



2025 Proxy Voting Report

A note from our Chief Sustainability Officer



Richard Manley, Chief Sustainability Officer

This report details our proxy voting activities for the year ended June 30, 2025 (the **Reporting Period**). Disclosures related to our broader sustainability-related activities are published in our Annual Report, in accordance with the International Sustainability Standards Board (**ISSB**)'s IFRS S1 standard. IFRS S1 recommends that entities disclose material sustainability-related information at the same time as their general purpose reporting.

Our approach to proxy voting is an important lever we use to support the long-term investability of the public companies in our portfolio by ensuring their boards are providing effective oversight and management teams are pursuing strategies focused on long-term value creation while respecting minority shareholders rights. This is consistent with our mandate to maximize investment returns without undue risk of loss, and our belief that good corporate governance enhances long-term shareholder value.

Notable during this 2025 proxy voting season were novel approaches to limit shareholder rights including efforts to increase the ownership threshold required to file shareholder proposals, and management proposals to reincorporate in jurisdictions with weaker shareholder protections. Exercising the right to vote our proxies at annual and special meetings of shareholders is one of the few ways to fulfil our stewardship responsibilities as a shareholder and convey our views to boards of directors and management of public companies. As a result, we look unfavourably on actions seeking to undermine shareholder rights and view these actions as likely to increase a company's cost of capital.

As investors, we expect boards to ensure management teams consider material business risks and opportunities, including sustainability matters, when setting and implementing strategy. Where we believe this is not being adequately done, we retain and, where appropriate, exercise the right to withhold support for directors through our proxy voting rights.

In this report, we provide an overview of our approach to proxy voting, highlights and observations from the Reporting Period, and statistics on our voting, including around a number of high-profile themes. Our individual proxy vote decisions are publicly available for review on our website.

Our approach to proxy voting

We vote our proxies in accordance with our publicly available Proxy Voting Principles and Guidelines (PVPGs). Our PVPGs, which are reviewed annually, have two purposes:

- (i) to give the directors and officers of companies in which we own shares, guidance on how CPP Investments is likely to vote on matters put to the shareholders; and
- (ii) to communicate our views on other important matters that boards will deal with in the normal course of business.¹

In advance of the 2025 proxy voting season, we made updates to our PVPGs, including providing more explicit signaling to the market of our CEO succession planning expectations that boards demonstrate and articulate credible plans to shareholders. This change does not prescribe what those plans encapsulate and is motivated by our observations from prior voting seasons and observed major succession planning failures.

Our PVPGs are intended to be applied globally, taking into account local laws and prevailing governance practices. They are guidelines, not rigid rules, and we will respond to specific matters on a company-by-company basis. Recognizing that governance matters may involve tradeoffs between potential benefits and adverse effects on a company, we consider our proxy voting decisions in the context of the company's governance practices as a whole rather than evaluating items in isolation.

In exercising our votes, we do not seek to manage the companies in which we own an interest. We accept the division of authority and responsibilities among the triad of interests that is the core of good corporate governance – owners, directors and managers – based on the following premises:

- i. the shareholders own the company and elect the directors to be stewards of the company;
- ii. the board of directors is responsible for the overall governance of the company, which includes approving the company's strategy, monitoring its implementation and overseeing management;
- iii. management is responsible for developing and implementing the company's strategy and for running its day-to-day operations; and
- iv. management is accountable to the board and the board is in turn accountable to the shareholders.

Generally, we support proposals that empower boards of directors to act in the best interests of the company and reaffirm management accountability. We do not support shareholder or management proposals that attempt to constrain shareholder rights or restrict shareholders' ability to exercise their rights. We also do not support proposals that seek for shareholders to provide direct oversight of management or that are designed to diminish the power of the board of directors or place arbitrary or artificial constraints on a company.



Our approach to shareholder proposals

We can and do support shareholder proposals and review them on a case-by-case basis. We take into consideration the following non-exhaustive list of questions when making voting decisions on shareholder proposals.

Does the shareholder proposal cover a material issue for the company?

Our engagement focuses on issues that are material to a portfolio company's long-term value creation and preservation.

Does the shareholder proposal overstep the role of management or directors, or is it too prescriptive?

We do not support proposals that are overly prescriptive, seek to direct corporate strategy, and/or designed to diminish the power of the board of directors or place arbitrary or artificial constraints on a company.

Does the shareholder proposal address an area where the company's disclosure or practices warrant improvement?

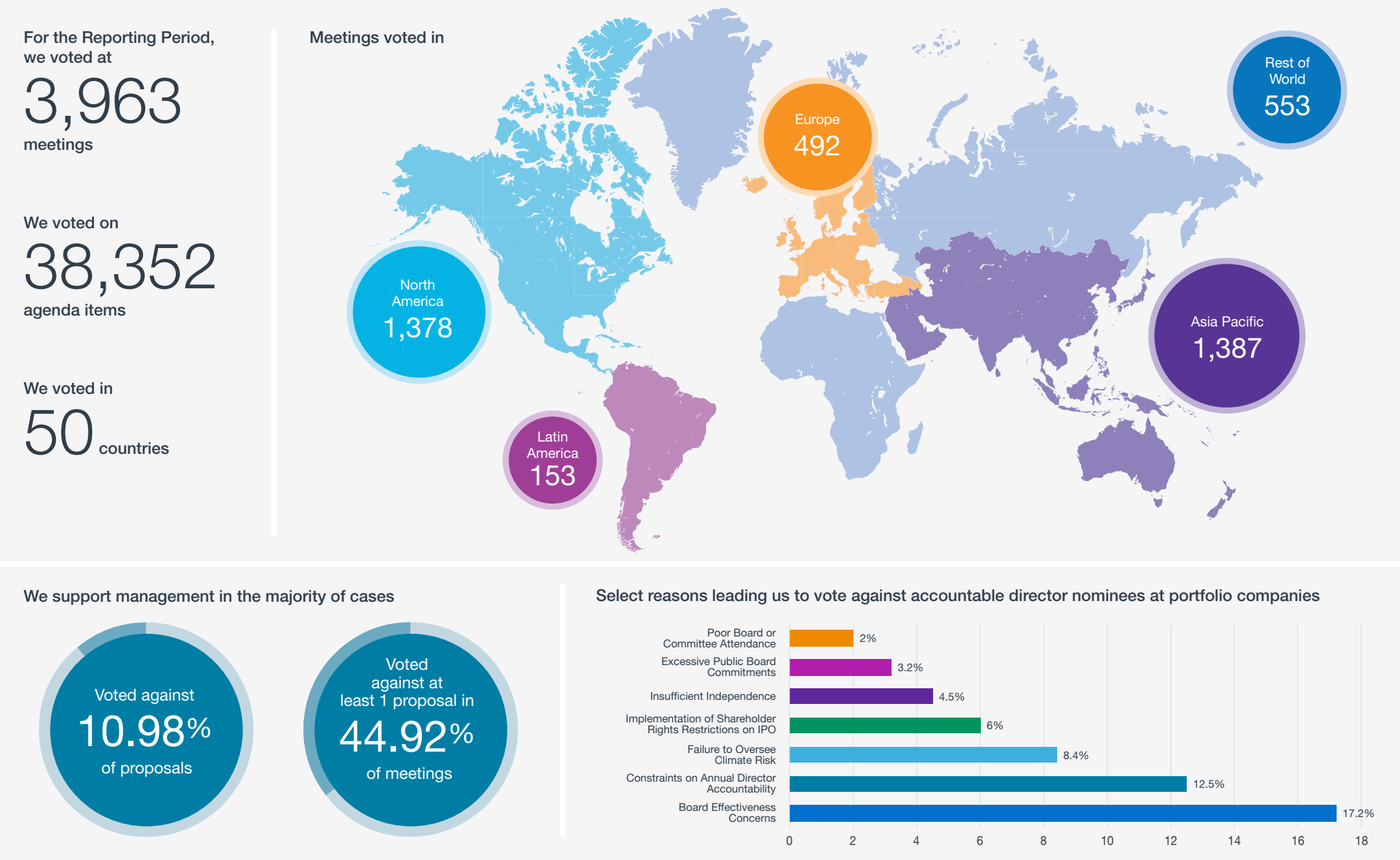
We support proposals that are likely to enhance long-term company performance, reduce risk to long-term company performance or improve disclosure reasonably necessary to enable shareholders to assess their investment risk and opportunity. We do not support shareholder proposals that are duplicative of initiatives already in place or underway.

Are there company-specific or other contextual factors to consider?

We make our voting decisions considering all relevant context. We weigh the benefits of a shareholder proposal against any potential adverse effects the proposal may have on a company.

1. The proxy voting activities detailed in this report are based on our [PVPGs](#) that were in effect during the Reporting Period for the year ended June 30, 2025.

How we voted in 2025



Select themes from the 2025 proxy season²



Climate change

Climate change remains one of the most significant and challenging investment considerations of our time, and specifically addressing climate change in our investment activities better positions us to make more informed long-term decisions. Where relevant and material, we actively assess companies' risk and opportunity profiles against specific scenarios that consider physical and transition-related impacts from climate change.

In our role as a shareholder, we expect boards and executives to have integrated climate-related risks and opportunities – where material – into their strategy, operations and disclosures in a manner consistent with protecting and growing the long-term value of the company. Where a company has clear, intrinsic climate-related risk, we expect the board to demonstrate adequate consideration and assessment of physical and transition-related impacts from climate change. In 2025, we updated our [PVPGs](#) to make explicit our expectation that this includes conducting risk assessments regarding physical risks deriving from climate change, where such risks are likely to materially impact a company's operations.

We expect the board and executives to determine the transition strategy that is appropriate for the company considering the current and future outlook for regulation, supplier/customer demands, technology costs and, where applicable, economic incentives provided by carbon prices/taxes and, the physical risk to their operations and value chains. While we do not prescribe what this strategy should look like, we expect the board to ensure it is in place.

In respect of the publicly listed companies within our portfolio, our PVPGs set out that a board can only be deemed to be effectively considering the company's best interests if climate-related risks and opportunities have been identified, quantified and integrated into strategy, operations and reporting.

For the reporting period

- **264** companies where we voted against the reappointment of the chair of the risk committee (or an appropriate equivalent committee)
 - This resulted in **462** votes against directors
- **50** climate-related engagements with portfolio companies
- **35** of the companies we engaged with made commitments and improvements on climate-related disclosures, including commitments to disclose scope 1 and scope 2 GHG emissions within the next two years, and enhancing details of decarbonization plans
- **6** climate-related shareholder proposals supported that sought deeper disclosures on topics such as climate accountability, operational emissions management and asset portfolio resilience

2. The proxy voting activities detailed in this report are based on our [PVPGs](#) that were in effect during the Reporting Period for the year ended June 30, 2025.

Select themes from the 2025 proxy season *(continued)*



Executive compensation

Long-term shareholder value is more likely to be created when management and shareholder interests are aligned. We expect a clear link between executive pay and company performance that appropriately aligns management and shareholder interests. Executive compensation programs should be appropriately structured to emphasize long-term and sustainable growth of shareholder value. Similarly, companies should provide full disclosure in corporate reporting of compensation information and clear rationales for compensation decisions. In addition, we expect an annual “say on pay,” which refers to a yearly advisory vote by shareholders on executive compensation.

For the reporting period

- Approve executive compensation: **12.6% Against** (218/1,730)
- Approve share plan grants: **32.7% Against** (56/171)
- Annual “say on pay” frequency: **100% For** (78/78)
- Compensation-related shareholder proposals: **67.1% For** (47/70)



Classified boards

With a classified board structure, only a subset of directors is put forward for election by shareholders at each annual general meeting. While this structure can provide enhanced continuity and stability – such as in the immediate years following an initial public offering – classified boards inhibit the rights of shareholders to hold specific directors to account annually. For this reason, for publicly traded companies with classified boards, we will consider voting against all directors up for election where votes against one or more directors are warranted under our PVPGs. We expect newly publicly listed companies with classified boards to clearly set out appropriate sunset provisions that will define when annual director elections will commence, aligned with their transition to having a distributed shareholder base as a seasoned listing, and that governance will converge to best practice on a reasonable timeframe.

For the reporting period

- Shareholder meetings where our classified boards voting policy was applied: **390**
- Votes against directors under the classified boards voting policy: **991**
- We supported **100%** (10/10) of management proposals to declassify the board

Our gender diversity voting practices



Board diversity

We believe that companies with diverse boards are more likely to achieve superior financial performance. This is why we use our voting power to encourage companies to achieve a reasonable gender balance on their boards. Our goal is to improve the gender diversity balance and, hence, the overall effectiveness of public company boards. We first introduced our board gender diversity voting practice in Canada in 2017 and have continued to evolve our practices each year. In 2024, we updated our PVPGs to set out our approach to diversity beyond gender. Boards should be diverse in ways that link to the company's business, strategy, geographic footprint, employees, communities, and other stakeholders. We expect that boards disclose their approach to diversity and how it supports board effectiveness. We believe boards are best equipped to determine what specific dimensions of board diversity are relevant to their business. While we do not prescribe an approach, we strongly encourage boards to disclose the diverse attributes of their directors where appropriate, relevant, and where directors have granted permission to do so, to allow shareholders to fully and accurately evaluate board diversity holistically.

as of year ended June 30

	2023	2024	2025
Policies	In the United States, Canada, developed Europe, Australia, South Africa and New Zealand, we continued to vote against the nominating committee chair if the board has less than rounded 30% female directors, provided there are no extenuating circumstances. Enhanced our practices in all other markets to vote against the nominating committee chair if the board does not have at least two female directors, provided there are no extenuating circumstances. We will consider voting against the entire nominating committee, or, where appropriate, all incumbent directors, if sufficient progress on gender diversity has not been made in subsequent years.	In the United States, Canada, developed Europe, Australia, South Africa and New Zealand, we vote against the nominating committee chair if the board has less than absolute 30% female directors, provided there are no extenuating circumstances. For boards with fewer than nine directors, we expect at least rounded 30% female directors on the board.* In all other markets, we continued to vote against the nominating committee chair if the board does not have at least two female directors, provided there are no extenuating circumstances. We continue to consider voting against the entire nominating committee, or, where appropriate, all incumbent directors, if sufficient progress on gender diversity has not been made in subsequent years.	
Statistics	Voted against 433 companies globally Canada: 4 USA: 144 Europe: 13 Asia Pacific: 244 Latin America: 5 Rest of World: 23	Voted against 573 companies globally Canada: 4 USA: 181 Europe: 29 Asia Pacific: 268 Latin America: 11 Rest of World: 80	Voted against 536 companies globally Canada: 2 USA: 246 Europe: 26 Asia Pacific: 169 Latin America: 8 Rest of World: 85

* This threshold is consistent with our call to action for companies on the S&P/TSX composite index, set out in the 30% Club Canadian Investor Group: Statement of Intent, available [here](#).

Forward-looking statements

This proxy voting report contains forward-looking information and statements. Forward-looking information and statements include all information and statements regarding CPP Investments' intentions, plans, expectations, beliefs, objectives, future performance, and strategy, including sustainability-related principles, beliefs, objectives and strategy ("Sustainability Objectives"), as well as any other information or statements that relate to future events or circumstances and which do not directly and exclusively relate to historical facts. Forward-looking information and statements often but not always use words such as "trend," "potential," "opportunity," "believe," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may," and similar expressions. The forward-looking information and statements are not historical facts but reflect CPP Investments' current expectations regarding future results or events. The forward-looking information and statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including available investment income, intended acquisitions, regulatory and other approvals, general investment conditions and technological, political, economic, regulatory, environmental and climatic factors. Although CPP Investments believes that the assumptions inherent in the forward-looking information and statements are reasonable, such statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. CPP Investments does not undertake to publicly update such statements to reflect new information, future events, and changes in circumstances or for any other reason.

Additional caution regarding sustainability-related disclosures

*CPP Investments also cautions readers of the following regarding the statements and other disclosures in this report related to the Sustainability Objectives (collectively, "**Sustainability Disclosures**"):*

- In establishing and implementing Sustainability Objectives, and in making Sustainability Disclosures, CPP Investments has made various assumptions, including about technological, political, economic, regulatory, environmental and climatic factors. These assumptions are inherently subject to uncertainty and may not prove to be correct. If any of these assumptions prove incorrect, it could have a material impact on CPP Investments' Sustainability Objectives and its ability to effectuate them.*
- The market practices, policies, regulations, methodologies, frameworks, criteria, taxonomies and standards (collectively, "Sustainability Standards") that governmental and non-governmental entities, including businesses and civil society, use to classify, assess, measure, report on and verify Sustainability Disclosures are still evolving. Furthermore, in some cases, Sustainability Standards may not exist. Changes to or the development of new Sustainability Standards may cause CPP Investments to amend, replace or restate its Sustainability Objectives and Disclosures.*
- Technical and other terms used in this report, including those used to describe sustainability matters, are evolving, and CPP Investments' use of such terms may change to reflect such evolution.*
- In making Sustainability Disclosures and in establishing and implementing its Sustainability Objectives, CPP Investments often relies on data obtained from, or methodologies established by, third parties. Although CPP Investments believes these sources are reliable, CPP Investments has not verified all third-party data, or assessed the assumptions underlying such data, and cannot guarantee their accuracy. CPP Investments' use of third-party data or methodologies cannot be taken as an endorsement of the third-party, its methodologies or its data. The data or methodologies used by CPP Investments in connection with Sustainability Disclosures may be limited in quality, unavailable or inconsistent across sectors or assets. These factors could have a material effect on CPP Investments' Sustainability Objectives or its ability to effectuate them.*