



RI TRANSPARENCY REPORT 2018

University of Toronto Asset Management Corporation (re University of Toronto Endowment)

| | | | |
|-------|-----------|-----------------|---------|
| OO 01 | Mandatory | Gateway/Peering | General |
|-------|-----------|-----------------|---------|

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 02 | Mandatory | Peering | General |
|-------|-----------|---------|---------|

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).

20

| | | | |
|-------|-----------|-------------|---------|
| OO 03 | Mandatory | Descriptive | General |
|-------|-----------|-------------|---------|

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

- Yes
- No

| | | | |
|-------|-----------|-----------------|---------|
| OO 04 | Mandatory | Gateway/Peering | General |
|-------|-----------|-----------------|---------|

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

31/12/2017

OO 04.2 Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

Total AUM
 2,926,644,000 CAD
 2,305,350,912 USD

| | | | |
|-------|--|---------|---------|
| OO 05 | Mandatory to Report, Voluntary to Disclose | Gateway | General |
|-------|--|---------|---------|

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

| | Internally managed (%) | Externally managed (%) |
|-------------------|------------------------|------------------------|
| Listed equity | 0 | 10-50% |
| Fixed income | 0 | 10-50% |
| Private equity | 0 | <10% |
| Property | 0 | <10% |
| Infrastructure | 0 | <10% |
| Commodities | 0 | 0 |
| Hedge funds | 0 | 10-50% |
| Forestry | 0 | 0 |
| Farmland | 0 | 0 |
| Inclusive finance | 0 | 0 |

| | | |
|--------------------|---|------|
| Cash | 0 | <10% |
| Other (1), specify | 0 | 0 |
| Other (2), specify | 0 | 0 |

OO 05.2 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 06 **Mandatory** **Descriptive** **General**

OO 06.1 Select how you would like to disclose your asset class mix.

as percentage breakdown

as broad ranges

OO 06.2 Publish asset class mix as per attached image [Optional].

OO 07 **Mandatory to Report, Voluntary to Disclose** **Gateway** **General**

OO 07.1 Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Private

OO 08 **Mandatory to Report, Voluntary to Disclose** **Peering** **General**

OO 08.1 Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.

Private

OO 08.2 Additional information. [Optional]

Private

OO 09 **Mandatory to Report, Voluntary to Disclose** **Peering** **General**

OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Private

OO 09.2 Additional information. [Optional]

Private

OO 10 **Mandatory** **Gateway** **General**

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 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 (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.

| | |
|--|--|
| Fixed income Corporate (securitised) – engagement | |
| <input type="checkbox"/> | We engage with companies on ESG factors via our staff, collaborations or service providers. |
| <input type="checkbox"/> | We require our external managers to engage with companies on ESG factors on our behalf. |
| <input checked="" type="checkbox"/> | We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not. |
| Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors. | |
| 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 | Mandatory | Gateway | General |
|-------|-----------|---------|---------|

OO 11.2 Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

| Asset class | ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
|--|---|
| Listed equity | <p>Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |
| Fixed income - SSA | <p>Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |
| Fixed income - corporate (financial) | <p>Fixed income - corporate (financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |
| Fixed income - corporate (non-financial) | <p>Fixed income - corporate (non-financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |
| Fixed income - securitised | <p>Fixed income - securitised - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |
| Private equity | <p>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</p> <p><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</p> <p><input type="checkbox"/> We do not do ESG incorporation</p> |

| | |
|----------------|--|
| Property | Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
| | <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Infrastructure | Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
| | <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Hedge funds | Hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
| | <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |
| Cash | Cash - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes |
| | <input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process <input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process <input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process <input type="checkbox"/> We do not do ESG incorporation |

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 investment manager selection appointment and monitoring processes through the inclusion of the following factors, where appropriate to the mandate:

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 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 for 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.
- 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's ESG capabilities.

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. Where 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 rating the manager's ESG capabilities.

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|-------|-----------|---------|---------|
| OO 12 | Mandatory | Gateway | General |
|-------|-----------|---------|---------|

OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

| | |
|---|--|
| Core modules | |
| <input checked="" type="checkbox"/> | Organisational Overview |
| <input checked="" type="checkbox"/> | Strategy and Governance |
| RI implementation directly or via service providers | |
| Direct - Listed Equity active ownership | |
| <input checked="" type="checkbox"/> | Engagements |
| <input checked="" type="checkbox"/> | (Proxy) voting |
| RI implementation via external managers | |
| Indirect - Selection, Appointment and Monitoring of External Managers | |
| <input checked="" type="checkbox"/> | Listed Equities |
| <input checked="" type="checkbox"/> | Fixed income - SSA |
| <input type="checkbox"/> | Fixed income - Corporate (financial) |
| <input type="checkbox"/> | Fixed income - Corporate (non-financial) |
| <input type="checkbox"/> | Fixed income - Securitised |
| <input checked="" type="checkbox"/> | Private Equity |
| <input type="checkbox"/> | Property |
| <input type="checkbox"/> | Infrastructure |
| Closing module | |
| <input checked="" type="checkbox"/> | Closing module |

| | | | |
|-----------|--|---------|---------|
| OO SAM 01 | Mandatory to Report, Voluntary to Disclose | Gateway | General |
|-----------|--|---------|---------|

| | |
|-------------|---|
| OO SAM 01.1 | Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies. |
|-------------|---|

Private

| | |
|-------------|------------------------------------|
| OO SAM 01.2 | Additional information [Optional]. |
|-------------|------------------------------------|

Private

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.

| Policy components/types | Coverage by AUM |
|---|--|
| <input checked="" type="checkbox"/> Policy setting out your overall approach | <input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM |
| <input checked="" type="checkbox"/> Formalised guidelines on environmental factors | |
| <input checked="" type="checkbox"/> Formalised guidelines on social factors | |
| <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors | |
| <input type="checkbox"/> Asset class-specific RI guidelines | |
| <input type="checkbox"/> Sector specific RI guidelines | |
| <input checked="" type="checkbox"/> Screening / exclusions policy | |
| <input checked="" type="checkbox"/> Engagement policy | |
| <input checked="" type="checkbox"/> (Proxy) voting policy | |
| <input type="checkbox"/> Other, specify (1) | |
| <input type="checkbox"/> Other, specify(2) | |

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 and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4 Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.

UTAM's sole purpose is to manage certain assets of, or under the administration of, the University of Toronto. Our entire focus is on managing these assets 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/>). 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 returns. Therefore, we have incorporated ESG considerations into our investment analysis and decision-making processes, particularly with respect to our selection and monitoring of investment managers. As outlined elsewhere in this report, we have developed a comprehensive set of 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. We also cast proxy votes, where possible, applying an ESG-focused policy. We believe that taking this broader perspective will result in better outcomes for our client.

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]

Over the past two years, UTAM has worked 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 sustainable returns, 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 on a regular basis, via an annual responsible investing report (<https://utam.utoronto.ca/utams-new-responsible-investing-report-is-now-available/>) and through other updates published on our website (<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://issuu.com/utam/docs/utam-responsible-investing-policy?e=29566501/59442745>), which was published in December 2017 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 within certain parameters. That is the only exception to our standard responsible investing approach.

Putting our principles into action

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 where relevant and material.
- Incorporate ESG considerations into our manager selection and monitoring processes, where relevant and material.
- 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 is ESG-focused and apply this, where possible, to all public equity segregated account mandates, as well as to public equity funds in which the university's Pension and Endowment portfolios are the only investors.
- Encourage managers to adopt ESG-focused voting policies, where relevant.
- Support corporate and regulatory proposals that contribute to improved governance practices and more effective boards.
- Participate in collaborative engagement initiatives.

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

UTAM Actions

- Discuss ESG risks in managers' portfolios and in relation to particular securities those managers hold.
- Ask managers to undertake and report on ESG-related engagements with companies in their portfolios.
- Ask managers to report on ESG incidents 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 wider group of stakeholders.

No

| | | | |
|-------|-----------|---------------|-------|
| SG 02 | Mandatory | Core Assessed | PRI 6 |
|-------|-----------|---------------|-------|

SG 02.1 Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

| URL/Attachment |
|---|
| <input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment (will be made public) Files: link , link , link |

Formalised guidelines on environmental factors

| URL/Attachment |
|---|
| <input checked="" type="checkbox"/> URL https://utam.utoronto.ca/responsible-investing/ <input type="checkbox"/> Attachment (will be made public) |

Formalised guidelines on social factors

| URL/Attachment |
|---|
| <input checked="" type="checkbox"/> URL https://utam.utoronto.ca/responsible-investing/ <input type="checkbox"/> Attachment (will be made public) |

Formalised guidelines on corporate governance factors

| URL/Attachment |
|---|
| <input checked="" type="checkbox"/> URL |

<https://utam.utoronto.ca/responsible-investing/>
 Attachment (will be made public)

Screening / exclusions policy

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment (will be made public) | |

Engagement policy

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment (will be made public) | |

(Proxy) voting policy

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment (will be made public) | |

We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

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

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

Time horizon of your investment

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

Governance structure of organisational ESG responsibilities

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

ESG incorporation approaches

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

Active ownership approaches

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

Reporting

| URL/Attachment | |
|---|---|
| <input checked="" type="checkbox"/> URL | https://utam.utoronto.ca/responsible-investing/ |
| <input type="checkbox"/> Attachment | |

Climate-related issues

URL/Attachment

URL

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

Attachment

We do not publicly disclose any investment policy components

SG 02.3 Indicate if your organisation's investment principles, and overall investment strategy is publicly available

Yes

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

No

SG 03

Mandatory

Core Assessed

General

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

Yes

SG 03.2 Describe your policy on managing potential conflicts of interest in the investment process.

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.

UTAM has provisions within its Code of Ethics to identify actual or potential conflicts of interest between its staff and its client. Controls are prescribed for the disclosure, mitigation, or 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 (ultimately, the investor) are addressed in both the investment and operational due diligence processes before investment and in ongoing monitoring following initial investment.

No

SG 04

Voluntary

Descriptive

General

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

Private

SG 04.2 Describe your process on managing incidents

Private

SG 05

Mandatory

Gateway/Core Assessed

General

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

Ad-hoc basis

It is not set/reviewed

SG 05.2 Additional information. [Optional]

UTAM formally sets and reviews responsible investment objectives at least annually, however responsible investing is the subject of ongoing dialogue between UTAM and the University of Toronto administration and governance bodies, including in the case of the endowment fund, the Business Board.

SG 06

Voluntary

Descriptive

General

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

Private

SG 06.2 Additional information.

Private

SG 07

Mandatory

Core Assessed

General

SG 07.1 Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

Board members or trustees

Oversight/accountability for responsible investment

Implementation of responsible investment

No oversight/accountability or implementation responsibility for responsible investment

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

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
 - Chief Operating Officer
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- ESG portfolio manager
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

SG 07.3 Indicate the number of dedicated responsible investment staff your organisation has.
0

| 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. | | |
| | Private | | |
| SG 08.3 | Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment. | | |
| | Private | | |
| SG 08.4 | Describe the level of experience board members/trustees/chief-level staff have with incorporating ESG factors into investment decision-making processes. | | |
| | Private | | |

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.

- Principles for Responsible Investment

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

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

UTAM became a signatory to the PRI in December 2016 and has since defined the activities that we will undertake in support of the principles. The principles and the activities have been reflected in our Responsible Investing Policy which was developed in 2017 and is publicly available on our website at <https://utam.utoronto.ca/responsible-investing/>.

In 2017 we have been supportive of PRI initiatives including signing the ESG in Credit Ratings letter and hosted a workshop on this issue.

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 requesting their participation in the disclosure requests issued by CDP.

CDP Forests

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

Basic

CDP Water

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

Basic

- 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
- EVCA – 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 (IIGCC)
- 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

Canadian Coalition for Good Governance (CCGG)

Your organisation's role in the initiative during the reporting year (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.

Other collaborative organisation/initiative, specify

Responsible Investment Association (Canada) (RIA)

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

Moderate

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

UTAM's Chief Operating Officer has participated on a panel with other RIA members discussing ESG integration. The Chief Operating Officer is a member of the Toronto Working Group and facilitated the hosting of its meetings at UTAM's offices.

Other collaborative organisation/initiative, specify

Pension Investment Association of Canada (PIAC)

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

Moderate

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

Our Chief Operating Officer is a member of PIAC's Investor Stewardship Committee, which aims to develop, monitor and promote robust standards and best practices for investor stewardship of pensions in Canada. Activities reviewed by the committee include proxy voting, corporate engagement,

- governance, integrating ESG factors into the investment process and advocacy around responsible investing with policymakers and standard-setters.
- Other collaborative organisation/initiative, specify

| | | | |
|---------|--|-------------|-------|
| SG 09.2 | Mandatory to Report, Voluntary to Disclose | Descriptive | PRI 1 |
|---------|--|-------------|-------|

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

Private

| | | | |
|-------|-----------|---------------|-------|
| 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. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- 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 held by the PRI to discuss its inclusion of ESG factors in the work of credit rating agencies. This was instructive for all participants. |

| Frequency of contribution |
|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other |

- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work

| Description |
|---|
| UTAM participated in the project described below by speaking with the author and by connecting the author with other institutional investors. This project is interested in exploring how institutional investors understand and seek to manage "climate risk." It is particularly interested in the risks associated with investment in fossil-fuel producers in the light of climate change and its physical, political and economic impacts. Questions being posed by the project include, but are not limited to, the following: What strategies, metrics and models do investors employ to evaluate, manage and mitigate climate risk? How do questions of fiduciary responsibility interact with climate risk issues? Do investors have the power to discipline fossil-fuel producers to invest in cleaner energy? And where do "stranded assets" sit on investors' list of climate concerns? The project is being conducted by Brett Christophers, Professor of Geography at Uppsala University in Sweden (http://katalog.uu.se/profile/?id=N8-1036). The intended outcome of the project will be one or more publications in scholarly journals. |

| Frequency of contribution |
|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other |

- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

| Description |
|--|
| We wrote to the Canadian Federal Minister of Innovation, Science and Economic Development in support of proposed amendments to the Canada Business Corporations Act addressing enhanced corporate governance practices including diversity disclosure. |

| Frequency of contribution |
|---|
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other |

- Spoke publicly at events and conferences to promote responsible investment

| Description |
|--|
| UTAM's Chief Operating Officer has participated in a panel with other institutional investors moderated by the Responsible Investing Association of Canada to explain how responsible investment may be implemented in practice. |

| | |
|---|--|
| Frequency of contribution | |
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other | |
| <input type="checkbox"/> Wrote and published in-house research papers on responsible investment <input checked="" type="checkbox"/> Encouraged the adoption of the PRI | |
| Description | |
| UTAM engages in dialogue with third-party investment managers, encouraging them to consider adoption of the PRI. | |
| Frequency of contribution | |
| <input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other | |
| <input type="checkbox"/> Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.) <input type="checkbox"/> Wrote and published articles on responsible investment in the media <input checked="" type="checkbox"/> A member of PRI advisory committees/ working groups, specify | |
| Description | |
| UTAM's Chief Risk Officer is a member of the PRI's working group considering how ESG factors can be incorporated into passive investment mandates. | |
| Frequency of contribution | |
| <input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other | |
| <input type="checkbox"/> On the Board of, or officially advising, other RI organisations (e.g. local SIFs) <input type="checkbox"/> Other, specify | |
| <input type="radio"/> No | |

| | | | |
|-------|-----------|---------------------|-----------|
| SG 11 | Voluntary | Additional Assessed | PRI 4,5,6 |
|-------|-----------|---------------------|-----------|

SG 11.1 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.

Private

SG 11.4 Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

Private

| | | | |
|-------|-----------|---------------|-------|
| 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 if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
 We execute scenario analysis which includes factors representing the investment impacts of future social trends
 We execute scenario analysis which includes factors representing the investment impacts of future governance trends
 We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities

Is this scenario analysis based on a 2°C or lower scenario?

- Yes

- No
- We execute other scenario analysis, specify
- We also analyze the impact of a 6°C scenario.
- We do not execute such scenario analysis and/or modelling

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 Describe the process used to identify short, medium and long-term risks and opportunities that could have a material impact on your organisation and its activities.

Private

SG 14.2 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.

Private

SG 14.6 Additional information [Optional]

Private

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.

Private

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.

| Asset Class | Describe what processes are in place and the outputs or outcomes achieved | | |
|--|---|--|--|
| Fixed income - Corporate (financial) | We follow the same approach for all asset classes. See our response to OO 11.4. | | |
| Fixed income - Corporate (non-financial) | We follow the same approach for all asset classes. See our response to OO 11.4. | | |
| Fixed income - Securitised | We follow the same approach for all asset classes. See our response to OO 11.4. | | |
| Property | We follow the same approach for all asset classes. See our response to OO 11.4. | | |
| Infrastructure | We follow the same approach for all asset classes. See our response to OO 11.4. | | |
| Hedge funds - DDQ | <div style="border: 1px solid black; padding: 5px;"> <p>Select whether you use the PRI Hedge Fund DDQ</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p> </div> | | |
| Hedge funds | <p>We follow the same approach for all asset classes. See our response to OO 11.4.</p> <p>Note that we do not use the PRI Hedge Fund DDQ in full; we have in some cases modified the DDQ questions and supplemented these questions with our own.</p> | | |
| Cash | We follow the same approach for all asset classes. See our response to OO 11.4. | | |

SG 18 Voluntary Descriptive General

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

Private

SG 18.3 Additional information.

Private

SG 19.1 Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

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

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL

Disclosure to public and URL

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

Annually

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

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 |
| <input checked="" type="radio"/> Yes | |
| <input type="radio"/> No | |

| Disclosure to public and URL | |
|---|---|
| | Disclosure to public and URL |
| <input checked="" type="checkbox"/> | How responsible investment considerations are included in manager selection, appointment and monitoring processes |
| <input checked="" type="checkbox"/> | Details of the responsible investment activities carried out by managers on your behalf |
| <input checked="" type="checkbox"/> | E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership |
| <input type="checkbox"/> | Other |
| Quarterly or more frequently | |
| https://utam.utoronto.ca/responsible-investing/ | |

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

| Active investment strategies | Listed Equity |
|------------------------------|-------------------------------------|
| Screening | <input checked="" type="checkbox"/> |
| Thematic | <input type="checkbox"/> |
| Integration | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> |

Passive investment strategies

| Passive investment strategies | Listed Equity | FI - SSA |
|-------------------------------|-------------------------------------|-------------------------------------|
| Screening | <input type="checkbox"/> | <input type="checkbox"/> |
| Thematic | <input type="checkbox"/> | <input type="checkbox"/> |
| Integration | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> |

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 do not invest in tobacco-related securities within certain parameters.

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

| | LE | FI - SSA | Private equity |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Investment strategy and how ESG objectives relate to it | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ESG incorporation requirements | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG reporting requirements | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| No RI information covered in the RFPs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

Strategy

| | LE | FI - SSA | Private equity |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Assess the quality of investment policy and its reference to ESG | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Assess the investment approach and how ESG objectives are implemented in the investment process | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review the manager's firm-level vs. product-level approach to RI | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Assess the ESG definitions to be used | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

ESG people/oversight

| | LE | FI - SSA | Private equity |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Assess ESG expertise of investment teams | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review the oversight and responsibilities of ESG implementation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review how is ESG implementation enforced /ensured | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

| | | | |
|--|--------------------------|--------------------------|--------------------------|
| Review the manager's RI-promotion efforts and engagement with the industry | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Process/portfolio construction/investment valuation

| | LE | FI - SSA | Private equity |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| Review the process for ensuring the quality of the ESG data used | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree the use of ESG data in the investment decision making process | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree the impact of ESG analysis on investment decisions | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Review and agree manager's ESG risk framework | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Review how ESG materiality is evaluated by the manager | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review process for defining and communicating on ESG incidents | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Review and agree ESG reporting frequency and detail | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Other, specify | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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:

| | LE | FI - SSA | Private equity |
|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| ESG performance development targets | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG score | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ESG weight | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Real world economy targets | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other RI considerations | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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

We seek ESG information from investment managers from questionnaires, reviewing manager ESG/RI policies and ESG-focused discussions with current and prospective investment managers. Moreover, for LE strategies, we score the manager's portfolio and a benchmark portfolio from an ESG perspective using MSCI's ESG rating methodology and use the output of this analysis to have more detailed conversations on ESG integration with the managers. For all asset classes, the objective of all of this work is to help us better understand how the manager thinks about ESG factors within the context of its investment strategy and process. This information, in combination with an assessment of the relevance of ESG to the strategy (e.g. considering the strategy's time horizon), is used to determine an ESG rating for the manager, which is considered along with non-ESG metrics, when evaluating current and prospective managers. It is important to note that we do not assign a weight to ESG considerations, or any other consideration for that matter, in our manager selection and monitoring process. Instead, we take a holistic approach and evaluate all considerations together (i.e. we take a "mosaic" approach). We believe that adding this additional ESG "lens" to 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.

(Proxy) voting

| | |
|---|---|
| | LE |
| Review the manager's voting policy | <input checked="" type="checkbox"/> Review the manager's voting policy - LE |
| Review the manager's ability to align voting activities with clients' specific voting policies | <input type="checkbox"/> Review the manager's ability to align voting activities with clients' specific voting policies - LE |
| Review the manager's process for informing clients about voting decisions | <input type="checkbox"/> Review the manager's process for informing clients about voting decisions - LE |
| Ensure that voting outcomes feed back into the investment decision-making process | <input type="checkbox"/> Ensure that voting outcomes feed back into the investment decision-making process - LE |
| Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale | <input type="checkbox"/> Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale - LE |
| Other active ownership voting issues in your selection process; specify | <input type="checkbox"/> Other active ownership voting issues in your selection process; specify - LE |
| None of the above | <input type="checkbox"/> None of the above - LE |

SAM 03.2 Describe how you assess if the manager's engagement approach is effective.

- Impact on investment decisions
- Financial impact on target company or asset class
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- Other, specify
- None of the above

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
- 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
- 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
- None of the above
- None of the above, we invest only in pooled funds and have a thorough selection process

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.

| Asset class | | | | |
|--|-----------|---|----------------|---|
| <input checked="" type="checkbox"/> Listed equity (LE) <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Benchmark</th> </tr> </thead> <tbody> <tr> <td> <input checked="" type="checkbox"/> Standard benchmark <input type="checkbox"/> ESG benchmark, specify </td> </tr> <tr> <th>ESG Objectives</th> </tr> <tr> <td> <input type="checkbox"/> ESG related strategy, specify <input type="checkbox"/> ESG related investment restrictions, specify <input checked="" type="checkbox"/> ESG integration, specify <p style="margin-left: 20px;">While acknowledging that an investment manager's assessment of a company considers many factors, investment managers agree to incorporate ESG considerations into their investment processes when they believe such considerations are relevant and material.</p> <input type="checkbox"/> Engagement, specify <input checked="" type="checkbox"/> Voting, specify <p style="margin-left: 20px;">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</p> </td> </tr> </tbody> </table> | Benchmark | <input checked="" type="checkbox"/> Standard benchmark <input type="checkbox"/> ESG benchmark, specify | ESG Objectives | <input type="checkbox"/> ESG related strategy, specify <input type="checkbox"/> ESG related investment restrictions, specify <input checked="" type="checkbox"/> ESG integration, specify <p style="margin-left: 20px;">While acknowledging that an investment manager's assessment of a company considers many factors, investment managers agree to incorporate ESG considerations into their investment processes when they believe such considerations are relevant and material.</p> <input type="checkbox"/> Engagement, specify <input checked="" type="checkbox"/> Voting, specify <p style="margin-left: 20px;">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</p> |
| Benchmark | | | | |
| <input checked="" type="checkbox"/> Standard benchmark <input type="checkbox"/> ESG benchmark, specify | | | | |
| ESG Objectives | | | | |
| <input type="checkbox"/> ESG related strategy, specify <input type="checkbox"/> ESG related investment restrictions, specify <input checked="" type="checkbox"/> ESG integration, specify <p style="margin-left: 20px;">While acknowledging that an investment manager's assessment of a company considers many factors, investment managers agree to incorporate ESG considerations into their investment processes when they believe such considerations are relevant and material.</p> <input type="checkbox"/> Engagement, specify <input checked="" type="checkbox"/> Voting, specify <p style="margin-left: 20px;">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</p> | | | | |

typically able to have the manager surrender proxy voting to ISS and use their Sustainability policy and guidelines.

- Promoting responsible investment
- ESG specific improvements
- Other, specify

Incentives and controls

- We do not set incentives and controls

Reporting requirements

- Monthly
- Quarterly
- Bi-annually
- Annually
- Ad-hoc/when requested

- Fixed income - SSA (SSA)

Benchmark

- Standard benchmark, specify
FTSE TMX 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, investment managers agree to include ESG considerations in their investment processes when they believe such considerations are relevant and material.

- Engagement, specify
- Voting, specify
- Promoting responsible investment
- ESG specific improvements
- Other, specify

Incentives and controls

- We do not set incentives and controls

Reporting requirements

- Ad-hoc/when requested
- Annually
- Bi-annually
- Quarterly
- Monthly

- Private equity

Benchmark

- Standard benchmark, specify
Absolute return based hurdle
- 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 an investment takes into account many factors, investment managers agree to incorporate ESG considerations into their investment processes when they believe such considerations are relevant and material.

- Engagement, specify
- Voting, specify
- Promoting responsible investment
- ESG specific improvements

Incentives and controls

- We do not set incentives and controls

| Reporting requirements |
|---|
| <input type="radio"/> Ad-hoc/when requested |
| <input type="radio"/> Annually |
| <input type="radio"/> Bi-annually |
| <input checked="" type="radio"/> Quarterly |
| <input type="radio"/> Monthly |

SAM 04.4 Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Place investment manager on a "watch list"
- Track and investigate reason for non-compliance
- Re-negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify
- No actions are taken if any of the ESG requirements are not met

SAM 05 **Mandatory** **Core Assessed** **PRI 1**

SAM 05.1 When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates

| | LE | FI - SSA | Private equity |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| ESG objectives linked to investment strategy | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Compliance with investment restrictions and any controversial investment decisions | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG portfolio characteristics | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| How ESG materiality has been evaluated by the manager in the monitored period | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Information on any ESG incidents | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Metrics on the real economy influence of the investments | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| PRI Transparency Reports | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| PRI Assessment Reports | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| RI-promotion and engagement with the industry to enhance RI implementation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other general RI considerations in investment management agreements; specify | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SAM 05.2 When monitoring external managers, does your organisation set any of the following to measure compliance/progress

| | LE | FI - SSA | Private equity |
|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| ESG score | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| ESG weight | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| ESG performance minimum threshold | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Real world economy targets | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Other RI considerations | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| None of the above | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

If you select any 'Other' option(s), specify

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 within certain parameters.

SAM 05.3 Provide additional information relevant to your organisation's monitoring processes of external managers. [OPTIONAL]

Please see our responses to SAM 2.5 and OO 11.4.

SAM 06 **Mandatory** **Additional Assessed** **PRI 1**

| | |
|---|--|
| 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) | <input checked="" type="checkbox"/> Report on voting undertaken (with outcomes and examples) - LE |
| Report on voting decisions taken | <input type="checkbox"/> Report on voting decisions taken - LE |
| Adherence with the agreed upon voting policy | <input type="checkbox"/> Adherence with the agreed upon voting policy - LE |
| Other RI considerations relating to (proxy) voting in investment management agreements; specify | <input type="checkbox"/> Other RI considerations relating to (proxy) voting in investment management agreements; specify - LE |
| None of the above | <input type="checkbox"/> None of the above - LE |

| | | | |
|--------|-----------|---------------|-------|
| SAM 07 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

| | |
|--|---|
| 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. |
| <input checked="" type="checkbox"/> Votes cast (to the nearest 5%) 100% | |
| Specify the basis on which this percentage is calculated. | |
| <input checked="" type="checkbox"/> Of the total number of ballot items on which they could have issued instructions <input type="checkbox"/> Of the total number of company meetings at which they could have voted <input type="checkbox"/> Of the total value of your listed equity holdings on which they could have voted | |
| <input type="checkbox"/> We do not collect this information. | |

| | | | |
|--------|--|-------------|-------|
| SAM 08 | Mandatory to Report, Voluntary to Disclose | Descriptive | PRI 1 |
|--------|--|-------------|-------|

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

Private

| | |
|----------|------------------------------------|
| SAM 08.2 | Additional information. [Optional] |
|----------|------------------------------------|

Private

| | | | |
|--------|-----------|---------------------|---------|
| SAM 09 | Mandatory | Additional Assessed | PRI 1,6 |
|--------|-----------|---------------------|---------|

| | |
|----------|---|
| 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 | ESG not specifically incorporated into segregated account IMA. |
| Conducted by | Internal staff |
| Asset class | Listed Equity |
| Scope and process | A 2017 internal objective was to incorporate ESG integration language into all segregated account investment management agreements (IMA's). During 2017, we approached relevant managers to further this objective. |
| Outcomes | By year-end 2017 we achieved this objective by including ESG integration language and ESG incident reporting requirements into each segregated account IMA. |

Add Example 2

| | |
|-------------------|--|
| Topic or issue | ESG incorporation in passive index mandates |
| Conducted by | Internal staff |
| Asset class | Fixed income – SSA |
| Scope and process | During 2017, we joined a PRI working group to address the question of how ESG can be incorporated into passive investment mandates (in particular those focused on an index or factor replication). We participated in several discussions on the issues with other asset-owners and index providers. While the group was largely equity investment focused, in the discussions we raised the difficulty of ESG incorporation in fixed income mandates where the benchmark is a single government bond index (developed world). |
| Outcomes | PRI staff are drafting a paper incorporating views and feedback of the working group participants. |

Add Example 3

| | |
|-------------------|---|
| Topic or issue | Potential new private equity mandate in China |
| Conducted by | Internal staff |
| Asset class | Private equity |
| Scope and process | <p>During 2017, UTAM evaluated various private equity strategies, including several in China. In addition to various other investment factors, an important consideration was the commitment to responsible investment by the investment staff of the firm.</p> <p>As part of the evaluation, we discussed the manager's responsible investing approach and specifically how it is applied in China.</p> <p>We discussed this approach using specific examples of the manager's previous investments. We stressed the importance of responsible investing principles to us and became convinced that the manager shared a similar commitment.</p> |
| Outcomes | <p>The manager agreed to provide specific reporting on their ESG practices as part of their annual reporting provided to limited partners.</p> <p>UTAM considers the manager to be of high quality and obtained confidence that all relevant factors are considered as part of the manager's investment process, including ESG factors. UTAM committed capital to the manager in 2017.</p> |

- Add Example 4
- Add Example 5
- We are not able to provide examples

| | | | |
|--|--|---------------|-------|
| LEA 01 | Mandatory | Core Assessed | PRI 2 |
| LEA 01.1 | Indicate whether your organisation has a formal engagement policy. | | |
| <input checked="" type="checkbox"/> Yes | | | |
| LEA 01.2 | Attach or provide a URL to your engagement policy. | | |
| <input type="checkbox"/> Attachment provided: <input checked="" type="checkbox"/> URL provided: https://issuu.com/utam/docs/utam-responsible-investing-policy?e=29566501/59442745 | | | |
| LEA 01.3 | Indicate what your engagement policy covers: | | |
| <input checked="" type="checkbox"/> Conflicts of interest <input type="checkbox"/> Insider information <input checked="" type="checkbox"/> Alignment with national stewardship code requirements <input checked="" type="checkbox"/> Due diligence and monitoring process <input checked="" type="checkbox"/> Prioritisation of engagements <input checked="" type="checkbox"/> Transparency of engagement activities <input checked="" type="checkbox"/> Environmental factors <input checked="" type="checkbox"/> Social factors <input checked="" type="checkbox"/> Governance factors <input checked="" type="checkbox"/> Other, describe <p>The engagement policy covers our views on engagement and the ways in which we feel we can effectively participate in or support engagements.</p> <input type="checkbox"/> None of the above | | | |
| LEA 01.4 | Provide a brief overview of your organization's approach to engagement | | |
| <p>We are committed to active ownership. This requires us to promote good corporate governance, including the exercise of shareholder voting rights. It obliges us to participate in engagement with management and boards of companies to address ESG issues. Sound corporate governance is an essential element of effective company management and long-term performance; it is essential for companies to address risk effectively.</p> <p>As a member of the Canadian Coalition for Good Governance, the Pension Investment Association of Canada and the Portfolio Management Association of Canada, we endorse the positions of these bodies with respect to corporate governance as reflected in their various position statements, and we contribute to their development where possible.</p> <p>We participate in formal engagement collaborations through membership, alignment or service arrangements with various organizations.</p> <p>Informal collaborations involve like-minded investors coming together to advocate on matters of interest to all participants. We will participate in these wherever it is likely to be of benefit to the University.</p> <p>Our engagement service provider's approach is based on constructive and confidential company dialogue and on building a relationship of trust, where over time they seek to understand how companies manage ESG risks and encourage best practice.</p> | | | |
| <input type="checkbox"/> No | | | |

| | | | |
|--------|-----------|---------|-----------|
| LEA 02 | Mandatory | Gateway | PRI 1,2,3 |
|--------|-----------|---------|-----------|

| LEA 02.1 | Indicate the method of engagement, giving reasons for the interaction. | | |
|---------------------------------------|---|--|--|
| Type of engagement | Reason for interaction | | |
| Individual/Internal staff engagements | <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via internal staff | | |
| | <p>Please specify why your organisation does not engage via internal staff.</p> <p>We do not engage via internal staff, as a relatively small fund in terms of assets and staff, we feel that our resources and influence are better exercised via collaborations with like-minded institutional investors either formally or informally or via engagement service providers.</p> | | |
| Collaborative engagements | <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify <p>To understand issuers' exposure to and management of ESG risks and opportunities.</p> <input type="checkbox"/> We do not engage via collaborative engagements | | |
| | | | |

| | |
|------------------------------|--|
| Service provider engagements | <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify <p style="margin-left: 20px;">To understand issuers' exposure to and management of ESG risks and opportunities.</p> <input type="checkbox"/> We do not engage via service providers |
|------------------------------|--|

| | | | |
|--------|-----------|---------------|-------|
| LEA 05 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

| | |
|----------|--|
| LEA 05.1 | Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements |
|----------|--|

Yes

| | |
|----------|--|
| LEA 05.2 | Describe the criteria used to identify and prioritise collaborative engagements. |
|----------|--|

- Potential to learn from other investors
- Ability to add value to the collaboration
- Geography / market of the companies targeted by the collaboration
- Materiality of ESG factors addressed by the collaboration
- Systemic risks to global portfolios addressed by the collaboration
- Exposure (holdings) to companies targeted by the collaboration
- In reaction to ESG impacts addressed by the collaboration that have already occurred.
- As a response to divestment pressure
- As a follow-up from a voting decision
- Consultation with clients/beneficiaries
- Consultation with other stakeholders (i.e. NGOs, trade unions etc.)
- Other, describe

No

| | | | |
|--------|-----------|---------------|-------|
| LEA 06 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

| | |
|----------|--|
| LEA 06.1 | Indicate if you define specific objectives for your engagement activities carried out collaboratively. |
|----------|--|

Yes

- Yes, for all engagement activities
- Yes, for the majority of engagement activities
- Yes, for a minority of engagement activities

We do not define specific objectives for engagement activities carried out collaboratively.

| | |
|----------|---|
| LEA 06.2 | Indicate if you monitor the actions companies take during and following your collaborative engagements. |
|----------|---|

Yes

- Yes, in all cases
- Yes, in the majority of cases
- Yes, in the minority of cases

We do not monitor the actions that companies take following engagement activities carried out collaboratively

| | |
|----------|---|
| LEA 06.3 | Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities. |
|----------|---|

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify
- We do not monitor and evaluate progress of engagement activities carried out by internal staff

| | |
|----------|------------------------------------|
| LEA 06.4 | Additional information. [Optional] |
|----------|------------------------------------|

| | | | |
|--------|-----------|---------------|---------|
| LEA 07 | Mandatory | Core Assessed | PRI 2,4 |
|--------|-----------|---------------|---------|

| | |
|----------|---|
| LEA 07.1 | Indicate if you play a role in the engagement process that your service provider conducts on your behalf. |
|----------|---|

Yes

| | |
|----------|--|
| LEA 07.2 | 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

Discuss progress towards engagement objectives, monitor and review outcomes that have been achieved, and conduct ad hoc monitoring and review of engagement processes.

- We play no role in engagements that our service provider conducts.

No

LEA 07.3 Additional information. [Optional]

We may take on different roles with each collaborative service provider according to the terms of our agreement with each of them.

LEA 08 Mandatory Core Assessed PRI 2,6

LEA 08.1 Do you monitor and review the outcomes of the engagement activities undertaken by your service providers on your behalf?

- Yes, periodically
- Yes, ad hoc basis
- We do not monitor or review them

LEA 09 Voluntary Additional Assessed PRI 1,2

LEA 09.1 Indicate if insights gained from your engagements are shared with your internal or external investment managers.

| Type of engagement | Insights shared |
|------------------------------|---|
| Collaborative engagements | <input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No |
| Service provider engagements | <input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No |

LEA 10 Mandatory Gateway PRI 2

LEA 10.1 Indicate if you track the number of your engagement activities.

| Type of engagement | Tracking engagements |
|------------------------------|---|
| Collaborative engagements | <input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track and cannot estimate our engagements |
| Service provider engagements | <input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> We do not track and cannot estimate our engagements |

LEA 10.2 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.

LEA 11 Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

LEA 11.1 Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.

Private

LEA 11.2 Indicate the proportion of engagements that involved multiple, substantive and detailed discussions or interactions with a company during the reporting year relating to ESG issue.

Private

LEA 11.3 Indicate the percentage of your collaborative engagements for which you were a leading organisation during the reporting year.

Private

LEA 11.4 Indicate the percentage of your service provider engagements that you had some involvement in during the reporting year.

Private

LEA 11.5 Additional information. [Optional]

Private

| | | | |
|--|--|---------------------|-----------|
| LEA 12 | Voluntary | Additional Assessed | PRI 2 |
| LEA 12.1 | Indicate which of the following your engagement involved. | | |
| <i>Private</i> | | | |
| LEA 12.2 | Additional information. [Optional] | | |
| <i>Private</i> | | | |
| LEA 13 | Voluntary | Descriptive | PRI 2 |
| LEA 13.1 | Indicate whether you track the number of cases during the reporting year in which a company changed its practices, or made a formal commitment to do so, following your organisation's and/or your service provider's engagement activities. | | |
| <i>Private</i> | | | |
| LEA 13.3 | Additional information [Optional]. | | |
| <i>Private</i> | | | |
| LEA 14 | Voluntary | Additional Assessed | PRI 2 |
| LEA 14.1 | Provide examples of the engagements that your organisation or your service provider carried out during the reporting year. | | |
| <i>Private</i> | | | |
| LEA 14.2 | Additional information. [Optional] | | |
| <i>Private</i> | | | |
| LEA 15 | Mandatory | Core Assessed | PRI 1,2,3 |
| LEA 15.1 | Indicate whether your organisation has a formal voting policy. | | |
| <input checked="" type="radio"/> Yes | | | |
| LEA 15.2 | Indicate what your voting policy covers: | | |
| <input checked="" type="checkbox"/> Conflicts of interest <input checked="" type="checkbox"/> Share blocking <input checked="" type="checkbox"/> Securities lending process <input type="checkbox"/> Prioritisation of voting activities <input checked="" type="checkbox"/> Decision making processes <input checked="" type="checkbox"/> Environmental factors <input checked="" type="checkbox"/> Social factors <input checked="" type="checkbox"/> Governance factors <input type="checkbox"/> Filing/co-filing resolutions <input type="checkbox"/> Extraordinary meetings <input type="checkbox"/> Regional voting practices <input checked="" type="checkbox"/> Transparency of proxy voting activities <input type="checkbox"/> Company dialogue pre/post vote <input type="checkbox"/> Other, describe <input type="checkbox"/> None of the above | | | |
| LEA 15.3 | Attach or provide a URL to your voting policy. [Optional] | | |
| https://utam.utoronto.ca/proxy-voting/ | | | |
| LEA 15.4 | Provide a brief overview of your organization's approach to (proxy) voting. | | |
| <p>Proxy voting is one of the most important rights available to investors. UTAM's fiduciary duty is to act in the best interest of our client and to manage conflicts of interest, and this applies particularly to the way we vote proxies. Moreover, we expect our third-party investment managers to apply the same standard. To that end, we routinely review the proxy voting practices of our investment managers as part of our Operational Due Diligence reviews.</p> <p>As a responsible investor and a PRI signatory, UTAM has adopted the ESG-focused Institutional Shareholder Services (ISS) Sustainability Guidelines for proxy voting, which we apply wherever possible.</p> <p>To effectively address proxy voting in all the ways we may invest, we have provided guidance in our Responsible Investing Policy with respect to segregated account mandates, customized fund investments and commingled fund investments.</p> | | | |
| <input type="radio"/> No | | | |
| LEA 16 | Mandatory | Descriptive | PRI 2 |
| LEA 16.1 | Indicate how you typically make your (proxy) voting decisions. | | |
| Approach | | | |
| <input type="radio"/> We use our own research or voting team and make voting decisions without the use of service providers. <input type="radio"/> We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions. <input type="radio"/> We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions. | | | |

We hire service provider(s) that make voting decisions on our behalf.

| |
|--|
| Based on |
| <input checked="" type="checkbox"/> the service provider voting policy signed off by us <input type="checkbox"/> our own voting policy <input type="checkbox"/> our clients' requests or policy <input type="checkbox"/> other, explain |

| | |
|----------|---|
| LEA 16.2 | 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 (if applicable). |
|----------|---|

Towards the end of 2016, we engaged ISS for its Sustainability Policy and Guidelines. ISS votes ballots on our behalf for LE holdings in separate/segregated account mandates and in certain commingled fund mandates where the University of Toronto's Pension and Endowment are the only investors. In the upcoming proxy season, we do not anticipate making exceptions but will monitor proxies as they are available.

We intend to 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 19 | Voluntary | Additional Assessed | PRI 2 |
|--------|-----------|---------------------|-------|

| | |
|----------|---|
| LEA 19.1 | Indicate if your organisation has a securities lending programme. |
|----------|---|

Private

| | | | |
|--------|-----------|---------------|-------|
| LEA 20 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

| | |
|----------|---|
| LEA 20.1 | Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting |
|----------|---|

- Yes, in most cases
- Sometimes, in the following cases:
 - Votes for selected markets
 - Votes relating to certain ESG issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - Other
 - On a case by case basis depending upon the issues under consideration.
- Neither we nor our service provider raise concerns with companies ahead of voting

| | |
|----------|---|
| LEA 20.2 | Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations. |
|----------|---|

- Yes, in most cases
- Sometimes, in the following cases.
 - Votes in selected markets
 - Votes on certain issues
 - Votes for significant shareholdings
 - Votes for companies we are engaging with
 - On request by clients
 - On request by companies
 - Other
- 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 21 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|

| | |
|----------|--|
| LEA 21.1 | 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. |
|----------|--|

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

| | |
|----------|--|
| LEA 21.2 | Explain your reason(s) for not voting 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)
- On request by clients
- Other

We do not track or collect this information

| | | | |
|--------|-----------|---------------------|-------|
| LEA 22 | Mandatory | Additional Assessed | PRI 2 |
|--------|-----------|---------------------|-------|

LEA 22.1 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 22.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

| Voting instructions | Breakdown as percentage of votes cast |
|---|---------------------------------------|
| For (supporting) management recommendations | 89% |
| Against (opposing) management recommendations | 11% |
| Abstentions | 0% |

LEA 22.3 Describe the actions you take in relation to voting against management recommendations.

Based on our proxy voting guidelines votes may be cast against management recommendations when considered to be in the best interests of the University portfolios, particularly with respect to shareholder proposals.

No, we do not track this information

| | | | |
|--------|-----------|-------------|-------|
| LEA 23 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

LEA 23.1 Indicate if your organisation directly or via a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.

Private

LEA 23.6 Describe whether your organisation reviews ESG shareholder resolutions filed by other investors.

Private

LEA 23.7 Additional information. [Optional]

Private

| | | | |
|--------|-----------|-------------|-------|
| LEA 24 | Voluntary | Descriptive | PRI 2 |
|--------|-----------|-------------|-------|

LEA 24.1 Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

Private

LEA 24.2 Additional information. [Optional]

Private

| | | | | | | |
|---|--|---------------|--|---------------------------------|--|---|
| CM1 01.1 | Mandatory | Core Assessed | General | | | |
| CM1 01.1 | Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone: | | | | | |
| <input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified <input type="checkbox"/> Selected data has been internally verified <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above | | | | | | |
| CM1 01.2 & 01.8 | Mandatory | Descriptive | Planned assurance of this year's PRI Transparency Report | | | |
| CM1 01.2 | Do you plan to conduct third party assurance of this year's PRI Transparency report? | | | | | |
| <input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="radio"/> We do not plan to assure this year's PRI Transparency report | | | | | | |
| CM1 01.3 & 01.9 | Mandatory | Descriptive | General | | | |
| CM1 01.3 | We undertook third party assurance on last year's PRI Transparency Report | | | | | |
| <input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input checked="" type="radio"/> We did not assure last year's PRI Transparency report, or we did not have such a report last year. | | | | | | |
| CM1 01.4, 10-12 | Mandatory | Descriptive | General | | | |
| CM1 01.4 | We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report: | | | | | |
| <input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> 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 <input type="checkbox"/> ESG audit of holdings <input checked="" type="checkbox"/> Other, specify <p style="margin-left: 20px;">Where we refer to the activities performed by service providers, we may selectively seek confirmation from them that we are correctly reporting these activities.</p> <input type="checkbox"/> None of the above | | | | | | |
| CM1 01.7 | Mandatory | Descriptive | General | | | |
| CM1 01.7 | 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 | | | | | |
| <input checked="" type="checkbox"/> CEO or other Chief-Level staff <table border="1" style="margin-left: 20px;"> <tr> <td>Sign-off or review of responses</td> </tr> <tr> <td><input checked="" type="checkbox"/> Sign-off</td> </tr> <tr> <td><input checked="" type="checkbox"/> Review of responses</td> </tr> </table> <input type="checkbox"/> The Board <input type="checkbox"/> Investment Committee <input checked="" type="checkbox"/> Compliance Function <input type="checkbox"/> RI/ESG Team <input checked="" type="checkbox"/> Investment Teams <input type="checkbox"/> Legal Department <input checked="" type="checkbox"/> Other (specify) | | | | Sign-off or review of responses | <input checked="" type="checkbox"/> Sign-off | <input checked="" type="checkbox"/> Review of responses |
| Sign-off or review of responses | | | | | | |
| <input checked="" type="checkbox"/> Sign-off | | | | | | |
| <input checked="" type="checkbox"/> Review of responses | | | | | | |
| CM1 01.13 | Additional information for all confidence building measures [OPTIONAL] | | | | | |
| In addition to the foregoing, the Responsible Investing Committee reviews all responses. | | | | | | |