

# IG Climate Action Portfolios

Investing in positive change



## Why invest in climate action

A global, coordinated response is underway to combat the effects of climate change. The signing of the Paris Agreement in 2015 set off new and sweeping government policies and regulations.

## Why invest now


We believe we are at the beginning of a once-in-a-generation economic transformation. Companies are seeking innovative ways to shift their focus from the old, carbon-intensive economy to the new low-carbon future. As this major transition gets underway, it could generate significant investment opportunities.

## The IG solution

IG Climate Action Portfolios™ are an innovative investment solution that are aligned with the global goal to reach net-zero emission by 2050. They offer you a way to help fight the impacts of climate change while also allowing you to participate in the potential growth being created by the shift to a low-carbon global economy.

The number '196' is rendered in a large, bold font where the digits are composed of a dense pattern of green leaves.

parties adopted a legally binding treaty on climate change.

The background of the right side of the slide is a scenic photograph of a mountain range at sunset or sunrise. The sky is filled with soft, white clouds, and the mountains are bathed in a warm, golden light. In the foreground, a dense forest of evergreen trees is visible, their tops silhouetted against the lower slopes of the mountains.

“Achieving net-zero emissions will require a whole economy transition – every company, every bank, every insurer and investor will have to adjust their business models. This could turn an existential risk into the greatest commercial opportunity of our time.”

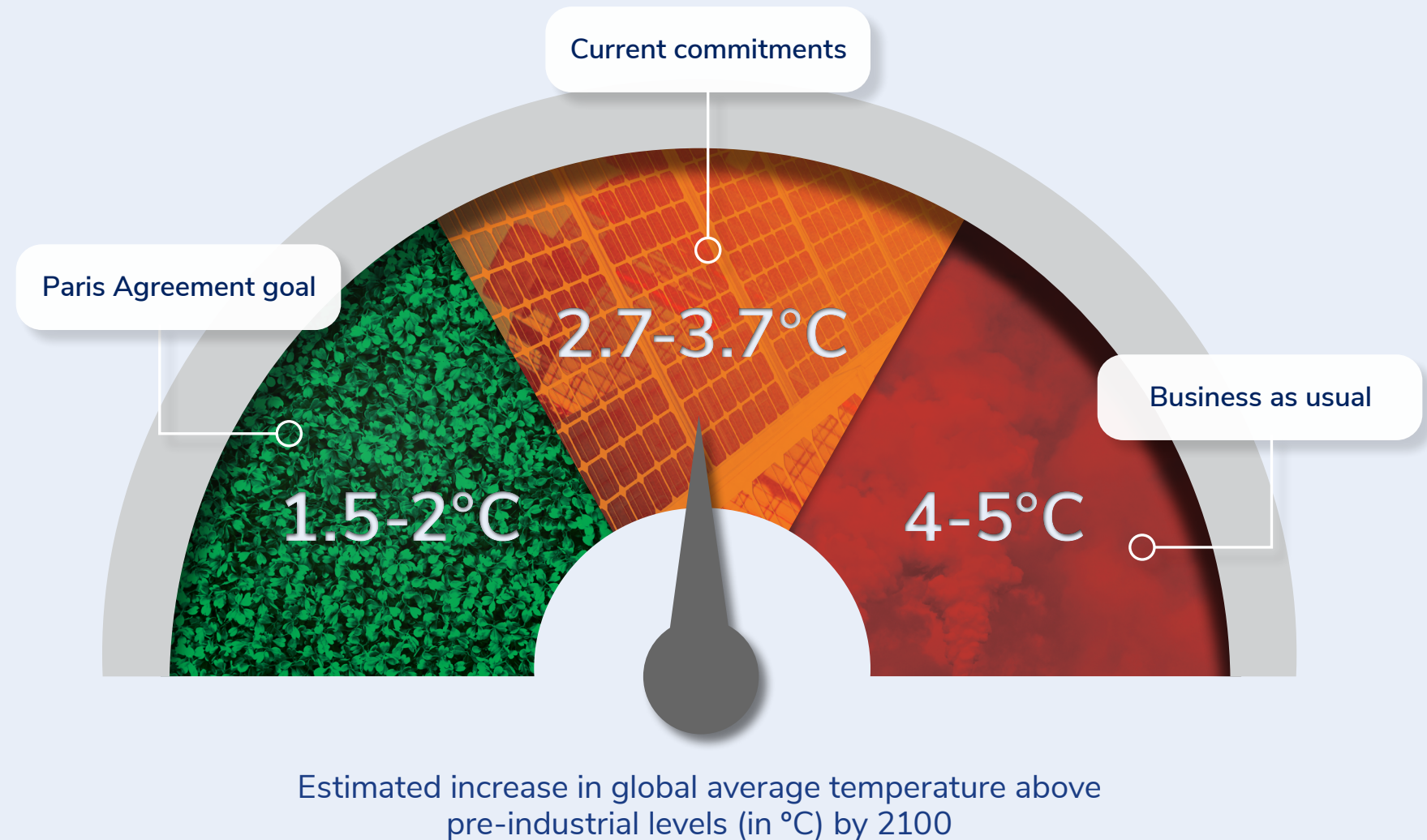
– Mark Carney, Former Governor of the Bank of Canada and Bank of England



## A global push to net zero

It's now well recognized that the Paris Agreement's goal of limiting global warming to 2°C above pre-industrial levels by the end of the century isn't enough. To negate the more devastating impacts of climate change, scientists have determined that as a planet we must reach net-zero greenhouse gas emissions by 2050 and limit the global temperature increase to 1.5°C. One hundred and thirty-seven countries have set targets to reach net zero by 2050, including Canada.

Accelerated action will be required to meet the goals set forth by the Paris Agreement.



The places where authorities have set, or have proposed to set, a target of bringing carbon emissions to net zero by mid-century, represents:

**61%** of global emissions

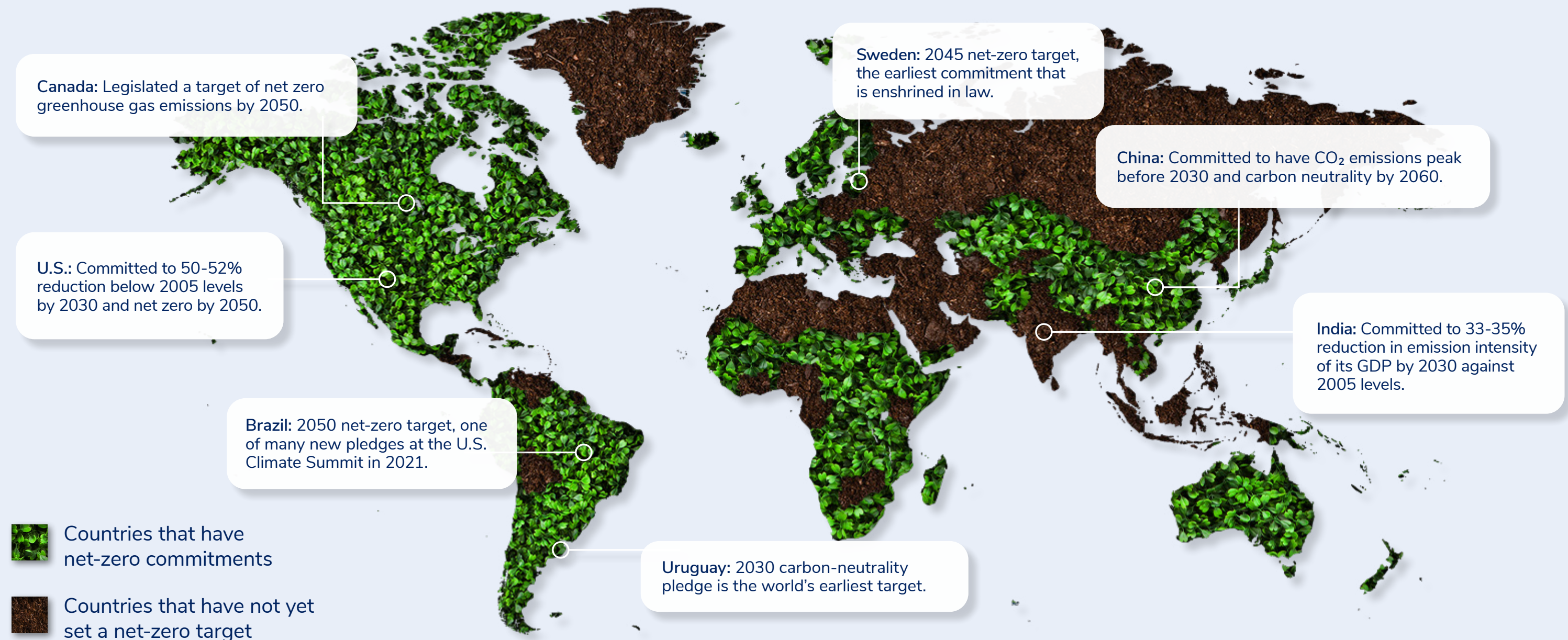
**68%** of the world's GDP

**56%** of the global population



# Net-zero commitments taking hold and growing

Net zero has gone from an obscure scientific concept to being a focal point in halting climate change. Of the 137 countries that have made the net-zero pledge, some have already turned it into law, while others are working toward it.





# The beginning of a once-in-a-generation economic shift

Reaching net zero will involve a seismic shift in the global economy, a lot of capital investment, and could generate tremendous investment opportunities.

An estimated US\$60 trillion<sup>1</sup> of investment is needed between now and 2050 to transform infrastructure, industries, sectors and companies, to create a sustainable future. In the shorter term, it is estimated that bold climate action could deliver at least US\$26 trillion<sup>2</sup> in economic benefits by 2030, compared to business as usual.

As the push towards a net-zero economy accelerates, one thing is certain: the future will look nothing like what we've experienced in the past. The transition will create new jobs that demand huge investment and evolve infrastructure, businesses and how we live our lives.

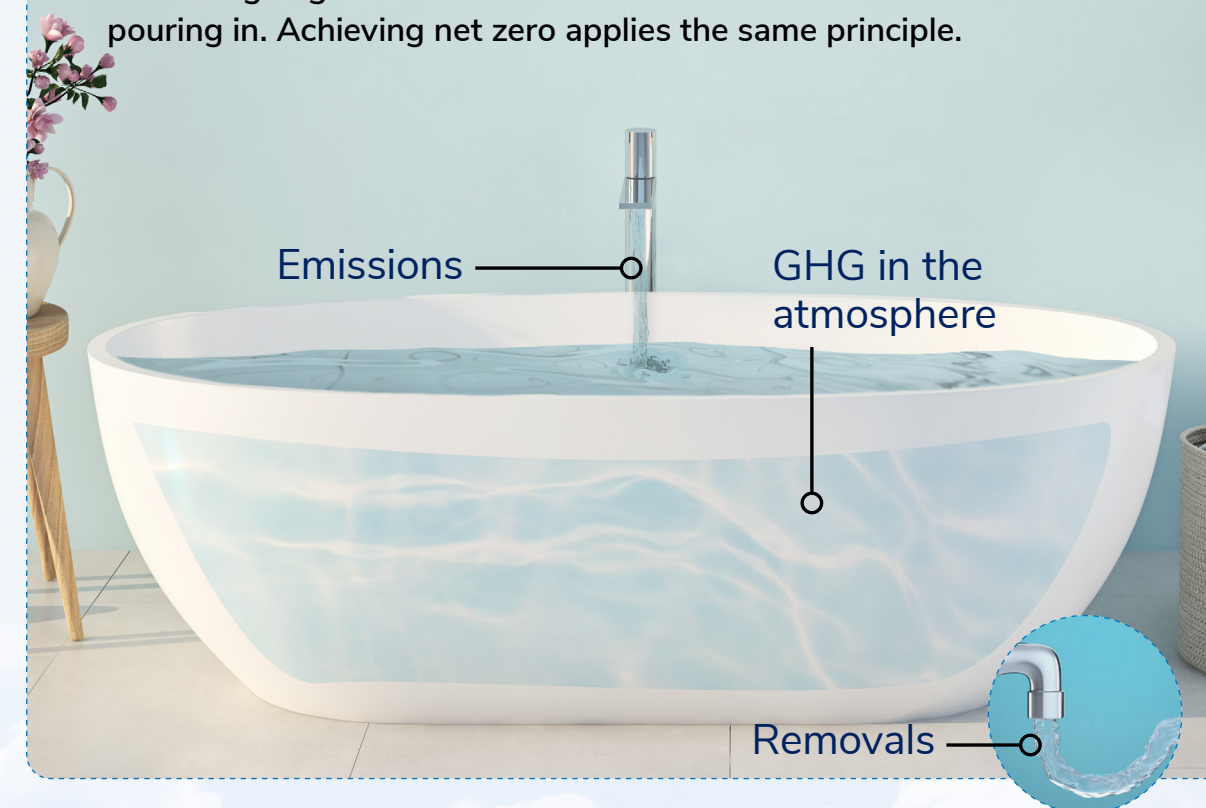
# US\$60 trillion

INVESTMENT NEEDED BETWEEN NOW

2050

## What is net zero?

Net zero strikes a balance between the greenhouse gases (GHG) going into the atmosphere and those being taken out. Using the analogy of running a bath, the amount of water in a bathtub is determined by the input (water from the tap) and the output (water leaving via the drain). To balance the water level, the amount of water going down the drain must be the same as the amount pouring in. Achieving net zero applies the same principle.







## Mutually beneficial investing

Now is the ideal time to invest in a sustainable future, so your money can have a positive impact on the planet and also the chance to benefit from the huge growth potential created by the transition to a low-carbon global economy.

IG Climate Action Portfolios are designed to have a positive effect on our planet and allow you to align your financial goals with a cleaner, greener future. They allow investors to actively participate in helping to reduce climate change risks.

These portfolios are constructed to deliver a variety of financial goals, from protecting capital and providing income, to long-term investment growth. They will invest in equity and fixed income securities that are believed to reduce the risks, or are expected to benefit from the opportunities, associated with climate change and/or the transition to a low-carbon global economy.

IG Climate Action Portfolios are an innovative investment solution that offer investors a way to align their portfolio with the global effort to reach net zero.



# The advantages of IG Climate Action Portfolios

IG Climate Action Portfolios are a suite of globally diversified portfolio solutions offering investors the following benefits:

01

## Experienced portfolio management

The portfolios are overseen and managed by Mackenzie Financial Corporation. They apply expertise, disciplined risk-management strategies and experience in navigating the complex issues associated with climate change.

02

## Climate investing expertise

The underlying investments within the portfolios are actively managed by some of the world's leading asset managers.

03

## Comprehensive diversification

Diversified by investment, geography, asset-class, company size and investment style, while aiming to provide superior risk-adjusted returns over the long term.

04

## Aligned to net zero

Will utilize investment strategies that seek to minimize the greenhouse gas emissions of the portfolios, and will periodically acquire and retire carbon credits in an effort to reduce any residual emissions.\*

05

## Continuous oversight

Our portfolios are continuously monitored and automatically rebalanced, to help them stay aligned with your financial objectives and risk tolerance.

06

## Tax-efficient options

To provide steady monthly cash flow while maintaining a globally diversified portfolio.

\* The amount of carbon credits to be acquired (and retired) for a IG Climate Action Portfolio is subject to the following maximum cost per annum, measured as a percentage of the net asset value of the applicable IG Climate Action Portfolio: Global Equity & Global Equity Balanced 0.08%, Global Neutral Balanced & Global Fixed Income Balanced 0.07%. If the cost to offset the carbon footprint of a IG Climate Action Portfolio exceeds the maximum cost, it will result in a partial offset of the IG Climate Action Portfolio's carbon footprint (rather than a complete offset).



# Finding leading climate-investing expertise from around the world

No single investment firm can specialize in every type of asset or investment style. We believe a properly diversified global investment portfolio must be actively managed by a variety of experienced managers. Each manager employed in our portfolios undergoes a rigorous selection and monitoring process. This allows us to leverage the specialized knowledge of asset managers who understand and can navigate through the rapidly evolving and complex climate change landscape.



**Mackenzie Investments** is one of Canada's largest investment managers for both individual and institutional clients. Mackenzie's solutions are designed to bring about real change, whether it's in promoting better environmental, social and governance (ESG) practices or playing a part in the fight against global warming, with innovative green technologies.



**PIMCO** is a global leader in active fixed income with 20 offices across the globe and more than 3,050 professionals united by a single purpose – delivering superior investment returns, solutions and services to clients. As a global leader in active fixed income, they leverage their size, scale and investment platform to engage with issuers and drive sustainable change.



**Putnam Investments** is a global asset manager serving individuals, institutions and retirement plan sponsors, with offices across three continents. Putnam believes a sustainable global economy is essential to the creation of long-term value. The company integrates analysis of relevant ESG factors into their research and investment decision-making processes.



**Rockefeller Capital Management** has a long history within the ESG-investing space and believes it can generate positive returns by investing in companies producing climate mitigation or adaption solutions.



**T. Rowe Price** serves retail and institutional clients in over 45 countries. ESG considerations are integrated into their fundamental research and investment processes.



# Aligned with net zero

Like the global net-zero initiative, IG Climate Action Portfolios will aim to balance the greenhouse gases emitted by their underlying investments with the amount they remove from the atmosphere using carbon offsets.\*

## Investment strategy

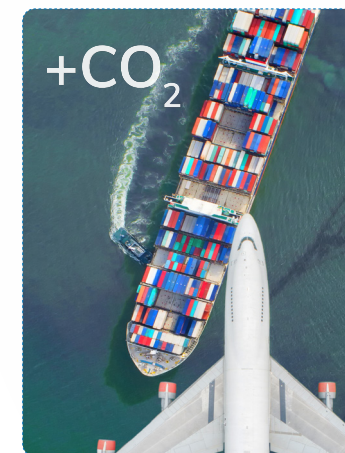
IG Climate Action Portfolios are designed to provide exposure to one or more of the following types of climate-related approaches:

- 01 **Best-in-class investing:** In companies with leading climate policies and practices.
- 02 **Help fuel the transition:** Invest in companies or products that are helping advance the green transition.
- 03 **Bypass GHG emissions:** Avoid high greenhouse gas emitters and invest in funds that focus on lower-carbon intensive sectors.
- 04 **Active climate stewardship:** Engage with company management and utilize proxy voting to prioritize climate policies and outcomes.

## Offsetting strategy

The portfolios will seek to reduce the greenhouse gas emissions from the underlying investments.

### How it works



Evaluate portfolio for any residual greenhouse gas emissions



Purchase and retire carbon credits to neutralize residual emissions\*

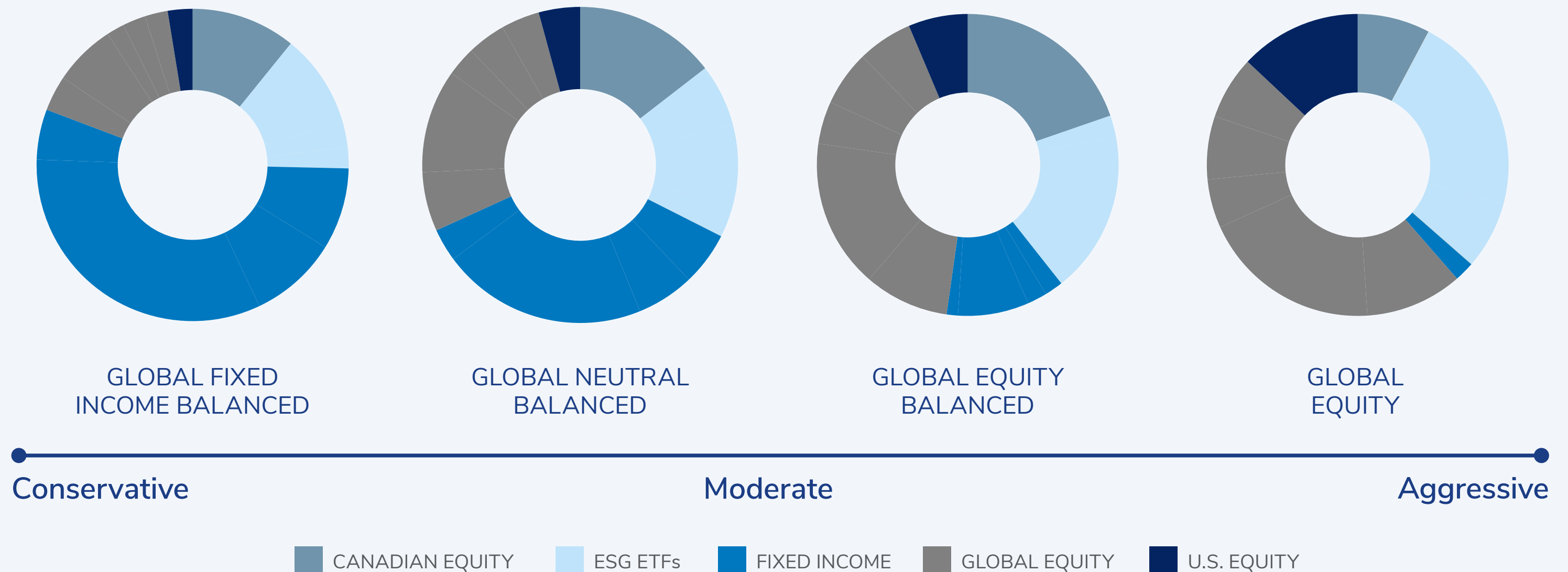
Portfolios aligned with net zero

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# Solutions that align with your goals

IG Climate Action Portfolios are a suite of four portfolio solutions that are designed to deliver a variety of outcomes, from protecting capital and providing income, to a focus on long-term investment growth.





# Our commitment to sustainable investing

We strongly believe that our voice must be backed by our actions. IG Wealth Management, along with our asset managers, collaborates with organizations and coalitions that promote positive ESG outcomes. Our goal is to advance the sustainable investing landscape that is in the best interests of our mandates, our clients, and society.



## United Nations-supported Principles for Responsible Investment (PRI)

Since 2014, IG Wealth Management has been a proud signatory to the PRI. The PRI is a global organization of over 3,000 investment companies committed to encouraging and supporting sustainable investing practices in the investment industry.



## Responsible Investment Association (RIA) of Canada

Since 2017, IG Wealth Management has been a member of the RIA, Canada's industry association for responsible investing.



## Task Force on Climate-related Financial Disclosures (TCFD)

In 2019, IG Wealth Management became a signatory to the TCFD, which seeks to develop voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders.



## Climate Action 100+

In 2021, IG Wealth Management became a signatory of the investor-led Climate Action 100+. An initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.





# Getting started with IG Climate Action Portfolios

Your IG Consultant takes a holistic approach to financial planning. They seek to gain a thorough understanding of your personal investment goals, your investment time horizon and your comfort level with risk and volatility.

**For more information on investing in IG Climate Action Portfolios,  
please speak with an IG Consultant.**

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