



Sustainable Investing Policy

1. Background and Purpose of the Policy

IG Wealth Management provides a broad range of financial and investment planning services to Canadians through its exclusive network of Consultants across the country and is a member of the IGM Financial Inc. group of companies. Our investment funds (“Funds”) are managed by I.G. Investment Management, Ltd. who leverage the strength and expertise of both affiliated and independent investment managers as sub-advisors to the Funds.

The purpose of this Sustainable Investing Policy (the “Policy”) is to formalize how we implement sustainable investing principles, together with our sub-advisors, for investment mandates managed by I.G. Investment Management, Ltd. Our approach to sustainable investing is centered around incorporating material environmental, social and governance (“ESG”) criteria into the investment analysis and decision-making process, and active ownership through engagement and proxy voting.

Fundamental to this Policy is our responsibility to act in the best interests of the Funds. The role of our sub-advisors is to exercise professional judgement on which financial and ESG factors will be drivers of long-term performance and risk on investments in our Funds. Our role is to review and encourage sub-advisor ESG policies and processes.

Our sustainable investing approach demonstrates alignment between our investment activities, clients, and broader social and environmental objectives of society.

2. Principles for Responsible Investment (PRI)

We believe that sustainable investing in the mainstream investment decision-making process is best embodied by the United Nations-supported Principles for Responsible Investment (PRI). To confirm our long-standing belief in sustainable investing, we became a signatory to the PRI in 2014. We have mandated that all our sub-advisors must also be PRI signatories, who commit to six voluntary, PRI guiding principles.

Where consistent with the best interests of our Funds we will work internally and through our sub-advisors to:

1. Incorporate ESG issues into investment analysis & decision-making processes;
2. Be active owners and incorporate ESG into our ownership policies & practices;
3. Seek appropriate disclosure on ESG issues by the entities in which we invest;
4. Promote acceptance and implementation of the Principles within the investment industry;
5. Work together to enhance our effectiveness in implementing the Principles; and
6. Report on our activities and progress towards implementing the Principles. We will also promote the acceptance of the PRI with our sub-advisors and encourage their participation as signatories to the Principles.

3. Scope

This Policy applies to all Funds managed by I.G. Investment Management, Ltd.

4. Definitions

Sustainable investing. IG Wealth Management defines sustainable investing in accordance with the Principles for Responsible Investment (PRI) definition. Sustainable investing is defined as an approach to investing that incorporates material environmental, social and governance (ESG) factors into investment decisions and active

ownership, to better manage risk and generate sustainable, long-term returns.¹ Examples of ESG factors are numerous and everchanging.

Environmental factors refer to issues impacting the natural environment, including but not limited to climate change, greenhouse gas emissions, resource depletion and water scarcity, waste and pollution, biodiversity and deforestation.

Social factors refer to issues affecting people including but not limited to human rights, working conditions including slavery and child labour, human capital management (HCM), diversity and inclusion, health and safety, conflict zones and local communities.

Governance factors refer to issues regarding how companies are 'governed' including but not limited to board composition and skills, executive remuneration, bribery and corruption, board diversity, tax and audit practices.

¹ Source: PRI definition of responsible investment, <https://www.unpri.org/an-introduction-to-responsible-investment/what-is-responsible-investment/4780.article>

5. Integrating ESG criteria into the investment analysis and decision-making process

Our investment due diligence processes seek out sub-advisors whose investment processes require them to exercise professional judgment regarding material drivers of value. We recognize that a broad range of financial and ESG factors may be relevant in making investment decisions on behalf of our Funds.

We recognize the relative importance of the ESG factors varies across industries, geography and time. We encourage our sub-advisors to identify, monitor and mitigate ESG risks and opportunities that are, or could become material to long-term performance.

At IG Wealth Management, we evaluate the ESG integration practices for new sub-advisors, and in the regular due diligence process for existing sub-advisors. We promote the inclusion of ESG factors into their investment policies and processes where these are not employed today.

In addition to integrating ESG factors into the mainstream investment processes for our Funds, we also currently employ a screening strategy in the IG Mackenzie Summa SRI

Fund, and offer discretionary managed accounts for our high net worth clients that can accommodate customized ESG screens, including carbon emissions. Our product development process is always evolving to meet our clients' needs.

6. Active Ownership Through Engagement and Proxy Voting

Active ownership, including engagement with company management and/or Board of Directors, and proxy voting are important value-added practices within the investment processes employed in our Funds. We encourage our sub-advisors to actively work on influencing the ESG behaviour of companies owned in our Funds.

Engagement

We believe in the value of engaging in an active dialogue to influence a company's approach on ESG factors that are material and relevant for each specific circumstance. The objective of ESG focused engagement is to understand a company's position on material ESG issues, the actions it has taken to date, and any additional actions to be taken (or not taken). Engagement can be both proactive and reactive, as appropriate.

Our sub-advisors are encouraged to monitor the ESG policies and practices of the companies held within our Funds and engage when a company falls short on their ESG standards, is at risk of an ESG issue developing, or if greater disclosure of ESG matters is required. We evaluate the engagement practices for new sub-advisors and as part of our on-going due diligence process for existing sub-advisors. We also promote active ownership practices, where these are not employed today.

Regardless of sound ESG processes, there will be situations where ESG issues are highlighted through internal or external means. We encourage our sub-advisors to generally adopt a policy of engagement, including escalating measures of engagement, to enable us to contribute positively to a company's ESG progress. Selling an investment for ESG reasons alone is an option of last resort. This means that very few companies would be screened out of our universe of eligible investments, except where restricted by a Fund's investment objective or otherwise by this Policy (see Section 8).

Proxy Voting

Proxy voting is an important component of active ownership. Consistent with our responsibility, we ensure that our sub-advisors have an appropriate policy to vote proxies in the best interests of the Funds. The proxy voting record for each Fund is disclosed on the IG Wealth Management website.

7. Collaborative Action

In addition to direct engagement with companies, we also believe in collaborative engagement to leverage internal resources, encourage transparency and improve ESG performance of the companies in which the Funds invest. Where appropriate, we work with organizations and coalitions to encourage ESG changes and the development of sustainable investing practices that are in the best interests of our Funds and society, as a whole. Examples of collaborative actions include our involvement in the Responsible Investment Association (RIA) of Canada, and being a signatory to the Principles for Responsible Investment (PRI), the Task Force on Climate-related Financial Disclosures (TCFD) and our parent company's (IGM Financial) involvement in the Carbon Disclosure Project (CDP).

8. Policy on Cluster Munitions and Anti-Personnel Landmines

IG Wealth Management supports the Anti-Personnel Landmines Convention and the Convention on Cluster Munitions, an international effort aimed at addressing humanitarian concerns surrounding the use of these weapons.

As part of our commitment to these conventions, we will not knowingly invest in companies involved in the production, use or distribution of anti-personnel land mines or cluster munitions – where we control the investment policy; excluding any investment policies where the objective is to replicate an index.

These exclusions apply to equity and corporate credit holdings, but do not apply to investments in derivatives or other index exposures where our exposure is indirect and outside of our control.

We have engaged an independent third-party research provider to regularly supply us with a list of companies which are flagged for their involvement in cluster-munitions or anti-personnel landmines.

9. Governance

This Policy is approved by the I.G. Investment Management, Ltd. Fund Oversight Committee (FOC) of the Board and the IG Wealth Management Sustainable Investing Committee.

The Senior Vice-President, IG Investments, oversees sustainable investing policies and processes, including implementation of this policy.

10. Policy Review

This Policy will be reviewed at least every two years, or more frequently as required.

Version	Date	Changes/Modifications	Approved By
V1	2018	Original	FOC of the Board & SVP IG Investments
V1.2	2020	Updated SRI terminology and language	FOC of the Board, SVP IG Investments, & SRI Committee
V1.2.2	2021	Adopted sustainable investing naming convention	FOC of the Board, SVP IG Investments, & SI Committee

11. Reporting and Disclosure

In accordance with PRI, IG Wealth Management reports annually on its sustainable investing activities. Our PRI Transparency Report is available publicly on the PRI website, and on our parent company's website at www.igfinancial.com.