



EFFECTIVE: AUGUST 1, 2021

PROXY VOTING GUIDELINE

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1. INTRODUCTION/PURPOSE

Consistent with the focus on fiduciary duty and long-term value creation, IMCO considers Environmental, Social and Governance (“ESG”) issues in investment processes and actively promotes the adoption of sound governance practices at companies in which it invests. Proxy voting enables shareholders to express their views on a variety of issues.

The purpose of the Proxy Voting Guideline (“Guideline”) is to outline the underlying corporate governance principles to which we subscribe and provide a general indication of how IMCO will vote on proxy issues. The Guideline is prepared to support IMCO’s Responsible Investing Policy and considers best practice guidance issued by various organizations, most notably the following:

- United Nations-backed Principles for Responsible Investment (PRI)
- Canadian Coalition for Good Governance (CCGG)
- Pension Investment Association of Canada (PIAC)

We acknowledge that there is no single, universal approach to corporate governance. While this Guideline is intended to apply globally, it is acknowledged that procedural, cultural, legal and regulatory differences exist across various jurisdictions. These differences may impact the application of this Guideline. We encourage companies to implement relevant corporate governance frameworks including any applicable country codes, such as the UK Corporate Governance Code, the Japanese Stewardship code, and generally accepted international standards, such as the OECD Principles of Corporate Governance, the International Labour Organization Conventions (ILO), the UN Global Principles on Business and Human Rights (UNGP), the UN Global Compact and the UN Convention on Corruption.

2. SCOPE

This document is intended to provide guidance as to how proxy votes will be cast on various types of management and shareholder proposals. The Guideline serves as a guide only, as circumstances may vary beyond what is described in the Guideline. As such, issues will be examined on a case-by-case basis with consideration of all factors involved. This document is not intended to provide an exhaustive list of every proxy issue. New issues can and will arise, and these new issues will be examined and voted on in accordance with the principles.

The Guideline is generally intended to apply to publicly listed companies. Privately held companies differ from public companies in terms of protective measures available to shareholders and other governance features.

3. PROXY VOTING GUIDELINE

A. Board of Directors

At IMCO we believe that the board of directors should act in the best interest of the corporation. Directors should consider the interests of shareholders as well as the interests of relevant stakeholders. To effectively perform these critical functions, a board should be independent, have directors with diverse backgrounds, and have directors with relevant skills and experience.

A.1 Independence

Principle: In assessing the independence of directors, we will look at each nominee’s current and former relationships with the company, its associated entities, other board members, and senior management or controlling shareholder. An independent director is generally, except in very limited circumstances, a director who is free from any material interest or relationship that could otherwise deter his or her ability to act in the best interests of the corporation and its shareholders. We also believe that long board tenure could potentially compromise the independence and objectivity of board members. As such, we will consider

a director with a tenure longer than 12 years (or where acceptance for a more stringent threshold as exhibited by local country corporate governance code/guideline or related regulatory requirements) to be non-independent. To that end, we believe that the board should be comprised of a majority of independent directors.

We recognize that certain markets in Europe require companies to have employee or labor representatives on the board. For these companies, IMCO expects the majority of the board members elected by shareholders to be independent.

For equity-controlled companies, we view it as reasonable for a controlling shareholder to have representation on the board proportionate to its economic interest.

Guideline: IMCO may vote AGAINST or WITHHOLD from all non-independent nominees (except the CEO) if the board is less than majority independent. Generally, vote AGAINST or WITHHOLD from all non-independent members serving on key board committees¹.

A.2 Separation of Board and Management

Principle: One of the principal functions of the board is to monitor and evaluate the performance of the CEO and other executive officers. The board Chair's duty to oversee management may be compromised when he/she is connected to or is part of the management team.

Guideline: IMCO will support resolutions requiring the Chair and CEO roles to be separated. Vote FOR proposals to appoint an independent director as a lead director in cases where separation does not currently exist, unless the company has a strong governance structure. Vote AGAINST or WITHHOLD on proposals which combine the role of Chair and CEO.

Where the Chairperson and CEO roles are combined, vote AGAINST or WITHHOLD from the Chair or members of the Nominating Committee if a lead independent director has not been appointed. If the Chair of the Nominating Committee is not up for election, vote WITHHOLD from all incumbent members of the Nominating Committee.

A.3 Board Effectiveness and Accountability

Principle: Boards should be of a reasonable size to be effective and provide diversity of thought. Generally, boards with five to 16 members reflecting the size and complexity of the business are appropriate. Directors must be diligent in devoting sufficient time and energy to attend to their duties and other commitments. When directors serve on an excessive number of boards, they are considered over-boarded and may not be fulfilling all duties.

Guideline: We will consider the appropriateness of the number of directors, their experience and knowledge and their effectiveness when deciding whether to vote for boards of directors.

IMCO will vote AGAINST or WITHHOLD from individual directors who:

- Attend less than 75% of the board and committee meetings without a valid reason;
- Serve on more than five public company boards;
- Are executive directors who serve on more than two public company boards besides his or her own company.

A.4 Diversity and Inclusion

Principle: IMCO strongly believes that diversity and inclusion contributes to long-term sustainable performance. Having diverse boards will ensure that a diversity of perspectives and competencies are fostered, which will ultimately lead to better decision-making.

IMCO expects a minimum of 30% of the board to be represented by women, which aligns with the 30% Club Canadian Investor Group's Statement of Intent², which has an established objective to achieve a minimum of 30% women on boards and at the executive level of companies by 2022. We also believe that boards should consider all forms of diversity in the director recruitment process. As such, IMCO will consider diversity more broadly in line with the Responsible Investing Association's Canadian Investor Statement on Diversity and Inclusion. The guideline will be applied generally, except where it is impractical.

Guideline: IMCO may, subject to discretion, vote AGAINST or WITHHOLD from the Chair and/or members of the Nominating Committee (or Chair of the board, in the absence of such a committee) when women represent less than 30% of the board. We will consider mitigating factors such as a policy with targets and timelines, where practical. Depending on other factors such as the size of the company and the overall governance profile of the company, we may decline to make recommendations on this basis.

¹ Key committees include Audit Committee, Nominating and Compensation Committee, and the Corporate Governance Committee

² https://30percentclub.org/assets/uploads/UK/30_percent_Club_Canadian_Investor_Statement_Updated_Jan_2021.pdf

A.5 Majority Vote

Principle: We generally support a majority vote standard for the election of directors and expect directors who do not receive a majority of votes in favor to tender their resignation to the board promptly. In cases where a majority vote standard is not mandated by regulators and/or relevant stock exchanges, we expect boards to adopt a majority vote standard.

Guideline: IMCO will vote FOR resolutions requesting the board to adopt a majority voting policy for director elections or to amend the company bylaws to provide for majority voting, whereby each nominee is elected by an affirmative vote of at least a majority of shareholders votes cast in an uncontested election. Vote AGAINST or WITHHOLD from the Chair of the Nominating/Governance Committee where there is no majority vote standard or there is no director resignation policy requiring nominees who do not receive support of a majority of the votes cast to resign. We will review proposals for cumulative voting on a case-by-case basis. In situations where cumulative voting is in place, we will generally allocate votes in a manner that we believe is in the best interests of shareholders.

A.6 Slate Voting

Principle: We believe that shareholders should have a separate vote for each nominee standing for election or re-election rather than for a slate of director nominees. However, despite our preference, in the event the board is presented as a slate, we will determine our voting position based on the context.

Guideline: IMCO may consider voting AGAINST the election or re-election of any directors if the board is presented as a slate where the board has been unresponsive to shareholder concerns.

A.7 Staggered or Classified Boards

Principle: IMCO believes that a staggered or classified board unduly protects it from shareholders, thus diminishing the board's accountability to shareholders. Therefore, IMCO prefers the annual election of all board members and will not support proposals that create a staggered board. For companies that already have a staggered board in place, we will determine our position based on the circumstances.

Guideline: Vote FOR proposals to eliminate staggered or classified boards and institute annual elections of all directors.

A.8 Contested Elections / Proxy Contests

Principle: For contested director elections, we will review competing proposals on a case-by-case basis, determining which directors are best suited to add value for shareholders. We will consider factors such as long-term financial performance of the target company relative to its industry, management's track record, background to the proxy contest, nominee qualifications and compensatory arrangements, the strategic plan of the dissident's slate and quality and critique against management, board performance and responsiveness to shareholder concerns, and the likelihood that the proposed goals and objectives can be achieved by both slates.

Guideline: IMCO will review dissident shareholder proposals on a case-by-case basis, taking into consideration if the proponents have proved that board change is warranted and, if so, whether the proponent board nominees likely to affect positive change or maximize shareholder value.

A.9 Auditor Ratification

Principle: IMCO believes that a company's external auditor must be free from conflicts of interest. Accordingly, when we assess the independence of the auditor, we will consider the non-audit fees versus audit-related fees paid and length of the auditor's tenure, which could potentially impact independence. Auditor rotation has been a perennially contentious issue, which has led regulators in the U.S. and Europe to require public companies to rotate their auditor periodically. We believe that personal ties developed over time between auditors and management can potentially compromise an auditor's independence, thus in instances where a company has appointed the same auditor for decades makes it seem incompatible to achieve the desired standards of independence.

Guideline: IMCO may, on a case-by-case basis, vote AGAINST the ratification of auditors if: (i) the audit firm's tenure exceeds 20 years in instances where the lead audit partner has not been rotated periodically or if the tenure is not disclosed; (ii) fees for non-audit services exceed 100% of standard audit-related fees or stricter limit set in local best practice recommendations or law; (iii) there are serious concerns relating to the effectiveness of the auditors; (iv) the lead audit partner(s) has/have been linked with significant audit controversy; (v) there are serious concerns relating to the company's accounting practices or financial reporting; and (vi) the lead audit partner(s) has/have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

B. Executive and Director Compensation

Establishing a sound executive compensation program that both attracts and retains executive talent and delivers outcomes aligned with long-term shareholder interests is one of the critical responsibilities of the board of directors. When determining executive compensation programs, we expect the board to establish a compensation philosophy and peer group, review current executive compensation against market practices, assess the impact on the business prior to making final approvals, and finally report the process and results to its shareholders.

B.1 Advisory Vote on Executive Compensation (Say-on-Pay)

Principle: Say-on-Pay proposals submitted annually provide shareholders with transparency relating to setting executive pay, the link between pay and performance, and improve accountability to shareholders. Although the say-on-pay vote may be a non-binding advisory vote in some markets, we believe that it provides a formal opportunity for shareholders to express their views on the board's approach to executive compensation.

Guideline: IMCO will vote FOR proposals requesting an annual advisory vote on executive compensation. IMCO will review each say-on-pay proposal on a case-by-case basis with consideration given to the company's industry, size, financial condition, historical pay practices, compensation philosophy and disclosure. Although not an exhaustive list, IMCO may, subject to discretion, vote AGAINST say-on-pay proposals if the following problematic pay practices are identified:

- Misalignment between CEO pay and long-term company performance;
- The board has remained unresponsive to shareholder opposition and concerns raised at the previous say-on-pay vote, particularly for say-on-pay proposals that received less than 70% shareholder support at the previous meeting;
- Rationale for determining compensation (e.g., why certain elements and pay targets are used, how they are used in relation to the company's business strategy, and specific incentive plan goals, especially retrospective goals) and linkage of compensation to long-term performance has not been explained;
- The company has not provided timely, accurate, and clear information about compensation practices;
- Compensation levels are targeted at higher than median without a reasonable justification;
- Discretionary bonus payments are made when compensation targets are not met;
- Contractual guaranteed bonuses are paid;
- Performance targets are adjusted during the performance period without justification;
- Excessive severance and/or change-in-control provisions; and
- Absence of pay practices that discourage excessive risk taking

In the absence of a say-on-pay vote on the ballot, IMCO may express its dissatisfaction with compensation practices by voting AGAINST or WITHHOLD from the members of the Compensation Committee. In the event a problematic pay practice is identified and the board fails to respond to concerns raised by a prior say-on-pay vote, then IMCO may vote AGAINST or WITHHOLD from the members of the Compensation Committee or the entire board (if IMCO determines the entire board should be held accountable).

B.2 Equity-Based Compensation Plans

Principle: We support reasonably structured equity compensation plans that are clearly mapped to long-term shareholder value creation. We will assess certain features and practices of the plan in conjunction with the other aspects of total compensation.

Guideline: We will assess equity-based compensation plans on a case-by-case basis taking into consideration the cost the plan, features of the plan, and grant practices. IMCO may, subject to discretion, vote AGAINST a plan if any of the following negative overriding factors are identified:

- Discretionary or insufficiently limited non-employee director participation;
- The plan allows the company to make amendments without shareholder approval;

- The plan allows the company to reprice stock options without shareholder approval or the company has repriced stock options in the past three years without shareholder approval;
- The plan is a vehicle for poor pay practices, or a significant pay-for-performance disconnect under certain circumstances;
- The plan contains features that are not aligned with shareholder interests.

B.3 Compensation Recoupment or “Clawbacks”

Principle: IMCO believes that risk-mitigating pay practices such as compensation recoupment or “clawback” policies encourage executives to take a more comprehensive view of risk when making decisions. They also ensure that executives do not benefit from material misrepresentations resulting in the restatement of financial statements due to wrongdoing. As such, we encourage boards to adopt “clawback” policies permitting the board to order a claw back of any part of an executive’s incentive compensation in the event of a material restatement of financial statements as a result of wrongdoing as determined by the board.

Guideline: Vote FOR proposals requesting that boards adopt a policy to recoup any part of an executive’s incentive compensation in the event of a material restatement of financial statements due to wrongdoing as determined by the board.

B.4 Executive Share Ownership

Principle: Executives should maintain a substantive level of ownership in the company by a certain time after appointment to better align their interests with those of shareholders. IMCO also supports ownership requirements that require executives to maintain their minimum level of ownership for at least one year after departure from the company to ensure there is a performance “tail” to the executive’s work. We believe that a mandatory holding period post-departure will ensure executives make good long-term decisions prior to departure.

Guideline: Vote FOR proposals that set a substantive share ownership requirement by an appropriate time for executives. Also, vote FOR proposals seeking to adopt or amend existing executive share ownership requirements to include a mandatory holding requirement for at least one year post-departure.

B.5 Contractual Payments and Arrangements

Principle: Apart from the quantum of contractual payments, although not an exhaustive list, IMCO may not support the following compensatory arrangements:

- Inappropriate and excessive change-in-control or severance payments;
- Golden parachutes that we deem as excessive on a case-by-case basis, or such arrangements that are triggered by a single-trigger change-in-control provision;
- Guaranteed bonuses;
- Excessive sign-on arrangements;
- Interest free, low-interest or forgivable loans;
- Egregious pension plan payouts; and
- Excessive perks.

Guideline: IMCO may, subject to discretion, vote AGAINST proposals that go beyond the quantum of contractual payments, including but not limited to the list of problematic arrangements noted above.

B.6 Director Compensation

Principle: We believe that directors must be compensated adequately for their time and energy required to fulfill their responsibilities. However, the compensation structure for directors must be designed in a way that will not compromise the independence of the board. IMCO also believes that directors should maintain meaningful level of ownership in the company by a certain time after appointment to better align their interests with those of shareholders.

Guideline: IMCO will support director compensation levels commensurate with their responsibilities as a director. However, we will not support director compensation programs that include: (i) performance-based equity compensation (including stock appreciation rights and performance-vesting restricted stock); (ii) stock options; (iii) and performance-based cash awards to non-executive directors.

C. Shareholder Rights

The proxy system is a fundamental tenet of shareholder rights and is the principle means by which shareholders exercise their voice, regardless of whether a shareholder is a majority or minority shareholder.

C.1 One Share, One Vote

Principle: In general, one vote per share is a basic principle of good corporate governance. Companies with dual-class (or multi-class) share structures have a class or classes of shares with more than one vote per share. This allows some shareholders to maintain control of the corporation without holding an equivalent amount of equity.

Guideline: Vote FOR proposals to eliminate or unify multiple classes of shares and to ask for the disclosure of voting results broken down by share class. Generally, do not support the creation or extension of multiple share class structures with unequal voting rights.

C.2 Supermajority Approval

Principle: Shareholders should have the right to approve matters submitted for their consideration with a simple majority of the shares voted. Companies should not impose supermajority voting requirements. Supermajority vote requirements impede shareholder action on ballot items critical to shareholder interests.

Guideline: Generally, vote AGAINST proposals to require a supermajority shareholder vote, except if necessary under corporate law.

C.3 Authorized Shares

Principle: Access to sufficient amount of share capital is critical for a publicly traded company as it allows for quick decision-making and effective operations. However, given the dilutive effect it can have on existing shareholders, we believe that shareholders should have the opportunity to approve the issuance of common shares. Shareholders should approve the rights and attributes attached to preferred shares prior to their issuance. Blank cheque preferred shares are one of the types of shares sometimes used as a defence against takeover bids. In almost all cases, once an increase in authorized shares is approved, shareholders no longer have control over the use of the shares when issued.

Guideline: IMCO will generally vote FOR proposals to increase authorized shares provided the amount requested is reasonable and there are sound business reasons. Vote AGAINST proposals to create blank cheque preferred shares unless the company has stated in writing and publicly disclosed that the shares will not be used for antitakeover purposes.

C.4 Advance Notice Requirements

Principle: Many companies have advance notice requirements that set out time limits for submitting director nominations to the company, and other rules for shareholders who wish to nominate directors. These requirements are acceptable as long as they do not unnecessarily limit shareholders' right to nominate directors.

Guideline: Vote case-by-case on advance notice proposals, giving support to those proposals which allow shareholders to submit proposals/nominations as close to the meeting date as reasonably possible and within the broadest window possible, recognizing the need to allow sufficient notice for company, regulatory, and shareholder review.

C.5 Article / By-law Amendments

Principle: IMCO will generally support proposals to adopt or amend a company's articles/by-laws unless the resulting document contains any of the following:

- The quorum for a meeting of shareholders is set below two persons holding 25 percent of the eligible vote (this may be reduced to no less than 10 percent in the case of a small company that can demonstrate, based on publicly disclosed voting results, that it is unable to achieve a higher quorum and where there is no controlling shareholder);

- The quorum for a meeting of directors is less than 50 percent of the number of directors;
- The Chair of the board has a casting vote in the event of a deadlock at a meeting of directors;
- An alternate director provision that permits a director to appoint another person to serve as an alternate director to attend board or committee meetings in place of the duly elected director;
- An advance notice requirement that includes one or more provisions which could have a negative impact on shareholders' interests and which are deemed outside the purview of the stated purpose of the requirement;
- An exclusive forum provision without compelling rationale and without evidence of past harm due to shareholder legal proceedings outside of the jurisdiction of incorporation;
- Authority is granted to the board with regard to altering future capital authorizations or alteration of the capital structure without further shareholder approval; or
- Any other provisions that may adversely impact shareholders' rights or diminish independent effective board oversight.

Guideline: Vote FOR proposals to adopt or amend a company's articles/by-laws unless any of the following issues listed above exist in the resulting document.

D. Takeover Protection

Takeover protection measures should strengthen the capacity of the board and management to respond to takeover offers in a manner that enhances long-term shareholder value. They should strike a balance between targets and bidders and must primarily serve the interests of all shareholders. Measures that could prevent a competitive auction, thwart a bidder or negatively affect shareholder rights should not be adopted.

D.1 Shareholder Rights Plans

Principle: Shareholder Rights Plans (also known as "Poison Pills") and other takeover protection measures are generally used to ensure that boards of directors of a company subject to a takeover bid have additional time to maximize shareholder value by developing an alternative transaction or soliciting a competing takeover bid.

Guideline: IMCO will generally vote FOR proposals that strengthen the capacity of a board and management to respond to takeover offers in a manner that enhances long-term shareholder value. However, we will vote AGAINST proposals to implement lock-up arrangements, crown jewel defences, and to pay greenmail and excessive break-up fees or other measures that reduce shareholder value. Vote AGAINST or WITHHOLD from director nominees seeking re-election if they have implemented anti-takeover measures that are not in the best interests of shareholders.

D.2 Reincorporation

Principle: From time to time, companies will submit proposals to shareholders to change the jurisdiction of incorporation. This can be done for legitimate business reasons. It can, however, also be proposed by boards that seek to limit directors' liability or as part of an anti-takeover defence.

Guideline: Vote FOR reincorporation proposals if there are sound financial or business reasons for the move. Vote AGAINST reincorporation proposals that aim to take advantage of more relaxed local corporate governance, environmental and social standards or would weaken shareholder rights and interests.

D.3 Mergers and Acquisitions

Principle: Proposed mergers, acquisitions and corporate restructurings have important impacts on shareholder value. Such transactions should be structured to maximize shareholder value without compromising the rights of shareholders.

Guideline: IMCO will assess and vote on merger and acquisition proposals on a case-by-case basis based on features such as: (i) appropriate valuation assessments with emphasis on commensurate offer premium, (ii) strategic rationale (iii) negotiating process; (iv) changes in corporate governance; (v) conflict of interest; (vi) impact on shareholder value; and (vii) shareholders' rights.

E. ESG Issues

As a long-term investor, we consider ESG issues as part of our management of investment risks and opportunities in a manner that is consistent with our fiduciary duty to our clients. We expect our investee companies to clearly disclose material ESG issues and report on measures/initiatives taken to address ESG issues.

E.1 ESG Risks

Principle: IMCO is committed to implementing best practices in responsible investment and has adopted the United Nations-backed Principles for Responsible Investment (PRI)³ as listed below:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3: We will seek appropriate disclosure on ESG issues by entities in which we invest.
- Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6: We will report on our activities and progress towards implementing the Principles.

IMCO is committed to the application of these principles during the proxy voting process, consistent with our fiduciary duty. IMCO supports disclosure frameworks and recommendations such as those that have been issued by the Task Force on Climate Related Financial Disclosures (TCFD)⁴ and the Sustainability Accounting Standards Board (SASB)⁵ as a means for companies to better disclose decision-useful information around climate-related and other material ESG issues. We will generally support shareholder proposals that seek for companies to report in line with such frameworks and recommendations.

Guideline: Vote FOR proposals that seek to promote disclosure of relevant ESG risks and/or mitigation of significant ESG risk exposure. We may, subject to discretion, vote AGAINST or WITHHOLD from the Chair and/or members of a key committee or another relevant board director where we determine that the company does not properly address very severe ESG controversies. Vote FOR shareholder proposals requesting companies to report on ESG protocols and performance, and/or adopt internationally accepted codes of conduct, where this is deemed to increase shareholder value.

E.2 Climate Change

Principle: Climate change increasingly presents significant physical, regulatory and liability risks for investors while climate change preparedness can also be a source of competitive advantage for companies. We expect companies to understand and manage climate-related risks and opportunities. With respect to management proposals on climate change put forward for a shareholders' vote, we expect companies to:

- Commit to disclose climate-related information in line with the recommendations of the TCFD and Commit to report on progress to shareholders periodically;
- Commit to a Net Zero target by 2050 (or earlier); and
- Set science-based reduction targets for the short, medium, and long-term and report progress on targets.

Guideline: IMCO will generally vote FOR shareholder proposals that require:

- Information on the financial, physical, or regulatory risks it faces related to climate change on its operations and investments, or on how the company identifies, measures, and manage such risks;
- The adoption of greenhouse gas reduction targets;
- The development of climate scenario analysis including disclosure based on the framework proposed by the TCFD; and
- Disclosure of lobbying activities.

³ <https://www.unpri.org/pri/what-are-the-principles-for-responsible-investment>

⁴ Task Force on Climate Related Financial Disclosures: <https://www.fsb-tcfd.org/>

⁵ Sustainability Accounting Standards Board: <https://www.sasb.org/>

While we will continue to approach these proposals on a case-by-case basis, IMCO may vote AGAINST or ABSTAIN from management proposals if a company does not meet our expectations. Additionally, we may vote AGAINST or WITHHOLD from the Chair of the relevant committee, its members, or the Chair of the board if no progress has been made on the commitments made.

E.3 Sustainability Board Committee

Principle: We believe that boards should have adequate processes in place to support its sustainability responsibilities. While we believe that the full board is responsible for overseeing its sustainability risks, boards should delegate this responsibility to an existing committee with relevant skills and experience, or establish a dedicated Sustainability Committee charged with the sole duty to review the sustainability risks and remedial plans. We expect boards to understand the sustainability risks and impacts across the company's value chain and how it might impact the competitive positioning of the company.

Guideline: We will generally vote FOR shareholder proposals seeking to establish a dedicated Sustainability Committee, unless a company has already delegated its sustainability risk oversight responsibilities to an existing committee that has the relevant skills and experience.

4. IMPLEMENTATION AND DISCLOSURE

In applying the Guideline, IMCO reviews company filings, such as the proxy statement or information circular, and use research reports from an external proxy voting service provider to assist in our voting process. We apply the Guideline on a global basis while also recognizing that practices can differ in different markets. These differences will sometimes influence actual voting decisions.

We take our responsibility to exercise our votes seriously and will be diligent in exercising this right, while recognizing that certain markets continue to employ additional administrative hurdles that may preclude us from the ability to vote. Securities on loan may need to be recalled for proxy voting purposes, in which case loaned securities will be recalled on a best-efforts basis.

IMCO is transparent about our proxy voting activity and makes proxy voting records available on our website. We may communicate to companies to explain votes against management and abstentions when considered appropriate.