

# Responsible Investment Policy

## Introduction

AGF Investments is committed to helping institutional and individual investors preserve and grow their financial assets. As an asset manager, we act as a fiduciary on behalf of our clients. We seek to build and maintain strategic partnerships with our clients and to deliver strong long-term investment performance to help them achieve their investment objectives. In addition, we play an important role in helping them ensure that their investments are well-governed and sustainable.

The purpose of our Responsible Investment Policy (Policy) is to formalize our practice of integrating environmental, social and governance (ESG) issues into investment decision making, voting and company engagement through active management. We are committed to increasing transparency in our investment process and portfolio management, collaborating with others in the ESG space and improving performance.

We define responsible investing as an investing approach that integrates consideration of ESG matters into investment and stewardship activities with the objective of enhancing long-term investment performance. The foundation of our approach to responsible investing is built on our core philosophy of serving our clients' investment goals and strictly adhering to our fiduciary duty as an asset manager. As such, we integrate ESG factors into the investment process to identify key risk and return drivers for our investments.

This Policy applies to AGF Investments Inc., AGF Investments America Inc., AGF International Advisors Company Limited, and AGF Investments LLC, collectively referred to as "AGF Investments". All four entities are affiliated and wholly owned by AGF Management Limited, a Canadian reporting issuer. This Policy may not apply to a limited amount of mandates if the investment objective and/or rules-based investment strategies precludes the consideration of ESG factors.

## Responsible Investing Principles

AGF Investments recognizes that a broad range of financial and non-financial considerations may be relevant in making investment decisions. These considerations will assist in properly assessing whether particular investments may contribute to or be detrimental to our ability to achieve its objectives and perform its investment mandate.

We believe that responsible corporate behaviour with respect to ESG factors can generally have a positive influence on long-term financial performance, recognizing that the relative importance of ESG factors varies across industries, geography and time.

We take a pragmatic view in applying our approach to responsible investing, which may at times have to be adapted to the local financial, legal environment and commercial imperatives within which a particular company operates. However, we expect the companies in which we invest to always comply with the legal and regulatory regimes applicable to them.

## Investment Strategy

In analyzing the risks inherent in any investment, we look to identify and mitigate ESG factors that are or could become material to long-term financial performance. Potential ESG risks or opportunities that are identified are assessed and appropriately considered as part of the investment strategy.

It is the responsibility of each individual portfolio manager to determine how and the extent to which ESG considerations are to be incorporated into their own investment processes, and in a manner that aligns with the fundamental investment objectives. Equity portfolio managers will employ a different approach from fixed income and multi-asset or fund of fund portfolio managers and fundamental approaches will differ from quantitative and systematic. As a result, ESG considerations may be incorporated in varying degrees, and will therefore have a varying (and potentially limited) impact on financial performance and final investment decisions. For fund products, the applicable prospectus or offering memorandum will include further details regarding the specific approaches used. Institutional clients may also set out specific details with respect to ESG integration in negotiated investment management contracts.

## Active Ownership

Active ownership, including proxy voting and engagement with company management are important value added practices within our investment process.

### Proxy Voting

Proxy voting is an important component of active ownership. Consistent with our responsibility, AGF Investments' policy is to exercise voting rights in the best interest of the portfolio to maximize positive economic effect on shareholder value.

AGF Investments' believes ESG practices may have an impact on the value of a company and, as such, has incorporated these principles into the proxy voting analysis. The AGF Investments' Proxy Voting Guidelines are designed to ensure that proxies are voted in the best interests of our securityholders and generally mirror Institutional Shareholder Services Canada Corp. (ISS) Sustainability Proxy Voting Guidelines because we believe that responsible corporate ESG practices may have a significant effect on the value of a company.

Our proxy voting record is available at [www.agf.com](http://www.agf.com).

### Engagement

AGF Investments will engage in an active dialogue where we seek to influence the company's approach on ESG factors that are material and relevant for each specific circumstance.

All direct engagement activities are selected taking into consideration the likely impact of the engagement and the ultimate benefit to the value of our investment.

AGF Investments participates in broader discussions about standards and best practices in responsible investing. Collaborative initiatives with other institutional investors leverages internal resources and are

an effective way to encourage improved transparency and performance on ESG factors across our investment portfolio. Our Engagement Policy provides additional details on our engagement approach.

## **Review**

This Policy will be reviewed at least every two years or more frequently if needed.

Effective Date: August 2023