DOMINION TRUST CAPITAL

TORONTO · EST. 2010

DTC-ESG-2025

MARCH 2026

— REPORT

ESG Impact Statement 2025

Stewardship, voting, and engagement

CONFIDENTIAL — FOR CLIENT USE

Prepared by the Investment Committee

DOMINIONTRUST.COM
100 KING ST W, SUITE 5700

— PHILOSOPHY

Stewardship as Fiduciary Duty

Dominion Trust Capital integrates environmental, social, and governance considerations into our investment process because we believe well-governed businesses with sustainable practices and durable social licences compound capital more reliably over multi-decade horizons. We do not view ESG as a marketing posture or a separate product line — we view it as an extension of fundamental security analysis.

This statement summarizes our 2025 stewardship activity: how we screen, how we vote, how we engage, and where we still fall short.

— FRAMEWORK

How We Integrate ESG Across Mandates

Negative screening (all mandates)

Across all discretionary composites, we exclude the following industry exposures: cluster munitions, anti-personnel landmines, and controversial weapons (zero tolerance); thermal coal extraction above 25% of revenue; tobacco product manufacturing; and companies subject to verified UN Global Compact violations without remediation.

Integration scoring (Balanced and Growth mandates)

For each position above 0.5% of portfolio weight, our analysts produce an internal ESG memo combining third-party data (MSCI ESG, Sustainalytics) with our own qualitative review of governance practices, employee turnover, customer complaint patterns, and regulatory history. Securities scoring in the bottom quartile of their peer group are subject to enhanced review and may be excluded.

Impact-aligned mandate (opt-in)

For clients who request it, we construct portfolios with a positive impact alignment — titled the *Dominion Sustainable Composite* — emphasizing climate transition leaders, financial inclusion, and accessible healthcare. This mandate launched in 2023 and as of year-end 2025 represents approximately 8% of total firm assets.

— 2025 VOTING RECORD

How We Used Our Proxy Voice

CATEGORY	# OF VOTES	WITH MGMT	AGAINST MGMT
Director elections	847	82%	18%
Executive compensation	203	64%	36%
Auditor ratification	198	99%	1%
Climate-related proposals	47	11%	89%
Social-related proposals	38	24%	76%
Governance reforms	124	76%	24%

Vote summary reflects ballots cast across all client securities for which we hold discretionary voting authority during the 2025 proxy season (1 Jan 2025 — 31 Dec 2025).

— ENGAGEMENT

Where We Spoke to Boards

In 2025 we initiated formal engagements with 14 of our portfolio holdings across the three composites, principally on the following themes:

Climate transition planning. We pressed five Canadian energy and utility holdings for clearer Scope 3 emissions measurement and time-bound transition capex disclosures. Three responded with material policy updates within the calendar year.

Executive pay alignment. We engaged with four financial-services boards regarding CEO pay quantum and the structure of long-term incentive plans where performance metrics appeared insufficiently demanding. We voted against say-on-pay at all four.

Cybersecurity governance. Following two material breaches in our holdings universe, we wrote to five additional companies requesting board-level cybersecurity oversight disclosures and CISO reporting structure.

— CARBON FOOTPRINT

Portfolio Carbon Intensity, Year-End 2025

COMPOSITE	WACI (tCO2e/$M REV)	VS 2024	VS BENCHMARK
Conservative	92	−8%	−14%
Balanced	108	−11%	−22%
Growth	141	−6%	−18%
Sustainable	54	−15%	−55%

WACI = Weighted Average Carbon Intensity, expressed in metric tonnes of CO2-equivalent per million USD of portfolio company revenue. Methodology aligned with TCFD recommendations. Source: company disclosures, MSCI ESG, internal estimates.

— WHERE WE FALL SHORT

An Honest Accounting

We continue to lack reliable Scope 3 data for approximately 18% of our holdings by weight, principally smaller-cap names where disclosure remains voluntary. Our carbon figures therefore understate true portfolio emissions to an unknown degree.

We have not yet integrated formal biodiversity metrics into our process. We expect to pilot a TNFD-aligned framework in 2026 alongside our existing climate methodology.

Our private-credit allocation, available only in the family-office mandate, currently lacks the same ESG transparency as our public-market positions. We are working with our underlying managers to improve this disclosure over the coming two years.