

FIERA CAPITAL CORPORATION RESPONSIBLE INVESTMENT POLICY

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FIERACAPITAL



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1 Beliefs and Guiding Principles

At Fiera Capital Corporation (Fiera Capital), we have a duty to act professionally, responsibly and diligently in the best interests of our investors and stakeholders with a view to create long-term, sustainable value. Our mandate is to generate the best returns possible for our clients within the risk constraints of each individual investment policy. We believe responsible investing is core to our ability to satisfy both our duty and mandate without sacrificing returns.

More specifically, we believe that material environmental, social and governance (ESG) factors can influence the investment risk-return profile and quality of companies and investments. Furthermore, we take the view that organizations that understand and successfully manage these material ESG factors and associated risks and opportunities tend to create more resilient, higher quality businesses and assets, and are therefore better positioned to deliver sustainable value over the long term.

The purpose of this policy is to outline Fiera Capital's approach to integrating ESG assessments into our investment processes as we believe that it can provide many benefits that affect the valuation of securities, such as increasing our knowledge of companies, better controlling the risk of our portfolios, and helping companies improve over the long-term.

We believe there are multiple approaches to managing stocks, bonds and alternative investments. Fiera Capital's independent team structure allows us to offer a diverse range of investment strategies across asset classes and risk spectrums using a wide variety of investment styles. Each team decides, subject to their own investment policies, how they assess the materiality of ESG factors and how they integrate this assessment into their investment processes. We believe this flexible approach creates a more meaningful discussion that enhances engagement and reinforces a culture of continuous learning throughout the firm.

At Fiera Capital, we lead by example. We have a long history of commitment to responsible investment. Since 2004, we have offered ethical investment options to our clients. Since 2009, Fiera Capital is a signatory of the United Nations Principles for Responsible Investing (UN PRI), encouraging acceptance and implementation of the principles within the investment industry. Furthermore, Fiera Capital seeks to align itself with the local stewardship codes of the jurisdictions in which it does business in order for alignment with client expectations.

2 Governance Structure

Oversight and accountability of Fiera Capital's responsible investing activities fall under the responsibility of the Office of the Chief Investment Officer ("CIO Office") and the management teams of our affiliated organizations, while implementation rests with the investment teams as they are encouraged to integrate ESG in the way that best suits their investment style or asset class.

As part of its continuous improvement process, in 2017, Fiera Capital established an ESG committee ("Committee"). The Committee includes representatives from all functioning groups (CIO Office, Operations, Compliance, Legal, Global Distribution, Marketing, Investor Relations and Private Alternative Affiliates) and all regions in which Fiera Capital operates (Canadian, U.S. and European teams). The Committee sets new objectives for improvement on an annual basis, and meets regularly to track the progress in implementing these improvements. Each objective is assigned to a subcommittee whose responsibility is to address this issue. Some of Fiera Capital's affiliates also have their own ESG process to address issues specific to their market or asset class. This structure enables us to address many issues at once with the same level of depth and attention.

This policy has been approved by Fiera Capital's senior management and will be updated as appropriate.

3 Implementation

Fiera Capital is a research-driven investment firm. Independent research is a core tenet of our investment approaches, and this also applies to integrating material ESG factors into our investment processes. In-house expertise and analysis are complemented by third-party research and recommendations from various external ESG service providers.

Responsible Investment Strategies

ESG factors are integrated through different strategies at Fiera Capital (Canada)

EQUITY

ESG factors are integrated at three levels in equity portfolios:

- 1. ESG Integration:** We are of the view that well-managed companies are generally those that demonstrate high ethical and environmental standards and respect for their employees, for human rights and for the communities in which they do business. Material ESG factors that can positively or negatively impact the long-term intrinsic value of a company are taken into consideration,

where applicable, in our fundamental analysis of the investments.

- 2. Ethical ESG Strategies:** The teams employ an ethical exclusion filter where certain securities are restricted from funds for ethical reasons. Based on client considerations, a company will be deemed ineligible if it derives more than 10% of its revenue, either directly or indirectly, from the following products: adult entertainment, alcohol, firearms, gambling, military contracting, nuclear power and tobacco.
- 3. Thematic or Impact Strategies:** Here, a more thematic focus or sector exclusions are applied, such as the Canada x Energy fund, which excludes companies with activities related to the energy sector, such as: oil and gas exploration and production; oil and gas storage, transportation, refining, marketing, exploration and production; mining of thermal coal or uranium; drilling and other services to oil and gas companies.

FIXED INCOME

ESG factors are also integrated at three levels in fixed income portfolios:

- 1. ESG Integration:** Teams integrate material ESG factors into the fundamental credit analysis process to have a better view of an issuer's ability to properly manage risks and generate long-term value and to better understand the downside risk of a given investment. This affects portfolio managers' assessment of risk-adjusted returns of the security.
- 2. Ethical ESG Strategies:** An ethical exclusion filter is applied in order to exclude companies that derive more than 10% of their revenues from adult entertainment, alcohol, firearms, gambling, military contracting, nuclear power and tobacco.
- 3. Thematic or Impact Strategies:** Customized strategies are tailored to clients' specific needs, such as "green" strategies or infrastructure debt that emphasize investment in essential infrastructure with a social purpose. Such strategies may apply exclusionary filters or may target specific types of investments.

REAL ESTATE

The review and management of material ESG factors is integrated throughout the investment and development process, asset management, manager selection and monitoring, and stakeholder engagement. Fiera Properties Limited ("Fiera Properties") engages with property managers in order to implement material sustainable business practices that may

positively influence the value of the investment, such as energy and water conservation, waste management, tenant engagement and building certification. Fiera Properties benchmarks ESG integration practices and supports broader industry ESG integration through participation in the Global Real Estate Sustainability Benchmark (GRESB). Fiera Properties' Sustainability Policy is available upon request.

INFRASTRUCTURE

Material ESG considerations are evaluated on an ongoing basis, from the sourcing phase, the investment decision and asset ownership, to monitoring and reporting. Fiera Infrastructure Inc. ("Fiera Infrastructure") engages with advisors where appropriate on a wide range of ESG issues as part of its due diligence. ESG issues specific to infrastructure investments include, but are not limited to, environmental protection, water sustainability, first nations, health and safety, responsible citizenship, anti-corruption and bribery. Fiera Infrastructure's ESG Policy is available upon request.

AGRICULTURE

Identifying, conducting due diligence and managing material ESG factors is integral to the sustainable, long-term performance of agriculture. Fiera Comox Partners ("Fiera Comox") engages with advisors to promote sustainable business practices such as cross-fertilization of best-in-class health and safety and environmental practices. ESG issues specific to agriculture investments include, but are not limited to, climate change, environmental protection, water sustainability, land rights, first nations, health and safety, animal welfare, land conversion, citizenship, anti-corruption and anti-bribery. Fiera Comox's ESG Policy is available upon request.

PRIVATE LENDING

ESG issues present risks and value creation opportunities that can be material and have a significant impact on the financial performance of private loans. Fiera Private Lending Inc. ("Fiera Private Lending") has the ability to identify, assess and manage ESG factors that is also critical in securing and preserving our social licence to operate and its capacity to deploy capital, and is integrated into the sourcing, due diligence and investment decision phase of the financing process. ESG issues specific to private lending include but are not limited to land rights, first nations, health and safety, citizenship, anti-corruption and bribery. Fiera Private Lending's ESG Policy is available upon request.

Monitoring of External Managers

Fiera Capital outsources some of its investment activities to external managers. As such, we encourage all asset managers through engagement to integrate ESG factors risk assessment into their investment processes.

4 Active Ownership

Proxy Voting

Proxy voting is a key element of Fiera Capital's integration of ESG factors in its investment process. We exercise our voting rights in order to maintain the highest standard of corporate governance and sustainability of the business and practices of the companies whose shares are held. High standards are necessary for maximizing shareholder value as well as protecting the economic interest of shareholders.

Fiera Capital's proxy voting policy has been in effect since 2002 in Canada. It provides and communicates our guidelines for the exercise of voting rights addressing ESG issues, including systemic issues such as climate change. The CIO Office is responsible for the establishment and annual review of the policy. The last review of the policy for Fiera Capital (Canada) was approved by Fiera Capital's Board of Directors in November 2017.

In the US, Fiera Capital Inc. ("Fiera Capital (U.S.)") has implemented written proxy voting policies and procedures ("Proxy Voting Policy") that are designed to reasonably ensure that it votes proxies prudently and in the best interest of its advisory clients for whom it has voting authority. The Proxy Voting Policy of Fiera Capital (U.S.) also describes how it addresses any conflicts that may arise between its interests and those of its clients with respect to proxy voting. Other Fiera Capital affiliates have adopted similar policies. Portfolio managers are responsible for voting their proxies. Fiera Capital and its affiliates use the services of various external proxy-voting advisors to provide complementary, analysis and recommendations based on their proxy voting policies while maintaining ultimate control of such voting. Portfolio managers take this information into account, as well as their own research, to arrive to their voting decision. Fiera Capital retains record of all proxy votes and a proxy-voting log. Proxy policies of all Fiera Capital affiliates comply with the jurisdiction where they operate. Voting records are made available to clients and beneficiaries upon request.

Engagement

We believe the value of engagement is best derived from direct dialogue with companies in which we invest or with service providers that we utilize. As such, we allow our investment teams to implement engagement practices they deem most appropriate to their investment style.

When meeting with companies, portfolio managers may address ESG issues: on a proactive basis, to raise awareness on such issues with companies within their portfolio; or on a reactive basis, to raise issues that have already occurred in order to understand how management is or has addressed

them. Ongoing dialogue extends beyond short-term financial metrics and earnings to management's long-term strategy, and may include considerations such as firm culture, sustainability, governance practices and disclosure.

We encourage companies to recognize the importance of ESG factors and support their efforts to improve transparency and disclosure of their approach and performance as they relate to material ESG issues. In addition to engaging with companies, we engage with financial market service providers to encourage the implementation of responsible investing practices.

Collaborative Engagement

Recognizing that sometimes working in collaboration with others is more impactful, Fiera Capital aspires to increasingly participate in collaborative engagement initiatives that are in line with our active ownership principles, within the local context of the different jurisdictions in which we operate

Regulatory Engagement

When appropriate, we engage with regulatory entities on a broad spectrum of responsible investment issues that are aligned with our beliefs and guiding principles.

5 Conflicts of Interest

Fiera Capital and its affiliates have put in place a number of policies to address and manage various types of conflicts of interest adapted to the jurisdiction where they operate. In addition to requirements within the firm's and its affiliates' compliance manuals (where applicable), there are a number of policies, including codes of conduct or ethics, which are in place to manage conflicts of interest such as requirements relating to personal trading, use of client brokerage (soft dollars), referral arrangements, fair allocation, best execution, outside business activities and gifts and entertainment.

Fiera Capital provides clients and beneficiaries information relating specifically to trading and fair allocation as part of the investment and portfolio construction process upon request.

6 Reporting

Fiera Capital and its affiliates (where applicable) report on ESG and responsible investing related progress. Fiera Capital's UN PRI Transparency Report, which describes our initiatives and progress during the year as well as expected activities for the year to come, is produced annually and is available to our clients and beneficiaries upon request.

Additional ESG related information may also be made available to clients and beneficiaries upon request.

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The Responsible Investment Policy and the Proxy Voting Policy are available on our website [<https://www.fieracapital.com/en/info/about-fiera-capital/investment-philosophy>].

fieracapital.com



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