



MACKENZIE
Investments

Japan Stewardship Code Alignment Statement

Last updated: March 2025



Introduction

Mackenzie Investments is committed to being a responsible steward of our clients' capital. As signatories to the UN-supported Principles for Responsible Investment (PRI), we are committed to integrating material environmental, social, and governance (ESG) factors, where applicable¹, into our investment processes to mitigate risks and enhance long-term returns. This extends to company and issuer engagement and proxy voting, collectively referred to as stewardship.

This document outlines how we align our practices with the principles of the 2020 Japan Stewardship Code, demonstrating our commitment to transparency, accountability, and the promotion of sustainable growth through responsible investment and dialogue.





Principle 1

Institutional investors should have a clear, publicly disclosed policy on how they fulfill their stewardship responsibilities.

Mackenzie Investments' approach to integrated stewardship is articulated within our Sustainable Investing Policy, Stewardship Policy, and Proxy Voting Guidelines, available on the Sustainability Policies and Reporting page of our website: [Sustainability policies and reporting | Mackenzie Investments](#). These policies apply to all engagement and proxy voting activity conducted by the investment funds ("Funds") and separately managed accounts advised by Mackenzie (collectively the "Accounts").

Our approach to integrated stewardship seeks to create a cohesive strategy where engagement and proxy voting efforts are often interconnected. While we strive to align these efforts, there may be instances where they are pursued independently to best serve the interests of investors.

The integrated framework aims to ensure that insights gained from thematic engagements will generally inform our proxy voting research, and outcomes of proxy votes would generally drive further engagement dialogue with companies. By making our best efforts to align our proxy voting actions with engagement initiatives, we aim to address systemic and emerging risks more effectively, as well as enhance the corporate disclosure, governance, and risk management practices of our investments.

Principle 2

Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

At Mackenzie Investments, we recognize that conflicts of interest may arise while exercising our stewardship responsibilities. Internal portfolio managers are required to bring all potential proxy voting conflicts of interest to the attention of Mackenzie's Chief Investment Officer ("CIO") and either the Head of Legal or the Chief Compliance Officer ("CCO"). Should the CIO and either the Head of Legal or the CCO conclude that a conflict exists, the CCO will document the conflict and ensure that all voting decisions are based on our proxy voting policies and made in the best interests of the Mackenzie Fund(s).

We rely on internal policies, including the Mackenzie Investments' Proxy Voting Policy, Information Barriers Policy, and Employee Code of Conduct, to guide our identification and management of potential conflicts of interest as they relate to stewardship.



Principle 3

Institutional investors should monitor investee companies so that they can appropriately fulfill their stewardship responsibilities with an orientation towards the sustainable growth of the companies.

Programmatic engagements have an established list of companies prioritized based on their sustainability performance and potential for improvement. There is regular review of the sustainability performance of these companies and robust tracking and documentation procedures to monitor progress and report on the progress.

Engagements are logged in an internal centralized database that is managed by Mackenzie's Sustainability Centre of Excellence ("COE"). Portfolio management teams record important information about the engagement details, including progress made and next steps. Engagements are reviewed at least annually by the CIOs with support from the COE.

Principle 4

Institutional investors should seek to arrive at an understanding in common with investee companies and work to solve problems through constructive engagement with investee companies.

Mackenzie defines engagement as an interaction with an investee company that has a clear objective(s) or expected outcome(s). This objective seeks improvement to preserve and create long-term value for the investors and/or manage sustainability risks. Each engagement generally follows a pre-defined process, which includes documenting engagement interactions and the progress achieved over time.

Engagements with investee companies are based on a thorough assessment of their sustainability performance and materiality of issues. In addition, engagement targets are selected through a combination of internal analysis and external research, in an effort to address the most significant risks and opportunities relevant to each company's unique context. Mackenzie's engagement strategy includes addressing sustainability issues and encouraging improvements through direct and collaborative efforts.

At Mackenzie, the following types of engagements are conducted:

- **Company-specific engagements:** Addressing material risks unique to a company or portfolio, in direct dialogue, typically managed by an investment boutique.
- **Programmatic engagements:** Conducting thematic engagements with companies to tackle systemic risks or opportunities, generally organized as firmwide initiatives by the COE.
- **Collaborative engagements:** Participating in collaborative engagements to address systemic risks, through initiatives like Climate Engagement Canada (CEC).



Principle 5

Institutional investors should have a clear policy on voting and disclosure of voting activity. The policy on voting should not be comprised only of a mechanical checklist; it should be designed to contribute to sustainable growth of investee companies.

We exercise our voting rights in a manner consistent with our fiduciary duty and our commitment to good governance. Our objective is to vote the securities of companies for which we have proxy-voting authority in a manner most consistent with the long-term economic interest of investors. We take reasonable steps to vote all proxies received. However, we may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits or if we determine that abstaining is in investors' best interests.

Mackenzie's Proxy Voting Guidelines, which are informed by the Glass Lewis standard guidelines and Glass Lewis ESG guidelines, as applicable, are designed to promote long-term shareholder value and address key environmental, social and governance issues. These guidelines are reviewed annually and updated to reflect evolving best practices.

We have retained the services of Glass Lewis to provide administrative and proxy voting services to the Mackenzie Accounts. For Mackenzie Accounts other than Sustainable Investment Solutions, we will generally use the Glass Lewis proxy voting research as applied in the Glass Lewis standard guidelines to inform voting. For Mackenzie Accounts that are Sustainable Investment Solutions, we will generally use the research as applied in the Glass Lewis ESG proxy voting guidelines. Where the portfolio manager believes it is the best interests of the Mackenzie Fund to vote differently than the manner contemplated by the relevant Glass Lewis proxy voting guideline, as applicable, the portfolio manager will document the rationale for their decision. Mackenzie's Proxy Voting Guidelines, which include links to the Glass Lewis standard guidelines and Glass Lewis ESG guidelines, are available on the Sustainability Policies and Reporting page of our website: [Sustainability policies and reporting | Mackenzie Investments](#).

We disclose our proxy voting records on our Mackenzie [proxy voting website](#), to provide transparency on our voting decisions.

We are working on disclosing voting rationales soon, on our [proxy voting website](#).



Principle 6

Institutional investors in principle should report periodically on how they fulfill their stewardship responsibilities, including their voting responsibilities, to their clients and beneficiaries.

We are committed to transparency and accountability in our stewardship activities. We publish annual sustainability reports, such as our Sustainable Investing reports and dedicated stewardship disclosures, detailing our engagement and voting activities, outcomes, and progress. These reports are designed to meet the expectations of investors and stakeholders, providing insights into our integrated stewardship activities and outcomes.

We disclose our proxy voting records on our Mackenzie [proxy voting website](#), to provide transparency on our voting decisions.

We provide updates to our institutional clients on our stewardship activities and outcomes, when requested.

Principle 7

To contribute positively to the sustainable growth of investee companies, institutional investors should develop skills and resources needed to appropriately engage with the companies and to make proper judgments in fulfilling their stewardship activities based on in-depth knowledge of the investee companies and their business environment and consideration of sustainability consistent with their investment management strategies.

Mackenzie Investments is committed to developing the skills and resources needed to effectively engage with investee companies and make informed judgments in our integrated stewardship activities. The COE brings sustainability expertise to support our investment teams and enhance our integrated stewardship efforts. The COE also provides training, tools, and ongoing education to keep our investment professionals current on emerging sustainability issues. This includes access to industry-leading research, participation in sustainability conferences and workshops, and completion of relevant certifications. By investing in our teams' capabilities, we ensure that our integrated stewardship activities are informed by the latest insights and best practices. Our membership in organizations such as the International Corporate Governance Network (ICGN), Ceres, and the Responsible Investment Association (RIA) further enhances our upskilling efforts by providing access to global best practices, peer learning opportunities, and expert insights.



Principle 8

Service providers for institutional investors should endeavor to contribute to the enhancement of the functions of the entire investment chain by appropriately providing services for institutional investors to fulfill their stewardship responsibilities.

Not Applicable.

¹ Some Funds do not integrate ESG factors or apply Fund level shareholder engagement into their process. Please refer to the applicable prospectus for further details.

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