality companies with strong fundamentals, many of which are reinforced by sound responsible investing practices. Sustainability factors, including climate-related risks and opportunities, can materially influence a company's long-term financial sustainability and are therefore embedded in our investment processes across both equity and fixed income, building around the three core components:

1. Research:

- Information Gathering: gather financial and sustainability information from multiple sources, such as company reports and third-party investment research.
- Materiality analysis: analyze relevant financial and sustainability information to identify material financial and sustainability factors affecting a company, sector, and/or country.
- Stewardship assessment: discuss material traditional financial and sustainability factors with companies/issuers and monitor the outcome of engagement and/or voting activities.

2. Security and portfolio analysis: assess the impact of material financial and sustainability factors on the corporate and investment performance of a company, sector, country, and/or portfolio. This can lead to adjustments to their forecasted financials, valuation-model variables, valuation multiples, forecasted financial ratios, internal credit assessments and/or portfolio.

3. Investment decision: the material traditional financial factors and sustainability factors identified and assessed influence a decision to either buy/increase weighting, hold/maintain weighting, sell/decrease weighting or do nothing/not invest.

Stewardship

Stewardship is the responsible allocation, management and oversight of capital to create long-term sustainable value.⁹ It is an essential part of our ESG integration process and reinforces each of the three core components above. We aim to engage with all portfolio companies at least annually across both equity and fixed income. Engagement may be proactive, focusing on how companies manage sustainability factors relevant to long-term value, or reactive, addressing controversies as they arise. Prioritization considers factors such as holding size, risk ratings, severity of controversies and disclosure quality.

⁸CFA Institute, "Guidance and Case Studies for ESG Integration: Equities and Fixed Income", 2018. <https://www.cfainstitute.org/sites/default/files/-/media/documents/survey/guidance-case-studies-esg-integration.pdf>

⁹Financial Reporting Council (FRC), "UK Stewardship Code 2026", June 2025. https://www.frc.org.uk/documents/8364/UK_Stewardship-Code_2026.pdf

Our engagement approach typically begins with discussions between portfolio managers and company management, with escalation to sustainability leads or the board when appropriate. We also participate in collaborative initiatives where collective influence can enhance outcomes. This includes our role as a founding member of Climate Engagement Canada and our participation as a Collaborating Investor in Climate Action 100+, as outlined in the [section above](#).

Proxy voting is another key mechanism for implementing stewardship. We use a third-party service provider and consider their recommendations. All voting decisions are made independently and are informed by our own research and our direct engagement with companies. Details on our proxy-voting approach are provided in the section below.

Resources

Throughout the process, we use standardized ESG fact sheets across both equity and fixed income to ensure that material sustainability issues are consistently incorporated into research and valuation work. These fact sheets capture financially material sustainability risks and opportunities, track controversies, summarize engagement priorities and outcomes, and support ongoing monitoring.

We monitor sustainability-related developments through regular discussions within the investment teams, as well as ad-hoc updates when material issues arise. This includes staying informed on rating changes, controversies, climate-related risks, human rights issues and emerging regulatory developments. We also maintain a priority engagement list and keep track of evolving ESG regulations to help identify companies that may require more focused stewardship.

In addition to our internal tools, we draw on a range of external resources to support ESG integration and stewardship activities. These include independent proxy voting research, ESG ratings and controversy monitoring, climate-risk analytics and sector-specific insights from market and industry research providers. These resources help us identify material sustainability issues, monitor developments in real time and inform both our engagement activities and our investment decision-making. All final assessments and decisions remain grounded in our own independent analysis.

Together, these practices ensure that responsible investing considerations are systematically integrated into our investment process, and that stewardship strengthens our research, analysis and decision-making.

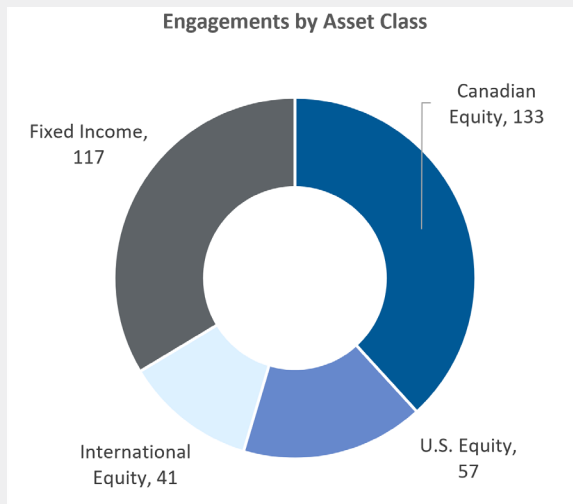


ENGAGEMENT AND PROXY VOTING

Engagement

We actively engage with company management and boards on issues, including sustainability issues, through direct dialogue. In 2025, our investment teams conducted 348 engagements that included sustainability-related discussions with the management and/or boards of portfolio companies. These meetings were 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.

Exhibit 5. Engagements by Asset Class

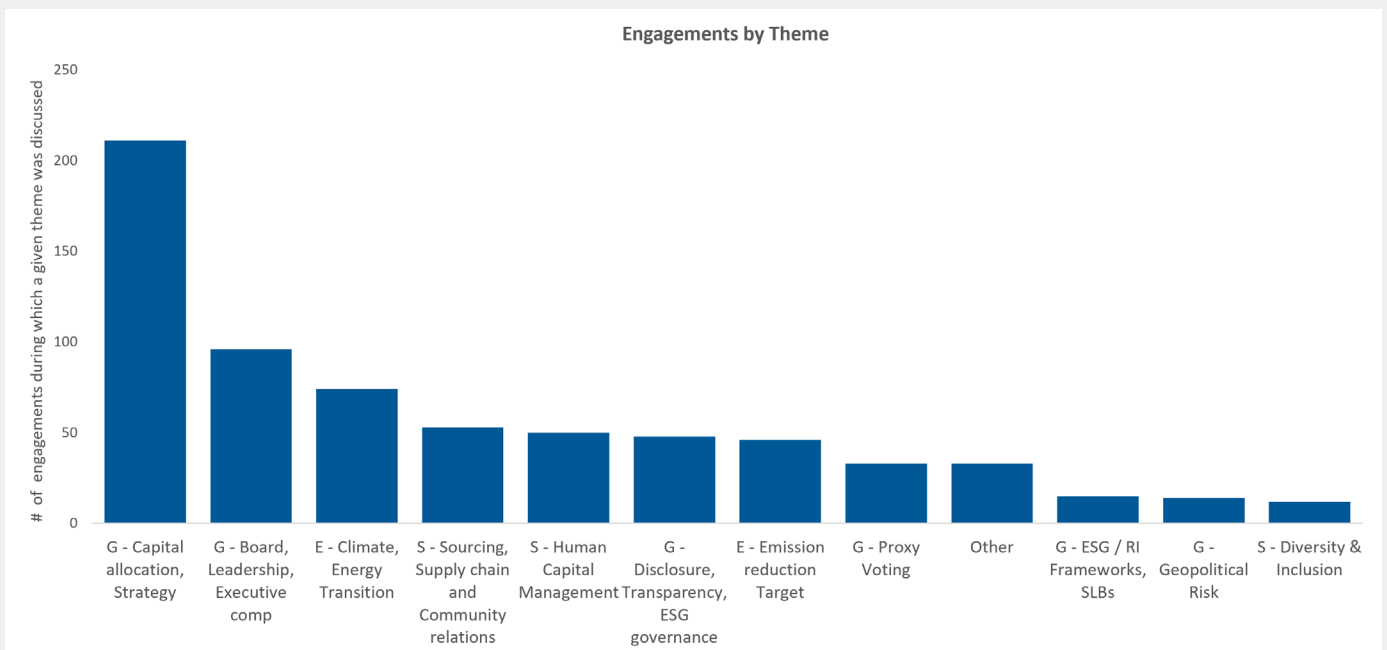


An overview of 2025 engagement statistics broken down by asset class is included in [Appendices A, B, C, and D](#).

Our investment teams focused on several engagement themes in 2025, as shown in the chart below.

Source: Beutel, Goodman & Company Ltd.

Exhibit 6. Engagements by Theme

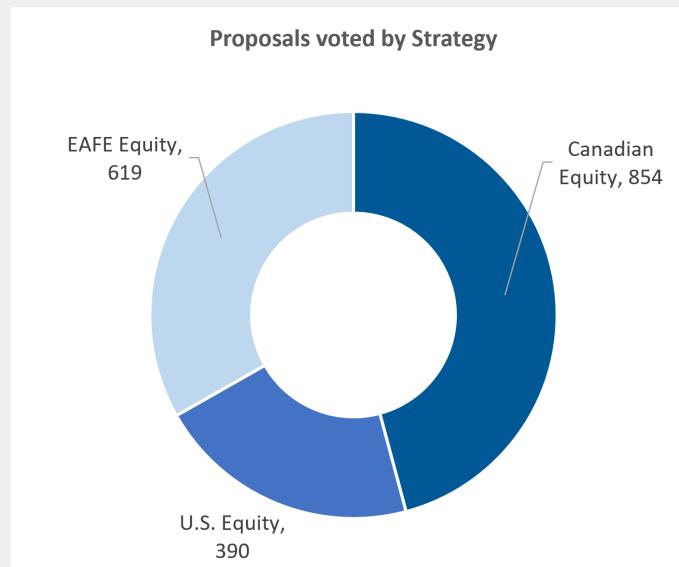


Source: Beutel, Goodman & Company Ltd.

Proxy Voting

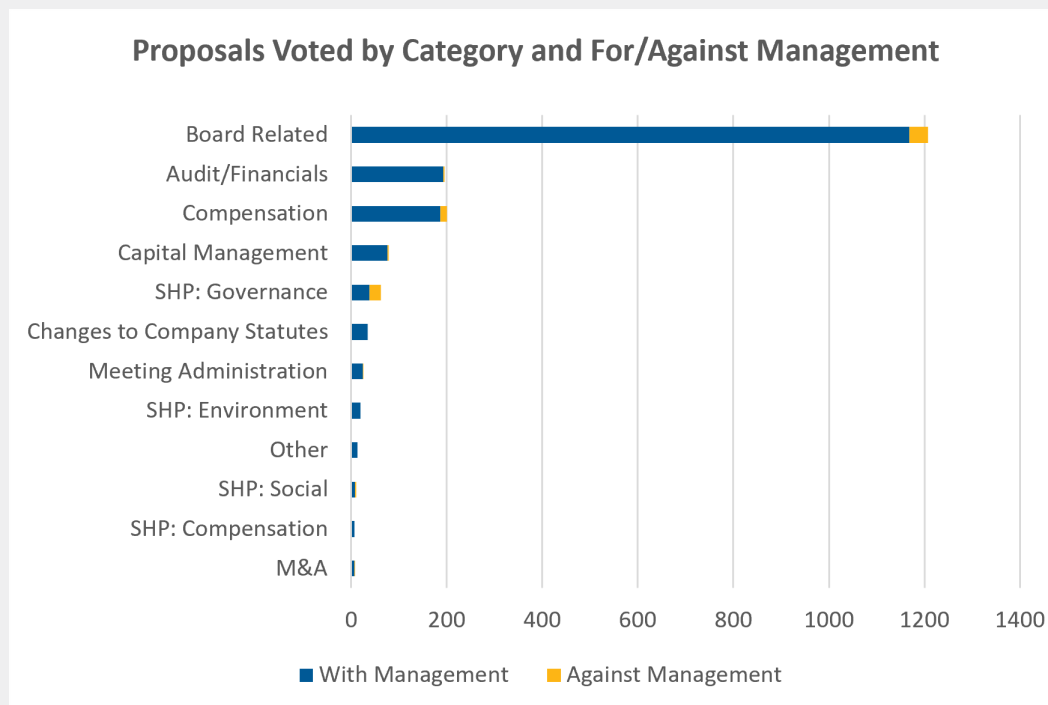
The proxy voting statistics below have been aggregated for all accounts managed on a discretionary basis by Beutel Goodman across all strategies. An overview of 2025 proxy voting statistics for our various flagship funds are included in [Appendices A, B, and C](#).

Exhibit 7. Proposals Voted by Strategy



Source: Glass Lewis, Beutel, Goodman & Company Ltd

Exhibit 8. Proposals Voted by Category and For*/Against Management



*Management did not provide recommendations for four proposals; in those cases, the votes were classified as votes with management. Source: Glass Lewis, Beutel, Goodman & Company Ltd.

OUR ENVIRONMENTAL APPROACH

Climate Change Strategy

Climate change can create financial risks and opportunities for companies. We consider these factors, when financially material, across our investment process for both equity and fixed income portfolios. Our approach follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)¹⁰ now incorporated in the International Sustainability Standards Board's Climate-related Disclosure Standard S2 and the Canadian Sustainability Disclosure Standard CSDS2¹¹. Climate risks are classified into two main categories: physical risks and transition risks. As long-term investors, understanding how these risks may affect a company's value over the short, medium and long term is an important part of our research and decision making.

Physical Risks

Physical risks can be acute or chronic. Acute risks are event-driven, such as wildfires, floods, hurricanes or other extreme weather events. Chronic risks develop over time, including rising sea levels, sustained higher temperatures or changing precipitation patterns. These risks can affect companies through higher operating costs, property damage, supply chain disruptions and other long-term pressures.

The table below outlines examples of how physical risks may affect companies across different time horizons.

Short-Term	Medium-Term	Long-Term
Increased Operating Costs for Adaptation	Supply Chain Disruptions	Difficulty in Accessing Capital Markets
Increasing Insurance Costs	Impairments and Writedowns	Food Security
Property Damage	Loss of Market Share	Mass Migration
Operational Disruption	Credit Rating Actions	Water Scarcity
Volatility in Commodity Prices	Loss of Insurance Coverage	Change in Consumer Patterns
Change in Electricity Patterns	Health and Safety of Employees	New Transportation Routes
	Loss of Productivity	
	Increase in Environmental Reclamation Costs	
	Inflation	

¹⁰Task Force on Climate-related Financial Disclosures, "Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures", June 2017. <https://assets.bbhub.io/company/sites/60/2021/10/FINAL-2017-TCFD-Report.pdf>

¹¹CSSB, "Proposed Canadian Sustainability Disclosure Standard (CSDS) 2: Climate-related Disclosures". <https://www.frascanada.ca/en/sustainability/documents/cssb-ed-csds-2>

For fixed income, we also consider how climate-related spending may affect sovereign issuers. Investments in climate adaptation or disaster relief can increase government debt levels and may influence credit ratings.

Transition Risks

Transition risks arise as the global economy moves toward lower carbon energy sources and technologies. These risks may include:

- Policy and regulation, such as carbon pricing or emissions standards
- Technology changes, which may increase capital costs or make older products less competitive
- Litigation and liability, particularly for sectors exposed to climate-related claims
- Reputation risks, including concerns about greenwashing or the broader political debate around climate issues

We monitor these developments, when financially material to the companies, as part of our fundamental research and consider how they may affect a company's value.

Climate-related risks and opportunities are incorporated directly into our investment research. Our ESG fact sheets are the main tool we use to capture climate-related information for each company, including emissions data, transition plans and physical risk exposure. This helps us identify companies that may be more exposed to risks such as extreme heat or coastal flooding. In addition, we assess carbon emissions, track climate commitments and compare companies with their peers.

At the portfolio level, we maintain an internal tracker to monitor our equity and fixed income holdings' decarbonization commitments and progress. We also prepare regular portfolio summary reports that track carbon footprints, fossil fuel exposure, transition opportunities and physical climate risks.

Through engagement and proxy voting, we encourage companies to manage climate-related risks in a responsible and effective way. We discuss climate strategy, emissions targets, governance oversight and risk management with company leadership. We also participate in industry initiatives, including Climate Action 100+ and Climate Engagement Canada, to support collective engagement on climate topics, as outlined in the [section above](#). When appropriate, we use our voting rights to support proposals that we believe will help protect long-term value.



Climate and Nature-related Opportunities

We consider climate and nature-related opportunities as part of our investment process. Efforts to mitigate and adapt to climate change and resources conservation can create opportunities for companies through improved resource efficiency, cost savings, access to new markets and the ability to meet evolving customer and regulatory expectations. These opportunities can also help companies strengthen their supply chains and build long-term resilience. The types of opportunities available will vary by region, market and industry.

We assess climate and nature-related opportunities when they are relevant and financially material to a sector or company. Areas we consider include, but are not limited to:

- Alternative energy — renewable power generation and supporting technologies
- Energy efficiency — products and processes that reduce energy use and operating costs
- Circular economy — waste reduction, recycling and resource-efficient business models
- Sustainable water — technologies and practices that improve water use and quality
- Sustainable agriculture — solutions that reduce emissions and improve land and resource management
- Green buildings — construction standards and materials that lower emissions
- Clean transportation — electrification, low-carbon fuels and related infrastructure
- Climate adaptation and resilience — tools and services that help companies manage physical climate risks

We have also launched several sustainable strategies for our discretionary managed clients, including the BG Sustainable Bond Fund and a U.S. Sustainable Bond strategy. While these strategies are not solely focused on climate, climate considerations form a part of the investment criteria. For more details, please refer to the [section below](#).

We also keep track of the green revenue and capex metric of our portfolio. For more details, please refer to the [section below](#).

Energy Transition

When assessing a company's carbon footprint, we do not exclude companies that are not aligned to net-zero GHG emissions by 2050. We believe that the path to net zero is bumpy and that success will likely be dependent on technologies that have yet to be discovered

or are not commercially viable currently, especially for harder to abate industries. We regularly engage with our companies on numerous climate-related matters relevant to long-term value, including energy transition and new technologies, such as carbon capture and storage, small modular nuclear reactors, renewable power, hydrogen blending and biofuels.

Driving behavioural change among consumers away from fossil fuel usage (e.g. internal combustion engine vehicles) and toward cleaner alternative energy sources will be a gradual process, requiring government policy and incentives. In the longer term, as we approach 2050 and beyond, we believe that the demand for crude oil will significantly decrease. We also believe that natural gas plays a significant role as a transition fuel, mainly as a source of baseload power generation. Electrification is a long and likely costly journey; in the interim, natural gas will likely still be required as a fuel source for heating and cooling. We also believe that the path to decarbonization includes many sources of clean power, including nuclear.

Presently, we investigate how companies are working to lower their carbon footprint and avoid stranded asset risk. As investors, we focus on the risks and opportunities for our investments from the energy transition. On the negative side, there is a risk of stranded assets as the world transitions to cleaner sources of energy. On the opportunities side, the focus is on producing cleaner products and embracing new technologies. Simply focusing on companies that have a low carbon footprint or avoiding high-emissions sectors will not achieve global decarbonization. We believe in the need to partner with the energy sector as investors and through engagement to keep the focus on the risks and opportunities of climate change, which is consistent with seeking to achieve long-term financial sustainability of our investments for our clients.

Canada has an abundance of hydroelectricity opportunities and fresh water. Canada has a chance to lead on several energy transition fronts, including LNG, small modular nuclear reactors, green grids and producing a cleaner barrel of oil with the use of carbon capture and storage technology.

An important factor in risk reduction and the transition to a low-carbon economy is seeking a just transition. A just transition is broadly defined as ensuring that no one is left behind or pushed behind in the transition to low-carbon and environmentally sustainable economies. This includes ensuring social issues such as workers' health and safety are not compromised in the pursuit of climate-related targets. For Canada, this includes the rights and interests of Indigenous

Peoples. On its path of decarbonization, Canada needs to consider how to obtain a social license from Indigenous communities whose lands and waters may be impacted by project development which include consultation, and separately, economic reconciliation.

The United Nations Declaration on the Rights of Indigenous Peoples adopted by the Government of Canada in 2021 spells out a set of rules for business engagement anchored in Free, Prior and Informed Consent, designed to ensure that there is effective and meaningful participation of Indigenous Peoples in proposed projects and decisions that impact their communities and territories. We support an inclusive agenda that will engage affected Indigenous communities to seek a just transition.



Climate Change Engagement Case Study

Fixed Income Engagement Example: Cenovus

Key topics discussed:

- We spoke with **the Chief Financial Officer**
- **[E] Public Policy** – Stall in discussions with Government on carbon price and incentives.
- **[E] Disclosure** – Due to Bill C-59, carbon footprint metrics and GHG emissions reduction targets are no longer disclosed. Published a CSR report for 2024 with no climate-related data.
- **[E] Decarbonization Plans** – Although no disclosure, Cenovus remains committed to its decarbonization plan with a near-term focus on methane reductions. The company is one of five Canadian oil and gas companies committed to environmental innovation, including carbon utilization and storage (CUS).
- **[E] Capital Allocation** – Resistance from some investors on transition capital expenditures due to uncertainty over whether a premium will be paid for a “cleaner” barrel of oil.

Our Engagement Priorities

- Physical risk
- Disclosure
- Decarbonization path
- Safety record
- Pathways Alliance and CUS
- Public Policy

Our ESG Assessment

	Positive	Negative
E	Remains committed to the work of the Pathways Alliance	Climate-related disclosure removed due to Bill C-59
S	Strong safety record	Gender diversity in the workforce
G	ESG goals are linked to executive compensation	Management of carbon emissions

Source: Beutel Goodman; summary provided for illustrative purposes only, and does not constitute investment advice or an offer to buy or sell a security. Past performance is no guarantee of future results.

Climate Metrics

We use several metrics to measure the climate-related risks of our investments:

- Economic emissions intensity
- Weighted Average Carbon Intensity (WACI)
- Green revenue

These metrics are a tool to measure climate-related risks and opportunities in our investment portfolios. The analysis helps us assess a company’s decarbonization progress, carbon intensity and clean technology opportunities and their impact on long-term value. We also use these metrics to inform our engagements. Companies with the largest WACI and emissions intensity are targeted for priority engagements due to the elevated risks and opportunities to the companies’ long-term financial sustainability.

While the metrics we employ allow us to compare the companies we invest in, we recognize that metrics present challenges. The primary issue is with the data itself. While improving, disclosure of climate-related data is still disparate. Despite the increase in disclosure, gaps and uncertainty in data remain, especially around Scope 3 disclosure. The lack of historical emissions data is also a problem as it makes measuring progress and comparability a challenge. This problem has been compounded as some energy companies have removed disclosure after the passing of Bill C-59.

Aggregating a portfolio-level carbon footprint may not always be possible, especially in fixed income. Standalone debt issuers tend to lag in comparison to their equity-issuing peers in terms of disclosure. Additionally, some data services may link an operating company's emissions data (if not disclosed separately, which is not often the case) to the holding company's emissions data. This generally overstates the operating company's carbon footprint and risks double counting if an investment portfolio owns both the holding company and operating company debt.

There are also some challenges with sovereign GHG emissions data when trying to capture the carbon footprint of a fixed income portfolio. For example, when measuring intensity, corporates tend to use revenue or enterprise value. Applying the same denominator to sovereigns does not make sense as government revenue is not as straightforward and cross-comparable as corporate revenue and governments do not have equity with which to calculate an enterprise value. Typically, a sovereign's intensity is typically based on GDP or Purchasing Power Parity-adjusted GDP, which makes calculating the carbon footprint for an entire fixed income portfolio impossible. We therefore report two different carbon footprints for our fixed income portfolios: one for the sovereign holdings and one for the corporate holdings.

Scope 3 emissions are problematic due to issues of comparability, coverage, transparency and reliability. Scope 3 emissions are not widely reported and estimates vary significantly. Another problem is the double counting of emissions. One company's Scope 3 emissions can overlap with another's Scope 1 emissions. For example, the Scope 1 emissions of a power generator are the Scope 2 emissions of an electrical appliance user, which are in turn the Scope 3 emissions of both the appliance manufacturer and the appliance retailer. Categories can also be double counted within Scope 3; for example, when two companies account for third-party transportation of goods between them. However, even with these issues, Scope 3 is relevant as for some companies, the vast majority of their carbon footprint is Scope 3.

Economic Emissions Intensity

Economic emissions intensity is a climate impact indicator defined as the absolute emissions associated with investments normalized for the total size of assets under management. This is the calculation recommended by the Partnership for Carbon Accounting Financials (PCAF). Economic emissions intensity helps investors understand the climate impact of the organization's investment activities. It also helps to demonstrate how the emission intensities of different portfolios (or benchmarks) compared to each other per monetary unit. We note that MSCI refers to the economic emissions intensity metric as financed emissions intensity. At present, the emissions used in this calculation reflect Scope 1 and 2 emissions only, as consistent and comparable Scope 3 data remain limited.

$$\text{Economic emission intensity} = \sum_i \frac{\frac{\text{Outstanding amount}}{\text{Investee company's EVIC}_i} \times \text{Investee company's emissions}_i}{\text{Total outstanding amount or assets under management (AUM)}}$$

Source: Partnership for Carbon Accounting Financials

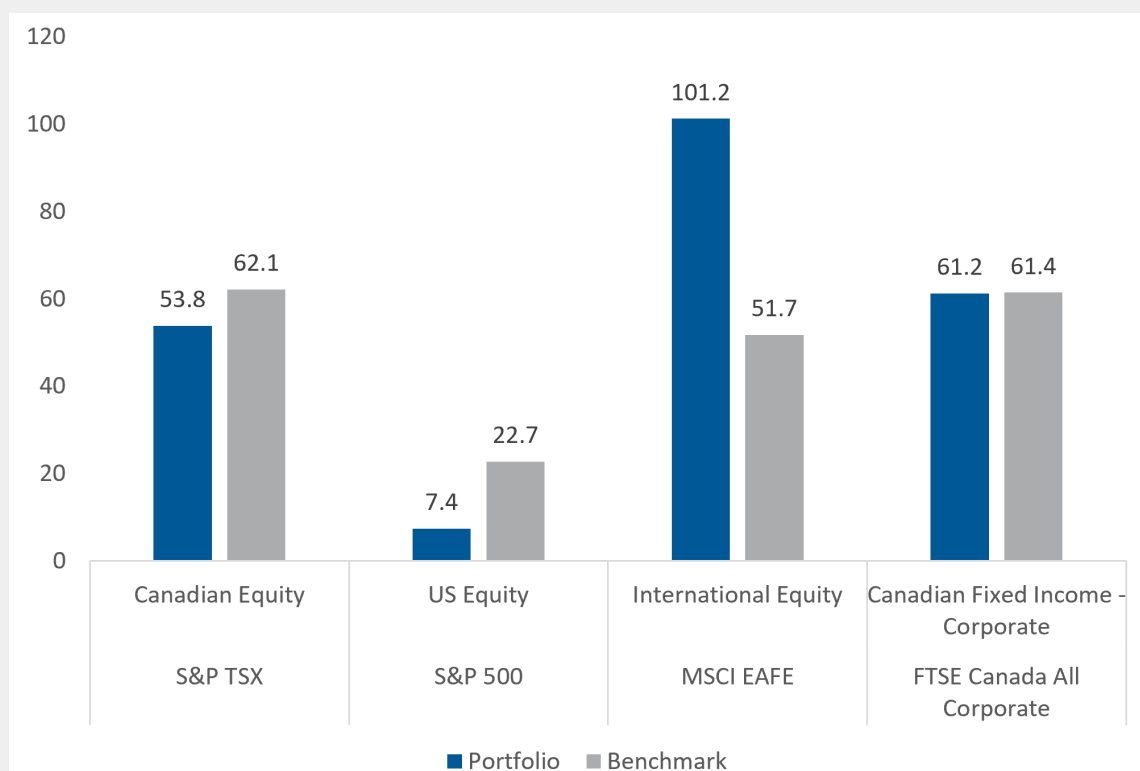
Note: Enterprise value including cash (EVIC) is defined as the sum of the market capitalization of ordinary shares at fiscal year end, the market capitalization of preferred shares at fiscal year-end, and the book values of total debt and minority interests. No deductions of cash or cash equivalents are made to avoid the possibility of negative enterprise values.¹²

¹²The Global GHG Accounting and Reporting for the Financial Industry, Partnership for Carbon Accounting Financials (November 2020)

A challenge when using this metric is that it does not consider climate scenarios, company targets, low carbon opportunities or sustainable finance. In addition, changes in underlying companies' market capitalization can be misinterpreted, as market movements can create significant changes in the footprint measure that are unrelated to actions to reduce emissions. This challenge applies to all metrics that use EVIC in their calculations.

Sovereign fixed income is excluded from our financed emissions calculations, as government entities lack the equity structures required to calculate EVIC.

Exhibit 9. Economic Emissions Intensity (Scope 1 and 2 in tons CO₂e / million US\$ invested) by Beutel Goodman's Asset Classes Versus Their Benchmarks



Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025.

Weighted Average Carbon Intensity

WACI is a climate risk indicator used to measure a portfolio's exposure to carbon-intensive companies, expressed in metric tons of CO₂e/ million US\$ per revenue.

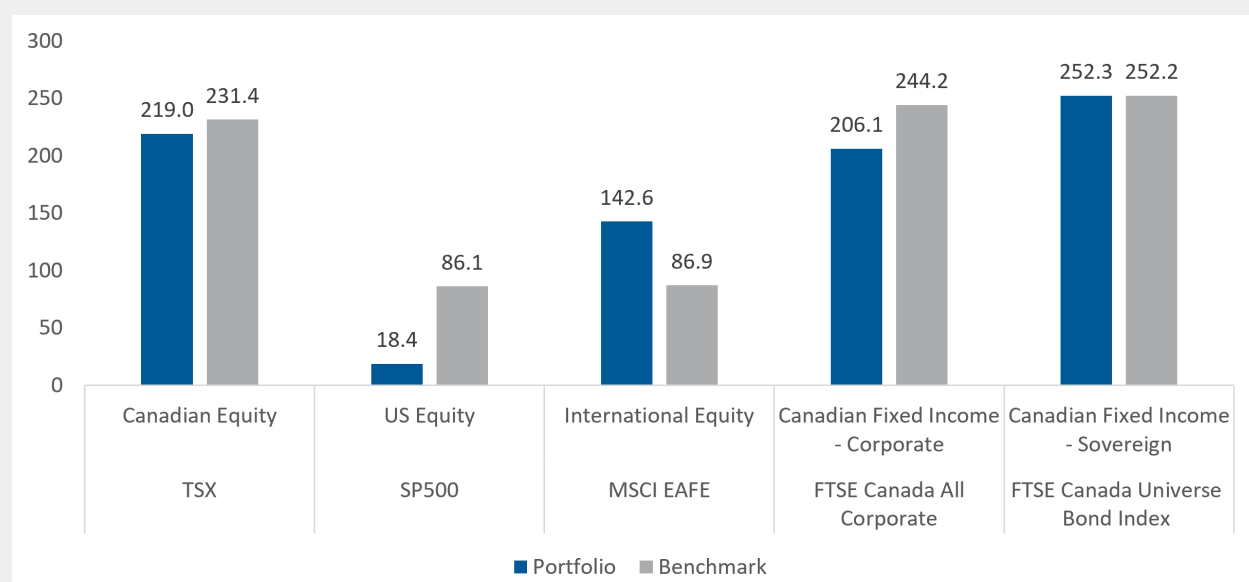
$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current portfolio value}} \times \frac{\text{issuer's Scope 1 and Scope 2 GHG emissions}_i}{\text{issuer's \$M revenue}_i} \right)$$

Source: MSCI

This metric normalizes for size and allows for comparability not only across portfolios, but also against benchmarks. It also helps to mitigate any significant changes in absolute GHG emissions due to a company's strategy (e.g., merger, acquisition, divestiture). While this metric is fairly simple to calculate and communicate, it is a point-in-time measure and therefore is sensitive to end dates and does not take into account any of the company's future actions to reduce its carbon footprint. In addition, WACI does not capture the investor's responsibility for GHG emissions like the economic emissions intensity metric does. On a company-by-company basis, this metric is useful for identifying companies with a large carbon footprint that may be exposed to potential stranded asset risk.

Please note that for sovereign fixed income, we apply a different numerator and denominator than for equities and corporate fixed income. The numerator reflects Scope 1 greenhouse gas emissions (tons CO₂e), excluding emissions and removals from land use, land use change and forestry (LULUCF) to focus on economic activities. The denominator uses purchasing power parity (PPP)-adjusted GDP to enable better comparability across regions. The sovereign WACI (weighted average carbon intensity) shown below covers our Canadian sovereign fixed income holdings—Government of Canada, provincial and municipal issuers. Benchmark figures reflect the same sovereign subset of the FTSE Canada Universe Bond Index, excluding supranationals, agencies, pensions and other non-sovereign entities.

Exhibit 10. WACI (Scope 1 and 2 in tons CO₂e / million US\$ revenue)¹³ by Beutel Goodman's Asset Classes Versus Their Benchmarks



Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025.

¹³For sovereign fixed income and the corresponding benchmark, carbon intensity is measured as Scope 1 tons CO₂e per unit of PPP-adjusted GDP. The sovereign universe for both the portfolio and benchmark includes Government of Canada, provincial, and municipal issuers, and excludes supranationals, agencies, pensions and other non-sovereign entities.

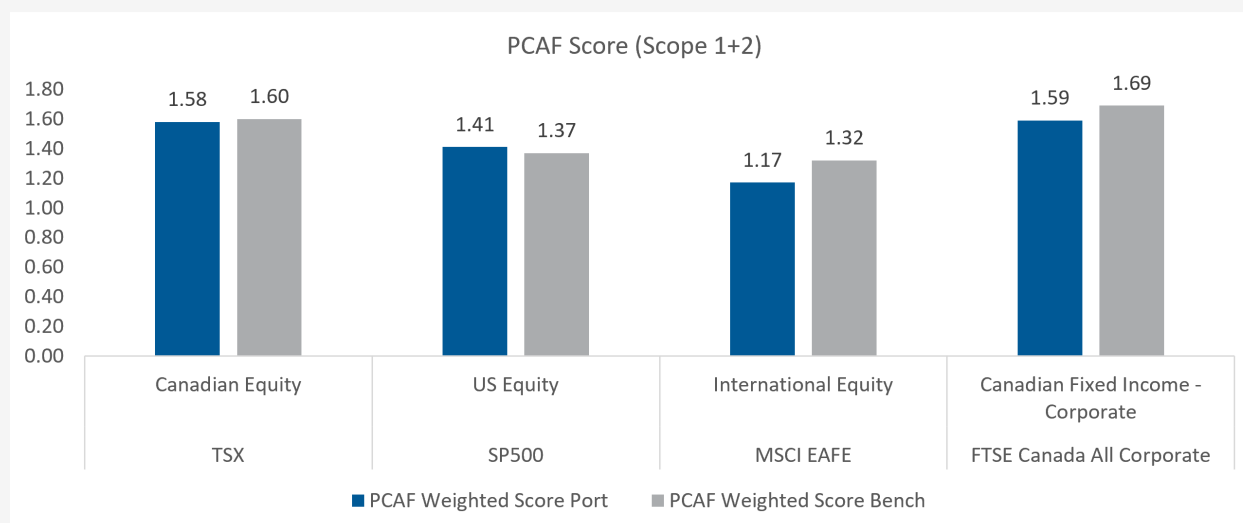


Emissions Data Quality and Relevance

A key challenge in analyzing environmental risks and opportunities has been the lack of depth, consistency, accuracy and availability of disclosure on corporations' climate activities. We note that several Canadian energy companies removed their carbon emissions data and GHG emissions reduction goals from their websites after the enactment of Bill C-59 in June 2024. The Act introduced changes to the Competition Act aimed at deceptive marketing practices, with reference to greenwashing. We understand the companies' position that the lack of clarity in the legislation leaves them vulnerable to material penalties. However, emissions data is necessary for financial companies and investment managers to calculate the carbon footprint and financed emissions of their portfolios. We are somewhat encouraged by the Canada Federal Budget 2025 where the Canadian government has proposed to amend the greenwashing provisions in Bill C-59 and hope it paves the way for the reinstatement of targets and the publishing of data.

We look at additional metrics to better understand the reliability and relevance of the portfolio-level emissions data. The quality of the strategy-level emissions data is evaluated based on PCAF scores. PCAF scores the quality of a company's emissions data using a scale of 1 to 5, with 1 being the most reliable (verified reported emissions) and 5 being the least reliable (not disclosed). A full definition of the PCAF scores can be found in the PCAF standard¹⁴. Both our equity and fixed income corporate portfolios have a PCAF score below 2.0. A weighted average score band of below 2.0 indicates that emissions data points used are mostly either calculated by the company, or estimated based on physical activities data (i.e., the company's energy consumption or production). This level of emissions data quality is satisfactory, in our view.

¹⁴ Partnership for Carbon Accounting Financials (PCAF), "The Global GHG Accounting and Reporting Standard for the Financial Industry – Part A: Financed Emissions". <https://carbonaccountingfinancials.com/en/standard#part-a-financed-emissions>

Exhibit 11. PCAF Score by Beutel Goodman's Asset Classes Versus Their Benchmarks

Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025.

The coverage ratio of WACI and financed emissions intensity are examined separately for relevance of emissions data on a portfolio level. Our equity strategies' emissions are almost 100% covered on both WACI and financed emissions, while our corporate fixed income strategies have lower coverage ratios. We attribute the lower coverage ratio for fixed income to the lack of disclosure provided by private placements and debt only issuers.

Exhibit 12. WACI and Financed Emissions Intensity Coverage Ratio by Beutel Goodman's Asset Classes

Asset Classes	Canadian Equity	U.S. Equity	International Equity	Canadian Fixed Income - Corporate	Canadian Fixed Income - Sovereign
Coverage Ratio – WACI	97.8%	100.0%	99.3%	75.9%	97.9% ¹⁵
Coverage Ratio – Financed Emissions	97.8%	100.0%	99.3%	76.8%	N/A

Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025.

¹⁵ Sovereign fixed income includes Government of Canada, provincial, and municipal issuers, and excludes supra-nationals, agencies, pensions and other non-sovereign entities.

Opportunities

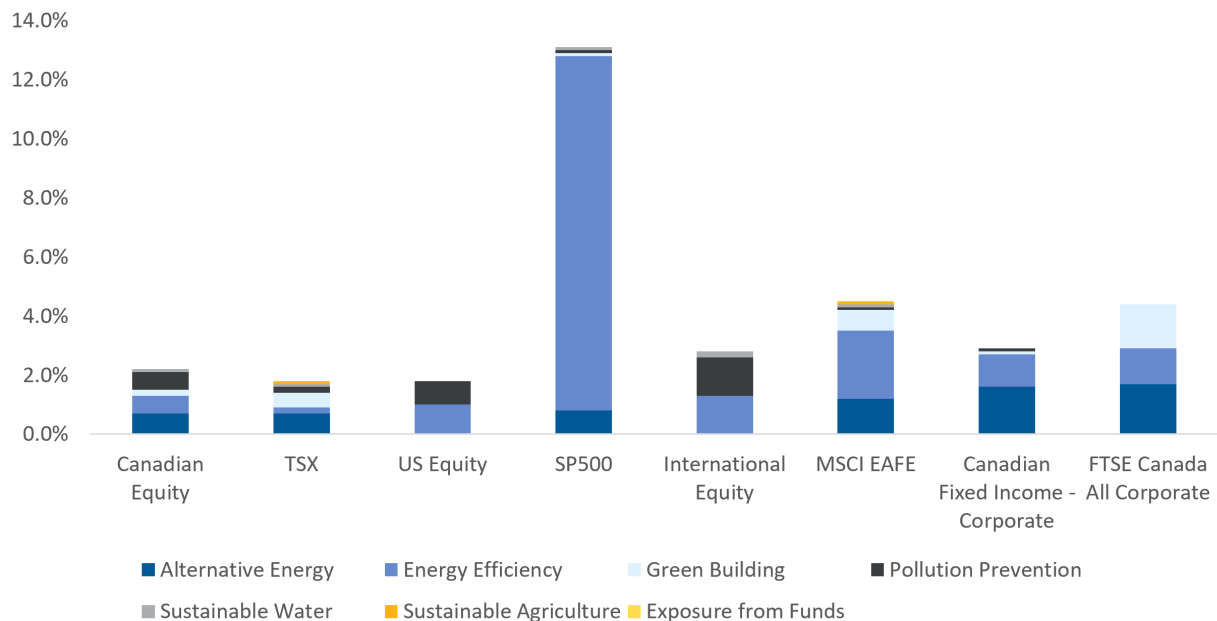
Focusing on just the risks within climate transition ignores tremendous potential opportunities. Global investment in energy transition totaled a record US\$2.3 trillion in 2025, an 8% increase versus the previous year.¹⁶ The investment drivers were primarily driven by electrified transport, renewable energy and power grids. Bloomberg NEF estimates that global energy transition investment would need to average US\$5.6 trillion each year from 2025 to 2030 to get on track for global net zero by 2050, in line with the Paris Agreement.¹⁷

One of the measures we use to track opportunities is green revenue. MSCI calculates green revenue is the weighted average of revenue exposure to the following environmental categories:

- Alternative energy
- Energy efficiency
- Green building
- Pollution prevention
- Sustainable water
- Sustainable agriculture

This is used as an indicator for company-specific transition-related opportunities.

Exhibit 16. Exposure to Green Revenue by Beutel Goodman's Asset Classes Versus Their Benchmarks



Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025.

¹⁶ BloombergNEF, "BloombergNEF Finds Global Energy Transition Investment Reached Record \$2.3 Trillion in 2025, Up 8% from 2024," January 26, 2026. <https://about.bnef.com/insights/clean-energy/bloombergnef-finds-global-energy-transition-investment-reached-record-2-3-trillion-in-2025-up-8-from-2024/>

¹⁷ BloombergNEF, "Global Investment in the Energy Transition Exceeded \$2 Trillion for the First Time in 2024, According to BloombergNEF Report," January 30, 2025. <https://about.bnef.com/blog/global-investment-in-the-energy-transition-exceeded-2-trillion-for-the-first-time-in-2024-according-to-bloombergnef-report/>

OUR SOCIAL APPROACH

Social Strategy

We evaluate a range of social factors as part of our investment process, recognizing that their relevance and financial materiality vary by issuer and sector. Key social considerations include:

- Bribery and business ethics
- Community relations
- Data privacy and cybersecurity
- Human rights and modern slavery
- Indigenous relations
- Product quality and safety
- Selling practices and product labelling
- Supply chain management
- Worker health and safety
- Workforce diversity, equity and inclusion

Our approach begins with an assessment of the financial materiality of each factor at the company level. Social data availability remains a structural challenge, as disclosure is often inconsistent and incomplete. Metrics such as total recordable incident rates (TRIR), employee turnover and workforce diversity are not uniformly reported across issuers. To address these limitations, we maintain internal ESG data frameworks and analytical worksheets to evaluate company performance on material social indicators over time and relative to peers. We supplement this analysis with third-party data, including MSCI ESG research, to identify and monitor controversies such as litigation, regulatory sanctions and labour disputes. Supply chain oversight is a key area of focus, particularly with respect to exposure to child labour, forced labour and broader human rights risks. We also screen issuers for potential breaches of internationally recognized standards, including the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and International Labour Organization conventions.

In many cases, social risks crystallize through controversies. When such events occur, our analysis places significant weight on the company's response, including remediation efforts, governance accountability, and enhancements to policies and controls aimed at preventing recurrence. While robust policies in areas such as data privacy, anti-corruption and supply chain management can mitigate risk, they do not eliminate it.

We extend our analysis to sovereign issuers, where social considerations include political stability, respect for human rights, rule of law and levels of corruption. We are cautious in jurisdictions characterized by controversial regimes, elevated geopolitical risk or weak social protections.

In addition, we consider long-term structural social trends that may have material implications for corporate performance and strategy. These include water scarcity, demographic shifts and migration, natural resource degradation and technological disruption. The rapid advancement of artificial intelligence, in particular, presents both opportunities and risks, including potential labour displacement, evolving skill requirements and increased demands on infrastructure such as energy grids and water resources.

Active engagement is a critical component of our approach. We view engagement as an effective tool to influence corporate behaviour, improve disclosure and promote alignment with best practices on material social issues.

Social Engagement Case Study

Engagement Example: Canadian Apartment Properties REIT

Key topics discussed:

- We spoke with the **Sustainability Manager** and **SVP Corporate Affairs**
- **[G] Sustainability Oversight** – responsibilities are distributed across functional teams of the company and each of the four committees of the board of trustees have a role in overseeing sustainability.
- **[G] Sustainability integration into strategy** – With the portfolio in transition, sustainability is embedded into acquisitions: focus is on acquiring newer, more energy-efficient properties and divesting older assets. For legacy assets, the company has invested in retrofits for energy efficiency and emissions reduction.
- **[S] Resident Satisfaction Score** – Areas of improvement include communication via the resident portal and tailored programs. Emphasis is on enhancing resident experience to lift satisfaction score such as resident engagement events and increasing the availability of EV charging stations.
- **[S] Affordability** – CAP REIT is one of the largest social agencies in the market with ~1900 social housing units for vulnerable groups. The company also prioritizes selling older properties to charities or non-profits to maintain affordability.
- **Our view** – We view CAP REIT as a high-quality multi-residential REIT with a defensive portfolio targeting affordable markets. The company has strong oversight of sustainability at the board of trustees level and embeds sustainability in the transition of its portfolio from older properties to newer, more efficient assets.

Our Engagement Priorities

- Capital allocation
- Acquisitions
- Executive compensation
- Integration of sustainability to strategy
- Physical risk considerations
- Green Certification Standards
- Use of AI
- Talent retention/management

Our ESG Assessment

	Positive	Negative
E	Physical risk is considered in due diligence for investments	No portfolio-wide net zero target (only internal asset-level)
S	Ethical AI Usage Policy in place	Resident Satisfaction Survey Score could be improved
G	Independent, diverse board of trustees	No formal director term limits or mandatory retirement age

Source: Beutel Goodman; summary provided for illustrative purposes only, and does not constitute investment advice or an offer to buy or sell a security. Past performance is no guarantee of future results.

Social Case Study – Omnicom

We have held Omnicom in our U.S. large cap value equity portfolio since Q1/17. As part of our due diligence on the company and frequent interactions, we have identified Omnicom as a leader in the area of DEI, which is evident in its long-standing commitment to DEI at all levels of the organization including at the board level. Omnicom, a global network of marketing communications companies, is recognized as a leader in diversity, equity and inclusion (DEI). Specifically, Omnicom's board leads in diversity—seven of eleven directors are female and six are ethnically diverse. Further, all four committee chairs are women or ethnically diverse. Fostering a culture of DEI at every level of the organization has been a longstanding priority at Omnicom, having named a Chief Diversity Officer in 2009. In 2024, Omnicom launched OPEN 3.0 Initiative (Omnicom People Engagement Network) to strengthen DEI efforts and operationalize initiatives across the company. Creative brand building is the core value add that Omnicom provides to its clients. The ability to attract, develop and retain a diverse employee base through a focus on DEI will strengthen Omnicom's creative abilities and create significant long-term shareholder value.



Social Case Study – Sun Life Financial

Effective sustainability risk management was a positive contributor to our initial investment decision of Sun Life Financial Inc. As a health insurance provider, Sun Life mitigates emerging health and demographic risks with related product offerings, and we see an opportunity in market growth and margin expansion in the segment. The company has implemented a thorough analysis of climate risks and has targeted net-zero emissions by 2050 as well as US\$20 billion new sustainable investments from 2020 to 2025. Sun Life possesses a strong corporate culture with high business standards rooted in integrity. In addition to fulfilling its purpose to help clients achieve lifetime financial security, live healthier lives and invest sustainably, Sun Life also developed its Diversity, Equity & Inclusion Strategy 2025, building inclusivity in workplace and communities, with an eye on different groups and individuals most in need due to systemic challenges. We also see opportunities for Sun Life to access currently underserved market segments and geographies through affordable product offerings, which could stimulate long-term revenue growth.

Social Bonds

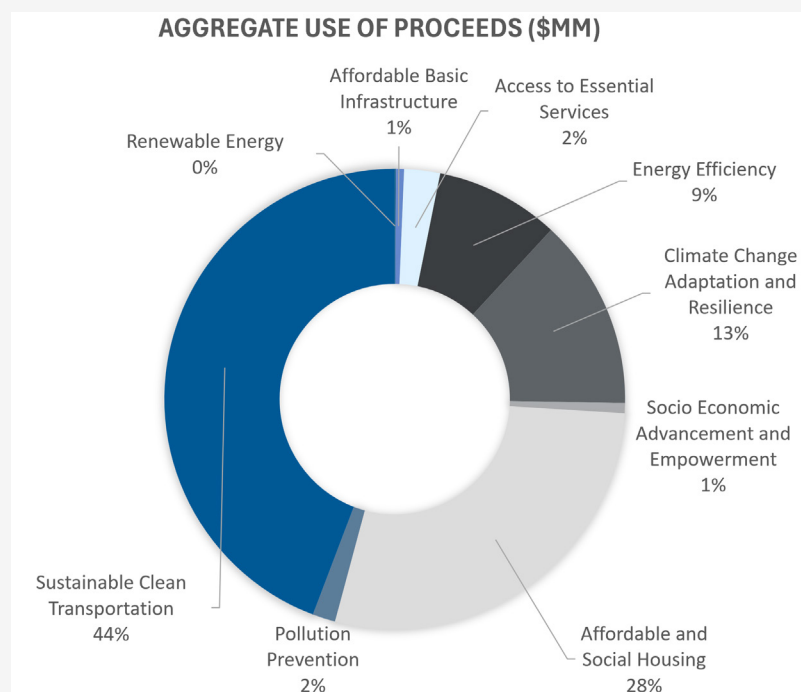
There have been C\$1.278 trillion of social bond issued globally to year-end 2025, making up approximately 16% of the total labelled bond market. The majority of issuers tend to be sovereigns, financials and supra-nationals. Under the International Capital Market Association's Social Bond Principles eligible social categories may include the following:

- Affordable basic infrastructure
- Access to Essential Services
- Affordable Housing
- Employment Generation
- Food Security and Sustainable Food Systems
- Socioeconomic Advancement¹⁸

Labelled Bond Example – City of Toronto

The City of Toronto has C\$1.05 billion of social bonds outstanding and was the first municipality in Canada to issue social bonds.

Exhibit 18. The City of Toronto Use of Proceeds



Source: City of Toronto Social Bond Newsletter

¹⁸ International Capital Market Association (ICMA), "Social Bond Principles: Voluntary Process Guidelines for Issuing Social Bonds", June 2025. <https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Social-Bond-Principles-SBP-June-2025.pdf>

As per the issuer's impact reports, a significant amount of the use of social bond proceeds is focused on the George Street Revitalization project. The project involves transforming the Seaton House men's shelter into a world-class facility that provides specialized care for vulnerable populations. It will also feature a long-term care home, transitional and emergency shelter programs, housing with supports and a community hub that will serve residents of both the site and the local community. Toronto is experiencing an unprecedented demand for shelter space amidst rising housing costs and an insufficient supply of affordable housing.

Indigenous Rights in Investment

Indigenous relations are a key part of the Social (the "S" in ESG) factor that we integrate in our investment process. We also recognize that Indigenous rights are not limited within ESG considerations. As rightsholders, these rights must be upheld within our investment and stewardship activities.

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) was adopted by the United Nations in 2007 and fully endorsed by Canada in 2016. It was subsequently codified into Canadian law with Bill C-15 on June 21, 2021. UNDRIP is a comprehensive international instrument that outlines the collective and individual rights of Indigenous Peoples. UNDRIP also plays a crucial role in promoting the economic empowerment of Indigenous people, recognizing their right to participate in decision-making processes that affect their economic development, land and resources. Article 32 of UNDRIP requires the state to consult with Indigenous communities in good faith before implementing legislation that may affect them. This includes obtaining Indigenous Peoples' free, prior and informed consent (FPIC), which recognizes the rights of Indigenous Peoples to meaningfully participate in decisions that affect them, their communities and territories, including decisions related to mineral exploration and extraction.¹⁹

Free, Prior and Informed Consent (FPIC)³

The right to FPIC flows from Indigenous Peoples' right to self-determination. It encompasses and protects all rights of Indigenous Peoples, including land rights, collective rights, participatory rights, cultural rights, food and water security rights, and more. The principles of FPIC form a framework that informs the protocols, processes, rules and regulations that Indigenous Peoples can require from companies, governments, and other sovereign nations when designing investments and infrastructure projects on Indigenous lands.

- **FREE:** Consent given voluntarily and without coercion, intimidation, manipulation, threat, violence or bribery. Only consent given without coercion can be considered legitimate
- **PRIOR:** An Indigenous community's consent must be sought in the project's design phase, well before project activities begin so that Indigenous rights and interests can be incorporated or addressed effectively as part of the decision-making process.
- **INFORMED:** Indigenous communities have the right to be fully informed about the planned project or investment in a timely manner.
- **CONSENT:** An Indigenous community's right to freely say "yes," "no," or "yes with conditions" to any project or initiative that will impact an Indigenous community's lands, territories, resources, and livelihoods.

¹⁹United Nations, "United Nations Declaration on the Rights of Indigenous Peoples". https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

²⁰Reconciliation and Responsible Investment Initiative (RRII), "Investing for Today, Tomorrow, and Future Generations: A Guide for Indigenous Investors", 2024. <https://rrii.org/wp-content/uploads/2024/06/24-06-28-Indigenous-Investors-Guide-2nd-Edition.pdf>



Indigenous Case Study – Canadian National Rail

We own the equity and bonds of Canadian National Railway's (CNR). In December 2023, all 12 members of CNR's Indigenous Advisory Council resigned. The main concern was CNR's failure to accept its past actions in the oppression of Indigenous peoples. Shortly after the resignations, CNR acknowledged the complex history of railways and the role they played as instruments of colonial policies, as well as the intergenerational economic, cultural, and social effects that these policies have had on Indigenous communities. In 2024, CNR released its first Indigenous Reconciliation Action Plan (IRAP). In Q4/24 we engaged with the Head of Indigenous Relations at CNR. Our main topics of discussion included:

- CNR will not have a new Indigenous Advisory Council;
- The details of its IRAP;
- Land rights with the potential to return land that is not used in operations, to reserve status to benefit Indigenous communities.
- Indigenous business procurement and its selection process to prevent fraud.

OUR GOVERNANCE APPROACH

Governance Strategy

We have long advocated for sound corporate governance, which we believe is the foundation of the responsible management of a company. Our research process strives to identify companies whose boards and management are aligned with shareholder interests and the creation of long-term shareholder value. We view ourselves as partners of the companies in which we invest. As such, we approach ownership as an ongoing collaboration in the creation of long-term shareholder value. Corporate boards play a crucial role in overseeing a company's strategic activities, and their decisions can significantly impact a company's long-term value.

Among other factors, we believe that key components of effective governance include:

- Management compensation structures that align strategic decisions and outcomes with the interests of shareholders and incentivize disciplined capital allocation decisions;
- Competence, independence and diversity of thought at the board level; and
- Share ownership and voting structures that afford the ability as shareholders to seek to effect change via engagement and proxy voting.



To identify strong governance, we focus on key governance principles as outlined below:

Board and Committee Independence

Boards of directors that are independent of management add to the board's effectiveness in oversight and protect stakeholder interests. In our view, best practice is for the Audit, Nominating and Compensation Committees of a non-controlled company to be comprised of independent directors.

Board Diversity

Diversity of thought enhances decision making, and thus a diverse set of directors on a board is relevant to good corporate governance. It is generally recognized by the market that it is best practice for a board to have at least 30% female directors. Although we agree with this standard, we will also consider a company's progress toward diversity, as well as other aspects of diversity and overall board quality.

CEO/Chair Duality

Generally, an independent board chair is indicative of a sound governance structure. In our view, an independent chair enhances strong governance practices and is better able to provide effective oversight of the executives of a company and set a pro-shareholder agenda. A combined CEO/Chair role can call into question the effectiveness and integrity of the board, particularly in areas such as the oversight of management's execution of corporate strategy and its alignment with shareholder interests. We note, however, that we take a holistic view of a company's CEO/Chair roles in the context of a company's overall governance structure, with particular consideration given to management alignment, including compensation and track record of long-term shareholder value creation.

Executive Compensation aligned with Shareholder Interests

Our preference is for companies that demonstrate alignment between executive compensation and shareholder interests, have suitable performance-based incentives, and can attract and retain top talent. We view these factors as aligned with shareholders' interests:

- Compensation packages that promote pay for performance;
- A focus on returns such as return on invested capital (ROIC) or return on equity (ROE);
- A tilt to long-term payouts versus short-term payouts; and
- Longer vesting periods and non-cash versus cash compensation.

Capital Allocation Decisions Aligned with Value Creation

We view capital allocation decisions as a key engagement topic and essential to long-term stakeholder value creation. In the event of proposed transformational acquisitions or transactions, we conduct a complete company review. We review and assess the merits of the transaction and its potential impact on the risk and reward of the investment. We engage with stakeholders, typically including senior management, board members, industry experts, and other shareholders. We thoroughly discuss issues to inform our research. We are also proponents of opportunistic share buybacks when valuation is attractive.

On the equity side, we generally do not favour equity issuance as part of a company's capital allocation plan, as it dilutes shareholder ownership and, in most cases, negatively impacts valuation. However, in some cases there is great merit in mergers and acquisitions that can create significant value for the combined company through scale benefits, synergies, and portfolio advantages from the combination.

From a fixed income perspective, we generally do not favour increased leverage without a credible plan to reduce it over time. We do not buy debt issues where the sole use of proceeds is to enrich the shareholders either through share buybacks or dividend increases. We believe that company management and Boards should have a balanced approach to both its equity holders and bondholders.



Artificial Intelligence

Artificial intelligence (AI) is rapidly transforming the global economy and presents significant opportunities for companies, including improved operational efficiency, enhanced decision-making, stronger cost control, and the development of new products and services. At the same time, the adoption of AI introduces material risks that investors must consider. These include privacy and cybersecurity risks, bias and discrimination embedded in data, inaccurate or “hallucinated” outputs, uncertainty surrounding intellectual property ownership, potential workforce disruption and an evolving regulatory landscape.

As long-term investors, we engage with portfolio companies on how they are governing and implementing AI technologies, including the opportunities and risks associated with their use. In our view, effective AI governance requires meaningful human oversight and clear accountability structures. Appropriate governance and controls are critical to mitigating risks such as misinformation or financial losses that may arise from inaccurate AI outputs.

Our engagement on AI governance focuses on the following areas:

- **Board oversight:** Whether the board has effective oversight of AI strategy, associated risks, and alignment with the company’s long-term corporate objectives.
- **Board composition and expertise:** Whether the board possesses sufficient technological or AI-related expertise to oversee AI adoption and risk management.
- **Accountability and risk ownership:** Whether companies have clearly defined internal accountability structures for AI-related decisions and risk management.
- **AI safeguards:** The presence of appropriate guardrails, including maintaining human involvement in AI-driven processes and decision-making.
- **Independent review and audits:** Whether companies use audits or other independent assessments to evaluate the effectiveness of AI controls and protections.
- **Responsible use of AI:** Ensuring AI deployment does not create negative impacts on human rights or other societal harms.
- **Training and capacity building:** Whether companies provide AI training and education to both board members and employees.
- **Transparency and disclosure:** The extent to which companies provide clear reporting on AI use, governance structures, risk oversight, and safeguards.

Through ongoing engagement, we encourage companies to adopt robust governance frameworks that allow them to capture the benefits of AI innovation while responsibly managing associated risks.

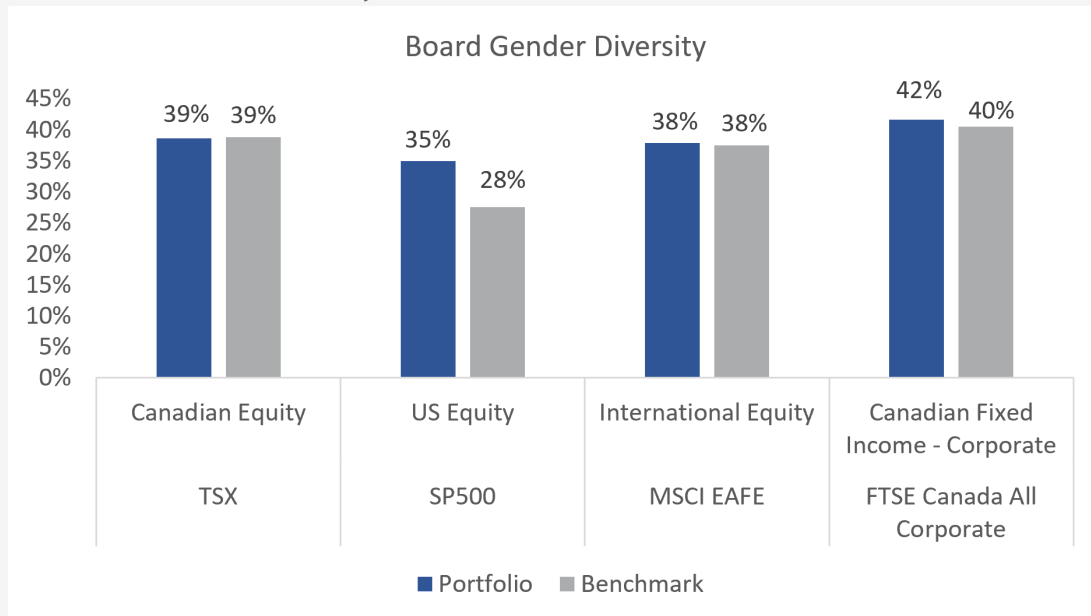


Below are some examples of our engagement around AI:

Sub-Industry	Representative	AI Theme
Restaurants	CEO	AI opportunities - driving upsell, training
IT Consulting & Other Services	CEO	AI investment – people, training AI opportunities
Diversified Banks	CEO	AI use cases, both offensive and defensive
Life & Health Insurance	CEO	AI use cases, guardrails/protections
Diversified Banks	Board	Board oversight – several layers AI use cases and in generative AI Mitigation of hallucinations Slow adoption of regulation
Diversified Banks	Head of Personal Banking	AI opportunities expected to generate value, cost savings
IT Consulting & Other Services	CEO	Is AI deflationary to the business model? Assisting other companies to achieve savings from AI
Application Software	Board	Facilitator for AI use in other companies Enables agentic AI to process work and generate value
Industrial Conglomerates	IR	AI governance AI use cases: implementing automation + investing in infrastructure
Multi-Family Residential REITs	Manager, ESG	AI governance AI use cases: report preparation Considering using for predicting energy consumption and seasonality
Life & Health Insurance	Board	AI use at board level AI risk – took a grassroots approach, setup a Global Risk Council
Household Products	Board	AI use – analysis of data to drive action (i.e. operation of tissue machinery to reduce water usage) AI protections – in ERM
Biotechnology	Board	Board oversight Board competence, expertise AI education
Advertising	Board	AI – potential industry disruption
Specialty Chemicals	Board	AI governance AI use cases – optimize protection of IP
Construction Machinery & Heavy Transportation Equipment	Board	AI governance – AI Policy in place Responsible use of AI Internal AI training and certification program

Governance Metrics

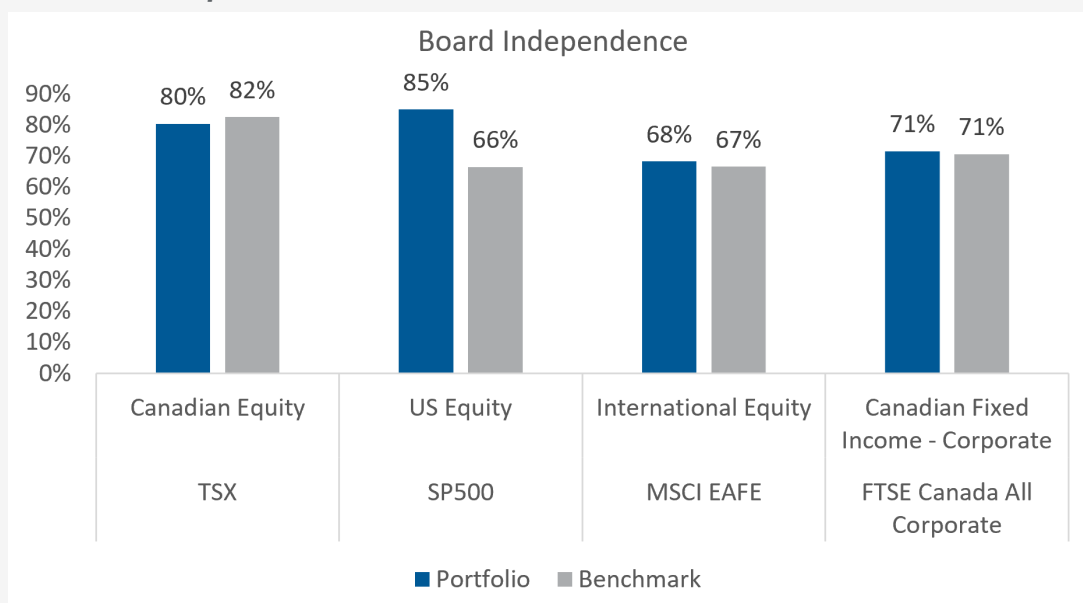
Exhibit 19. Board Gender Diversity



Source: MSCI ESG Manager, Beutel, Goodman & Company Ltd. As at December 31, 2025

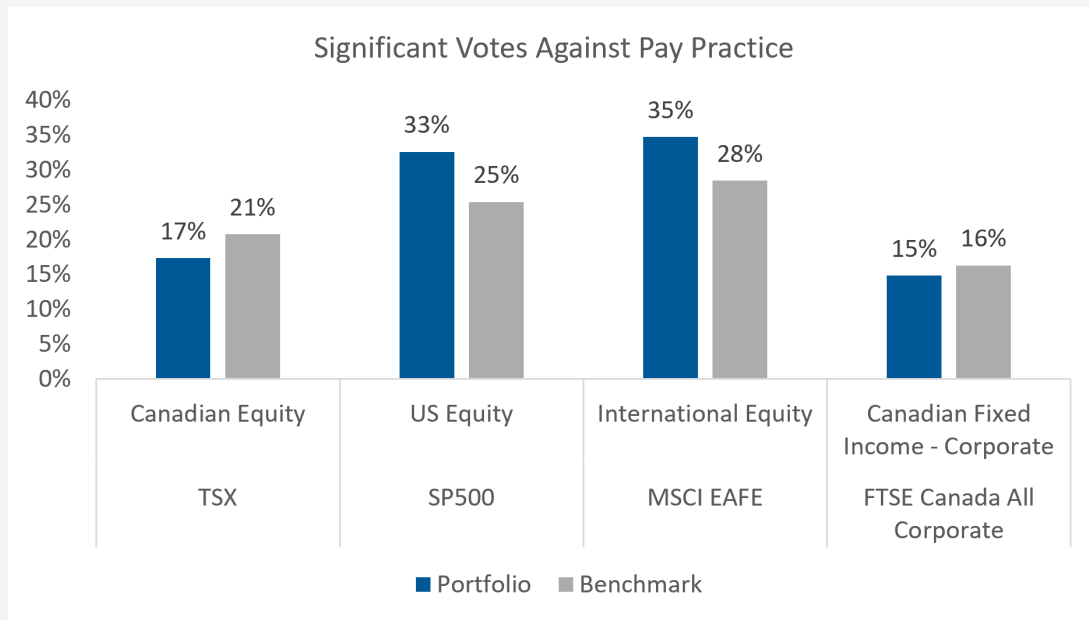
The chart compares the level of gender representation on boards across each fund's underlying holdings against the relevant benchmark. The female representation on the board is greater than 30% for most of our holdings.

Exhibit 20. Board Independence



Source: MSCI ESG Manager; Beutel, Goodman & Company Ltd. As at December 31, 2025.

The chart compares the level of independence on boards across each fund against the benchmark. The results show that majority the portfolio holdings have a greater than 50% board independence, this support greater oversight of management from the board.

Exhibit 21. Significant²¹ Votes AGAINST Pay Practices

Source: MSCI ESG Manager; Beutel, Goodman & Company Ltd. As at December 31, 2025.

This chart assesses the number of companies that received significant dissent against their pay practices vs the benchmarks.

²¹Significant Votes Against Pay Practice as defined by MSCI: This key metric is flagged if the company's pay policies and/or practices received a "negative" or "withheld" shareholder vote equal to or in excess of 10% at the company's most recently reported election. A "negative vote" includes against, withhold or abstain votes

Governance Engagement Case Study – Kimberly-Clark Corp. (KMB)

Key topics discussed:

- We spoke with **board representatives** and the **Chief Sustainability Officer**
- **[G] Board refreshment** – Nine new independent directors have been added since 2020 covering a number of skills such as operating and international experience, innovation, and patents and trademarks.
- **[G] Board Chair independence** – Current combined Chair/CEO roles with a Lead Independent Director. We expressed our view that we support the separation of these roles and would encourage consideration of this once there is a CEO transition.
- **[S] Use of AI** – Use of AI to automate data to drive sustainability results is being discussed as well as the risks around AI. The board receives updates on cyber security and information on benchmarking with third parties to ensure best practices.
- **[E] – Use of Natural Forest-Free materials, plastics, water management** – KMB has accelerated its focus on the use of forest-free materials and materials innovation to become more sustainable and increase cost flexibility. Plastics and circularity are another focus area. Water is only required for the tissue operations where initiatives are focused around reduction through targeted best practice. The company will refresh its water stress analysis in the next sustainability report.
- **Our view** – KMB manufactures and distributes personal care products such as diapers and tissues globally. We are encouraged by its sustainability practices and strong governance. We have expressed our views on the current combined Chair/CEO roles.

Our Engagement Priorities

- Board independence, skills required
- Independent Chair
- Board changes
- Executive compensation
- Water, forests, plastics
- Capital allocation
- Acquisitions
- Talent retention/management

Our ESG Assessment

	Positive	Negative
E	Aspirations in place for forests/nature, energy/climate, plastics/circularity, water	No net zero target
S	Focusing on female empowerment, access to sanitation and maternal health	Lack of AI policy
G	Independent, diverse board	Combined Chair/CEO

Source: Beutel Goodman; summary provided for illustrative purposes only, and does not constitute investment advice or an offer to buy or sell a security. Past performance is no guarantee of future results.

RESPONSIBLE INVESTING STRATEGIES

In June 2022, we launched our first sustainable strategy, the BG Sustainable Bond Fund, a private fund available to our discretionary managed clients. The fund's primary investment objective is to maximize portfolio returns by investing in a diversified portfolio primarily composed of Canadian-dollar-denominated debt instruments, using a responsible investment approach.

The strategy focuses on energy transition and does not apply a negative screen to fossil fuels. It has established interim Scope 1 and 2 GHG emissions reduction targets and is committed to a pathway to net zero. The WACI of the corporate portfolio is actively managed to remain lower than that of the benchmark over time.

The fund also applies socially responsible investment screens, excluding companies whose primary business involves the manufacture of weapons, alcohol, tobacco, or cannabis, or the provision of adult entertainment or gambling. Companies and sovereigns that contravene the principles of the UN Global Compact are also excluded. In addition, the fund may invest in labelled green, social, sustainable, and sustainability-linked bonds that meet our investment criteria.

In October 2023, we launched a U.S. Sustainable Bond strategy for our discretionary managed clients. This strategy has a similar objective and approach to the Canadian fund but invests primarily in U.S.-dollar-denominated debt instruments.

For issuers held in our Sustainable Bond strategies, we prepare an Enhanced Fact Sheet, which builds on the ESG fact sheet and scores each issuer using a proprietary scoring framework.

Sustainable Finance and Fixed Income

Fixed income, and sustainable finance in particular, provides a unique opportunity to fund the climate transition and decarbonization. The fixed income market serves as a key channel through which governments, supranational institutions, and corporations raise capital to support their sustainable objectives. It enables issuers not only to finance broad strategic goals but also to fund specific projects, allowing entities in hard-to-abate sectors to participate in the energy transition.

We use the same rigorous approach to evaluating labelled bonds that we use for our credit analysis.



We require any labelled bond to follow the principles established by the International Capital Markets Association (ICMA), whereby:

1. The use of proceeds is clearly defined.
2. The process for evaluation and selection of projects to be financed is delineated.
3. The use of proceeds can be tracked.
4. The projects funded are verified, updated annually and audited.

In addition, a second-party opinion on the sustainable bond framework is required. We also evaluate the use of proceeds and review the issuer's impact reports to verify how funds are allocated.

Sustainability-linked bonds (SLBs) are evaluated under the following criteria:

1. Ambitious targets that are challenging for the company to achieve and material to the company's business
2. Environmental Key Performance Indicators (KPIs) that align with a pathway to net zero GHG emissions by 2050
3. A sufficient length of time between the observation date and the maturity date
4. Frameworks that hold the issuer accountable
5. KPIs that are measurable, published annually and verified

Sustainable Finance Case Studies

Spotlight: Ontario Power Generation



- Ontario Power Generation (OPG) is planning to build four small modular reactors (SMR) with each unit generating 300 MW of power at its Darlington nuclear site.
- The first SMR is expected to be in service in 2030. The total budget for all four units is \$20.9 billion. The first unit will cost the most at \$6.1 billion as common systems and services for all four units are constructed. Subsequent units will cost \$1.6 billion each.
- If OPG is successful in delivering the SMR reasonably on time and on budget, it could be a success story to be emulated across Canada.
- OPG is refurbishing and extending the life of its existing nuclear units at Darlington. To date the project is on time and on budget.
- The company also plans to refurbish and extend the life of the Pickering nuclear station.
- As directed by the province of Ontario, OPG is pursuing the refurbishment and expansion of several hydroelectric facilities in Northern Ontario that will increase capacity by up to 830 MW.
- OPG has an Indigenous Reconciliation Action Plan and offers up to 25% ownership interest in new power projects to the impacted Indigenous communities.
- OPG has a green bond framework that includes nuclear as an eligible green project.
-

APPENDIX A. CANADIAN EQUITY STRATEGY

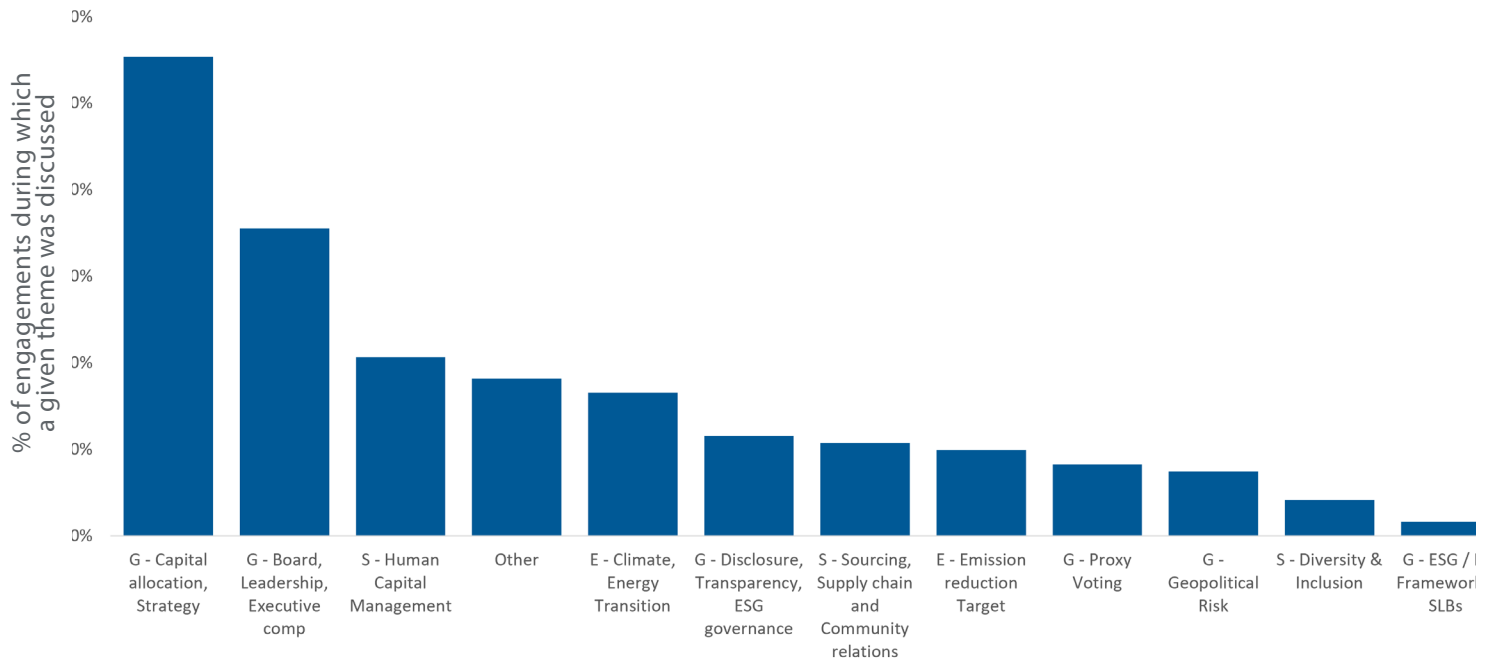
PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	Other ²²	Total
Totals	796	57	1	854
Audit/Financials	63	1	0	64
Board Related	608	25	0	633
Capital Management	1	0	0	1
Changes to Company Statutes	9	0	0	9
Compensation	62	7	0	69
M&A	4	1	0	5
Meeting Administration	0	1	0	1
Other	2	0	0	2
SHP: Compensation	2	0	0	2
SHP: Environment	17	0	0	17
SHP: Governance	25	20	1	46
SHP: Miscellaneous	0	0	0	0
SHP: Social	3	2	0	5

²² This category includes our vote on one shareholder proposal withdrawn by proponent and management did not provide a recommendation. We withheld our vote.

ENGAGEMENT STATISTICS

Engagements by Theme



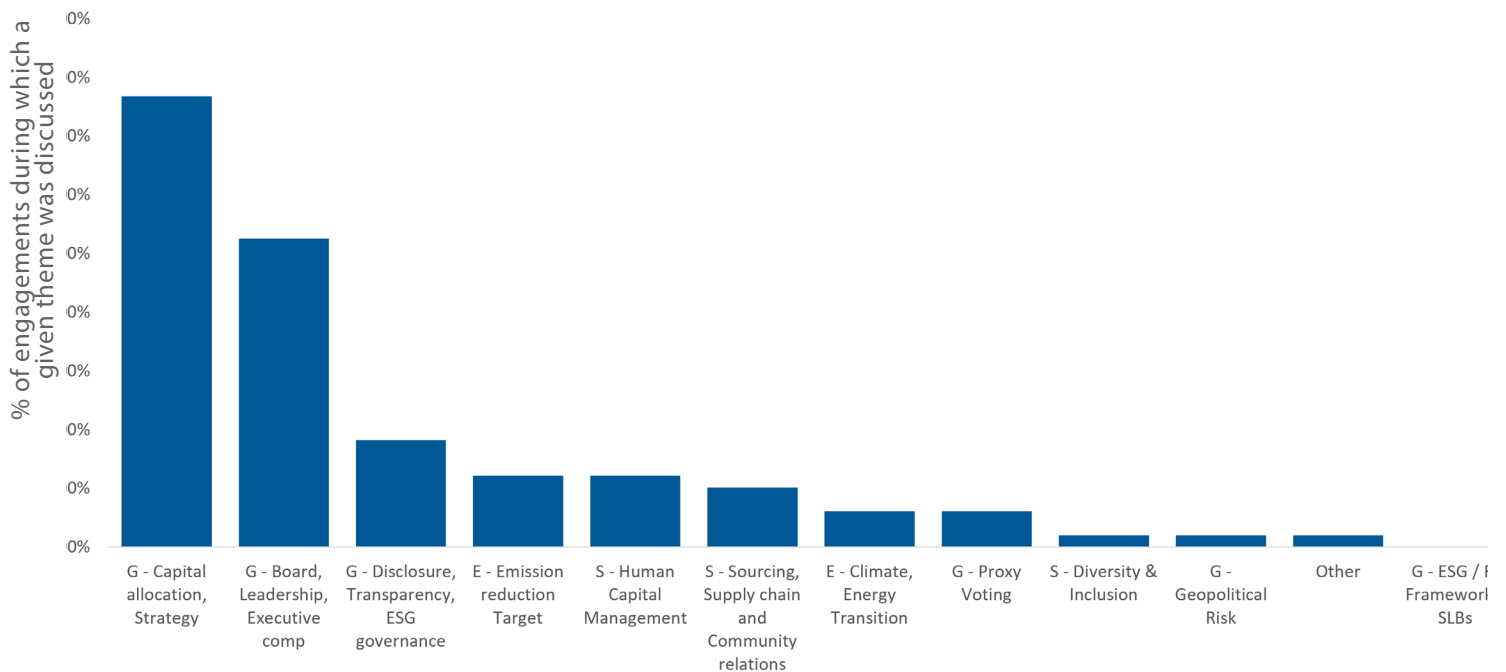
APPENDIX B. U.S. EQUITY STRATEGY

PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	Other	Total
Totals	348	19	0	367
Totals	372	18	0	390
Audit/Financials	35	0	0	35
Board Related	268	11	0	279
Capital Management	6	0	0	6
Changes to Company Statutes	5	0	0	5
Compensation	36	2	0	38
M&A	2	0	0	2
Meeting Administration	3	1	0	4
Other	0	0	0	0
SHP: Compensation	4	0	0	4
SHP: Environment	2	0	0	2
SHP: Governance	5	4	0	9
SHP: Miscellaneous	2	0	0	2
SHP: Social	4	0	0	4

ENGAGEMENT STATISTICS

Engagements by Theme



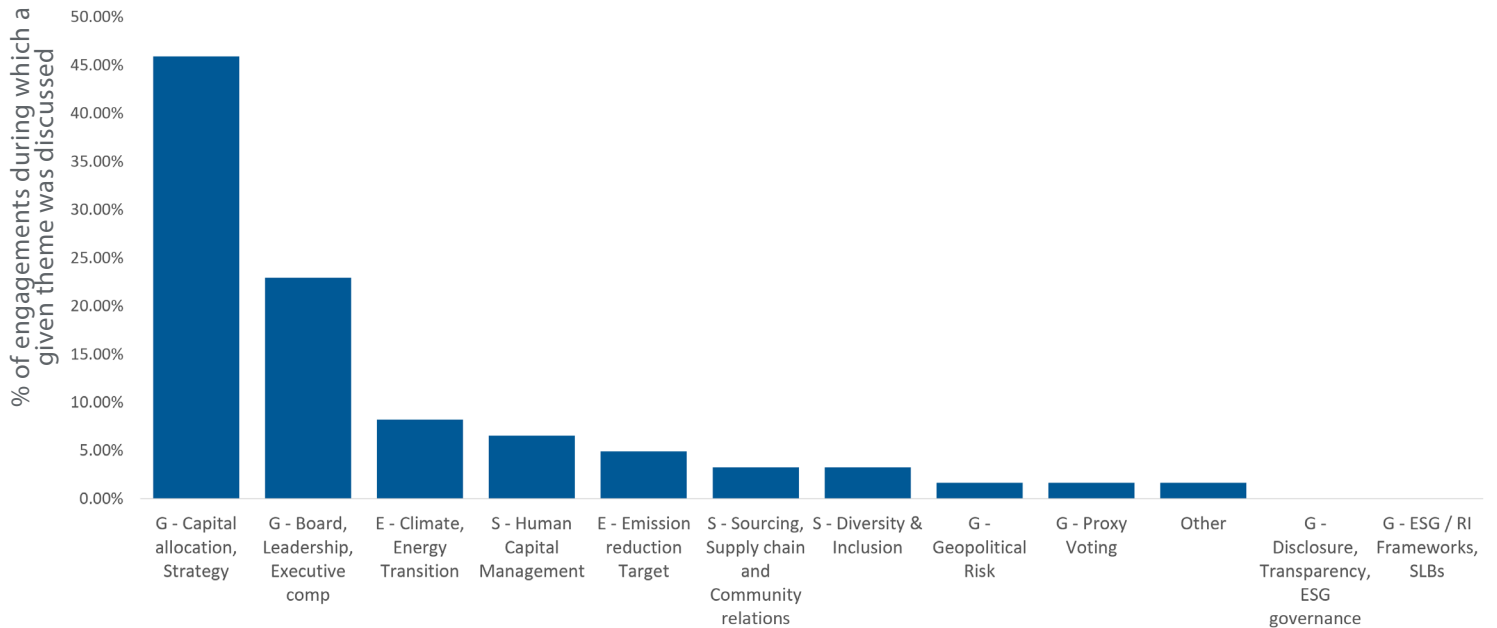
PROXY VOTING STATISTICS

Proposal Category Type	With Mgmt.	Against Mgmt.	Other ²³	Total
Totals	606	10	3	619
Audit/Financials	95	1	0	96
Board Related	293	2	0	295
Capital Management	69	2	0	71
Changes to Company Statutes	20	0	0	20
Compensation	88	5	0	93
M&A	1	0	0	1
Meeting Administration	21	0	3	24
Other	9	0	0	9
SHP: Compensation	1	0	0	1
SHP: Environment	0	0	0	0
SHP: Governance	8	0	0	8
SHP: Miscellaneous	0	0	0	0
SHP: Social	1	0	0	1

²³This includes our vote on three proposals where management did not provide a recommendation. We voted in line with proxy advisor's recommendation on these proposals.

ENGAGEMENT STATISTICS

Engagements by Theme



APPENDIX D.
FIXED INCOME

ENGAGEMENT STATISTICS

Engagements by Theme





APPENDIX E. IFRS S2 AND CSDS2 CROSS-REFERENCE TABLE

We recognize that the TCFD has been absorbed into IFRS S2 and, in the Canadian context, reflected in CSDS2. While we are not subject to CSDS2 reporting requirements, we support its adoption and note that IFRS S2 and CSDS2 are now widely referenced across the industry. This report reflects the core content of CSDS2, and the table below provides a cross-reference indicating where these themes are addressed throughout the report.

CSDS2 Core Content		Corresponding Section of the Report
Governance The governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities	(a) the governance body(ies) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities	Governance
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	
Strategy An entity's strategy for managing climate-related risks and opportunities	(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	Climate Change Strategy
	(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain	and Climate and Nature-related Opportunities
	(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan	Energy Transition
	(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning	Climate Scenario Analysis & Climate Value-at-Risk
	(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities	

CSDS2 Core Content		Corresponding Section of the Report
Risk Management An entity's processes to identify, assess, prioritize and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process	(a) the processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks	Risk Management
	(b) the processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	
Metrics and Targets An entity's performance in relation to its climate-related risks and opportunities, including progress toward any climate-related targets it has set, and any targets it is required to meet by law or regulation	(a) information relevant to the cross-industry metric categories	Climate Metrics
	(b) industry-based metrics that are associated with particular business models, activities or other common features that characterize participation in an industry	
	(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress toward these targets	Beutel Goodman has not set carbon intensity targets at the firm level nor at the investment portfolio level. We will continue to evaluate the potential of setting targets in the future. We believe it is important for any commitment to net zero by 2050 in our investment portfolios to be, thoughtful and measurable, as well as in accordance with our value investing style and client commitments.

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The information provided is as of December 31, 2025. 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 2023 and our approach as of December 31, 2025. 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.

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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 a 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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