The Canadian Coalition for Green Health Care
Coalition canadienne pour un système de santé écologique

Investment Beliefs and Commitments **Examples**

Tool 3

April 15, 2026

Ready-to-adapt language from the Canadian context

PEACH

FONDATION FAMILIALE TROTTIER FAMILY FOUNDATION

Canada Climate Law Initiative | L'Initiative canadienne de droit climatique

Quinn + Partners

WHEN CAPITAL AND CARE DRIFT APART

Health care foundations are entrusted with more than capital. They are entrusted with public confidence, donor trust, and a mission rooted in care. While philanthropic strategies reflect these values, investment portfolios are often built using conventional financial criteria alone. This can create a growing gap between mission and capital.

This gap is not intentional, but it is increasingly visible. Donors are asking sharper questions. Expectations around transparency are rising. Exposure to controversial sectors, governance failures, or climate-related risks is harder to overlook. Together, these pressures introduce reputational and governance risks that exist regardless of financial performance.

In today's landscape, sustainable investment is expected — foundations without it risk questions, scrutiny, and reputational harm.

ABOUT THIS TOOL

This tool provides board and investment committee members and foundation staff with example text that can be integrated in a stand-alone sustainable investment policy or added to an existing investment policy, guiding and supporting the adoption of a sustainable investment approach.

HOW TO USE

Use the example language below as a menu of options **to draft or update your investment policy**. Adapt the pieces that fit your foundation's mission, governance, and current stage of practice.

- Review examples & recommendations
- Discuss with board/investment committee
- Align with mission, mandate & risk profile
- Integrate into policy drafting & decision-making

Tool 1 builds a shared baseline on the "why" and the business case

Tool 2 supports a deeper, guided discussion on common questions

Tool 3 provides ready-to-adapt language to translate decisions into updated investment policy and implementation

CORE CONCEPTS FOR A SUSTAINABLE INVESTMENT POLICY

What it is: A policy guides how environmental, social, and governance (ESG) considerations are integrated into investment decisions and investment management.

Why it matters:

- Serve as a starting point to communicate your organization's ESG stance with donors, beneficiaries, staff, and other stakeholders
  - Where possible, make the policy publicly available (for example, on your website) to demonstrate accountability and transparency to stakeholders
- Clarify your fiduciary duties to clients or beneficiaries
- Address long-term systemic risks like climate, inequality, and health system pressures
- Guide third-party investment managers on how to implement your chosen sustainable investment approach

NOTE: There is no one-size-fits-all approach to writing a policy; it must reflect your organization's unique attributes, goals, and purpose, and avoid generic or boilerplate language.

Format: You have two options:

Integrated	Standalone
Embed SI text directly into your main Investment Policy Statement (in a dedicated section or appendix).	Create a separate SI policy that sits alongside your main policy.

Both approaches are widely used. Choose the format that results in the **clearest, most actionable/practical policy** for your foundation that aligns with your mission. Additionally, consider how often you expect to **revise the policy** and how much **detail you want to include** (for example, manager expectations or asset-class guidance).

HOW IS A SUSTAINABLE INVESTMENT POLICY (OR POLICY SECTION) TYPICALLY STRUCTURED?

Regardless of format, guidelines and best practices[1] we suggest sustainable investment policies include similar building blocks:

1 Context, purpose and rationale:

Why the policy has been developed and how your organization defines sustainable investment.

2 Scope:

Which assets the policy applies to, for example all assets under management, specific funds, geographies, asset classes, or externally managed mandates.

3 Beliefs, objectives:

High-level investment and sustainable investment beliefs; core objectives such as long-term value, risk management, contribution to health system resilience; and the ESG themes that are most material to the foundation which can include human rights, equity and healthcare access. Beliefs will often connect with fiduciary duties and legal obligations that shape your organization's approach, for example how fiduciary duty is interpreted in light of ESG and climate risks.

Options:

ESG priorities: It is recommended that your foundation identify a small number of ESG priorities, themes that are most material to the foundation and/or where it intends to make a difference (for example climate, human rights, equity, healthcare access).

Commitments: Concrete commitments that show how ESG priorities will be integrated into investment analysis, stewardship, investment manager selection and monitoring, and disclosures (for example, climate-related commitments, human rights expectations, or biodiversity-related goals).

4 External guidance and memberships:

Any principles, standards, or memberships your organization draws on or adheres to e.g. PRI, other sector guidance, which help signal alignment with recognized best practice.

5 Sustainable investment implementation:

This is an important part of the policy where an organization presents and explains how it puts sustainable investment into practice. Many techniques are possible e.g. ESG integration, screening, stewardship/engagement, thematic or impact investing and how these are applied can vary across the portfolio. Some techniques can be implemented directly while others indirectly, maybe through external investment managers or service providers. We recommend that your text reflects that distinction.

For example: you can engage with some holdings in your portfolio to influence them on ESG topics. Engagement can be done through your investment manager, or through a collaborative effort coordinated by an association such as Climate Engagement Canada, or an engagement service provider that acts on your behalf.

6 Governance and responsibilities:

Who is responsible and accountable for what (board, investment committee, staff, external managers, consultants), and how decisions, oversight, and escalation work in practice.

7 Disclosure and reporting:

How and how often your organization will report on its sustainableinvestment activities and outcomes to the board, stakeholders, and the public.

8 Review and compliance:

How frequently the policy will be reviewed, who is accountable for that review, and how complicance with the policy will be monitored.

9 Definition:

Appendix

It is recommended to have a definition section where you will clarify any technical terms used throughout your policy.

EXAMPLES FOR INSPIRATION

For the purposes of this tool, we focus on three foundational elements where health care foundations may need the most help with wording and options: **Investment beliefs, commitments and scope.** This section provides example language from investors for these three areas that foundations can adapt to their own context and stage of maturity.

A Microsoft Word version of this document can be shared upon request.

1 Investment beliefs:

Organization	Examples of language used for beliefs
Investment beliefs set the direction for your investment policy, investment practice, and organizational culture. They help: • *Define how you will create investment value, in the context of future uncertainty, risk, and opportunity* • *Support how practical decisions will be made*	
Queen Elizabeth (QE) II Health Sciences Centre Foundation	"As a healthcare organization the Foundation believes that it should limit or exclude investments in sectors and industries that may be viewed as detrimental to the health of Atlantic Canadians. As such, Investment Managers must specifically report any holdings in the tobacco, vaping, opioids manufacturing, alcohol or cannabis sector to the Investment Committee."
University of Victoria Foundation	"The Board believes that: • taking ESG factors into consideration is expected to have a positive effect on long term financial performance and risk-adjusted investment returns for the Foundation, as a long-term investor; • consideration of ESG factors that can impact financial performance, investment returns and investment risk is consistent with the Board's fiduciary responsibilities; and • active engagement on ESG factors is a more effective way to create sustainable change than exclusion or divestment".
Université de Montréal Endowment	"The Management Committee recognizes that a wide range of financial and other considerations are relevant to investment decision-making, including ESG factors. It believes considering ESG factors contributes to the integrated management of all investment risks. It also believes that companies with sound business practices, characterized by strong governance and a responsible attitude towards environmental and social factors, can achieve better long-term performance. It considers it important for companies to disclose information on ESG factors, thereby enabling the analysis, comparison, and evaluation of these aspects of their operations."[2]

Queen's University Endowment	"Decisions pertaining to Responsible Investing must be guided by the Fiduciary Responsibilities of the Board of Trustees to ensure the prudent investment of the University's assets. In accordance with current legal guidance, these responsibilities necessitate that ESG issues must be considered along with all other factors on the basis of risk and return and comprise the financial best interests of beneficiaries. The Board of Trustees believes that awareness and the effective management of ESG-related risks and opportunities may improve the long-term financial performance of the companies concerned. To the extent that ESG factors affect the risk and return of investments, they should be taken into consideration in making investment decisions. Consequently, the Pension Committee and Investment Committee will, where appropriate, require External Investment Managers to take due regard of ESG issues in making investment decisions. External Investment Managers will be asked to engage where appropriate and report on their ESG activities on an annual basis, as outlined in Responsible Investing Procedure #1. The Board of Trustees also believes that corporate engagement activities (such as letters to management and voting of proxies) can be effective when dealing with ESG issues".
University Pension Plan Ontario (UPP)	"As a long-term investor, UPP has a responsibility to promote the health of capital markets and the financial, social, and environmental systems on which capital markets rely. • Value and risk are created in the real world. They are priced and harvested in capital markets. • Long-term, financial value creation can be sustainable only if it is a subset of societal value creation. Creating value and managing risk involve exercising UPP's voice to influence outcomes related to material issues through active ownership, policy advocacy, and collaboration with other investors and stakeholders — all of which must be approached with the same intention and rigour as selecting investments. • UPP believes that divesting from or excluding an investment is appropriate where we see the potential for material negative financial impact and where engagement or other activities have not influenced positive change. That impact assessment includes the capital markets and the financial, social, and environmental systems on which the capital markets rely."
Anonymized excerpt from a foundation investment policy[4]	"The Foundation has a fiduciary duty to administer the capital entrusted with and therefore must act as a prudent investor. This means that the Foundation's investment management is primarily guided by the search for the best risk-return profile. The Foundation also believes that a responsible investment approach is consistent with its purpose and its fiduciary duty. As a long-term investor, the Foundation believes that environmental, social, and governance (ESG) factors represent both risks and business opportunities that can impact the financial performance of the assets held."[5]

Anonymized excerpt from a foundation investment policy	"ESG refers to environmental, social, and governance factors that may have a material impact on an investment. The Committee considers ESG risks relevant in the course of its due diligence; however, ESG factors are only one aspect of analysis and should not be used as an exclusionary screen to eliminate specific entities or sectors from consideration. Relevant ESG factors will vary by industry and should be applied appropriately to help assess both risk and return. Effective management of ESG risks and opportunities can enhance the value of a portfolio investment."

Recommendations:

- *State that the foundation's primary responsibility is to its beneficiaries, but it must also consider broader stakeholder needs and expectations*
- *Affirm you are a long-term investor*
- *Connect with fiduciary duty, risk management and value creation: Address how ESG risks and opportunities will become more material in the long-term*
- *Discuss how active ownership and advocacy can positively influence investments and market performance*
- *Affirming specific ESG topics are areas of focus (e.g. climate Change, EDI, human capital)*

2 Commitments:

Organization	Examples of language used for beliefs
Commitments are specific goals that support integrating your ESG priorities into investment decision-making and monitoring. Clear commitments help align investments with long-term sustainable value, manage risks, and respond to stakeholder expectations.	
Université de Montréal Endowment	"The responsible investment policy contributes to the transition to a low-carbon economy, among other things by achieving the carbon footprint reduction targets defined by the Executive Committee, and takes into account other environmental, social and governance (ESG) factors."
Queen's University Endowment	In **June 2020, Queen's University became a founding signatory** on a charter that commits Canadian universities to responsible investing for the environment. "Universities have a unique and critical role to play in the fight against climate change. As researchers and educators, we produce and disseminate knowledge about both the current state of our environment and efforts to change a potentially disastrous trajectory. Looking to the future, we must consider decisions that help transition our society to a low-carbon economy. Embracing the principles of this Charter helps articulate how the university will address climate change and the responsibility we will take in ensuring a healthy environment for the future." - Principal and Vice-Chancellor Patrick Deane.

Queen's University Endowment	The Charter commitments are: 1. Adopt a responsible investing framework to guide investment decision-making, in line with recognized standards such as the UN-supported Principles of Responsible Investment (UN-PRI). 2. Regularly measure the carbon intensity of our investment portfolios, and set meaningful targets for their reduction over time. 3. Evaluate progress towards these objectives on a regular basis, and share the results of such assessments publicly. 4. Ensure that the performance evaluation of our investment managers takes into account their success in achieving such objectives, alongside the other criteria for assessing their performance.
University Pension Plan Ontario (UPP)	"... UPP sets out commitments in relation to material ESG topics, including: • Climate change: UPP establishes, implements, and reports progress against its Climate Action Plan. • Human Rights: UPP respects internationally recognized human rights and seeks to identify and address risks related to adverse human rights impacts contributed to or directly linked to our investments. • Equity, Diversity, Inclusion, and Reconciliation: UPP promotes practices that support diversity, equity, inclusion, and reconciliation among investee companies and investment partners. • Inequality: UPP exercises active ownership to support the mitigation of inequality and considers ESG factors related to inequality in our investment decisions."
Recommendations: • *Consider adopting a focus on systemic risks like climate change* • *Consider adopting a focus on health-related issues and well-being*	

3 Scope:

Organization	Examples of language used for beliefs
Defining the scope of a policy means whether it will apply to all assets under management or specific asset classes/investment strategies, and if the latter, the rationale behind this decision.	
Université de Montréal Endowment	"This policy applies to all asset classes. However, its application may vary from one asset class to another depending on the nature of the investments, the type of instrument, and the portfolio's investment strategy".
Queen's University Endowment	The University has many levers to effect positive societal outcomes relating to ESG issues. These include, but are not limited to: • Research (e.g. environmental) • Advocating or influencing public policy (e.g. tax incentives/disincentives) • Responsible Investing practices (e.g. corporate governance) The scope of this Policy pertains to Responsible Investing practices.

University Pension Plan Ontario (UPP)	“This Policy applies to all UPP Personnel and Trustees and covers all invested assets and investment activities. The approach varies depending on UPP’s degree of influence over investment strategies and decisions. UPP also addresses material ESG factors and best practices in UPP’s own management and operations. However, these activities are out of the scope of this Policy.”
Teachers’ Pension Plan Corporation (TPPC)	“This Policy applies to all investment activities performed within each investment mandate, directly or indirectly, by TPPC and their service providers. We are also using this Policy as an inspiration for corporate policies and programs, ensuring consistency between our expectations towards investments and our own behaviours as an organization and an employer.”
Anonymized excerpt from a foundation investment policy	“This policy applies to all Foundation investments. It is linked to the Foundation’s Investment Policy and reflects its predominantly passive management approach.”[6]

Recommendations:

- *Apply to all assets under management*
- *If some assets are out of scope (or will be brought in over time), explain why and outline a plan to expand coverage where feasible*

REFERENCES

[1] Canadian Coalition for Good Governance: Stewardship Principles (2020), International Corporate Governance Network: Global Stewardship Principles (2020), Principles for Responsible Investment: Policy, structure and process (2019)

[2] Principles for Responsible Investment (PRI) is an association that counts more than 5,000 signatories globally and is the main group of asset owners, investment managers and services providers sharing the same six principles. For more, see www.unpri.org.

[3] Translation from French.

[4] Excerpts labelled as anonymized originate from internal investment policy documents that are not publicly available, or from policies that have been finalized internally but not yet publicly released.

[5] Translation from French.

[6] Translation from French.

ABOUT THIS TOOL

This tool was co-developed with the Canadian Coalition for Green Health Care to empower health care foundation boards across Canada to learn and build capacity to integrate sustainable investment practices and align the capital they manage with their foundation's health-focused missions.

CONTRIBUTORS

QEII Health Sciences Centre Foundation

Fondation CHU Sainte-Justine

fraserhealth

The Brenda Strafford Foundation

St. Michael's Hospital Foundation

Providence Healthcare Foundation

Fondation Hôpital Général Juif | Jewish General Hospital Foundation

PARTNERS

The Canadian Coalition for Green Health Care
Coalition canadienne pour un système de santé écologique

PEACH

Quinn + Partners

Canada Climate Law Initiative | L'Initiative canadienne de droit climatique

Fondation Familiale Trottier Family Foundation

DISCLAIMER