



Mackenzie Investments Europe Limited Shareholder Engagement Policy

Mackenzie Investments Europe Limited (“MIEL”) was founded in 1993 and is a subsidiary of Mackenzie Investments.

Mackenzie Investments, founded in 1967, is a leading Canadian global asset manager, headquartered in Toronto with additional investment teams and affiliates in Winnipeg, Boston, Dublin and Hong Kong. As part of IGM Financial Inc., a subsidiary of Power Corporation with a history dating back to 1926, Mackenzie benefits from the financial stability of a deep corporate structure while maintaining a boutique investment management profile.

Our distinct and experienced investment teams offer both fundamental and quantitative approaches with expertise across traditional and non-traditional asset classes, including equities, alternatives, currency and multi-asset strategies.

We are committed to delivering strong investment performance and offering innovative, relevant solutions to our clients by drawing on the experience and unique perspectives gained over 50+ years of building client relationships.

This policy describes how MIEL, operating within the broader Mackenzie Investments group of companies, engages with investee companies in accordance with the requirements of the EU Shareholder Rights Directive and Mackenzie’s own Responsible Investing initiatives. It is approved by the Board of Mackenzie Investments Europe Limited.

The Mackenzie advantage

Mackenzie’s investment management organization delivers its investment offerings through a multi-boutique structure, with independent in-house investment teams that each have a distinct focus and investment approach. This boutique approach promotes diversification of styles and ideas and provides Mackenzie Investments and its affiliates with a breadth of capabilities.

Together, our size and scope give us the opportunity to influence how the companies we invest in, on behalf of our clients, deliver on their promise for sustainable long-term returns and to tackle the big issues that face society.



Our commitment to our clients

Our commitment to our clients is to optimize risk-adjusted returns. To achieve this, we mandate our investment boutiques to consider factors material to risk and return – this includes environmental, social, and governance (ESG) factors. As a signatory to the UN-supported Principles of Responsible Investment, we monitor the evolving global ESG frameworks and capabilities and enhance our approach to ESG, accordingly.

In alignment with these principles, we may actively disqualify certain potential investee companies; for example, we will not knowingly invest in companies involved in the production, use or distribution of anti-personnel land mines or cluster munitions as part of our commitment to the Anti-Personnel Landmines Convention and Convention on Cluster Munitions.

We also continue to advance our role as an active owner to align the values of our investors with our investment practices.

Our strategy to active ownership

We recognize that we are living in a rapidly evolving time. For example, some of the industries that are the greatest polluters of our planet are also the most essential to our daily lives. Rather than applying broad based exclusions across all our portfolios, we believe in using active ownership to bring forward our perspectives on ESG risks. We believe in working with industries to ensure that we are building for a sustainable future.

By investing in companies, we become partial owners. Our active ownership strategy ensures we leverage our voting rights as well as engagements with companies that we invest in to highlight material ESG and other issues that may risk future long-term returns and hence impact our portfolios.

Mackenzie Investments develops policies that support our groupwide ESG priorities but allow each investment boutique and mandate to evaluate the impact of those themes on their strategies.

Here's how we seek to influence the companies we invest in.



Corporate engagement

There are many ways we can engage with the companies in our portfolios. Through ongoing industry, sectoral and thematic research, our investment teams develop insights on material ESG and other issues for companies in which we invest, attend meetings with board members and senior management to discuss these issues, and work with companies to influence their action plans so they may address those issues and potential risks. Our engagements are documented, and progress is tracked to ensure the appropriate oversight.

We use leading third-party ESG ratings and research as part of our investment analysis, considering both rankings and research where available on potential and existing investee companies prior to making an investment decision. We may invest in companies with below average ESG rankings where we form the view that the existing ranking does not fully capture recent positive developments at the investee company. Furthermore, where investee companies have disclosed specific ESG-related targets, we monitor their progress against these metrics.

To supplement our own internal engagements, in 2018, we partnered with EOS at Federated Hermes (EOS), a leading stewardship service provider. Their engagement activities enable long-term institutional investors to be more active owners of their assets, through dialogue with companies on environmental, social and governance issues. EOS' large team of engagement specialists, which includes experts such as former industry executives, senior strategists, corporate governance and climate change experts, accountants and lawyers, has the skills, experience, languages, connections and cultural understanding to equip them with the credibility to access and maintain constructive relationships with company boards to support our engagement efforts with the companies we invest in.

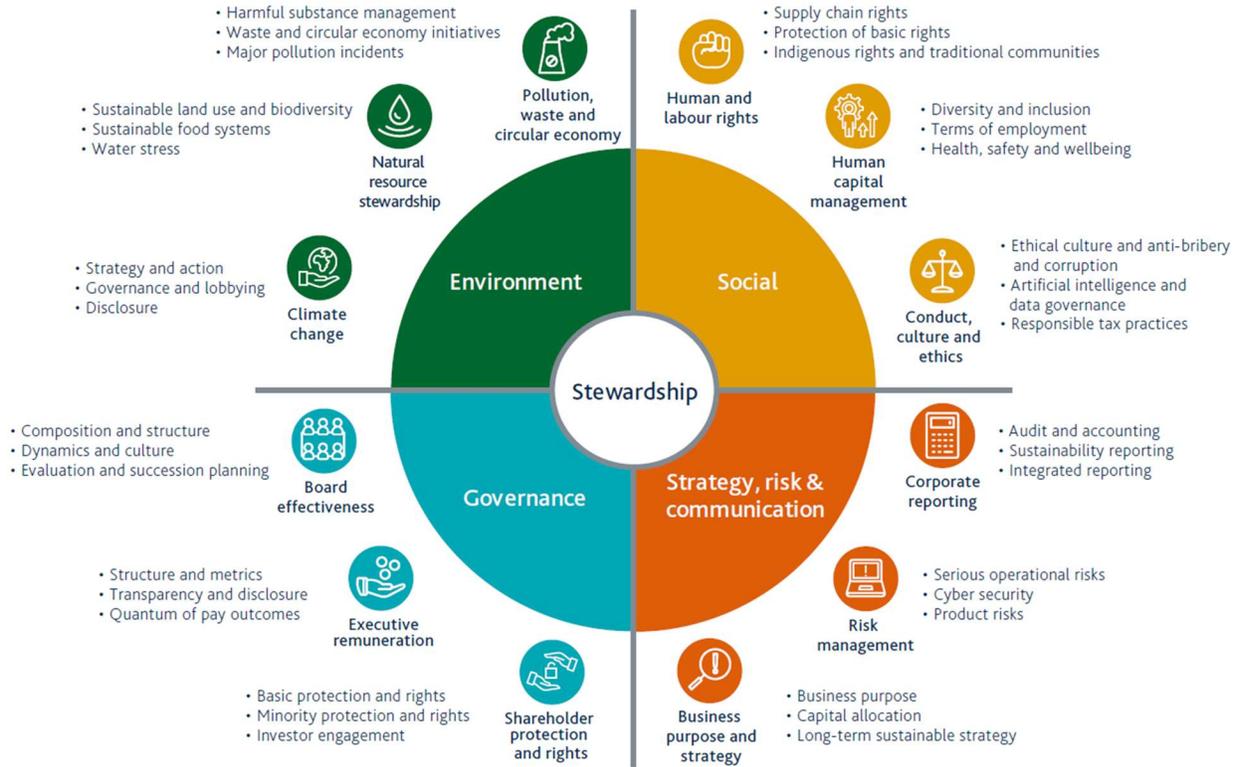
For further information on EOS' current Stewardship and Engagement themes, please visit <https://www.hermes-investment.com>

PRI in action
Investor Statement on
Coronavirus Response

Joined the 300
signatories representing
\$8.3 US trillion in assets
under management

[Learn more](#)

EOS - Engagement themes for 2020-2022





Ways we engage

Conducting dialogues with investee companies

Engagement with investee companies has long been fundamental to the Mackenzie approach. In addition to company strategy, financial performance and risk management, where appropriate we increasingly examine governance and environmental and social risks. Where applicable, our position as a significant stakeholder facilitates our engagement with investee companies.

As material risks are identified, we prefer to engage directly with company stakeholders to inform, align and take action to mitigate those risks. We engage:

1. In writing (letters or emails): we advise company stakeholders of our intent to engage further on risks identified requesting a formal meeting to align and action.
2. Meetings (virtual or face to face): our meetings are well researched, provide our perspective on the impact associated with the relevant risk, allow us to gain a better understanding of company's perspective, and where required involve the development of action planning to address risk.

Shareholder cooperation

We generally do not proactively liaise with other shareholders. Except for our partnership with EOS, we have acted independently of other shareholders; however, in 2020, we started to explore shareholder initiatives that align to the investors and communities we serve. Mackenzie Investments signed the PRI Investor Statement on Coronavirus Response and signed the Black North Initiative Pledge.

Proxy voting

Proxy voting is an important component of active ownership and good governance. Consistent with our responsibility, we vote proxies in the best interests of our clients' objectives taking into consideration material risks. We report annually on our voting activity, except where such voting is insignificant due to subject matter or the size of our holdings.

Performance and Risk

We generally invest in companies that we believe have a sustainable competitive advantage in an attractive end market, which leave them well-positioned for substantial future growth. The Investment Teams identify such opportunities usually through an extensive cycle of meetings with potential investee companies; an assessment of financial, non-financial performance and risk measures, discussions with sell-side investment analysts and on occasion thematic research. The Investment Teams generally favor companies that they believe are attractively



valued, have a compelling business strategy, and are led by strong and experienced management teams who display good corporate governance and are focused on having a conservative capital structure.

Communicating with Stakeholders

In accordance with the PRI, we report annually on our responsible investment activities. Visit the PRI website to access Mackenzie's latest [PRI Transparency Report](#). In addition, we will publish an annual report on our implementation of this engagement policy.

Conflicts of Interest

We have in place an appropriate policy framework and organizational structure to identify, mitigate and manage actual and potential conflicts of interest which may arise in the context of our engagement with investee companies. We maintain appropriate segregation of duties between investment decision makers, trading personnel and second-line functions responsible for oversight. Any material conflicts of interest identified are recorded and reported to the Board, together with a description of the means by which they are managed.

Our dedicated teams

Dedicated teams have been created to ensure a consistent and company-wide approach to managing our responsible investment mandate. Their complementary roles ensure that everyone at the Mackenzie Investments group has access to information, resources, and the authority to act on behalf of our clients' best interests.

Responsible Investment Committee

The Mackenzie Investments Responsible Investment (RI) Committee meets three to four times a year with key members from our 14 investment teams and key stakeholders from across the Mackenzie Investments group. The committee formulates and monitors specific ESG initiatives across investments management to ensure we have an open forum to share and implement best practices.

Sustainable, Responsible, Impact Investing

In 2020, Mackenzie Investments announced a new function reporting directly to the CEO, to support responsible investing efforts across the organization. The team is responsible for research, insights, stakeholder engagement and oversight to advance environmental, social, and governance-related topics within Mackenzie Investments and across the Power Financial affiliates.



Looking forward

We see bright, optimistic leaders steering firms of all sizes toward a more sustainable future for all stakeholders. We believe that investors will continue to be rewarded by choosing to invest in the companies with engaged boards and management as they address material environmental, social and governance risks. As active owners, we will remain committed to supporting our clients and peers who are signatories to the PRI.

Together, we are committed to helping all organizations advance their ESG efforts and introducing investors to the ones who demonstrate commitment to long-term sustainable results.