PRIVATE RI REPORT

2019

University of Toronto Asset Management Corporation (re University of Toronto Endowment)
About this report

This report is an export of the individual Signatory organisation responses to the PRI Reporting Framework during the reporting period specified above. It shows your responses to all completed indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders. The PRI will not publish this report on its website. Instead, you will be able to access the public RI Transparency report of your organisation and that of other signatories on the PRI website.

The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information.

Confidentiality and sharing via the Data Portal

Private RI Reports are confidential and only accessible to the reporting signatory via the Reporting Tool and on the Data Portal.

However, the Data Portal does facilitate signatories to share these reports bilaterally with other signatories.

To request access, use the “Find A Report” tab to search the relevant report, and click “Request access”. To check pending requests on your own reports, go to “Settings and Requests” tab. Your nominated Data Portal Contact can approve or decline requests.

It is permitted to publish your Private RI Report outside of the Data Portal. Private RI and RI Transparency Reports are the intellectual property of PRI. In no case, can this report or any content of it be sold to other parties.

Third party organisations who have accessed Private RI reports outside of the Data Portal and intend to use those require the prior written consent of PRI (other than for internal use or research or for the sole benefit of the organisation whose report this refers to).

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.
### OO 01.1 Select the type that best describes your organisation or the services you provide.

- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

### OO 01.3 Additional information. [Optional]

The University of Toronto’s Endowment Fund comprises restricted funds which must be used in accordance with purposes specified by donors or by Governing Council of the University of Toronto. Restrictions may relate to both capital and investment income. Financial reports of the University of Toronto’s Endowment Fund are available here: https://finance.utoronto.ca/reports/endowment/

### OO 02.1 Select the location of your organisation’s headquarters.

- Canada

### OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

### OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

- 22

### OO 02.4 Additional information. [Optional]

The University of Toronto’s Endowment Fund is managed by the University of Toronto Asset Management Corporation (UTAM) under the direction of the University. UTAM also manages the assets of the University of Toronto’s Pension Plan as well as the University’s short term working capital assets.

### OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

### OO 04.1 Indicate the year end date for your reporting year.

- 31/12/2018

### OO 04.2 Indicate your total AUM at the end of your reporting year.

<table>
<thead>
<tr>
<th>AUM Unit</th>
<th>CAD</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,862,727,991</td>
<td>2,180,737,196</td>
</tr>
</tbody>
</table>

### OO 05.1 Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes and investment strategies:

<table>
<thead>
<tr>
<th>Category</th>
<th>Internally managed (%)</th>
<th>Externally managed (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed equity</td>
<td>0</td>
<td>31</td>
</tr>
<tr>
<td>Fixed income</td>
<td>0</td>
<td>29</td>
</tr>
<tr>
<td>Private equity</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Property</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>
### OO 06

**Mandatory**

Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

**OO 06.3**

Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

**OO 06.4**

Provide an approximate percentage breakdown of your off-balance sheet assets.

<table>
<thead>
<tr>
<th></th>
<th>Internally managed (%)</th>
<th>Externally managed (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[a] Monetary assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[b] Derivatives</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>[c] Cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[d] Trade finance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[e] Other (1), specify</td>
<td></td>
<td></td>
</tr>
<tr>
<td>[f] Other (2), specify</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**OO 06.5**

Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

### OO 07

**Mandatory to Report, Voluntary to Disclose**

Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

<table>
<thead>
<tr>
<th>Externally managed</th>
<th>SSA</th>
<th>Corporate (financial)</th>
<th>Corporate (non-financial)</th>
<th>Securitised</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**OO 08**

**Mandatory to Report, Voluntary to Disclose**

Provide a breakdown of your organisation’s externally managed assets between segregated mandates and pooled funds or investments.
<table>
<thead>
<tr>
<th>Asset class breakdown</th>
<th>Segregated mandate(s)</th>
<th>Pooled fund(s) or pooled investment(s)</th>
<th>Total of the asset class (each row adds up to 100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[a] Listed equity</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[b] Fixed income - SSA</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[c] Fixed income – Corporate (financial)</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[d] Fixed income – Corporate (non-financial)</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[e] Fixed income – Securitised</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[f] Private equity</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[g] Property</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[h] Infrastructure</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
<tr>
<td>[j] Hedge funds</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>0% &lt;10% 10-50% &gt;50%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**OO 09**

**Mandatory**  
Peering  
General

**OO 09.1**

Indicate the breakdown of your organisation’s AUM by market.

| Developed Markets | 90 |
| Emerging Markets  | 10 |
| Frontier Markets  | 0  |
| Other Markets     | 0  |
OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

**Listed equity – engagement**
- ✓ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ✖ We require our external managers to engage with companies on ESG factors on our behalf.
- ✖ We do not engage directly and do not require external managers to engage with companies on ESG factors.

**Listed equity – voting**
- ✓ We cast our (proxy) votes directly or via dedicated voting providers.
- ✖ We require our external managers to vote on our behalf.
- ✖ We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf.

**Fixed income SSA – engagement**
- ✖ We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- ✖ We require our external managers to engage with SSA bond issuers on ESG factors on our behalf.
- ✓ We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Concerning Fixed Income SSA - engagement, we do not engage directly and do not require external managers to engage with companies on ESG factors as exposure is primarily to Canadian government and provincial issuers.

**Fixed income Corporate (financial) – engagement**
- ✓ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ✖ We require our external managers to engage with companies on ESG factors on our behalf.
- ✖ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

**Fixed income Corporate (non-financial) – engagement**
- ✓ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ✖ We require our external managers to engage with companies on ESG factors on our behalf.
- ✖ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Concerning Fixed Income Corporate (securitized) - engagement, we do not engage directly and do not require external managers to engage with companies on ESG factors due to the relatively small exposure to this asset class as well as the difficulty of engaging when investments are in a securitized structure.

OO 11 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

**Cash**
- ✓ We address ESG incorporation.
- ✖ We do not do ESG incorporation.

OO 11.1 Select the externally managed asset classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

<table>
<thead>
<tr>
<th>Asset class</th>
<th>ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed equity</td>
<td>Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</td>
</tr>
<tr>
<td></td>
<td>✓ We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td></td>
<td>✓ We incorporate ESG into our external manager appointment process</td>
</tr>
<tr>
<td></td>
<td>✓ We incorporate ESG into our external manager monitoring process</td>
</tr>
<tr>
<td></td>
<td>✖ We do not do ESG incorporation</td>
</tr>
<tr>
<td>Investment Type</td>
<td>ESG Incorporation Addressed</td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------------------</td>
</tr>
<tr>
<td>Fixed income - SSA</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Fixed income - corporate (financial)</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Fixed income - corporate (non-financial)</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Fixed income - securitised</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Private equity</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Property</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
<tr>
<td>Hedge funds</td>
<td>We incorporate ESG into our external manager selection process</td>
</tr>
</tbody>
</table>

**OO 11.4** Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

UTAM incorporates responsible investment considerations into our monitoring of investment managers (as well as in their selection and appointment) by...
undertaking the activities listed below, where appropriate to the mandate. Note that we have included considerations related to selection, appointment and monitoring to illustrate the complete lifecycle of activities.

Selection:
• Issue ESG due diligence questions, review responses and follow up where appropriate.
• Review the manager’s responsible investment policies.
• Meet with staff members who are focused on responsible investing in order to assess their skills and competence.
• Discuss the current governance and management of the firm’s responsible investing activities.
• Assess any collaborative initiatives or direct engagements with the management teams of companies in the investment portfolio.
• Evaluate the quality of the manager’s investment policy and its reference to ESG.
• Assess how ESG implementation is enforced.
• Review how the manager evaluates ESG materiality.
• Examine the process of defining and communicating ESG incidents.
• Review the manager’s proxy voting policy and processes (in cases where UTAM would not direct voting).
• Determine whether the manager is a signatory to the PRI and/or other relevant initiatives and organizations.
• Review responsible investment reporting to clients and/or the public.
• Communicate our expectations for future ESG reporting.
• Evaluate the coverage and quality of the firm’s ESG-related research.
• Review responsible investment reporting to clients and/or the public.
• Assess current strategies for incorporating ESG factors, as well as the manager’s ability to identify and manage ESG-related issues.
• Review ESG-related characteristics of the investment portfolio.
• Request details of the integration of ESG factors in specific investment decisions.
• Discuss securities in the manager’s portfolio that appear to have material ESG risks.
• Incorporate a review of ESG considerations in our internal manager recommendation memos, including rating the manager from an ESG perspective (as described in SAM 2.4).

Appointment:
When appointing managers, we will seek to include relevant ESG considerations into the investment mandate. Where appointing a manager under an investment management agreement, we will include specific investment parameters where applicable, as well as reporting obligations. When investing in a manager’s commingled product, we will seek to include terms specific to disclosure and reporting in any side letter we negotiate where applicable.

Monitoring:
• Issue ESG due diligence questionnaires annually, following up on the manager’s responses where appropriate.
• Include responsible investment as a standard agenda item at annual performance review meetings.
• Highlight examples of good practices by other managers in the area of responsible investing.
• Encourage the manager to join responsible investing initiatives or organizations, and to participate in collaborative projects with other investors.
• Review the manager’s responsible investment reporting.
• Meet regularly with staff members who are focused on responsible investing to discuss current research and review any changes in the manager’s approach since the last meeting.
• Review ESG-related characteristics of the investment portfolio.
• Request details of the integration of ESG factors in specific investment decisions.
• Discuss securities in the manager’s portfolio that appear to have material ESG risks.
• Incorporate a review of ESG considerations in our internal manager review memos, including updating the manager’s ESG score (as described in SAM 2.4).
Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies.

<table>
<thead>
<tr>
<th>Category</th>
<th>Passive</th>
<th>Active - quantitative (quant)</th>
<th>Active - fundamental and active - other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed equity (LE)</td>
<td>5</td>
<td>43</td>
<td>52</td>
</tr>
<tr>
<td>Fixed income - SSA</td>
<td>100</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fixed income - Corporate (financial)</td>
<td>43</td>
<td>0</td>
<td>57</td>
</tr>
<tr>
<td>Fixed income - Corporate (non-financial)</td>
<td>32</td>
<td>0</td>
<td>68</td>
</tr>
<tr>
<td>Fixed income - Securitised</td>
<td>2</td>
<td>0</td>
<td>98</td>
</tr>
</tbody>
</table>
SG 01.1 Indicate if you have an investment policy that covers your responsible investment approach.

- Yes

SG 01.2 Indicate the components/types and coverage of your policy.

<table>
<thead>
<tr>
<th>Policy components/types</th>
<th>Coverage by AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Policy setting out your overall approach</td>
<td></td>
</tr>
<tr>
<td>✓ Formalised guidelines on environmental factors</td>
<td></td>
</tr>
<tr>
<td>✓ Formalised guidelines on social factors</td>
<td></td>
</tr>
<tr>
<td>✓ Formalised guidelines on corporate governance factors</td>
<td></td>
</tr>
<tr>
<td>✓ Fiduciary (or equivalent) duties</td>
<td></td>
</tr>
<tr>
<td>□ Asset class-specific RI guidelines</td>
<td>□ Applicable policies cover all AUM</td>
</tr>
<tr>
<td>□ Sector specific RI guidelines</td>
<td>□ Applicable policies cover a majority of AUM</td>
</tr>
<tr>
<td>□ Screening / exclusions policy</td>
<td>□ Applicable policies cover a minority of AUM</td>
</tr>
<tr>
<td>✓ Engagement policy</td>
<td></td>
</tr>
<tr>
<td>✓ (Proxy) voting policy</td>
<td></td>
</tr>
<tr>
<td>□ Other, specify (1)</td>
<td></td>
</tr>
<tr>
<td>□ Other, specify (2)</td>
<td></td>
</tr>
</tbody>
</table>

SG 01.3 Indicate if the investment policy covers any of the following

- ✓ Your organisation’s definition of ESG and/or responsible investment and it’s relation to investments
- ✓ Your investment objectives that take ESG factors/real economy influence into account
- ✓ Time horizon of your investment
- ✓ Governance structure of organisational ESG responsibilities
- ✓ ESG incorporation approaches
- ✓ Active ownership approaches
- ✓ Reporting
- ✓ Climate change
- ✓ Understanding and incorporating client / beneficiary sustainability preferences
- □ Other RI considerations, specify (1)
- □ Other RI considerations, specify (2)

SG 01.4 Describe your organisation’s investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties and how they consider ESG factors and real economy impact.

UTAM’s purpose is to manage certain assets of, or under the administration of, the University of Toronto and we do so prudently and in accordance with our client’s objectives and constraints. As part of this process, a benchmark portfolio (aka the Reference Portfolio) has been created (see [https://utam.utoronto.ca/reference-portfolio/](https://utam.utoronto.ca/reference-portfolio/)). The Reference Portfolio serves as an objective benchmark to measure the value gained or lost by UTAM’s active management activities.

In our investment of the university’s assets, we are committed to a responsible investing approach because we believe that material ESG factors can have a significant impact on long-term investment risks and returns and is consistent with our fiduciary duty. It is, therefore, our policy to take ESG matters into account in our investment decisions, together with all other relevant and material considerations (i.e., an integration approach). We have developed comprehensive questions and activities that we undertake when selecting and monitoring investment managers. In addition, we’ve developed ways to engage with companies, to help ensure ESG-related risks are effectively managed, including bringing influence to ESG practices and to promoting disclosure and transparency. Finally, we cast proxy votes, where possible, applying an ESG-focused policy.

SG 01.5 Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

UTAM works with the University of Toronto leadership to strengthen and formalize our shared commitment to responsible investing. As we balance prudent risk management with our efforts to generate the return required by the university, we also take a broader view of the managers we invest with - because we believe that material environmental, social and governance (ESG) considerations can have a significant impact on investment performance. We’ve therefore incorporated ESG considerations into our investment analysis and decision-making processes as part of our long-term strategy, as well as our day-to-day management of the university’s pension, endowment and short-term working capital assets.

We define responsible investing as the incorporation of environmental, social and governance (ESG) factors into investment decision-making processes, active ownership - through proxy voting and engagement - and disclosure. UTAM pursues a responsible investing approach because we believe that material ESG factors can have a significant impact on long-term investment returns. ESG considerations are part of our investment analysis and decision-making processes, particularly in our selection of investment managers. We’ve developed ways to engage with companies, both directly and with other like-minded institutional investors, to help ensure ESG-related risks are effectively managed. We cast our proxy votes, where possible, applying an ESG-focused policy. Moreover, we disclose our responsible investing activities regularly, via an annual responsible investing report [https://utam.utoronto.ca/responsible-investing-reports/](https://utam.utoronto.ca/responsible-investing-reports/) and through other updates published on our website [https://utam.utoronto.ca/news/](https://utam.utoronto.ca/news/). We believe that taking this broader perspective allows us to make better informed decisions and ultimately results in better outcomes for our client.

The PRI framework guided us in crafting our comprehensive Responsible Investing Policy [https://utam.utoronto.ca/responsible-investing/](https://utam.utoronto.ca/responsible-investing/), a revised version of which was published in December 2018 and applies to all assets under our management. The six Principles also underpin the deliberations of our Responsible Investing Committee, which meets regularly to consider all matters relating to the development and implementation of our responsible investing practices. Although we have generally taken an integration approach to ESG considerations, our client has directed us
to exclude certain tobacco-related securities in our investment universe. We also comply with exclusions mandated under Canadian regulations (e.g., economic sanctions). These are the only exceptions to our integration approach to responsible investing.

Our Responsible Investing Policy includes the following specific activities that we undertake where relevant and material.

**PRI Principle #1: We will incorporate ESG issues into investment analysis and decision-making processes.**

**UTAM Actions**
- Evaluate ESG-related risks across all portfolios.
- Integrate consideration of ESG factors into our investment and operational due diligence policies, and into other policies.
- Incorporate ESG considerations into our manager selection and monitoring processes.
- Support development of ESG-related tools, metrics and analyses.
- Encourage academic and other research on ESG integration.
- Provide and promote ESG training for our investment professionals.

**PRI Principle #2: We will be active owners and incorporate ESG issues into our ownership policies and practices.**

**UTAM Actions**
- Adopt a proxy voting policy that integrates ESG considerations and, where possible, apply this integrated policy to all public equity segregated account mandates, as well as to public equity funds in which our client’s portfolios are the only investors.
- Support corporate and regulatory proposals that contribute to improved governance practices and more effective boards.
- Participate in collaborative engagement initiatives.
- Encourage our investment managers to adopt voting policies that integrate ESG considerations.
- Support collaborative initiatives promoting ESG disclosure by companies.

**PRI Principle #3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.**

**UTAM Actions**
- Discuss ESG risks in our managers’ portfolios and in relation to particular securities that those managers hold.
- Ask managers to undertake and report on ESG-related engagements with companies in their portfolios.
- Support collaborative initiatives promoting ESG disclosure by companies.

**PRI Principle #4: We will promote acceptance and implementation of the Principles within the investment industry.**

**UTAM Actions**
- Encourage managers to become signatories to the PRI.
- Communicate our ESG expectations to managers.
- Support the development of tools for benchmarking ESG integration.
- Support regulatory or policy developments that enable implementation of the Principles.

**PRI Principle #5: We will work together to enhance our effectiveness in implementing the Principles.**

**UTAM Actions**
- Support and participate in networks and information platforms in order to share tools and pool resources.
- Address relevant emerging issues collectively with other asset owners and managers.
- Identify and support appropriate coalitions whose beliefs are aligned with the Principles.

**PRI Principle #6: We will each report on our activities and progress towards implementing the Principles.**

**UTAM Actions**
- Disclose how ESG issues are integrated within our investment process.
- Disclose active ownership activities (e.g., voting, engagement and policy dialogue).
- Communicate with stakeholders on ESG issues and the Principles.
- Report on progress and achievements relating to the Principles.
- Make use of reporting to raise awareness among a broader group of stakeholders.

### SG 02
**Mandatory**

<table>
<thead>
<tr>
<th>SG 02.1</th>
<th>Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔️ Policy setting out your overall approach</td>
<td></td>
</tr>
<tr>
<td>✔️ URL</td>
<td></td>
</tr>
<tr>
<td><a href="https://utam.utoronto.ca/">https://utam.utoronto.ca/</a></td>
<td></td>
</tr>
<tr>
<td>✔️ Attachment (will be made public)</td>
<td></td>
</tr>
</tbody>
</table>

### SG 02.2
**Mandatory**

<table>
<thead>
<tr>
<th>SG 02.2</th>
<th>Indicate which of your formalised guidelines on ESG factors are publicly available. Provide a URL and an attachment of the document.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔️ Formalised guidelines on environmental factors</td>
<td></td>
</tr>
<tr>
<td>✔️ URL</td>
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</tr>
<tr>
<td><a href="https://utam.utoronto.ca/responsible-investing/">https://utam.utoronto.ca/responsible-investing/</a></td>
<td></td>
</tr>
<tr>
<td>✔️ Attachment (will be made public)</td>
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</tr>
</tbody>
</table>

### SG 02.3
**Mandatory**

<table>
<thead>
<tr>
<th>SG 02.3</th>
<th>Indicate which of your formalised guidelines on social factors are publicly available. Provide a URL and an attachment of the document.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔️ Formalised guidelines on social factors</td>
<td></td>
</tr>
<tr>
<td>✔️ URL</td>
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<tr>
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<td></td>
</tr>
<tr>
<td>✔️ Attachment (will be made public)</td>
<td></td>
</tr>
</tbody>
</table>
Formalised guidelines on corporate governance factors

Fiduciary (or equivalent) duties

Screening / exclusions policy

Engagement policy

(Proxy) voting policy

We do not publicly disclose our investment policy documents

Your organisation’s definition of ESG and/or responsible investment and it’s relation to investments

Time horizon of your investment

Governance structure of organisational ESG responsibilities

ESG incorporation approaches

Active ownership approaches
In addition to publishing our Responsible Investing Policy on our website, we also publish extensive information on our ESG integration approach and our engagement activities. We also publish the private version of our PRI Assessment Report and the carbon footprint of the University’s Pension and Endowment portfolios in support of our commitment to the Montreal Carbon Pledge.

SG 03.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

- Yes
- No

The University of Toronto Funds Investment Policy has provisions addressing the management of potential conflicts of interest in the investment process and more broadly arising from other relationships and activities in the management of university investment assets.

In addition, UTAM has provisions within our Code of Ethics, which is published on our website at https://utam.utoronto.ca/, to identify and manage actual or potential conflicts of interest between its staff and its client. Controls are prescribed for the disclosure, mitigation, and avoidance of such conflicts. In the investment management process, actual or perceived conflicts of interest that an external investment manager may have with UTAM and/or its client are addressed in both our investment and operational due diligence processes before investment and in ongoing monitoring following initial investment. Our Code of Ethics incorporates the CFA Code of Conduct by reference.

SG 04.1 Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.

- Yes
- No

We subscribe to various news sources and information services that enable us to maintain an active awareness of incidents in portfolio companies, including incidents related to ESG. In some cases, our managers provide information on incidents in their portfolio companies.

When we are aware of an incident we may engage in a discussion with the relevant investment manager to further understand the nature of the incident and its potential or actual impact on the value of the investment, and also understand the actions that the manager intends to take in response. Such matters may be reported to our internal Management Investment Committee and our Responsible Investing Committee for further consideration.

SG 05.1 Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
UTAM formally sets responsible investment objectives at least annually but these may be updated throughout the year as new priorities emerge. Progress towards achievement of responsible investing objectives is reviewed at the regular meetings of the Responsible Investing Committee, which typically take place at least quarterly.

**SG 06.1** List the main responsible investment objectives that your organisation set for the reporting year.

### Responsible investment processes

**Provide training on ESG incorporation**

**Key performance indicator**

The number of relevant staff participating in ESG incorporation training and the number of activities undertaken.

**Progress achieved**

All staff engaged in external investment manager due diligence read articles related to ESG incorporation and participated in internal training. In addition, many staff accessed webinars and attended conferences that discussed ESG incorporation.

**Provide training on ESG engagement**

**Key performance indicator**

The number of relevant staff participating in ESG engagement training and the number of activities undertaken.

**Progress achieved**

All staff engaged in external investment manager due diligence read articles related to ESG engagement and participated in internal training. In addition, many staff accessed webinars and attended conferences that discussed ESG engagement.

**Improved communication of ESG activities within the organisation**

**Key performance indicator**

An increase in the volume, frequency or quality of information disseminated internally.

**Progress achieved**

Our Responsible Investing Committee, which is comprised of senior leaders at UTAM (including the CIO, COO, CRO and the heads of each investment team), establishes the responsible investing policy and overall approach to ESG integration, including the setting of objectives and reviewing their achievement. The senior leaders on this committee are responsible for disseminating relevant information to their respective teams.

All investment staff, the CIO, CRO and the Director Operations are members of our internal investment committee. This committee regularly discusses ESG matters in connection with manager selection, appointment and monitoring.

In 2018, for the first time, we provided internal training to staff on our approach to ESG incorporation. We will continue to provide internal training at least annually.

**Improved engagement to encourage change with regards to management of ESG issues**

**Key performance indicator**

An increase in any of the number or percentage of, 1) engagements undertaken; 2) our portfolio upon which engagement took place; 3) milestones achieved.

**Progress achieved**

UTAM is thoughtful in its engagement activities. Other than engagements conducted through our service provider, we participate mainly in collaborative engagements although we may engage directly with regulators and others as appropriate. Before we commit to engagement activities, they are considered by senior management to ensure that the objectives of the engagements are aligned with our beliefs and reflect the best interests of the University's investments. In 2018, we increased our collaborative engagement activities, such as through our participation in Climate Action 100+, and via our service provider as we experienced a full year of this service. Accordingly, with respect to our engagement service provider, this has corresponded with an increase in the number of companies in which engagements took place, 506 companies in 2018 vs. 54 companies in 2017 and an increase in the number of milestones achieved, 178 milestones in 2018 vs. 24 in 2017.

Although we have experienced achievement of a higher number of milestones, many initiatives are multi-year endeavours.

**Improved ESG incorporation into investment decision making processes**

**Key performance indicator**

Increased percentage of assets managed by PRI signatories on a dollar or manager basis or improvement in our own ESG incorporation processes.

**Progress achieved**

At December 31, 2018, the percentage of assets managed by external investment managers who are PRI signatories had increased from 35% at December 31, 2017, to 50%. During 2018, two of our external investment managers became PRI signatories following our encouragement. Also during 2018, we enhanced our processes for including ESG considerations in our due diligence activities.
### Joining and/or participation in RI initiatives

**Key performance indicator**

The number of initiatives that we participate in and the quality of our participation.

**Progress achieved**

We joined the following three new RI initiatives in 2018:
- 30% Club Canada
- Standards Board for Alternative Investments (SBAI)
- Intentional Endowment Network

We enhanced the quality of our participation in a number of our existing initiatives, including in particular with respect to the Responsible Investing Association where our COO joined its board.

### Encouraging others to join a RI initiative

**Key performance indicator**

The number of RI promotion events that we participate in and the number of our investment managers that join or launch RI initiatives.

**Progress achieved**

In 2018 we hosted a workshop in which portfolio managers, analysts and service providers discussed ways in which ESG considerations are being and can be included in the management of fixed income securities. We were pleased to see a number of our local fixed income managers attend and participate actively in the session.

We continually engage in dialogue with external investment managers encouraging participation in RI initiatives and were pleased to see at least two of them sign on to the PRI this year.

Additionally, we presented our responsible investing approach to other investors to help them develop their own approach.

### Documentation of best practice case studies

**Using case studies to demonstrate engagement and ESG incorporation to clients**

**Key performance indicator**

Ensuring that we include examples of engagement and ESG incorporation activities in our reporting to our client and stakeholders.

**Progress achieved**

Through our collaborative engagements and engagements conducted on our behalf by our service provider, we continually seek examples to illustrate the objectives, process, outcomes and benefits of these activities. Collaborative engagement initiatives, such as Climate Action 100+, may be multi-year engagements and although there is progress, it is early days in respect of outcomes - however, we update our stakeholders with progress illustrated by case studies where possible.
SG 07.2  For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Responsible investing at UTAM is conducted under the auspices of our Responsible Investing Committee which has a defined mandate within our Responsible Investing policy, typically meets at least quarterly and is comprised of our senior leaders. The committee establishes the responsible investing policy and overall approach to ESG integration, including the setting of objectives and reviewing their achievement.

UTAM’s President and Chief Investment Officer oversees UTAM’s approach to responsible investing activities and communication to stakeholders.

Implementation of ESG integration in external investment manager selection and monitoring is the responsibility of the CIO and the heads of public equities, fixed income and private markets, who in turn ensure that their respective teams incorporate ESG considerations into their processes. In the investment manager appointment process, the respective investment head, and internal legal staff work to incorporate UTAM’s requirements into investment management agreements and similar documents.

The Chief Operating Officer is responsible for the implementation of UTAM’s proxy voting program, undertakes engagement activities and participates in stakeholder reporting and communications.

SG 07.3  Indicate the number of dedicated responsible investment staff your organisation has.

0

SG 07.4  Additional information. [Optional]

UTAM does not have dedicated responsible investment staff, instead, implementation of the program is integrated into the responsibilities of all senior staff, as well as investments and operational due diligence staff. We believe this approach ensures that consideration of ESG issues is a fundamental part of the selection, appointment and monitoring of external investment managers, rather than a separate activity.

SG 08  Voluntary  Additional Assessed  General

SG 08.1  Indicate if your organisation’s performance management, reward and/or personal development processes have a responsible investment element.

Board members/Board of trustees

SG 08.1b  RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee

SG 08.1a  RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b  RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above
### SG 08.1a: RI in objectives, appraisal and/or reward

- [x] Responsible investment KPIs and/or goals included in objectives
- [x] Responsible investment included in appraisal process
- [x] Variable pay linked to responsible investment performance
- None of the above

### SG 08.1b: RI in personal development and/or training plan

- [x] Responsible investment included in personal development and/or training plan
- None of the above

### SG 08.3: Provide any additional information on your organisation’s performance management, reward and/or personal development processes in relation to responsible investment.

Each senior team member, investments and operational due diligence staff have personal objectives related to responsible investment. All staff are evaluated semi-annually on the achievement of their goals. Certain elements of discretionary compensation are based on personal achievements.

### SG 08.4: Describe the level of experience board members/trustees/chief-level staff have with incorporating ESG factors into investment decision-making processes.

UTAM's President and Chief Investment Officer sits on our board and, as such, brings practical experience to the board on these matters. The President of the University of Toronto also sits on our Board - he has developed significant expertise in considering responsible investing matters, including publishing an extensive report setting out the university’s actions with respect to climate change. Chief-level staff at UTAM have a number of years of combined experience in ESG incorporation - both in developing and in implementing an appropriate program.

### SG 09: Mandatory Core Assessed PRI 4,5

#### SG 09.1: Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

- [x] Principles for Responsible Investment

  - Your organisation’s role in the initiative during the reporting period (see definitions)
    - Moderate

  - Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]
    - Our Chief Risk Officer is a member of PRI’s Asset Owner Advisory Committee.
    - Asian Corporate Governance Association
    - Australian Council of Superannuation Investors
    - AFIC – La Commission ESG
    - BVCA – Responsible Investment Advisory Board
    - CDP Climate Change

  - Your organisation’s role in the initiative during the reporting period (see definitions)
    - Moderate

  - Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]
    - We undertook a lead role in contacting a number of companies asking them to provide data requested by the CDP.

- [x] CDP Forests

  - Your organisation’s role in the initiative during the reporting period (see definitions)
    - Moderate

  - Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]
    - We undertook a lead role in contacting a number of companies asking them to provide data requested by the CDP.
### CDP Water

#### Your organisation's role in the initiative during the reporting period (see definitions)

**Moderate**

Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]

We undertook a lead role in contacting a number of companies asking them to provide data requested by the CDP.

- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

### CDP Transparency

#### Your organisation's role in the initiative during the reporting period (see definitions)

**Basic**

Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]

UTAM supports the work of CCGG and participates in its activities as considered appropriate.

**Advanced**

Provide a brief commentary on the level of your organisation’s involvement in the initiative. [Optional]

UTAM’s Chief Operating Officer (COO) is a Board member of the RIA and Chair of its Governance Policy Committee. The COO also participates in the RIA’s Toronto Working Group and facilitated the hosting of meetings at UTAM’s offices.

### Other collaborative organisation/initiative, specify

- Responsible Investment Association (Canada) (RIA)
- Pension Investment Association of Canada (PIAC)
- Intentional Endowments Network
UTAM joined the Intentional Endowments Network in 2018 and is evaluating how best to participate in this initiative.

**SG 09.2**

**Mandatory to Report, Voluntary to Disclose**

**Descriptive**

**PRI 1**

Indicate approximately what percentage (+/- 5%) of your externally managed assets under management are managed by PRI signatories.

- 53%

**SG 10**

**Mandatory**

**Core Assessed**

**PRI 4**

**SG 10.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

**SG 10.2**

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

**Description**

UTAM hosted a workshop in which portfolio managers, analysts and service providers discussed ways in which ESG considerations can be integrated into the management of fixed income securities. We also presented to an associated university’s investment committee on ESG and attended a conference where we participated in a panel discussion on ESG perspectives.

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

**Description**

We endeavour to provide leadership in this area by being as transparent as possible with respect to our activities and providing a significant amount of information on our practices to our website. In addition, we actively encourage companies to provide better disclosure through our involvement with the CDP’s climate, water and forests initiatives and through our participation in Climate Action 100. We also discuss transparency and disclosure with our investment managers.

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Spoke publicly at events and conferences to promote responsible investment

**Description**

We participated in a panel discussion and hosted a workshop on aspects of ESG integration.

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
UTAM engages in dialogue with external investment managers, encouraging them to consider adoption of the PRI - two of which signed on in 2018.

**Description**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

☑ Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
☐ Wrote and published articles on responsible investment in the media
☐ A member of PRI advisory committees/ working groups, specify

**Description**

UTAM's Chief Risk Officer is a member of the PRI's Asset Owner Advisory Committee which is a work stream considering how to further implement the Principles throughout the investment chain and specifically to increase the engagement of asset owners with respect to responsible investment.

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

☒ On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

**Description**

UTAM’s Chief Operating Officer is a member of the board of the Responsible Investing Association of Canada and chairs its Governance Policy Committee.

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

☐ No

<table>
<thead>
<tr>
<th>SG 11</th>
<th>Voluntary</th>
<th>Additional Assessed</th>
<th>PRI 4,5,6</th>
</tr>
</thead>
<tbody>
<tr>
<td>SG 11.1</td>
<td>Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

☐ Yes

☐ Yes, individually

☒ Yes, in collaboration with others

<table>
<thead>
<tr>
<th>SG 11.2</th>
<th>Select the methods you have used.</th>
</tr>
</thead>
</table>

☒ Endorsed written submissions to governments, regulators or public policy makers developed by others
☐ Drafted your own written submissions to governments, regulators or public policy makers
☐ Participated in face-to-face meetings with government members or officials to discuss policy
☐ Other, specify

<table>
<thead>
<tr>
<th>SG 11.3</th>
<th>Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.</th>
</tr>
</thead>
</table>

☒ Yes, publicly available

https://utam.utoronto.ca/advocacy-initiatives/
SG 11.4 Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

The topics that UTAM has engaged with public policy makers and regulators on are:
- In support of amendments to federal laws governing corporations particularly in respect of board diversity, voting rights, etc.
- Dialogue with provincial securities regulators regarding ESG reporting by issuers.
- Considerations in respect of amendments to cluster munitions prohibiting legislation.

Note that we report above in SG 11.3, that we make written submissions publicly available, and this is the case unless, under the terms of the collaboration, we are not able to do so or we determine that it is inappropriate to do so.

SG 12 Mandatory Core Assessed PRI 4

SG 12.1 Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

SG 13 Mandatory Descriptive PRI 1

SG 13.1 Indicate whether your organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

Describe

- We develop macro risk scenarios from historical events associated with individual E, S and G factors. These macro factor shocks are then used to propagate changes down to the individual asset class levels (for all asset classes and strategies). This provides us with an integrated top-down stress scenario.

Describe

- For climate risk, we evaluate the potential impact of climate events on the portfolio using two approaches: exposure based analysis (at the security level) and scenario analysis (2-degree and 6-degree scenarios, at the asset class level).
- No, not to assess future ESG/climate-related issues

SG 13.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

SG 14 Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1

SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2 Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
SG 14.3 Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 15 Mandatory to Report, Voluntary to Disclose Descriptive PRI 1

SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No

SG 16 Mandatory Descriptive General

SG 16.1 Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Describe what processes are in place and the outputs or outcomes achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>All of our internally managed cash is on deposit with Canadian financial institutions. In determining where to deposit cash, we consider the deposit rates offered, credit ratings, and MSCI ESG ratings.</td>
</tr>
</tbody>
</table>

SG 17 Mandatory Descriptive General

SG 17.1 Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Describe what processes are in place and the outputs or outcomes achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed income - Corporate (financial)</td>
<td>We follow the same approach for all asset classes. See our response to O0 11.4.</td>
</tr>
<tr>
<td>Fixed income - Securitised</td>
<td>We follow the same approach for all asset classes. See our response to O0 11.4.</td>
</tr>
<tr>
<td>Property</td>
<td>We follow the same approach for all asset classes. See our response to O0 11.4.</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>We follow the same approach for all asset classes. See our response to O0 11.4.</td>
</tr>
</tbody>
</table>

Hedge funds - DDQ

- Yes
- No

Hedge funds

We follow the same approach for all asset classes. See our response to O0 11.4.

We use our internally developed DDQ which includes questions from the PRI Hedge Fund DDQ and additional questions.

SG 18 Voluntary Descriptive General

SG 18.1 Indicate whether any specific features of your approach to responsible investment are particularly innovative.

- Yes
- No

SG 19 Mandatory Core Assessed PRI 2, 6
**SG 19.1** Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

**Selection, Appointment and Monitoring**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public.

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

**Disclosure to public and URL**

- How responsible investment considerations are included in manager selection, appointment and monitoring processes
- Details of the responsible investment activities carried out by managers on your behalf
- E, S and/or G impacts and outcomes that have resulted from your managers’ investments and/or active ownership
- Other

Annually

https://utam.utoronto.ca/responsible-investing/

**Listed equity - Engagement**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public.

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

**Disclosure to public and URL**

- Details on the overall engagement strategy
- Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals
- Number of engagements undertaken
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the progress achieved and outcomes against defined objectives
- Examples of engagement cases
- Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)
- Details on whether the provided information has been externally assured
- Outcomes that have been achieved from the engagement
- Other information

Annually

https://utam.utoronto.ca/responsible-investing/

**Listed equity – (Proxy) Voting**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public.
<table>
<thead>
<tr>
<th>The information disclosed to clients/beneficiaries is the same</th>
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</thead>
<tbody>
<tr>
<td>☑ Yes</td>
</tr>
<tr>
<td>☐ No</td>
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</table>

<table>
<thead>
<tr>
<th>Disclosure to public and URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Disclose all voting decisions</td>
</tr>
<tr>
<td>☑ Disclose some voting decisions</td>
</tr>
<tr>
<td>☐ Only disclose abstentions and votes against management</td>
</tr>
</tbody>
</table>

Annually

https://utam.utoronto.ca/responsible-investing/
**SAM 01**

**Mandatory Gateway PRI 1**

**SAM 01.1** Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf for all your listed equity and/or fixed income assets:

### Active investment strategies

<table>
<thead>
<tr>
<th>Screening</th>
<th>Thematic</th>
<th>Integration</th>
<th>None of the above</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
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</tbody>
</table>

### Passive investment strategies

<table>
<thead>
<tr>
<th>Screening</th>
<th>Thematic</th>
<th>Integration</th>
<th>None of the above</th>
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</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
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</tr>
</tbody>
</table>

**SAM 01.2** Additional information. [Optional]

We implement Responsible Investing through an ESG integration approach, which means that we take into account ESG risks and opportunities in our investment decision-making process. However, as directed by our client, we limit exposure to tobacco-related securities.

**SAM 02**

**Mandatory Core Assessed PRI 1**

**SAM 02.1** Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

<table>
<thead>
<tr>
<th>Your organisation’s investment strategy and how ESG objectives relate to it</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
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<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ESG incorporation requirements</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
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<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ESG reporting requirements</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No RI information covered in the selection documentation</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
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<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

**SAM 02.2** Explain how your organisation evaluates the investment manager’s ability to align between your investment strategy and their investment approach

<table>
<thead>
<tr>
<th>Strategy</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess the time horizon of the investment manager’s offering vs. your/beneficiaries’ requirements</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Assess the quality of investment policy and its reference to ESG</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Assess the investment approach and how ESG objectives are implemented in the investment process</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review the manager’s firm-level vs. product-level approach to RI</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Assess the ESG definitions to be used</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Other</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ESG people/oversight</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assess ESG expertise of investment teams</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review the oversight and responsibilities of ESG implementation</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>
**Review how is ESG implementation enforced/ensured**

- [ ]
- [ ]
- [ ]
- [ ]

**Review the manager’s RI-promotion efforts and engagement with the industry**

- [ ]
- [ ]
- [ ]
- [ ]

**Other**

- [ ]
- [ ]
- [ ]
- [ ]

**None of the above**

- [ ]
- [ ]

---

**Process/portfolio construction/investment valuation**

<table>
<thead>
<tr>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review the process for ensuring the quality of the ESG data used</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review and agree the use of ESG data in the investment decision making process</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review and agree the impact of ESG analysis on investment decisions</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review and agree manager’s ESG risk framework</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review how ESG materiality is evaluated by the manager</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review for ESG-related risks to RfP, RfI, DDQ etc.</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review ESG-related risks to LP DDQ</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review publicly available information on ESG/RI</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review assurance process on ESG/RI data and processes</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Review PRI Transparency Reports</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Request and discuss PRI Assessment Reports</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Meetings with the potential shortlisted managers covering ESG/RI themes</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Site visits to potential managers offices</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Other, specify</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

**SAM 02.3** Indicate the selection process and its ESG/RI components

- [ ] Review ESG/RI responses to RfP, RfI, DDQ etc.
- [ ] Review responses to PRI’s Limited Partners’ Responsible Investment Due Diligence Questionnaire (LP DDQ)
- [ ] Review publicly available information on ESG/RI
- [ ] Review assurance process on ESG/RI data and processes
- [ ] Review PRI Transparency Reports
- [ ] Request and discuss PRI Assessment Reports
- [ ] Meetings with the potential shortlisted managers covering ESG/RI themes
- [ ] Site visits to potential managers offices
- [ ] Other, specify

**SAM 02.4** When selecting external managers does your organisation set any of the following:

<table>
<thead>
<tr>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESG performance development targets</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>ESG score</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>ESG weight</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Real world economy targets</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>Other RI considerations</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
<tr>
<td>None of the above</td>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>

**SAM 02.5** Describe how the ESG information reviewed and discussed affects the selection decision making process [OPTIONAL]

We score potential managers based on two primary categories: (i) ESG relevance to the strategy under consideration; and (ii) the manager’s implementation of ESG integration. Both categories are scored from 1 to 5 and then an overall score is calculated using the two individual category scores. To determine the ESG relevance of a strategy, we focus primarily on the expected holding period of the investment strategy. For example, a strategy with a very short holding period (e.g. days/weeks) would have a low relevance score, while a strategy with a long holding period (e.g. multiple years) such as private equity would have a high relevance score. The manager’s implementation of ESG integration score is based on material provided by the manager (e.g.: DDQ, RfI, responsible investing policy, marketing material, etc.) as well as information we gather from the manager during calls and meetings. In addition, in many cases, we will evaluate the underlying positions within a manager’s portfolio from an ESG perspective. For example, in listed equities, we are typically able to obtain the full list of positions within a manager’s portfolio at different points in time, which we then match up with MSCI’s ESG ratings on a position by position basis. This allows us to calculate an overall ESG rating for the portfolio and to identify any names that may have a low ESG rating. We do this at a point in time and over time so that we can identify trends. We find it very helpful to look at the actual positions in a manager’s portfolio instead of just relying on a manager’s representation of what they are doing from a responsible investing perspective. By doing as much homework as we can going into calls or meetings with managers, we find we are able to have higher quality conversations with managers on this topic. The overall responsible investing rating is included in our investment recommendation along with a full section on responsible investing generally (e.g., case studies, a description of the manager’s investing process.
with respect to ESG integration, etc.). This recommendation is presented to our internal investment committee, who will decide whether or not to approve the investment. Responsible investing is an important consideration in our evaluation process but is viewed as another lens through which we evaluate managers. We do not assign weights to the various components of our evaluation process to come up with an overall score for a manager because we believe that the most appropriate way to evaluate managers is to take a holistic approach and consider everything together. We believe that including this additional ESG lens in our process leads to more informed decision-making on our part, and ultimately results in better decisions.

**SAM 03**

**Mandatory**

**Additional Assessed**

**PRI 2**

**SAM 03.1**

Indicate how your organisation typically evaluates the manager’s active ownership practices in the majority of the manager selection process.

<table>
<thead>
<tr>
<th>(Proxy) voting</th>
<th>LE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review the manager's voting policy</td>
<td>☑ Review the manager’s voting policy - LE</td>
</tr>
<tr>
<td>Review the manager's ability to align voting activities with clients' specific voting policies</td>
<td>☑ Review the manager’s ability to align voting activities with clients’ specific voting policies - LE</td>
</tr>
<tr>
<td>Review the manager’s process for informing clients about voting decisions</td>
<td>☑ Review the manager’s process for informing clients about voting decisions - LE</td>
</tr>
<tr>
<td>Ensure whether voting outcomes feed back into the investment decision-making process</td>
<td>☑ Ensure that voting outcomes feed back into the investment decision-making process - LE</td>
</tr>
<tr>
<td>Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale</td>
<td>☑ Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale - LE</td>
</tr>
<tr>
<td>Other active ownership voting issues in your selection process; specify</td>
<td>☑ Other active ownership voting issues in your selection process; specify - LE</td>
</tr>
</tbody>
</table>

**SAM 03.3**

Describe how you assess if the manager’s voting approach is effective/appropriate

- Impact on investment decisions
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices (i.e., ESG policies and implementation activities)
- Other, specify

We review and assess managers’ proxy voting policies and guidelines to gain reasonable assurance that they are effective and appropriate. We may discuss specific voting matters with managers.

- None of the above

**SAM 04**

**Mandatory**

**Core Assessed**

**PRI 1**

**SAM 04.1**

Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

**SAM 04.2**

Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers’ appointment:

<table>
<thead>
<tr>
<th>Asset class</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ Listed equity (LE)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ Standard benchmark</td>
</tr>
<tr>
<td>☑ ESG benchmark, specify</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ESG Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ ESG related strategy, specify</td>
</tr>
<tr>
<td>☑ ESG related investment restrictions, specify</td>
</tr>
<tr>
<td>☑ ESG integration, specify</td>
</tr>
</tbody>
</table>

While acknowledging that an investment manager’s assessment of a company considers many factors, we expect investment managers to incorporate ESG considerations into their investment processes when they believe such considerations are relevant and material.
In segregated account equity mandates we require our managers to surrender proxy voting to ISS and use their Sustainability policy and guidelines. In commingled fund mandates where the University of Toronto’s Pension and Endowment are the only investors, we are typically able to have the manager surrender proxy voting to ISS and use their Sustainability policy and guidelines.

While acknowledging that an investment manager’s assessment of a bond takes into account many factors, we expect investment managers to include ESG considerations in their investment processes when they believe such considerations are relevant and material.

We do not set incentives and controls.

We do not set reporting requirements.

**Fixed income - SSA (SSA)**

**Benchmark**
- Standard benchmark, specify
  - FTSE Canada Universe All Government Bond Index (Canada only)
- ESG benchmark, specify

**ESG Objectives**
- ESG related strategy, specify
- ESG related investment restrictions, specify
- ESG integration, specify
  - While acknowledging that an investment manager’s assessment of a bond takes into account many factors, we expect investment managers to include ESG considerations in their investment processes when they believe such considerations are relevant and material.

**Fixed income - Corporate (non-financial)**

**Benchmark**
- Standard benchmark, specify
  - FTSE Canada All Corporate Universe
- ESG benchmark, specify

**ESG Objectives**
- Other, specify
- ESG related strategy, specify
- ESG related investment restrictions, specify
- ESG integration, specify
  - While acknowledging that an investment manager’s assessment of a bond takes into account many factors, we expect investment managers to include ESG considerations in their investment processes when they believe such considerations are relevant and material.
While acknowledging that an investment manager’s assessment of a company takes into account many factors, we expect investment managers to include ESG considerations in their investment processes when they believe such considerations are relevant and material.

<table>
<thead>
<tr>
<th>SAM 04.3</th>
<th>Indicate which of these actions your organisation might take if any of the requirements are not met</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔ Discuss requirements not met and set project plan to rectify</td>
<td></td>
</tr>
<tr>
<td>✔ Place investment manager on a “watch list”</td>
<td></td>
</tr>
<tr>
<td>✔ Track and investigate reason for non-compliance</td>
<td></td>
</tr>
<tr>
<td>✔ Re-negotiate fees</td>
<td></td>
</tr>
<tr>
<td>✔ Failing all actions, terminate contract with the manager</td>
<td></td>
</tr>
<tr>
<td>✔ Other, specify</td>
<td></td>
</tr>
<tr>
<td>❌ No actions are taken if any of the ESG requirements are not met</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SAM 05</th>
<th>Mandatory</th>
<th>Core Assessed</th>
<th>PRI 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAM 05.1</td>
<td>When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates</td>
<td>LE</td>
<td>FI - SSA</td>
</tr>
<tr>
<td></td>
<td>ESG objectives linked to investment strategy (with examples)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>✔</td>
<td>❌</td>
<td>❌</td>
</tr>
<tr>
<td></td>
<td>Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>✔</td>
<td>❌</td>
<td>❌</td>
</tr>
</tbody>
</table>
When monitoring external managers, does your organisation set any of the following to measure compliance/progress?

**Provide additional information relevant to your organisation’s monitoring processes of external managers. [OPTIONAL]**

<table>
<thead>
<tr>
<th>ESG score</th>
<th>LE</th>
<th>FI - SSA</th>
<th>FI - Corporate (non-financial)</th>
<th>Private equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| ESG weight | ✔ | ✔ | ✔ | ✔ |
| ESG performance minimum threshold | ✔ | ✔ | ✔ | ✔ |
| Real world economy targets | ✔ | ✔ | ✔ | ✔ |

Other RI considerations: None of the above

---

**UTAM incorporates responsible investment considerations into our monitoring of investment managers (as well as in their selection and appointment) by undertaking the activities listed below, where appropriate to the mandate. Note that we have included considerations related to selection, appointment and monitoring to illustrate the complete lifecycle of activities:**

- **Selection:** Issue ESG due diligence questions, review responses and follow up where appropriate. [Proxy] voting
- **Appointment:** When appointing managers, we will seek to include relevant ESG considerations into the investment mandate. Where appointing a manager under an investment management agreement, we will include specific investment parameters where applicable, as well as reporting obligations. When investing in a manager’s commingled product, we will seek to include terms specific to disclosure and reporting in any side letter we negotiate where applicable. [Proxy] voting
- **Monitoring:** Issue ESG due diligence questionnaires annually, following up on the manager’s responses where appropriate. Include responsible investment as a standard agenda item at annual performance review meetings. Highlight examples of good practices by other managers in the area of responsible investing. [Proxy] voting
- **Compliance with investment restrictions and any controversial investment decisions:** Review the manager’s responsible investment policies. Meet with staff members who are focused on responsible investing in order to assess their skills and competence. Discuss the current governance and management of the firm’s responsible investment activities. Assess any collaborative initiatives or direct engagements with the management teams of companies in the investment portfolio. Evaluate the quality of the manager’s investment policy and its reference to ESG. Assess how ESG implementation is enforced. Review how the manager evaluates ESG materiality. Examine the process of defining and communicating ESG incidents. Review the manager’s proxy voting policy and processes (in cases where UTAM would not direct voting). Determine whether the manager is a signatory to the PRI and/or other relevant initiatives and organizations. Review responsible investment reporting to clients and/or the public. Communicate our expectations for future ESG reporting. Evaluate the coverage and quality of the firm’s ESG-related research. Assess current strategies for incorporating ESG factors, as well as the manager’s ability to identify and manage ESG-related issues. Review ESG-related characteristics of the investment portfolio. Investigate the impact of ESG factors on specific investment decisions and, where relevant, subsequent stock and portfolio performance. [Proxy] voting
- **Changes to the oversight and responsibilities of ESG implementation:** Discuss securities in the manager’s portfolio that appear to have material ESG risks. Incorporate a review of ESG implementation in our internal manager recommendation memos, including rating the manager’s perspective (as described in SAM 2.4).
- **RI-promotion and engagement with the industry to enhance RI implementation:** Review how the manager evaluates ESG materiality. Examine the process of defining and communicating ESG incidents. Review the manager’s proxy voting policy and processes (in cases where UTAM would not direct voting). Determine whether the manager is a signatory to the PRI and/or other relevant initiatives and organizations. Review responsible investment reporting to clients and/or the public. Communicate our expectations for future ESG reporting. Evaluate the coverage and quality of the firm’s ESG-related research. Assess current strategies for incorporating ESG factors, as well as the manager’s ability to identify and manage ESG-related issues. Review ESG-related characteristics of the investment portfolio. Investigate the impact of ESG factors on specific investment decisions and, where relevant, subsequent stock and portfolio performance. [Proxy] voting
- **RI-promotion and engagement with the industry to enhance RI implementation:** Discuss securities in the manager’s portfolio that appear to have material ESG risks. Incorporate a review of ESG implementation in our internal manager recommendation memos, including rating the manager’s perspective (as described in SAM 2.4).

**Appointment:** When appointing managers, we will seek to include relevant ESG considerations into the investment mandate. Where appointing a manager under an investment management agreement, we will include specific investment parameters where applicable, as well as reporting obligations. When investing in a manager’s commingled product, we will seek to include terms specific to disclosure and reporting in any side letter we negotiate where applicable. [Proxy] voting
- **Changes to the oversight and responsibilities of ESG implementation:** Review the manager’s responsible investment policies. Meet with staff members who are focused on responsible investing in order to assess their skills and competence. Discuss the current governance and management of the firm’s responsible investment activities. Assess any collaborative initiatives or direct engagements with the management teams of companies in the investment portfolio. Evaluate the quality of the manager’s investment policy and its reference to ESG. Assess how ESG implementation is enforced. Review how the manager evaluates ESG materiality. Examine the process of defining and communicating ESG incidents. Review the manager’s proxy voting policy and processes (in cases where UTAM would not direct voting). Determine whether the manager is a signatory to the PRI and/or other relevant initiatives and organizations. Review responsible investment reporting to clients and/or the public. Communicate our expectations for future ESG reporting. Evaluate the coverage and quality of the firm’s ESG-related research. Assess current strategies for incorporating ESG factors, as well as the manager’s ability to identify and manage ESG-related issues. Review ESG-related characteristics of the investment portfolio. Investigate the impact of ESG factors on specific investment decisions and, where relevant, subsequent stock and portfolio performance. [Proxy] voting
- **Changes to the oversight and responsibilities of ESG implementation:** Discuss securities in the manager’s portfolio that appear to have material ESG risks. Incorporate a review of ESG implementation in our internal manager recommendation memos, including rating the manager’s perspective (as described in SAM 2.4).

**Additional information relevant to your organisation’s monitoring processes of external managers:**

| Selection: | ✔ | ✔ | ✔ | ✔ |
| Appointment: | ✔ | ✔ | ✔ | ✔ |
| Monitoring: | ✔ | ✔ | ✔ | ✔ |
| Compliance with investment restrictions and any controversial investment decisions: | ✔ | ✔ | ✔ | ✔ |
| Changes to the oversight and responsibilities of ESG implementation: | ✔ | ✔ | ✔ | ✔ |
| None of the above: | ✔ | ✔ | ✔ | ✔ |

---

**SAM 06.1 When monitoring managers, indicate which of the following active ownership information your organisation typically reviews and evaluates from the investment manager in meetings/calls**

| (Proxy) voting | LE | |
| Report on voting undertaken (with outcomes and examples) | ✔ | Report on voting undertaken (with outcomes and examples) - LE |
### SAM 07: Responsible Investment (RI) Considerations

**SAM 07.1** For the listed equities for which you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.

- **Votes cast (to the nearest 5%)**
  - 100%

  **Specify the basis on which this percentage is calculated.**
  - Of the total number of ballot items on which they could have issued instructions
  - Of the total number of company meetings at which they could have voted
  - Of the total value of your listed equity holdings on which they could have voted
  - We do not collect this information.

### SAM 08: Responsible Investment (RI) Considerations

**SAM 08.1** Describe how you ensure that best RI practice is applied to managing your assets

- **Encourage improved RI practices with existing investment managers**
  - We generally have at least quarterly touch points with managers in the portfolio either through requests for information or through meetings/calls. ESG matters and responsible investing are typically covered at most meetings and on many of the calls. When we discuss responsible investing with managers, we encourage them to continue to improve their practices and we emphasize the importance of responsible investing to UTAM and our client. In addition, as we meet with many managers during the year, both potential and existing, we are in a unique position to gauge best practices for different strategies and how these are developing over time. We convey this information to managers and actively encourage them to move towards best practice if they are not already there.
  - Move assets over to investment managers with better RI practices
  - Other, specify
  - None of the above

### SAM 09: Responsible Investment (RI) Considerations

**SAM 09.1** Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

- **Add Example 1**
  - **Topic or issue:** Promoting the PRI
  - **Conducted by:** Internal staff
  - **Asset class:** Fixed income – corporate (non financial)
  - **Scope and process:** We hold regular discussions with our investment managers on ESG issues; we promote the PRI and encourage them to sign the PRI.
  - **Outcomes:** One of our fixed income managers became a PRI signatory in 2018; they indicated that our leadership in responsible investment was a significant factor in their decision to sign on.

- **Add Example 2**
  - **Topic or issue:** ESG incorporation and reporting
  - **Conducted by:** Internal staff
  - **Asset class:** Fixed income – corporate (non financial)
  - **Scope and process:** In regular discussions with investment managers, we encourage them to incorporate ESG considerations into their investment processes and to include ESG matters in their regular reporting.
**Outcomes**
As part of our due diligence and based on our recommendations, a fixed income investment manager developed an ESG policy and formed an ESG Oversight Committee. Additionally, upon our request, the manager committed to disclosing material ESG incidents to investors in its quarterly and annual reporting.

<table>
<thead>
<tr>
<th>Topic or issue</th>
<th>Promoting the PRI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducted by</td>
<td>Internal staff</td>
</tr>
<tr>
<td>Asset class</td>
<td>Listed Equity</td>
</tr>
<tr>
<td>Scope and process</td>
<td>We hold regular discussions with our investment managers on ESG issues; we promote the PRI and encourage them to become signatories.</td>
</tr>
<tr>
<td>Outcomes</td>
<td>One of our public equity managers became a PRI signatory in 2018; they indicated that promotion of ESG considerations and the PRI by UTAM and other like-minded allocators was a significant factor in their decision to sign the PRI.</td>
</tr>
</tbody>
</table>

☐ Add Example 3
☐ Add Example 4
☐ Add Example 5
☐ Add Example 6
☐ Add Example 7
☐ We are not able to provide examples
**LEA 01.1** Indicate whether your organisation has an active ownership policy.

- Yes

**LEA 01.2** Attach or provide a URL to your active ownership policy.

- Attachment provided: 
- URL provided: https://utam.utoronto.ca/responsible-investing/

**LEA 01.3** Indicate what your active engagement policy covers:

- General approach to active ownership
  - Conflicts of interest
  - Alignment with national stewardship code requirements
  - Assets/funds covered by active ownership policy
  - Expectations and objectives
  - Engagement approach

- Engagement
  - ESG issues
  - Prioritisation of engagement
  - Method of engagement
  - Transparency of engagement activities
  - Due diligence and monitoring process
  - Insider information
  - Escalation strategies
  - Service Provider specific criteria
  - Other specify:

- (Proxy) voting approach

- Voting
  - ESG issues
  - Prioritisation and scope of voting activities
  - Methods of voting
  - Transparency of voting activities
  - Regional voting practice approaches
  - Filing or co-filing resolutions
  - Company dialogue pre/post-vote
  - Decision making processes
  - Securities lending processes
  - Other specify:

- No

**LEA 01.4** Do you outsource any of your active ownership activities to service providers?

- Yes

**LEA 01.5** Where active ownership activities are conducted by service providers, indicate whether your active ownership policy covers any of the following.

- Outline of service providers role in implementing organisation’s active ownership policy
- Description of considerations included in service provider selection and agreements
- Identification of key ESG frameworks service providers must follow
- Outline of information sharing requirements of service providers
- Description of service provider monitoring processes
- Other, specify

- No
LEA 02.1  
Indicate the method of engagement, giving reasons for the interaction.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Reason for interaction</th>
</tr>
</thead>
</table>
| Individual / Internal staff engagements | To influence corporate practice (or identify the need to influence) on ESG issues  
|                             | To encourage improved/increased ESG disclosure                   |
|                             | To gain an understanding of ESG strategy and/or management       |
|                             | We do not engage via internal staff                              |
| Collaborative engagements   | To influence corporate practice (or identify the need to influence) on ESG issues  
|                             | To encourage improved/increased ESG disclosure                   |
|                             | To gain an understanding of ESG strategy and/or management       |
|                             | We do not engage via collaborative engagements                 |
| Service provider engagements | To influence corporate practice (or identify the need to influence) on ESG issues  
|                             | To encourage improved/increased ESG disclosure                   |
|                             | To gain an understanding of ESG strategy and/or management       |
|                             | We do not engage via service providers                          |

LEA 02.2  
Indicate whether your organisation plays a role in the engagement process that your service provider conducts.

Yes

LEA 02.3  
Indicate the role(s) you play in engagements that your service provider conducts on your behalf.

- Discuss the topic (or ESG issue(s)) of engagement
- Discuss the rationale for engagement
- Discuss the objectives of the engagement
- Select the companies to be engaged with
- Discuss the frequency/intensity of interactions with companies
- Discuss next steps for engagement activity
- Participate directly in certain engagements with your service provider
- Other, specify
- We play no role in engagements that our service provider conducts.

LEA 02.4  
Additional information. [Optional]

One of the pillars of a best-in-class active ownership approach is engagement with the management and boards of equity and fixed income issuers on ESG considerations. The objectives of engagement include seeking to better understand a company’s position on various issues and communicating our views, with the goal of improving the management of ESG risks and opportunities at portfolio companies as well as lending our support to ESG practises and to promote enhanced disclosure and transparency. We believe that sound management of ESG risks and opportunities is essential for long-term outperformance.

Given our size and the fact that we invest through third-party investment managers, we typically undertake engagement activities as part of formal and informal collaborative groups. We believe that the combined influence of like-minded investors with substantial combined holdings will typically lead to better outcomes than we could achieve on our own.

We participate in formal engagement collaborations through membership in various organizations, by teaming up with other like-minded investors, and by using service providers to engage on our behalf. We have a consultative process managed by our Responsible Investing Committee to determine in which collaborations to participate. In order to identify and prioritize collaborative engagements, we use a number of criteria including our ability to add value to the collaboration, the materiality of the specific ESG risks to be addressed, and the potential impact on client portfolios.
Where we have contracted service providers for engagement activities, we conduct regular discussions with them on engagement priorities, key objectives, progress in meeting those objectives and the outcomes achieved. We endeavour to participate selectively in their engagement activities from time to time. We monitor all of our collaborative engagement activities to assess their effectiveness. We regularly report on the progress of collaborative engagements both internally and to stakeholders and may share insights from engagement activities with external investment managers where relevant.

### LEA 03

**Mandatory**

<table>
<thead>
<tr>
<th>LEA 03.1</th>
<th>Indicate whether your organisation has a formal process for identifying and prioritising engagements.</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔ Yes</td>
<td></td>
</tr>
</tbody>
</table>

**LEA 03.2** Indicate the criteria used to identify and prioritise engagements for each type of engagement.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Criteria used to identify/prioritise engagements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal / Individual engagements</strong></td>
<td>![Check] Geography / market of the companies ![Check] Materiality of the ESG factors ![Check] Exposure (size of holdings) ![Check] Responses to ESG impacts that have already occurred ![Check] Responses to divestment pressure ![Check] Consultation with clients/beneficiaries ![Check] Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) ![Check] Follow-up from a voting decision ![Check] Client request ![Check] Breaches of international norms ![Check] Other, specify ![Check] We do not outline engagement criteria for our individual engagements.</td>
</tr>
<tr>
<td><strong>Collaborative engagements</strong></td>
<td>![Check] Potential to enhance knowledge of ESG issues from other investors ![Check] Ability to have greater impact on ESG issues ![Check] Ability to add value to the collaboration ![Check] Geography/market of the companies targeted by the collaboration ![Check] Materiality of ESG factors addressed by the collaboration ![Check] Exposure (size of holdings) to companies targeted by the collaboration ![Check] Responses to ESG impacts addressed by the collaboration that have already occurred ![Check] Responses to divestment pressure ![Check] Follow-up from a voting decision ![Check] Alleviate the resource burden of engagement ![Check] Consultation with clients/beneficiaries ![Check] Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) ![Check] Other, specify ![Check] We do not outline engagement criteria for our collaborative engagements.</td>
</tr>
<tr>
<td><strong>Service Provider engagements</strong></td>
<td>![Check] Geography / market of the companies ![Check] Materiality of ESG factors ![Check] Exposure (size of holdings) ![Check] Responses to ESG impacts that have already occurred ![Check] Responses to divestment pressure ![Check] Consultation with clients/beneficiaries ![Check] Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) ![Check] Follow-up from voting decision ![Check] Client request ![Check] Breaches of international norms ![Check] Other, specify ![Check] We do not outline engagement criteria for our service providers.</td>
</tr>
</tbody>
</table>
Our strategy and approach to engagement are described in our Responsible Investing Policy and our annual Responsible Investing Reports published on our website, https://utam.utoronto.ca/.

Given our size and the fact that we invest through third-party investment managers, we typically undertake engagement activities as part of formal and informal collaborative groups. We believe that the combined influence of like-minded investors with substantial combined holdings will typically lead to better outcomes than we could achieve on our own.

Under some circumstances, we may initiate engagements on our own.

Our engagement service provider has a formal process for identifying and prioritizing engagements.

### LEA 04.1 Indicate whether you define specific objectives for your organisation’s engagement activities.

<table>
<thead>
<tr>
<th>Individual / Internal engagements</th>
<th>All engagement activities</th>
<th>Majority of engagement activities</th>
<th>Minority of engagement activities</th>
<th>We do not define specific objectives for engagement activities carried out by internal staff.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborative engagements</td>
<td>All engagement activities</td>
<td>Majority of engagement activities</td>
<td>Minority of engagement activities</td>
<td>We do not define specific objectives for engagement activities carried out through collaboration</td>
</tr>
<tr>
<td>Service provider engagements</td>
<td>All engagement activities</td>
<td>Majority of engagement activities</td>
<td>Minority of engagement activities</td>
<td>We do not define specific objectives for engagement activities carried out by our service providers.</td>
</tr>
</tbody>
</table>

### LEA 05.1 Indicate if you monitor and/or review engagement outcomes.

<table>
<thead>
<tr>
<th>Individual / Internal engagements</th>
<th>Yes, in all cases</th>
<th>Yes, in majority of cases</th>
<th>Yes, in minority of cases</th>
<th>We do not monitor, or review engagement outcomes carried out by our internal staff.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborative engagements</td>
<td>Yes, in all cases</td>
<td>Yes, in majority of cases</td>
<td>Yes, in minority of cases</td>
<td>We do not monitor, or review engagement outcomes via collaborative engagement activities.</td>
</tr>
<tr>
<td>Service provider engagements</td>
<td>Yes, in all cases</td>
<td>Yes, in majority of cases</td>
<td>Yes, in minority of cases</td>
<td>We do not monitor, or review engagement outcomes carried out by our service providers.</td>
</tr>
</tbody>
</table>

### LEA 05.2 Indicate if you do any of the following to monitor and review the progress of engagement activities.

<table>
<thead>
<tr>
<th>Individual / Internal staff engagements</th>
<th>Define timelines/milestones for your objectives</th>
<th>Track and/or monitor progress against defined objectives and/or KPIs</th>
<th>Track and/or monitor the progress of action taken when original objectives are not met</th>
<th>Revisit and, if necessary, revise objectives on continuous basis</th>
<th>Other, specify</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborative engagements</td>
<td>Define timelines/milestones for your objectives</td>
<td>Track and/or monitor progress against defined objectives and/or KPIs</td>
<td>Track and/or monitor the progress of action taken when original objectives are not met</td>
<td>Revisit and, if necessary, revise objectives on continuous basis</td>
<td>Other, specify</td>
</tr>
</tbody>
</table>
**Service provider engagements**

- Define timelines/milestones for your objectives
- Track and/or monitor progress against defined objectives and/or KPIs
- Track and/or monitor the progress of action taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, specify

---

**LEA 05.2 Additional information [Optional]**

As we mainly either participate in collaborative engagements or service provider engagements, we will receive progress reports on each engagement—identifying actions, progress and outcomes against the objectives stated at the outset or as they evolve over time. Where we undertake individual engagements we track the success of our efforts.

---

**LEA 06 Mandatory Additional Assessed PRI 2,4**

**LEA 06.1** Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

- **Yes**

**LEA 06.2** Indicate the escalation strategies used at your organisation following unsuccessful engagements.

- Collaborating with other investors
- Issuing a public statement
- Filing/submitting a shareholder resolution
- Voting against the re-election of the relevant directors
- Voting against the board of directors or the the annual financial report
- Submitting nominations for election to the board
- Seeking legal remedy / litigation
- Reducing exposure (size of holdings)
- Divestment
- Other, specify

- No

**LEA 06.3 Additional information [Optional]**

Our engagement service provider has an escalation strategy when engagements are unsuccessful.

For other collaborative engagements, escalation would be determined on a case by case basis.

---

**LEA 07 Voluntary Additional Assessed PRI 1,2**

**LEA 07.1** Indicate whether insights gained from your organisation’s engagements are shared with investment decision-makers.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Insights shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual / Internal staff engagements</td>
<td>Yes, systematically</td>
</tr>
<tr>
<td></td>
<td>Yes, occasionally</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Collaborative engagements</td>
<td>Yes, systematically</td>
</tr>
<tr>
<td></td>
<td>Yes, occasionally</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
<tr>
<td>Service provider engagements</td>
<td>Yes, systematically</td>
</tr>
<tr>
<td></td>
<td>Yes, occasionally</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
</tbody>
</table>

**LEA 07.2** Indicate the practices used to ensure information and insights collected through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other, specify
- None

**LEA 07.3** Indicate whether insights gained from your organisation’s engagements are shared with your clients/beneficiaries.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Insights shared</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service provider engagements</td>
<td>Yes, systematically</td>
</tr>
<tr>
<td></td>
<td>Yes, occasionally</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
</tbody>
</table>
### LEA 07.4 Additional information. [Optional]

In some engagement efforts, confidentiality is required, however where outcomes from engagements are or can be made public, we would highlight these to our stakeholders through an update to our website. We also include in our annual Responsible Investing Reports case studies of engagements that we participate in collaboratively or through our service provider on our behalf.

### LEA 08 Mandatory Gateway PRI 2

#### LEA 08.1 Indicate if you track the number of your engagement activities.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Tracking engagements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual/Internal staff</td>
<td>☐ Yes, systematically</td>
</tr>
<tr>
<td>Collaborative engagements</td>
<td>☑ Yes, systematically</td>
</tr>
<tr>
<td>Service provider engagements</td>
<td>☐ Yes, systematically</td>
</tr>
</tbody>
</table>

#### LEA 08.2 Additional information. [OPTIONAL]

We track engagement activities based on reports provided by collaboration groups and service providers, reporting to our stakeholders annually on an aggregated basis and providing examples of engagements undertaken. This reporting is available on our website at https://utam.utoronto.ca/.

### LEA 09 Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

#### LEA 09.1 Indicate the proportion of companies from your listed equities portfolio with which your organisation engaged with during the reporting year.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>We did not complete any engagements in the reporting year.</th>
<th>Number of companies engaged (avoid double counting, see explanatory notes)</th>
<th>Proportion of companies engaged with, out of total listed equities portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual/Internal staff</td>
<td>☐ We did not complete any engagements in the reporting year.</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Collaborative engagements</td>
<td>☐ We did not complete any engagements in the reporting year.</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Service provider engagements</td>
<td>☐ We did not complete any engagements in the reporting year.</td>
<td>506</td>
<td>5</td>
</tr>
</tbody>
</table>

#### LEA 09.2 Indicate the proportion breakdown of engagements conducted within the reporting year by the number of interactions (including interactions made on your behalf).

<table>
<thead>
<tr>
<th>No. of interactions with a company</th>
<th>% of engagements</th>
</tr>
</thead>
<tbody>
<tr>
<td>One interaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td>☐ &gt;76%</td>
</tr>
<tr>
<td></td>
<td>☐ 51-75%</td>
</tr>
<tr>
<td></td>
<td>☑ 11-50%</td>
</tr>
<tr>
<td></td>
<td>☐ 1-10%</td>
</tr>
<tr>
<td></td>
<td>☐ None</td>
</tr>
<tr>
<td>Type of engagement</td>
<td>% Leading role</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Collaborative engagements</td>
<td>0 &gt;76%</td>
</tr>
<tr>
<td></td>
<td>0 51-75%</td>
</tr>
<tr>
<td></td>
<td>0 11-50%</td>
</tr>
<tr>
<td></td>
<td>0 1-10%</td>
</tr>
<tr>
<td></td>
<td>0 None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>% of engagements with some involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service provider engagements</td>
<td>0 &gt;50%</td>
</tr>
<tr>
<td></td>
<td>0 51-75%</td>
</tr>
<tr>
<td></td>
<td>0 11-50%</td>
</tr>
<tr>
<td></td>
<td>0 1-10%</td>
</tr>
<tr>
<td></td>
<td>0 None</td>
</tr>
</tbody>
</table>

LEA 09.3 Indicate the percentage of your collaborative engagements for which you were a leading organisation during the reporting year.

**LEA 09.4** Indicate the percentage of your service provider engagements that you had some involvement in during the reporting year.

LEA 10 Voluntary Additional Assessed PRI 2

**LEA 10.1** Indicate which of the following your engagement involved.

- **Letters and emails to companies**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases

- **Meetings and/or calls with board/senior management**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases

- **Meetings and/or calls with the CSR, IR or other management**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases

- **Visits to operations**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases

- **Visits to the supplier(s) from the company’s supply chain**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases

- **Participation in roadshows**
  - 0 In a minority of cases
  - 0 In a majority of cases
  - 0 In all cases
Our engagement service provider determines, for the companies that it covers, the appropriate ways in which to engage. Collaborative engagements typically include one or more of the following activities: letters, emails, meetings and calls.

**LEA 11.1** Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

<table>
<thead>
<tr>
<th>ESG Topic</th>
<th>Executive Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducted by</td>
<td>Service provider</td>
</tr>
<tr>
<td>Objectives</td>
<td>To achieve a commitment to expand the company’s targets to include life-cycle emissions, and to understand the extent to which the company’s carbon footprint measurement methodology can be used to test alignment with a 2-degree energy trajectory.</td>
</tr>
<tr>
<td>Scope and Process</td>
<td>The service provider conducted numerous meetings with senior executives.</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

**Add Example 2**

<table>
<thead>
<tr>
<th>ESG Topic</th>
<th>Other governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducted by</td>
<td>Service provider</td>
</tr>
<tr>
<td>Objectives</td>
<td>In engagement with a financial services group of companies, the service provider sought to improve the balance of independent vs non-independent directors in order to provide more robust oversight.</td>
</tr>
<tr>
<td>Scope and Process</td>
<td>Engagement involved calls and letters over an extended period.</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Company changed practice</td>
</tr>
</tbody>
</table>

**LEA 12.1** Indicate how you typically make your (proxy) voting decisions.

**Approach**

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) who make voting recommendations and/or provide research that we use to guide our voting decisions.
- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
- We hire service provider(s) who make voting decisions on our behalf.

**Based on**

- the service provider voting policy we sign off on
- our own voting policy
- our clients’ requests or policies
- other, explain

**LEA 12.2** Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made.

Towards the end of 2016, we engaged ISS for its Sustainability Policy and Guidelines. ISS votes ballots on our behalf for listed equities held in separate/segregated account mandates and in certain commingled fund mandates where the University of Toronto’s Pension and Endowment are the only investors. The Sustainability Policy and Guidelines were selected as they align with our objective of incorporating ESG considerations in our investment decision making. These guidelines focus on long-term economic value preservation and enhancement through the promotion of corporate governance best practices that mitigate risks to shareholders, but also reflect the recognition that ESG factors could present material risks to portfolio investments.

We monitor the way in which the guidelines are applied and, generally we do not anticipate making exceptions but will monitor proxies as they are available.
In some instances, external investment managers may make or request exceptions and, in those cases, we will evaluate the circumstances of the exception. We review the effectiveness of this process at the end of each proxy voting season to enable us to assess whether any process changes are warranted.

LEA 14

<table>
<thead>
<tr>
<th>LEA 14</th>
<th>Voluntary</th>
<th>Additional Assessed</th>
<th>PRI 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA 14.1</td>
<td>Indicate if your organisation has a securities lending programme.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✔ Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

LEA 14.3 | Indicate how voting is addressed in your securities lending programme.
- ✔ We recall all securities for voting on all ballot items
- ○ We maintain some holdings, so we can vote at any time
- ○ We systematically recall some securities so that we can vote on their ballot items (e.g., in line with specific criteria)
- ○ We recall some securities so that we can vote on their ballot items on an ad hoc basis
- ○ We empower our securities lending agent to decide when to recall securities for voting purposes
- ○ We do not recall our shares for voting purposes
- ○ Other specify.

- No

LEA 14.4 | Additional information.
Our default instruction to our securities lending agent is to recall all securities for voting on all ballot items. The securities lending agent has committed to implementing this on a best efforts basis.

LEA 15

<table>
<thead>
<tr>
<th>LEA 15</th>
<th>Mandatory</th>
<th>Descriptive</th>
<th>PRI 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA 15.1</td>
<td>Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- ○ 100%
- ○ 99-75%
- ○ 74-50%
- ○ 49-25%
- ✔ 24-1%
- ○ Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2 | Indicate the reasons for raising your concerns with these companies ahead of voting.
- ○ Vote(s) for selected markets
- ○ Vote(s) for selected sectors
- ○ Vote(s) relating to certain ESG issues
- ○ Vote(s) on companies exposed to controversy on specific ESG issues
- ○ Vote(s) for significant shareholdings
- ○ On request by clients
- ○ Other

- Explain
  - On a case by case basis depending upon the issues under consideration.

LEA 16

<table>
<thead>
<tr>
<th>LEA 16</th>
<th>Mandatory</th>
<th>Core Assessed</th>
<th>PRI 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA 16.1</td>
<td>Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- ○ 100%
- ○ 99-75%
- ○ 74-50%
- ○ 49-25%
- ○ 24-1%
- ✔ We do not communicate the rationale to companies
- ○ Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 17

<table>
<thead>
<tr>
<th>LEA 17</th>
<th>Mandatory</th>
<th>Core Assessed</th>
<th>PRI 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEA 17.1</td>
<td>For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
- ✔ We do track or collect this information
  - Votes cast (to the nearest 1%)
  - 99%
Specify the basis on which this percentage is calculated
- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

LEA 17.2 Explain your reason(s) for not voting on certain holdings
- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other

LEA 18 Voluntary Additional Assessed PRI 2

LEA 18.1 Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.
- Yes, we track this information

LEA 18.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

<table>
<thead>
<tr>
<th>Voting instructions</th>
<th>Breakdown as percentage of votes cast</th>
</tr>
</thead>
<tbody>
<tr>
<td>For (supporting) management recommendations</td>
<td>89%</td>
</tr>
<tr>
<td>Against (opposing) management recommendations</td>
<td>11%</td>
</tr>
<tr>
<td>Abstentions</td>
<td>0%</td>
</tr>
</tbody>
</table>

- No, we do not track this information

LEA 18.3 In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged.

2

LEA 19 Mandatory Core Assessed PRI 2

LEA 19.1 Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
- Yes
- No

LEA 20 Voluntary Descriptive PRI 2

LEA 20.1 Indicate if your organisation directly or through a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.
- Yes
- No

LEA 20.6 Describe whether your organisation reviews ESG shareholder resolutions filed by other investors.

The process of considering shareholder proposals, of whatever nature, is outsourced to our service provider, however, we may review them before the vote on a case by case basis, and will review them as part of our regular review of proxy voting activities.

LEA 21 Voluntary Descriptive PRI 2

LEA 21.1 Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

<table>
<thead>
<tr>
<th>ESG Topic</th>
<th>Shareholder rights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conducted by</td>
<td>Service provider</td>
</tr>
<tr>
<td>Objectives</td>
<td>To promote and achieve the adoption of the right of proxy access in all public issuers.</td>
</tr>
</tbody>
</table>
In instances of shareholder proposals related to proxy access most often management recommends voting “Against” the proposal. Under the ISS Sustainability policy and guidelines that we’ve adopted, we would most often vote against management’s recommendation and “For” the proxy access proposal.

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Voting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Add Example 2</td>
<td></td>
</tr>
<tr>
<td>Add Example 3</td>
<td></td>
</tr>
<tr>
<td>Add Example 4</td>
<td></td>
</tr>
<tr>
<td>Add Example 5</td>
<td></td>
</tr>
<tr>
<td>Add Example 6</td>
<td></td>
</tr>
<tr>
<td>Add Example 7</td>
<td></td>
</tr>
<tr>
<td>Add Example 8</td>
<td></td>
</tr>
<tr>
<td>Add Example 9</td>
<td></td>
</tr>
<tr>
<td>Add Example 10</td>
<td></td>
</tr>
<tr>
<td>CM1 01</td>
<td>Mandatory</td>
</tr>
<tr>
<td>--------</td>
<td>-----------</td>
</tr>
<tr>
<td>CM1 01.1</td>
<td>Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:</td>
</tr>
<tr>
<td>☐ Third party assurance over selected responses from this year’s PRI Transparency Report</td>
<td></td>
</tr>
<tr>
<td>☐ Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year</td>
<td></td>
</tr>
<tr>
<td>☐ Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)</td>
<td></td>
</tr>
<tr>
<td>☑ Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)</td>
<td></td>
</tr>
<tr>
<td>☐ Other, specify</td>
<td></td>
</tr>
<tr>
<td>☐ None of the above</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CM1 02</th>
<th>Mandatory</th>
<th>Descriptive</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM1 02.1</td>
<td>We undertook third party assurance on last year’s PRI Transparency Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Whole PRI Transparency Report was assured last year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Selected data was assured in last year’s PRI Transparency Report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ We did not assure last year’s PRI Transparency report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ None of the above, we were in our preparation year and did not report last year.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CM1 03</th>
<th>Mandatory</th>
<th>Descriptive</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM1 03.1</td>
<td>We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ We adhere to an RI certification or labelling scheme</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year’s PRI Transparency Report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ ESG audit of holdings</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Other, specify</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Where we refer to the activities performed by service providers, we may selectively seek confirmation from them that we are correctly reporting these activities.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ None of the above</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CM1 04</th>
<th>Mandatory</th>
<th>Descriptive</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM1 04.1</td>
<td>Do you plan to conduct third party assurance of this year’s PRI Transparency report?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Whole PRI Transparency Report will be assured</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Selected data will be assured</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ We do not plan to assure this year’s PRI Transparency report</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>CM1 07</th>
<th>Mandatory</th>
<th>Descriptive</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>CM1 07.1</td>
<td>Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report and if this applies to selected data please specify what data was reviewed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ CEO or other Chief-Level staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>✈ Sign-off or review of responses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Sign-off</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Review of responses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ The Board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Investment Committee</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Compliance Function</td>
<td></td>
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</tr>
<tr>
<td>☑ RI/ESG Team</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>☑ Investment Teams</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Legal Department</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>☑ Other (specify)</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Specify: Internal Risk and Research Team (where applicable) and Responsible Investing Committee