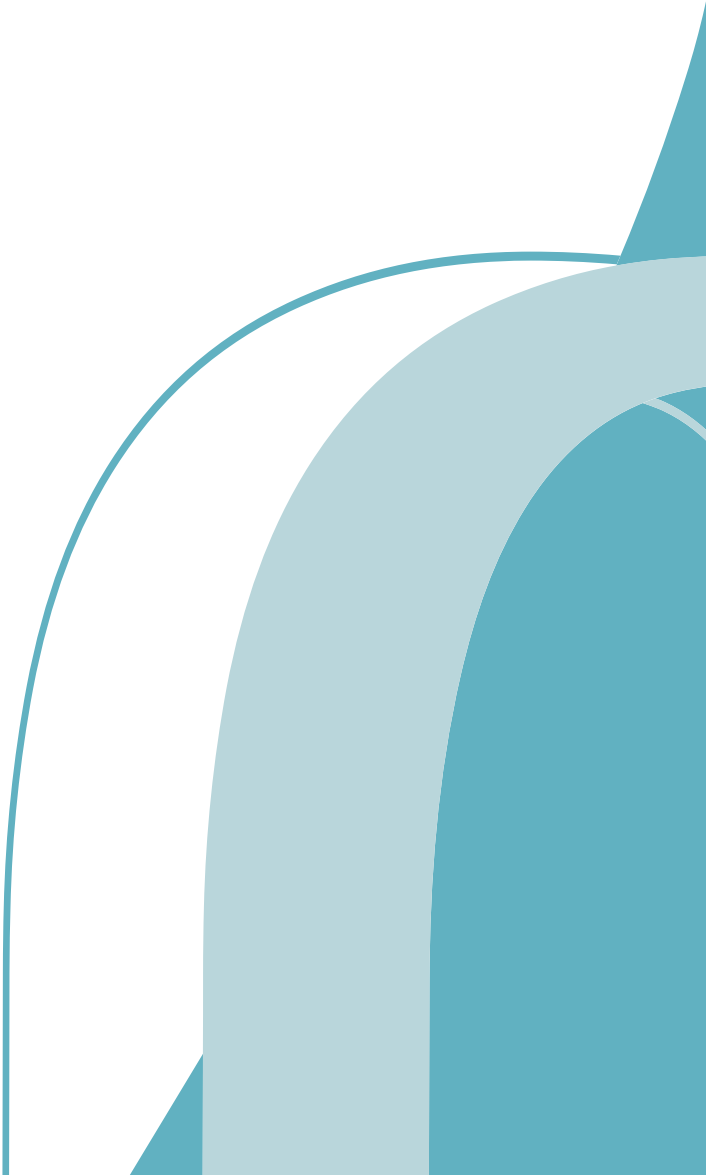


POLICY

Investment Exclusion

Policy owner	Chief Executive Officer
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1. Purpose

This Investment Exclusion Policy ("Policy") outlines how UPP seeks to mitigate financial and reputational risks related to environmental, social and governance ("ESG") issues, such as UPP's investments contributing to or being directly linked to severe adverse social or environmental impacts.

The application of this Policy and integration of responsible investing considerations must be consistent with all other policies and legal obligations, including UPP's fiduciary duty to beneficiaries.

The University Pension Plan Ontario ("UPP") serves pension plan members and retirees of participating universities and organizations from across Ontario's university sector. Informed by research and evidence, we believe that responsible investing ("RI") supports risk management and value creation and helps UPP provide stable retirement benefits at a reasonable cost for members, now and in the future.

It is our duty as stewards of members' capital to consider and manage material ESG risks and opportunities, to be active asset owners, and to take into account investment impacts when conducting our investment management activities.

UPP believes that it is appropriate to exclude or sell an investment when we identify severe adverse impacts, and stewardship, or other activity, has not, or is unlikely to influence the prevention, mitigation, or remedy of the impact.

2. Scope

This Policy applies to all UPP assets, with the exception of short selling.

Exclusion-related activity varies depending on the nature of the investment. Key considerations include whether the investment was made subsequent to the initial implementation of this Policy, whether investments are Direct Investments or Indirect Investments, whether they are held in comingled investment vehicles and if Synthetic Exposure is gained through the use of derivatives.

3. Definitions

Direct Investment: Investment managed by UPP rather than investments made by external investment managers that are engaged by UPP for investment services.

Comingled Investment: customized pooled funds that are not publicly listed or available to individual investors.

External Investment Manager ("Manager"): Third-party investment managers who are seeking to be or are retained by UPP to manage a portfolio of securities or other assets for a fee. Such portfolios may include passively or actively managed segregated accounts or comingled investment vehicles.

Indirect Investment: Investments managed by external investment managers engaged by UPP to provide investment services.

Management Investment Committee ("MIC"): The management committee reporting to the Investment Committee that has a delegated authority to manage the total fund and external investment manager portfolios.

Short Selling: The sale of borrowed securities with the belief that the price of the security will fall and be less expensive to repurchase to repay the loan of securities. Short selling is a common hedging technique.

Synthetic Exposure: using derivatives to gain exposure to a financial instrument, or group of financial instruments without owning them.

4. Policy Objectives

This Policy is intended to provide the governing principles required to support the effective exclusion and selling of investments.

5. Investment Exclusion Principles and Practices

UPP conducts the following exclusion-related activity.

5.1. Establish and maintain an investment exclusion list

UPP establishes and maintains a list of what should be excluded from its investments (the “List”). The List specifies both 1) the general parameters of investments to be excluded (the “General Parameters”) as well as 2) specific financial instruments and entities that meet the specifications of the General Parameters (the “Specific Entities”). The List may include, but is not limited to, financial instruments, entities, companies, groups of companies, economic activities, business practices, governments, geographic exposure or asset types.

The List has two parts, each approved by a different body:

Part	Name	Description	Approver
1	General Parameters	Specifies the criteria for exclusion.	Board of Trustees (on recommendation from the Investment Committee of the Board and the Management Investment Committee)
2	Specific Entities	Specifies the financial instruments and entities that can be identified as meeting the specifications of the General Parameters.	Management Investment Committee

The List, in support of UPP’s fiduciary duties—including its ability to provide stable retirement benefits at a reasonable cost for members, now and in the future—may be informed by many considerations including, but not limited to:

- The potential for financial and reputational detriment related to ESG issues
- The potential for an investment to contribute to or be directly linked to severe adverse social or environmental impacts
- The degree of severity of adverse impacts (a function of scale, scope, and irremediable

character)

- Stakeholder concerns
- Remediation by the investee entity and efforts to prevent or mitigate further adverse impacts
- The potential for stewardship activities by UPP or others to persuade portfolio companies to provide remedy and to prevent or mitigate further adverse impacts
- The potential impact on the capital markets and the financial, environmental, and social systems on which the capital markets rely

The considerations above are informed by:

- International treaties or sanctions that are in force and Canada has consented to, or is required to, be bound by
- The Paris Agreement
- The International Labour Organization's Core Conventions
- OECD Guidelines for Multinational Companies
- UN Guiding Principles on Business and Human Rights
- UN Global Compact principles
- Canadian Coalition for Good Governance policies and recommendations
- International Corporate Governance Network's Global Governance Principles
- World Health Organization Framework Convention on Tobacco Control

Research is conducted at least annually, and more frequently as needed, to validate the List and identify any potential additions or deletions.

5.2. Apply the List to Direct Investments

UPP does not knowingly have a Direct Investment in an entity specified by the List.

If a Direct Investment is, or becomes an entity specified by the List, UPP sells the investment in a reasonable amount of time, taking into account market conditions and legal restrictions.

When considering new Direct Investments using comingled investment vehicles (such as an exchange traded fund), UPP pursues, and where available, uses vehicles that exclude or are likely to exclude entities specified by the List.

When considering new Direct Investments using Synthetic Exposures (such as a total return swap), UPP pursues, and where available, uses instruments that exclude or are likely to exclude exposure to entities specified by the List.

5.3. Apply the List to Indirect Investments

When an Indirect Investment is not in a comingled investment vehicle, UPP does not knowingly have an Indirect Investment in an entity specified by the List.

When considering a new Indirect Investment not in a comingled investment vehicle (such as in a segregated account), UPP does not knowingly make an Indirect Investment in an entity specified by the List.

If an Indirect Investment not in a comingled investment vehicle is, or becomes an entity specified by the List, UPP will cause the sale of the investment in a reasonable amount of time, taking into account market conditions and legal restrictions.

When considering a new Indirect Investment using a comingled investment vehicle (such as a pooled fund or a limited partnership), UPP pursues, and where available, uses vehicles that exclude or are likely to exclude entities specified by the List. In any case, the aggregate exposure to excluded specific entities at the time of investment should not exceed 15% of the vehicle under consideration.

UPP requires those responsible for Indirect Investments (including External Managers) to report on UPP's exposure to entities specified by the List.

6. Exceptions

The Investment Committee of the Board of Trustees may approve exceptions to the required use of vehicles or instruments that exclude or are likely to exclude exposure as specified in sections 5.2. and 5.3.

There are no other exceptions to this Policy.

7. Monitoring, Reporting and Compliance

UPP provides the List to Managers responsible for Indirect Investments.

The CEO is accountable for the application of this Policy and the CIO, Investment team, and Responsible Investing team are responsible for adhering to it.

The Responsible Investing Team ensures annual reporting is submitted to the Management Investment Committee, the Investment Committee and the Board of Trustees. Reporting includes the List, exceptions to the List and non-compliance, UPP's exposure to entities specified by the List, and the rationale for continued investment and analysis of the investment performance implications of this Policy.

Instances of funds not complying with this Policy will be assessed for materiality by the Management Investment Committee. If deemed material, these cases will be presented to the Investment Committee and potentially to the Board of Trustees.

In addition to acting in compliance with the Policy, UPP personnel must also report when they become aware of any violation or potential violation. Reports may be submitted to the CEO, Chief Financial Officer, or through the confidential third-party ethics website www.clearviewconnects.com or hotline 1-866-781-5012 (toll free CA/US).

8. Related Policies and Other Documents

- Statement of Investment Policies and Procedures

- Statement of Investment Beliefs
- Responsible Investing Policy
- Climate Action Plan
- Other Investment related Policies, Frameworks and Procedures

9. Approval

This Policy is reviewed at least every 2 years, or as required.

Version	1.3
Reviewer	Investment Committee of the Board of Trustees
Review Date	June 5, 2025
Approver	Board of Trustees
Approval Date	June 5, 2025

Appendix A: Investment Exclusion List – General Parameters

The following entities should be excluded:

1. Tobacco

- 1.1. Producers: All entities that manufacture tobacco products (revenue greater than 0%).
- 1.2. Suppliers, Distributors, Licensors, and Retailers: All entities deriving revenues equal to or greater than 20% from the distribution, licensing or retailing of tobacco products or from supplying the tobacco industry with goods or services.
- 1.3. Alternative smoking products: entities that exclusively manufacture products that are alternatives to traditional smoking products.

2. Producers of weapons covered by treaties Canada has consented to be bound by

All entities involved in producing any of the following whole weapon systems or custom components that were developed or are significantly modified for exclusive use in any of the following weapons:

- 2.1. Biological and chemical weapons (including weapons that use pathogens such as viruses, bacteria, and disease-causing biological agents, toxins or chemical substances that have toxic properties that kill, injure or incapacitate)
- 2.2. Blinding laser weapons (weapons using laser technology that causes permanent blindness to the target)
- 2.3. Cluster munitions
- 2.4. Depleted uranium weapons (including armor piercing, fin-stabilized, discarding sabot tracer rounds (APFSDS-T); Kinetic Energy Missiles made with depleted uranium penetrators; and depleted uranium enhanced armor, including composite tank armor)
- 2.5. Incendiary weapons (incendiary weapons using white phosphorus)
- 2.6. Landmines (anti-personnel and anti-vehicle)
- 2.7. Non-detectable fragments (weapons that use non-detectable fragments to inflict injury to targets)

3. Thermal coal

3.1. Thermal coal-based electrical power generation

All entities involved in thermal coal-based electrical power generation that satisfy at least one of the following four conditions:

- 3.1.1. Coal-based electrical power generation capacity equal to or greater than 5,000 MW.
 - 3.1.2. Coal-based electrical power generation is equal to or greater than 10% of total electrical power generation.
 - 3.1.3. Coal-based electrical power generation revenue is equal to or greater than 10% of total revenue.
 - 3.1.4. Coal-based electrical power generation installed capacity is equal to or greater than 10% of total electrical power generation capacity.
 - 3.1.5. The entity has coal power expansion projects
- 3.2. Mining thermal coal: All entities that satisfy at least one of the following conditions:
- 3.2.1. Revenue from mining and selling coal to external parties is equal to or greater than 10% of total revenue.
 - 3.2.2. Thermal coal reserves are equal to or greater than 50 million metric tons.
 - 3.2.3. Thermal coal production is equal to or greater than 10 million metric tons annually.
 - 3.2.4. The entity has coal mining expansion projects

4. Sanctions

4.1 Entities subject to Canadian sanctions.

5. Entities causing or contributing to severe adverse social or environmental impacts

5.1. Entities causing or contributing to severe adverse impacts that are sufficiently egregious as to render monitoring and engagement futile.

5.2. Entities causing or contributing to severe adverse impacts that, after three years of monitoring, have not exhibited material steps to mitigate and/or remedy the adverse impacts and to prevent future impacts