



Triasima Portfolio Management Inc.

ESG and Climate Report 2025

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## Executive Summary

This inaugural Triasima ESG and Climate Report 2025 provides an overview of Triasima sustainability- and climate-related disclosures, prepared with reference to and in partial alignment with the International Financial Reporting Standards' (IFRS) International Sustainability Standards Board (ISSB) and Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. It explains how we identify, assess, and manage sustainability-related risks and opportunities that may influence the long-term value of the assets we manage.

Triasima ESG and Climate Report 2025 shows how we continue to implement policies, processes, risk management tools, and strategies to meet the objectives and expectations of our clients. In line with the ISSB and TCFD reporting pillars of governance, strategy, risk management and metrics and targets, key highlights include:

- Climate change is treated as a financially material factor, with Board-level oversight and structured processes guiding governance, strategy, and risk management.
- Triasima's investment strategies incorporate climate and ESG insights through diversification, climate-resilient security selection, and thorough assessment of issuers' energy transition readiness. Client preferences are also reflected through tailored portfolio tilts toward companies demonstrating credible decarbonization efforts.
- Climate-related risks are identified and managed through a materiality-driven process supported by ESG analysis, proprietary tools, and active stewardship. Engagement and proxy voting play a central role in assessing transition plans, improving disclosure, and influencing corporate behaviour, particularly among high carbon-emitting sectors.
- Triasima uses a suite of ESG and climate metrics - including financed emissions, carbon intensity, Weighted Average Carbon Intensity (WACI), fossil fuel reserves, science-based targets, renewable energy usage, and green revenues - to evaluate portfolio sustainability and inform decision-making where data is material and reliable.

This report demonstrates Triasima commitment to transparent, decision-useful sustainability reporting and to supporting a resilient, green economy transition.

## Introduction

Climate-related factors are increasingly shaping the operating environment for companies and financial institutions. Both physical and transition climate risks are already influencing asset values, capital flows, and long-term economic performance, while climate-related opportunities are emerging as drivers of innovation, efficiency, and competitive advantage. As expectations for transparent and decision-useful sustainability information continue to rise, organizations are required to integrate these risks and opportunities into core strategic and investment processes.

As a responsible asset manager, Triasima contributes to the functioning of efficient and resilient capital markets. Transparent disclosure of sustainability-related information enables clients and stakeholders to evaluate how sustainability and climate factors may affect portfolio performance and capital allocation decisions.

This report outlines our governance structures, strategic approach, risk management processes, and metrics and targets related to sustainability and climate considerations. It reflects our commitment to integrating material sustainability factors into our investment processes and supporting the broader transition toward a more sustainable global economy.

### *Why report on climate-related risks? The financial need of the green transition*

Anthropogenic greenhouse gas emissions from energy and industrial systems are accelerating global warming, contributing to biodiversity loss, water scarcity, food insecurity, and population displacement. These impacts present material climate-related risks to enterprise value across the asset management industry and the wider economy. Current estimates indicate that, if unmitigated, climate change could generate \$4.2 to \$43 trillion in economic losses by 2100, relative to approximately \$143 trillion in currently manageable global assets<sup>1</sup>.

Limiting global warming to 1.5°C remains critical for avoiding the most severe physical and transition risks. However, at the current rate of emissions, the remaining carbon budget for a 1.5°C pathway is projected to be exhausted in just over three years<sup>2</sup>. Swiss Re estimates that escalating physical climate hazards could reduce regional GDP by up to 37% by 2050, with significant implications for asset valuations, insurance coverage, supply chain resilience, and sovereign risk.

These risks are already materializing. In 2024, global natural disasters resulted in \$320 billion in economic losses, including \$140 billion in insured losses, according to Munich Re<sup>3</sup>. Such losses directly affect financial markets and capital allocation.

Avoiding the most severe consequences requires a rapid transformation of energy systems and industrial processes, commonly referred to as the green transition. For asset managers and other industries, this transition represents both a significant risk exposure and a major driver of long-term value creation.

Mobilizing the global economy toward a low-carbon and climate-resilient pathway will require an estimated \$275 trillion in cumulative investment—approximately \$9.2 trillion per year—through 2050. This capital will be essential to scale low-emission energy systems, deploy green technologies, transform industrial and agricultural processes, support workforce reskilling, and enable both mitigation and adaptation measures. While investor attention has traditionally centered on mitigation—reducing emissions to limit global temperature rise—climate adaptation is equally material for safeguarding assets and economic systems already exposed to physical climate impacts. Adaptation measures include reinforcing infrastructure to withstand

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<sup>1</sup> [WEF Creating effective climate governance on corporate boards.pdf](#)

<sup>2</sup> [Only 3 years left: The carbon budget for 1.5°C is almost gone | ScienceDaily](#)

<sup>3</sup> [Climate change is showing its claws: The world is getting hotter, resulting in severe hurricanes, thunderstorms and floods | Munich Re](#)

more frequent and severe climate events and adopting drought-resilient agricultural practices to address water stress.

The opportunity landscape is similarly significant. Climate action could generate up to \$26 trillion in economic benefits by 2030, driven by clean-energy expansion, technological innovation, economic diversification, and reduced long-term climate risk<sup>4</sup>. Financial institutions play a pivotal role in enabling this transition by reallocating capital toward low-carbon solutions, financing innovation, reducing financed emissions, and enhancing market understanding of climate-related risks and opportunities.

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<sup>4</sup> [WEF Creating effective climate governance on corporate boards.pdf](#)

## Governance

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*Triasima applies a rigorous governance framework to oversee climate-related risks and ensure alignment between clients' objectives, investment decisions, and long-term value creation.*

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### Governance Structure and Strategic Importance

Triasima recognizes that effective climate governance is essential to long-term value creation and to navigating the global transition toward a lower-carbon economy. Climate change is treated as a financially material risk and opportunity that warrants the same level of board-level rigour as any other strategic or enterprise risk. Given the complexity of climate issues—spanning macroeconomic uncertainty, evolving regulation, scientific developments, and shifting stakeholder expectations—the Board provides strategic oversight to ensure that climate considerations are embedded into investment decision-making, risk management, and corporate strategy. For an asset manager, climate-related risks can influence the performance of investee companies through both chronic and acute physical impacts, as well as transition-related regulatory, market, and reputational pressures. Understanding these dynamics is therefore central to Triasima governance approach.

### Roles, Responsibilities, and Oversight

Climate and sustainability governance at Triasima is supported by clearly defined roles and responsibilities across the organization. A dedicated ESG specialist leads responsible investing initiatives, while the investment team integrates climate and ESG considerations directly into portfolio construction, stewardship, and risk assessment. The management committee ensures accountability for implementation, and the board of directors provides ultimate oversight of climate-related strategy, policy evolution, and risk management. Triasima Responsible Investing Policy<sup>5</sup> is reviewed and updated every two years under board supervision, with the 2025 update strengthening commitments to Indigenous rights when material, including respect for Free, Prior and Informed Consent (FPIC) in alignment with Action 92 of the UN Declaration on the Rights of Indigenous Peoples (UNDRIP). This governance structure ensures that climate considerations are consistently applied across decision-making layers and supported by appropriate expertise and resources.

### Skills, Expertise, and Capacity Building

Triasima offers continuous education to ensure that its Board, management, and investment professionals are equipped to oversee and manage sustainability related risks and opportunities.

Triasima benefits from the specialized expertise of its Senior Specialist, Responsible Investment - a PhD-level ESG professional with advanced sustainability and climate credentials. In addition to completing ongoing training on identifying, assessing, and reporting climate risks, this specialist enables the firm to interpret evolving standards and guide strategic integration, sharing key insights with the investment team and the board of directors as appropriate.

Our commitment to capacity building extends to our work with Indigenous clients, where education, dialogue, and collaboration with leaders and trustees help align investment strategies with cultural values and long-term community priorities. In 2025, Triasima offered the *4 Seasons of Reconciliation* training from the First Nations University of Canada to its employees, which deepened their understanding of Indigenous history, rights, and perspectives. This training reinforced the importance of meaningful consultation, respectful relationship-building, and the principles of FPIC as outlined in the UNDRIP, to which Triasima is a signatory.

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<sup>5</sup> [triasima ri policy - 2025 07 22.pdf](#)



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*"Sustainability is an integral analytical aspect rather than a supplementary overlay. In response to the climate emergency and rising investor expectations, ESG issues are systematically integrated into actionable investment practices. This strategy directs capital toward resilient, greener assets to facilitate an economic transition within an equitable space for humanity. By respecting both the ecological ceiling and the social foundation, we optimize shared added value for our institutional partners and all stakeholders."*

*Salma Ktat, Ph.D. Senior Specialist, Responsible Investment*

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## Processes, Tools, and Implementation Mechanisms

Triasima has established structured processes and proprietary tools to operationalize its climate and sustainability commitments. Central to this is the internally developed ESG Risk Dashboard, which consolidates key sustainability, climate, and impact metrics to support investment decision-making. The dashboard includes indicators such as Scope 1, 2, and 3 carbon emissions, emissions-reduction targets, green and impact revenues, ESG controversies, and sector-specific engagement questions, all updated periodically to ensure timely and decision-relevant insights. These processes enable the investment team to systematically integrate climate considerations into portfolio analysis, risk management, and stewardship activities, ensuring that climate governance is embedded throughout the investment lifecycle.

## Strategy and Decision Making

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*Triasima uses climate-related and ESG insights to inform investment strategy and support alignment with client objectives and long-term resilience.*

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Triasima investment philosophy has remained consistent since the firm's inception; however, the accelerating impacts of climate change and rising investor awareness have increased the importance of integrating climate-related and broader ESG considerations into our investment approach. In response, Triasima has progressively strengthened its internal capacity by investing in human capital, expanding access to third-party ESG data, establishing formal responsible investing policies, and developing tools and strategies that support sustainable investment decision-making.

Triasima strategy for managing climate-related risks is grounded in a combination of diversification, climate-resilient investment selection, and rigorous assessment of investee companies' climate actions, where material. Diversification across geographies, sectors, and issuers helps mitigate exposure to localized physical and transition risks (see Exhibit 1). In parallel, we prioritize investments that demonstrate resilience to climate-related challenges, including companies that have credible mitigation and adaptation practices in place and operate in ways that are less exposed to climate impacts (see Exhibit 2).



Exhibit 1

### Climate Physical and Transition Risks and Potential Impacts on Investee Companies

| Risk                                | Risk Description   | Examples of Industries with Risk Exposure  | Potential Impact on Investees  |
|-------------------------------------|--|--|--|
| <b>Transition: Policy and Legal</b> | <ul style="list-style-type: none"> <li>• Changes to climate regulations such as those related to carbon pricing;</li> <li>• enhanced emissions reporting;</li> <li>• regulation of existing products or services</li> </ul>  | <ul style="list-style-type: none"> <li>• Oil and Gas</li> </ul>  | <ul style="list-style-type: none"> <li>• Increased operating costs through higher compliance costs;</li> <li>• reduced demand for products and services resulting from law court judgments</li> </ul>  |
| <b>Transition: Technology</b>       | <ul style="list-style-type: none"> <li>• Potential for technology advancement such as low-emission technologies to replace old existing technologies</li> </ul>  | <ul style="list-style-type: none"> <li>• Automotive</li> <li>• Cement</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Price volatility in vehicle valuations (EV, internal combustion engine (ICE), hybrid);</li> <li>• R&amp;D expenditures in new alternative technologies;</li> <li>• early retirement of existing assets;</li> <li>• costs to deploy the new tech and processes</li> </ul>  |
| <b>Transition: Markets</b>          | <ul style="list-style-type: none"> <li>• Shifts in product demand through changing client behaviour as climate risks and opportunities are increasingly considered</li> </ul>  | <ul style="list-style-type: none"> <li>• Automotive</li> <li>• Insurance</li> </ul>                              | <ul style="list-style-type: none"> <li>• Reduced demand for products and services due to shifting consumer behaviour; unexpected change in energy costs; repricing of assets (e.g., fossil fuel reserves);</li> <li>• higher prices or even loss of access to property insurance in disaster-prone areas as climate risks become more visible and businesses rethink where and how they build</li> </ul> |
| <b>Transition: Reputation</b>       | <ul style="list-style-type: none"> <li>• (Changing) Perception around non-response to climate challenges;</li> <li>• greenwashing risk</li> </ul>  | <ul style="list-style-type: none"> <li>• Financial sector</li> </ul>   | <ul style="list-style-type: none"> <li>• Noncompliance with environmental and ESG standards can trigger reputational damage, stakeholder backlash, regulatory scrutiny and fines</li> </ul>  |
| <b>Physical: Acute and Chronic</b>  | <ul style="list-style-type: none"> <li>• The impact on operations from extreme weather events such as cyclones, heat or cold waves (acute risks);</li> <li>• or from longer-term shifts in weather patterns such as rising sea levels and sustained higher temperatures (chronic risks)</li> </ul> | <ul style="list-style-type: none"> <li>• Agriculture</li> <li>• Housing</li> <li>• Financial Services</li> </ul> | <ul style="list-style-type: none"> <li>• Increased volatility in commodity prices and insurance costs posing financial risks to producers and investors;</li> <li>• changes in migration patterns, which can impact home prices and property demand (for infrastructure companies), and mortgage portfolios (for financial services companies)</li> </ul>  |

An important component of our strategy is the assessment of companies’ climate action and preparedness, where relevant. This includes analyzing historical climate data such as greenhouse gas emissions, as well as forward-looking indicators, including reduction targets, progress toward those targets, and the credibility of transition plans (where data is available and reliable). We also assess the two main climate actions undertaken by investee companies: mitigation and adaptation. Mitigation efforts may involve reducing emissions through energy-efficient processes or the adoption of green technologies, while adaptation measures may include infrastructure designed for extreme weather events, drought-resistant agricultural inputs, silvopasture (integrating diverse trees with crops and livestock), flood defences, or heat-resistant materials. While adaptation and mitigation investments can be perceived as increasing near-term corporate costs, the absence of such measures can expose companies to significant financial, operational, and reputational losses when climate-related events occur. In many cases, the long-term downside risk of inaction outweighs the upfront investment required to build resilience.

Exhibit 2

### Climate Preparedness: Examples of Mitigation and Adaptation Actions

|                           | Examples  |
|---------------------------|---|
| <b>Mitigation Actions</b> | <ul style="list-style-type: none"> <li>• Improving building design, replacing emissions-intensive materials, white painting for rooftop</li> <li>• Using heat-reflective coatings on buses and other public transport vehicles</li> <li>• Battery recycling for EV manufacturers</li> </ul> |
| <b>Adaptation Actions</b> | <ul style="list-style-type: none"> <li>• Sustainable agriculture practices such as agroforestry, rotational cropping, silvopasture, and community-managed forests</li> <li>• Protecting mangroves to guard against sea-level rise</li> </ul>  |

*Note: Although often seen as competing priorities, mitigation and adaptation strategies frequently overlap and can reinforce one another. For instance, pastures with trees can protect livestock from extreme heat but also sequester 5 to 10 times more carbon than lands without trees<sup>6</sup>.*

Triasima also recognizes that client beliefs and preferences play an important role in shaping portfolio strategy. For clients who prioritize transition-aligned investing, we may tilt capital toward carbon-intensive companies that are credibly decarbonizing through green technologies and energy-efficiency improvements, while tilting away from companies with high emissions and no credible transition plans. This approach supports both risk management and the broader market transition toward a lower-carbon economy.

<sup>6</sup> [6 Climate Mitigation and Adaptation Strategies | World Resources Institute](#)

## Risk Management

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*Triasima identifies and manages climate-related risks through a materiality-based process supported by ESG analysis and stewardship.*

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### Processes for Assessing and Managing Climate-Related Risks

Triasima identifies and assesses climate-related risks through a materiality-driven process that evaluates issuers based on sector exposure, emissions intensity, transition readiness, and sustainability controversies. When climate change, gender equality, Indigenous rights, or other ESG issues are deemed material, issuers undergo enhanced review using ESG KPIs, analyses, and targeted engagement meetings. These assessments help identify sustainability controversies, evaluate mitigation efforts, and gauge the credibility of climate and ESG targets relative to peers. Companies with significant controversies, weak transition planning, or insufficient climate commitments may face investment constraints, while issuers demonstrating robust adaptation and mitigation strategies may be viewed more favourably.

Triasima manages climate-related risks through a structured combination of ESG exclusion, ESG integration, risk analysis, engagement, and proxy voting. Our philosophy prioritizes active stewardship - using engagement and proxy voting to drive improved practices. However, we recognize that engagement is not always appropriate. For companies whose core activities are inherently misaligned with the common good or social welfare - such as tobacco or controversial weapons - exclusion may be the most responsible course of action. In these cases, and in alignment with client preferences, we can apply targeted exclusions.

Given the highly diverse - not so standardized - sustainability information across issuers, Triasima has strengthened its internal data-management capabilities to support consistent and decision-useful analysis. Climate-related risk management is integrated into the firm's broader investment risk processes, ensuring that sustainability insights are considered alongside traditional financial analysis to provide a holistic view of risk.

To support this integration, Triasima uses an internal ESG Risk Dashboard that consolidates key sustainability and climate indicators at both the issuer and portfolio levels. The dashboard provides visibility into carbon footprint, sector and company attribution, impact-related revenues, ESG controversies, and industry-specific engagement considerations. This integrated view enables the investment team to systematically monitor material risks and supports long-term value creation.

As part of its continuous improvement efforts, Triasima recently developed the Climate Dashboard, an internal tool dedicated to monitoring climate risks and opportunities. This dashboard tracks physical and transition risks—including exposure to stranded assets risk linked to fossil fuel reserves that may become economically unviable as the energy transition accelerates. The tool also identifies potential opportunities metrics such as alignment with Science Based Targets (SBTi), the percentage of revenue derived from energy efficiency, renewable energy usage, and water recycling rates.

## Use of Engagement to Address Climate-Related Risks



Engagement is an important component of Triasima climate risk management strategy. Through direct dialogue with issuers, we assess the governance of climate-related risks, the credibility of transition plans, and the robustness of emissions-reduction strategies. Engagement efforts are prioritized for high-emitting companies - such as utilities, mining, and oil and gas - where climate risks are most material and transition exposure is highest.

To support consistency and decision-usefulness, Triasima has developed an industry-specific Engagement Guide that outlines ESG questions tailored to material issues across sectors. This guide helps structure engagements around climate governance, disclosure practices, and transition alignment where these issues are deemed material. Engagements are tracked using our internal Engagement Tracker Tool, which monitors issuer responses, impact outcomes, escalation pathways, and post-engagement follow-ups. These tools ensure that engagement activities are systematically documented, evaluated, and integrated into investment decision-making.

*The following screening includes examples of sector-specific and cross-sector ESG questions drawn from Triasima Engagement Guide.*

## Sector-Specific Environmental Questions (Examples)

### **Energy Sector**

- What are the company's Scope 1, 2 and 3 emissions reduction targets and progress?
- Does the company have a transition plan with scenario analysis?
- Is carbon capture used, and what percentage of CO<sub>2</sub> is sequestered vs. used for enhanced oil recovery?
- What biodiversity risk mitigation strategies are in place, especially in ecologically sensitive areas?
- What is the company's water recycling rate and water risk strategy in stressed regions?

### **Materials Sector**

- What actions are taken to reduce hazardous waste and air pollutants?
- What is the company's strategy for Scope 1, 2, and 3 emission reductions?
- How does the company manage tailings and water-related risks in mining operations?
- Are chemicals in products screened for toxicity and replaced with safer alternatives?

### **Utilities Sector**

- What measures are taken to reduce methane emissions (for gas utilities)?
- What risks does the company encounter in meeting its renewable energy targets?
- How are air pollutants such as SO<sub>x</sub> and NO<sub>x</sub> managed - particularly in densely populated areas - and are there any reduction targets?
- How is the company managing water-related risks, especially in highly stressed regions?

## Social Questions Examples (Cross-Sector)

- How does the company engage with Indigenous communities and local stakeholders?
- What is the incident rate for workplace safety, and how is it being reduced?
- Are community investment programs in place, and how are benefits shared locally?
- Does the company operate in politically unstable regions, and how are risks managed?

## Governance Questions Examples (Cross-Sector)

- Is executive compensation linked to ESG or sustainability targets?
- What are the company's practices and policies to prevent corruption, bribery, and anti-competitive behaviour?

Triasima Stewardship Policy<sup>7</sup> (2024) formalizes how engagement and proxy voting support the management of sustainability-related risks and outlines expectations for issuers with material climate-risk exposure. Recent research shows that climate-related engagements often lead to commitments to climate reduction targets, improved transparency, and reductions in carbon emissions. Climate engagements are also likely to be accompanied by greater voting support for

<sup>7</sup> [triasima\\_stewardship\\_policy\\_-\\_2024\\_08\\_07.pdf](#)

management. Thus, engagement can be an effective tool to combat climate change and reduce related risks<sup>8</sup>.

Within Triasima risk-management framework, engagement functions as a mechanism to mitigate climate-related risks, strengthen issuer resilience, and support long-term value creation for clients.

### Case Study: Climate Collaborative Engagement

Power generation accounts for approximately 40% of global energy-related CO<sub>2</sub> emissions, making it the single largest contributor to climate change and a critical sector for global decarbonization. As electrification accelerates—driven by electric vehicles, industrial process electrification, and the rapid expansion of AI-enabled data centres—electricity demand is projected to rise sharply. This positions the power sector not only as a major source of emissions, but also as a foundational enabler of emissions reductions across all other sectors. Achieving net-zero pathways, therefore, depends on the rapid phase-out of fossil-fuel-based generation and the large-scale deployment of renewables and other clean-energy technologies, which are the primary drivers of the sector's transition.

In 2025, as part of its participation in the Climate Action 100+ initiative, Triasima engaged with a utility company to assess its transition-risk exposure and long-term climate strategy. The company is the U.S.'s largest producer of clean energy, providing approximately one tenth of the emissions-free energy, with more than 90% carbon-free generation and a clear pathway toward 100% by 2040. The company's carbon-intensity trajectory remains well below sector pathways, and its nuclear-based portfolio provides reliable, clean power at a time when electricity demand is rising. During the engagement, the company confirmed continued progress on climate disclosure—including forthcoming TCFD scenario analysis—and discussed the implications of an upcoming acquisition, which will temporarily increase the combined entity's carbon footprint but expand its clean-energy capabilities. Triasima also explored the company's approach to Scope 3 emissions, flexible-load integration, and grid resilience, all of which are increasingly material in a high-electrification future.

The company continues to demonstrate strong alignment with Triasima's climate-risk expectations, including credible decarbonization targets, leadership in nuclear and clean-energy innovation, and ongoing enhancements to disclosure. Triasima will monitor post-acquisition performance and updated climate metrics following the release of the company's sustainability report to ensure climate-related risks remain appropriately assessed and integrated into investment decision-making.

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<sup>8</sup> The study used climate risk engagement data by Blackrock from 2020 to 2023 totalling 5964 climate risk engagements [Climate Risk Engagements | ECGI](#)

## Proxy Voting

Proxy voting is a key component of Triasima stewardship strategy and climate risk oversight. Triasima is committed to being transparent as to its proxy voting practices and outcomes. We have recently published our Stewardship policy which clarifies our guidelines and rationales for key ESG themes such as climate change, biodiversity, and racial equity. Triasima uses independent proxy voting third-parties (GIR Inc.<sup>9</sup> Caucus Policy and ISS Sustainability Policy<sup>10</sup>), to inform its decisions. We review their recommendations for shareholder proposals and engage in consultations with both providers to ensure alignment with our voting guidelines and evolving ESG best practices.

Triasima generally supports shareholder proposals that advance climate action, diversity objectives, human rights, and the integration of ESG factors into executive compensation when they contribute to long-term value creation and address material sustainability risks. Support may be withheld when proposals are overly prescriptive or constrain effective implementation.

## Examples of Voting as Escalation

- Voting against directors when companies fail to manage material ESG risks, including environmental incidents or inadequate climate oversight.
- Voting against or withholding from directors at Climate Action 100+ focus companies when minimum expectations for net-zero alignment are not met.
- Supporting shareholder proposals requesting disclosure of climate-related financial, physical, or regulatory risks, GHG-reduction targets, or credible transition plans.

## 2025 Proxy Voting Review

In 2025, Triasima voted on 4,016 proposals, including 3,849 management proposals and 167 shareholder proposals<sup>11</sup>.

Triasima supported 100% of climate-related shareholder proposals, with the majority focused on decision-useful disclosures such as GHG emission reporting, fossil-fuel financing transparency, advisory votes on climate action plans, climate-lobbying alignment, and Just Transition reporting.

Notably, Triasima supported proposals at Canadian financial institutions requesting disclosure of each bank's energy finance ratio, a key indicator of transition risk and capital allocation between renewable and non-renewable energy projects. These proposals received approval rates exceeding 30%, reflecting growing investor demand for transparency, particularly since these institutions work toward net-zero commitments while continuing to finance fossil-fuel projects<sup>12</sup>.

Triasima also supported 100% of shareholder proposals related to diversity, equity, and inclusion (DEI) and human rights, including racial-equity audits, reporting on forced and child labour risks in lending portfolios, and disclosure of policies and practices regarding Indigenous relations.

For instance, Triasima supported a *Just Transition* proposal at a major financial institution, recognizing that effective transition finance must address both environmental and social risks. Decarbonization efforts that neglect community, or economic impacts can create resistance to the transition and create operational, regulatory, and reputational risks. By supporting this proposal, Triasima reinforced the importance of integrating social considerations - such as equitable access to transition benefits and mitigation of adverse impacts - into corporate

<sup>9</sup> [GIR | Solution de Gestion des Droits de Vote ESG](#)

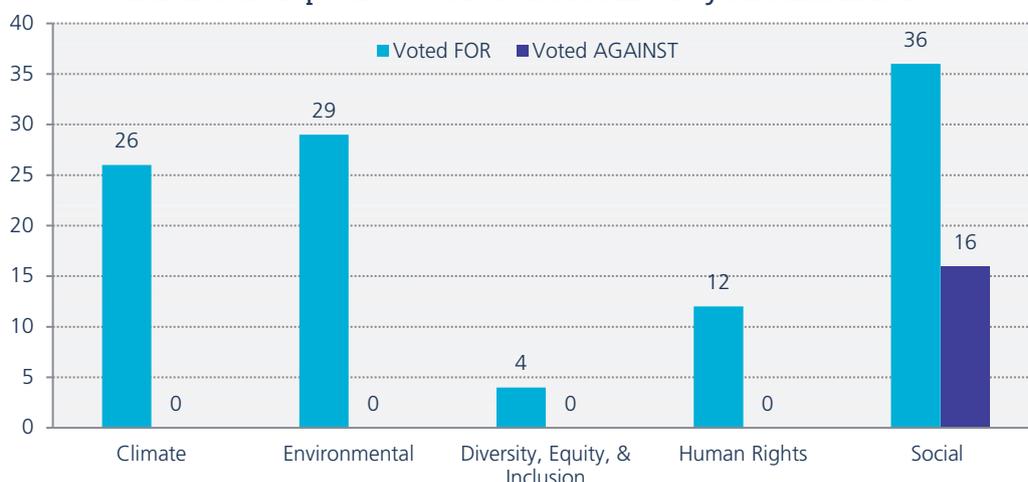
<sup>10</sup> [Sustainability-International-Voting-Guidelines.pdf](#)

<sup>11</sup> Those are the statistical results from our ISS Sustainability Policy for 2025.

<sup>12</sup> <https://www.investorsforparis.com/wp-content/uploads/2025/01/Canadian-Banks-Asset-Management-v5.pdf>

transition finance strategies. Such voting decisions align with our commitment to credible, inclusive transition pathways that strengthen long-term resilience for all stakeholders.

Exhibit 3: Climate, Environmental, DEI, Human Rights and Social Shareholder Proposals voted FOR and AGAINST by Triasima in 2025



## Metrics

*Triasima uses key ESG and climate metrics to assess portfolio sustainability and support alignment with client objectives.*

## ESG Integration

Triasima equity exposure totals approximately CAD 2.49 billion, or 92% of total AUM as of December 31, 2025. Triasima integrates material ESG factors across all equities as part of its investment process. Our approach to ESG integration combines several methods, including exclusionary and best-in-class screening, thematic investing, and the explicit consideration of financially material ESG factors in investment decision-making. The Triasima Responsible Investing Policy (2025) outlines this framework in detail and is reviewed and updated biennially, or more frequently as needed, to reflect evolving standards and best practices.

## Carbon Footprint Metrics

Triasima uses MSCI ESG as its primary data provider for climate-related metrics. We use different climate metrics to assess investment strategies' alignment with clients' objectives and raise awareness of portfolios' exposure to climate-related risks and opportunities. These metrics include Total carbon emissions (Financed emissions), Carbon Intensity (Financed emissions), Weighted average Carbon Intensity (WACI), and Fossil Fuel reserves.

## Financed Emissions

Financed emissions estimate the greenhouse gases associated with our investments and provide a view of climate-related transition risks. Triasima calculates financed emissions using MSCI ESG, which applies the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry using the EVIC ownership approach. The PCAF standard provides a consistent and comparable methodology for financial institutions to measure and report portfolio-level emissions. Calculations cover Scope 1, Scope 2, and Scope 3 (upstream and downstream) emissions for all equities, based on the most recent data available. Current coverage is approximately 93% of equity AUM (CAD 2.3 billion).

Exhibit 4

Portfolio Carbon Footprint Metrics

| Topic   | Unit                               | Emissions' scope     | Metric  |
|---|------------------------------------|----------------------|---------|
| <b>Total Financed Carbon Emissions</b>          | tCO <sub>2</sub> e                 | Scope 1 and 2        | 52,496  |
|   |                                    | Scope 3 - upstream   | 86,180  |
|   |                                    | Scope 3 - downstream | 399,764 |
| <b>Financed Carbon Intensity</b>                | tons CO <sub>2</sub> e / \$M sales | Scope 1 and 2        | 153     |
|   |                                    | Scope 3 - upstream   | 250     |
|   |                                    | Scope 3 - downstream | 1160    |
| <b>Weighted Average Carbon Intensity (WACI)</b> | tons CO <sub>2</sub> e / \$M sales | Scope 1 and 2        | 146     |
|   |                                    | Scope 3 - upstream   | 230     |
|   |                                    | Scope 3 - downstream | 906     |
| <b>Fossil Fuel Reserves</b>                     | \$M invested                       | NA                   | 261     |
|   | % of AUM                           |                      | 9.7     |

Source: Calculated using MSCI ESG

### Examples of Key Metrics for the Triasima ACWE Sustainable Development Fund

Climate- and sustainability-related metrics in this section focus on the Triasima ACWE Sustainable Development Fund, which represents approximately 11% of the firm’s total asset under management. This portfolio was selected due to the comparatively higher maturity and reliability of investee companies’ disclosures, enabling the calculation of decision-useful metrics. Data availability for several other portfolios remains limited, particularly for issuers with less developed sustainability reporting practices. As data quality improves, Triasima intends to expand metric coverage across a broader set of portfolios.

Reported metrics include:

- Percentage of companies with science-based emissions reduction targets (SBTi)
- Portfolio renewable energy usage (percentage of total energy consumption)
- Green revenues (percentage of portfolio revenues derived from six environmentally beneficial products and services, including alternative energy, energy efficiency, green building, pollution prevention, sustainable water and sustainable agriculture)
- Diversity, Equity & Inclusion (average percentage of women on boards)

Portfolio renewable energy usage and green revenues are calculated as weighted averages using portfolio weights and renormalizing to include only holdings with available data. Index-level values are not disclosed due to limited data availability from our external provider. This approach ensures that only reliable information is used and will be expanded as data quality improves.

Exhibit 5

*Triasima ACWE Sustainable Development Fund – Key Metrics*

| Topic  | Triasima ACWE Sustainable Development Fund |
|--|--|
| <b>Companies with Science based reduction targets (SBTi)</b> | 46%  |
| <b>Portfolio Renewable Energy Usage</b>                      | 53%  |
| <b>Portfolio Green Revenues</b>                              | 12%  |
| <b>Diversity, Equity &amp; Inclusion</b>                     | 32%  |

Source: Calculated using MSCI ESG



## Disclaimer

ESG and climate-related information in this report is for general informational purposes only and may include third-party data that Triasima cannot guarantee as accurate or complete. References to frameworks such as ISSB or TCFD reflect Triasima's interpretation at the time of publication and may change. Triasima assumes no obligation to update this content except as required by law.

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