A large, jagged iceberg floats in a deep blue ocean under a clear sky. The iceberg's surface is textured with cracks and ridges, and its base is partially submerged, creating a dark shadow in the water.

2024

Canadian Equity Sustainable Investing Report

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Our Team



Nessim Mansoor
CPA, CA, CFA
Head, Canadian
Large Cap Equities
27 years of experience



Nicholas Smart
CFA
Senior Portfolio Manager,
Canadian Large Cap
Equities
16 years of experience



Tony Rizzi
MBA, CFA
Senior Portfolio Manager,
Canadian Large
Cap Equities
14 years of experience



Howard Leung
CPA, CA, CFA
Senior Analyst,
Canadian Large
Cap Equities
9 years of experience



Sandra Zhang
BComm
Analyst, Canadian
Large Cap Equities
6 years of experience



Guneet Sahni
MBA, CFA
Senior Analyst,
Canadian Large
Cap Equities
18 years of experience



Gokul Ullas
M.Sc.
Analyst, Sustainable
Investing, Canadian
Large Cap Equities
4 years of experience



Benjamin Abou
BBA
Analyst, Canadian
Large Cap Equities
3 years of experience



Nicolas Trottier
CFA, CAIA
Strategy Specialist,
Canadian Large
Cap Equities
14 years of experience

What We Can Do For You

Canadian Equity ➤ Our flagship strategy

Canadian Equity Ethical ➤ Our flagship strategy with an ethical filter

Canadian Equity FFF ➤ Our flagship strategy with a filter to avoid fossil fuel investments

Canadian Equity Core ➤ Our lower tracking error strategy

SUSTAINABILITY INTEGRATION



2024: As Usual, Another Unusual Year

In one of our weekly meetings, we found ourselves reflecting on all that had happened in 2024: extreme weather events in Canada and abroad, political shifts and ongoing conflicts, a celebration of sport in Paris, the rise of generative AI, the growing presence of weight-loss drugs in the United States, a strengthening anti-ESG movement in some jurisdictions, a renewed surge in gold prices, a

slowdown in the world's second-largest economy and an acceleration in the largest.

It was quite the discussion and was wisely summed up by Nicolas Trottier: "Ok, so what do we tell clients? That 2024 was, as usual, another unusual year."

Yes, it was exactly that.

For equity investors, it's never a dull day. Each year is full of unpredictable surprises and challenges for each business in the portfolio. To which, each business is expected to adapt and react in order to succeed. This unpredictability is normal and every year something unusual will arrive. Hence why we focus so much on businesses with strong historical track records and good balance sheets that allow them to adapt and overcome challenges. They have worked and flexed that muscle which just prepares them better for whatever comes next.

The group of managers running these businesses have done an exceptional job over the years and we believe our clients' capital is in good hands.

Concerning the world of sustainable investing, it would be fair to say the foundations of this global movement were shaken a bit in 2024. This led to some organisations pausing certain activities or changing their priorities, while others refocused and stayed the course. Intensely politicized, the anti-ESG movement gained momentum in certain jurisdictions, and that is expected to continue in 2025.

With that said, it is important to take a moment to reemphasize our sustainability philosophy: we believe sustainability is a part of long-term investing and has an important role in our ability to identify good quality companies. And when it comes to sustainable investing, we look at the five dimensions of the Sustainability Accounting Standards Board (SASB), which are Social Capital, Human Capital, Environment, Leadership & Governance and Business Model & Innovation. We believe it's a more focused and defined approach to integrating sustainable business practices to investing, compared to the commonly used E, S and G dimensions.

How does this philosophy work in practice? We'd be delighted to give you some examples.

As long-term investors, we want companies to invest in energy efficiency initiatives and save money. We've seen Waste Connections doing this by investing to capture more methane from landfills and reuse it to produce energy.¹ Another example is METRO Inc. committing to invest in natural refrigerants to reduce emissions.² We want companies to invest in and develop their people like Constellation Software does, supporting a culture of entrepreneurship and continuous improvement. We also want companies to adapt their business models to climate risks, and this is what Intact Financial is doing with climate data and risk identification and management.³ Most of our portfolio companies are also used to adapting to evolving technologies, and we encourage our companies to invest in innovation. You can see this with Thomson Reuters investing to accelerate Generative AI capabilities in their products to respond to client demands.⁴ These are all examples of sustainable business practices that will support and enhance growth for many years to come. They will contribute to the long-term success of these businesses and help them adapt to whatever challenge may arrive next.

The political environment may change. The pro to anti-ESG pendulum may shift again. Global alliances and movements may come and go. However, none of this will impact our philosophy. We will continue to encourage companies to invest in their people, improve efficiency, reduce risks, treat their customers well, among other actions.

Thank you for your continued support and we hope you enjoy reading our 2024 Sustainable Investing Report!

Canadian Equity Team

An Update on Our Sustainable Investing Efforts in 2024

Even through the volatility of 2024, we continued to advance our sustainable investing practices. In our previous [Sustainable Investing Report](#), we highlighted that our engagement program was enhanced to prioritize more in-depth sustainability engagements. This engagement program introduced measurable engagement objectives for our portfolio companies. This year, we are reporting on the progress of this initiative for the first time. You will learn more about our engagement philosophy, process and progress later in the report, along with several case studies.

Sustainability Integration

Despite some of the headwinds facing sustainable investing, **our holdings continue to make progress** on many of the key sustainability metrics we track across our portfolio.

100%

of our Canadian Equity⁵ holdings provide sustainability disclosure⁶

compared to **97%** in 2023

67%

of our Canadian Equity⁷ holdings⁸ have committed or plan to commit to a near-term science-based emissions reduction target⁹

compared to **60%** in 2023

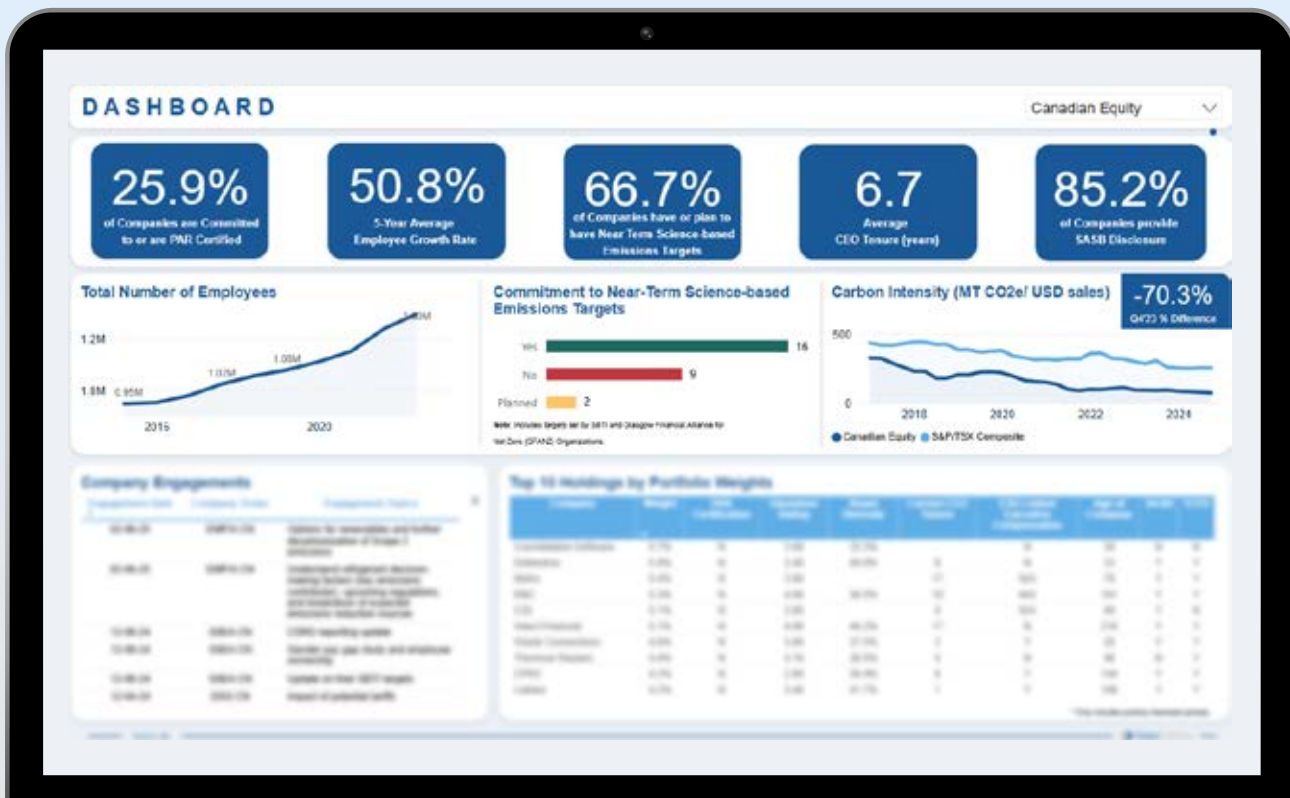
82%

of our Canadian Equity¹⁰ holdings¹¹ provide disclosures aligned with the Sustainability Accounting Standards Board (SASB) recommendations

compared to **80%** in 2023

What is SHELBi?

SHELBi is a sustainability database that was created by the Canadian Equity team in 2020 to track and manage qualitative and quantitative sustainability data points across our portfolios. Currently, we track more than 60 metrics, divided between the five dimensions described by the Sustainability Accounting Standards Board (SASB) – Social Capital, Human Capital, Environment, Leadership & Governance and Business Model & Innovation.



Source: Canadian Equity Internal Dashboard (SHELBi) as of December 31 2024.

Active Ownership

Since 2023, 20% of engagement objectives¹² have been achieved with portfolio companies. Engagement objectives are set for our companies to analyse the progress of our engagement program. In this report we are happy to disclose the progress on our engagement program for the first time.

[Read Section II: Active Ownership - Engagement Case Studies](#)

PROGRESS ON OUR ENGAGEMENT PROGRAM*

Number of Engagement

Objectives: 71

20% Achieved¹³ **79%** Ongoing¹⁴

* As of December 31, 2024.

Active Ownership

Voted on 86 shareholder proposals in 2024. Each shareholder proposal is researched to assess the risk highlighted by the proponent to the business. Each shareholder proposal is held to a disciplined framework that was internally developed to evaluate its significance to the business.

[Read Section II: Active Ownership - Proxy Voting](#)

Active Ownership

Visited 20 company sites in 2024. Engaging with companies at their facilities, distribution centers and project sites provides us with insights that go beyond the boardroom. While we had over 100 engagements in 2024, site visits allowed us to speak with key business leaders outside of the C-Suite.



Tim Hortons' store in Seoul

Whoppers on the subway in Copenhagen

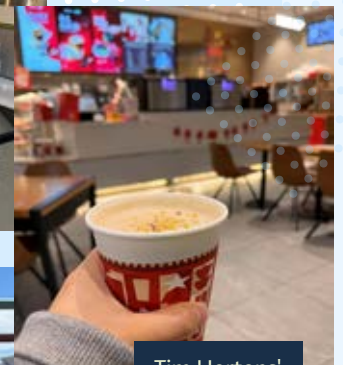


A mini-scale Dollarama store at their HQ



Touring Keyera in Fort Saskatchewan, Alberta

Tim Hortons' in Beijing



Source: Photos taken by the Canadian Equity team at company site visits between January and December 2024.



Industry Collaboration

Continued to be a part of Climate Engagement Canada (“CEC”). CEC is a finance-led initiative that drives dialogue between the financial community and corporate issuers to promote the transition to a net zero economy. We are members in **seven CEC groups**, with two portfolio managers and three analysts engaging with a diverse set of companies in Consumer Staples, Industrials and Energy.

Since we joined CEC in 2023,

33%
of the engagement objectives
we had internally set to achieve through our CEC engagements have been achieved.

Industry Collaboration

Continued our involvement with the Canadian Coalition for Good Governance (“CCGG”). In 2024, we provided feedback through CCGG’s response to the Competition Bureau of Canada’s consultation on the *Competition Act*’s amendments targeting environmental claims (following Royal Assent of Bill C- 59). We also participated in virtual and in-person consultations of the Canadian Sustainability Standards Board’s (CSSB) proposed sustainability standards.



The Net Zero Asset Managers Initiative

Climate

Update on our Net Zero Asset Managers (“NZAM”) commitment. We continued to be in line with our NZAM¹⁵ commitment for our Fossil Fuel Free (FFF) strategy, which has two key goals¹⁶ for 2030:

- > A 55% reduction in the weighted average carbon intensity (scopes 1 and 2) relative to the TSX Index (baseline 2019); and
- > An engagement goal ensuring that 90% of financed emissions (scope 1 and 2) are net zero, aligned with a net zero pathway or are subject to direct or collective engagement (baseline 2021).

Read Section IV: Climate - Progress on Our Net Zero Commitment

Section I Sustainability Integration

What Are Sustainable Business Practices?

We believe it is important to formally define what sustainable business practices are in our investment process and for our clients. In our research framework, sustainable business practices are those that maintain or enhance a firm's value today without compromising its ability to create value in the future.

The integration of these practices is inspired by the Sustainable Accounting Standards Board (SASB)'s dimensions of Social Capital, Human Capital, Environment, Leadership & Governance and Business Model & Innovation. In other words, when thinking about sustainability, we are thinking about the people, the role of a company in society, the environmental performance and objectives, the leadership and long-term planning and the capital allocation decisions required to build resilient and successful companies over time.

Importantly, this definition of sustainable business practices aligns well with our long-term investment approach, allowing us to better assess quality, capital allocation, operational aptitude, culture and long-term business durability, all of which are key to investment success and meeting our clients' objectives. These key themes are integrated into our research process.



How is Sustainability Integrated into our Research?

Our team has a 21-question standardized assessment of Quality and Valuation to perform in-depth fundamental research. This assessment helps our team highlight companies that have sustainable competitive advantages, a high-quality management, a strong balance sheet, a proven track record and other pertinent characteristics. Many of the sustainability topics are used to evaluate the quality of the business.

A few of the direct links to sustainability highlighted within our 21-question research template are shown below.

Q1

Does the company have any sustainable competitive advantages?

> Q1.1

Does the business invest/innovate to ensure the long-term relevance of its products/services? **L** **B**

Q2

Are the business risks to the company significant?

> Q2.3

What is the vulnerability to technological, environmental or social change? Does the company have a history of struggling with these changes? **S** **E** **L** **B**

> Q2.10

How material are the impacts of climate change to the business? Provide a summary of climate risks (as per TCFD).

E **B**

Q3

Does this company have good management who are well-aligned with shareholders?

> Q3.8

Is the way the business treats its employees sustainable?

H **B**

Q11

Are secular trends favourable for this company?

> Q11.3

Does the business benefit structurally from opportunities to contribute to sustainability? **S** **E** **B**

S Social capital

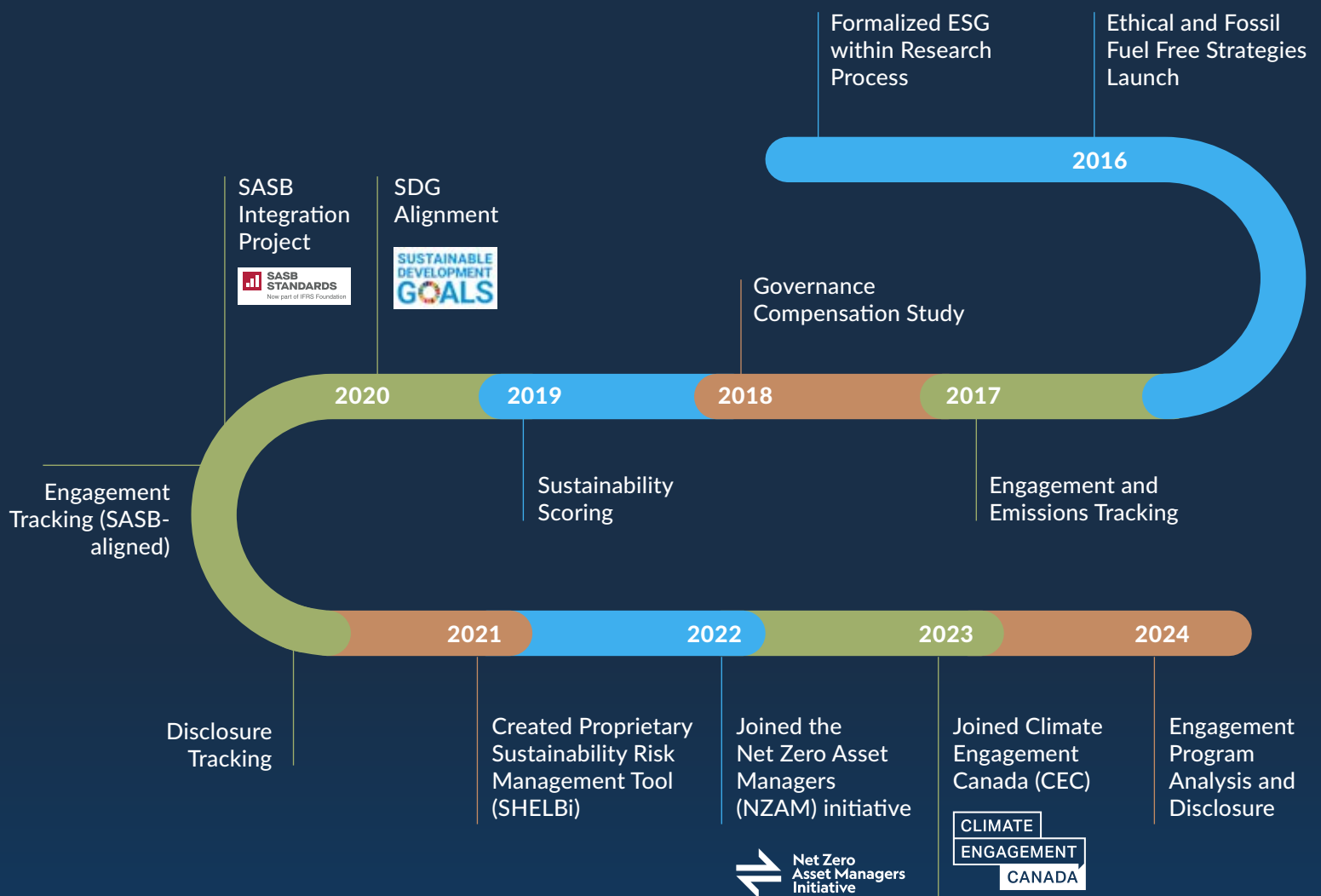
H Human capital

E Environment

L Leadership & governance

B Business model & innovation


Sustainability Integration Timeline *





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Canadian Equity Flagship – At a Glance



 An improvement from December 31, 2023

 A decline from December 31, 2023

 Same as December 31, 2023

Source: Canadian Equity Internal Dashboard (SHELBI) as of December 31, 2024. Data calculated internally with the help of Bloomberg and Glassdoor.

Canadian Equity Core – At a Glance



↑ An improvement from December 31, 2023

↓ A decline from December 31, 2023

= Same as December 31, 2023

Source: Canadian Equity Internal Dashboard (SHELBI) as of December 31, 2024. Data calculated internally with the help of Bloomberg and Glassdoor.



Tony Rizzi

MBA, CFA

Senior Portfolio Manager,
Canadian Large Cap Equities

Engagement Spotlight: An Interview with Tony Rizzi on Waste Connections

What's the Canadian Equity team's history with Waste Connections?

Waste Connections ("WCN") has been around for a long time, just over 28 years. It was initially a U.S.-listed business, but in early 2016, Waste Connections bought a Canadian company called Progressive. The acquisition was structured as a reverse merger, allowing Waste Connections to domicile to Canada. At this point, it became investable for us, and we started to increase our knowledge of the business.

I initially wrote a research report, completing our 21-question research template. It was clear as I went through that process that Waste Connections had a lot of the characteristics that we look for in a high-quality business: high entry barriers, good competitive advantages, a strong aligned management team, a good long-term track record and a strong focus on all stakeholders.

A year later, we initiated a position in WCN in our portfolio. Over the years as we have increased our knowledge of the business and the management team, our conviction has grown. We have consistently owned the business for over eight years.

What are the key sustainability topics you engage Waste Connections on?

For every company in our portfolio, our team conducts in-depth research into their sustainability approach. Our experience studying the business and the industry helps us identify key sustainability topics, and we also use the industry standards developed by the Sustainability Accounting Standards Board (SASB) to assist us in the research. We then develop a series of engagement objectives and questions for the company. The process for Waste Connections is no different.

On the surface, Waste Connections' business is simple: they collect and dispose of solid waste, mainly into landfills and through recycling and composting. However, there are significant environmental and human capital impacts that need to be considered. For Waste Connections in particular, the most important factors would be how the company protects groundwater, reduces greenhouse gas emissions and keeps their employees safe.

When water from rain or snow runs over uncovered sections of landfills, it mixes with the various liquids and soluble substances contained in these lots. The result is a highly toxic substance called leachate. If leachate gets into our groundwater, it is detrimental to the environment and people's health. Waste Connections upholds an extremely important responsibility to safely drain and treat leachate. This topic is often an area of discussion in our meetings.

Greenhouse gas emissions are also extremely relevant for the company. Decaying garbage produces methane, which has more than 80 times the warming potential of carbon dioxide over a 20-year period.⁵⁷ Therefore, we have spent many engagements with Waste Connections discussing recovery systems that capture and sometimes convert that gas into Renewable Natural Gas (RNG). Not only do these investments reduce the impact on the environment, but they are also economical for the business.

One more thing to note about Waste Connections is the company's dedication to safety. In 2023 the waste industry was one of the most hazardous to work in, for employees on the front line.⁵⁸ This has been the case for decades. However, Waste Connections has a strong safety record. We believe it is the result of their servant-leadership culture. The management team at Waste Connections prioritizes employee safety, a great example of the fact that change must come from the top.

Can you track these sustainability initiatives to the bottom line? Is there a link?

Lower insurance costs due to a strong safety record, a more efficient workforce (people prefer working in a safe environment), higher employee retention rates and high-margin RNG facilities with very short payback periods all have tangible benefits that, in many cases, can be quantified for shareholders while simultaneously benefitting employees and external stakeholders.

These initiatives are long-term in nature and take time to implement. They benefit long-term investors who will be there in 3-, 5- and 10-years from now – that's our sweet spot.

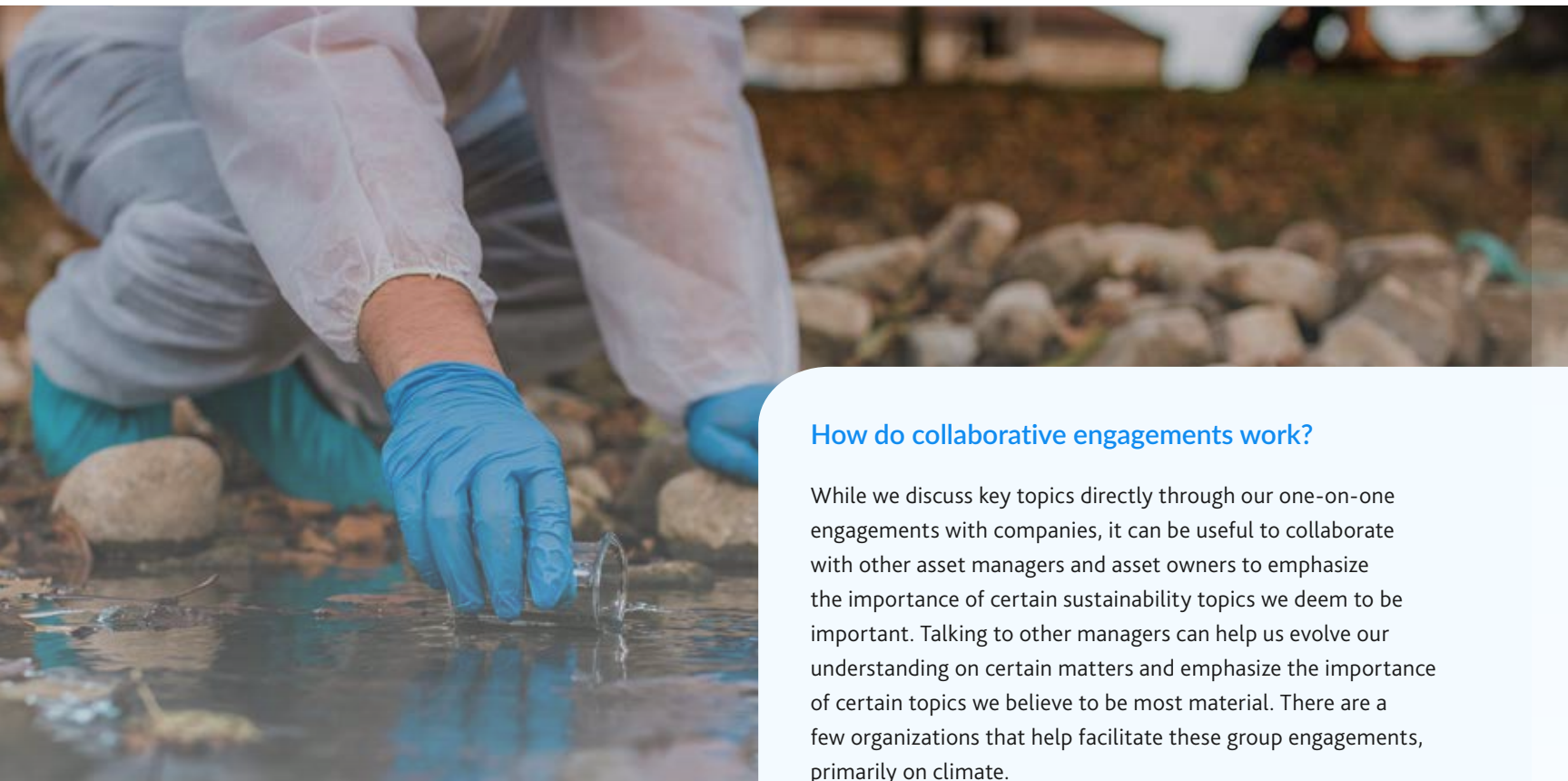
Can you talk about your engagement history with Waste Connections?

Since 2016, we have had a number of engagements with Waste Connections' management. We have had the opportunity to meet with the CEO and CFO, but also individuals in operating roles and sustainability roles within the organization to better understand their culture and their focus areas.

All in, over the years, we have engaged with management 26 times or approximately three times per year across these various interactions.

Our meetings have spanned traditional boardroom meetings with other investors and one-on-one. We have also visited the company's corporate head offices and visited their waste facilities, including one of the largest RNG facilities in Canada. Our first discussion with WCN on sustainability was in 2019 after the launch of their sustainability report. In early 2023, WCN was one of the first companies in our portfolio with which we had a deep-dive sustainability discussion. Our research showed us that, unlike some of their peers, WCN had not committed to setting a near-term science-based emissions reduction target aligned with SBTi. This became an engagement objective for us that we communicated to them.

In 2023, our team joined Climate Engagement Canada ("CEC"), a collaborative engagement initiative that looks to promote the transition to a net zero economy in Canada. Our team has joined several working groups, which included Gokul and I joining the Waste Connections working group. As part of our CEC engagement with WCN later in 2023, the group emphasized the importance of committing to near-term SBTi targets. After this engagement, we were happy to see that WCN committed to setting near-term SBTi targets in late 2023.



Have your engagements resulted in any other changes at Waste Connections?

Waste Connections has consistently focused on several key stakeholder issues over the years, and these are areas we continually engage them on. We have certainly seen some positive forward steps, including the formal commitment to SBTi, a significant investment in RNG plants and a continued focused on safety for employees.

While cause and effect can be difficult to measure, we believe that clear communication and consistency of engagements with companies can lead to improvements in key sustainability topics.

As long-term investors, this is perfectly aligned with our [engagement philosophy](#).

How do collaborative engagements work?

While we discuss key topics directly through our one-on-one engagements with companies, it can be useful to collaborate with other asset managers and asset owners to emphasize the importance of certain sustainability topics we deem to be important. Talking to other managers can help us evolve our understanding on certain matters and emphasize the importance of certain topics we believe to be most material. There are a few organizations that help facilitate these group engagements, primarily on climate.

While we have been a part of CEC since 2023, our first experience as a team with collaborative engagements was through Climate Action 100+. This initiative was focused on engaging with some of the largest greenhouse gas emitters globally, with only a few Canadian names on the list. We remain participants today in one working group for a large Canadian oil company.

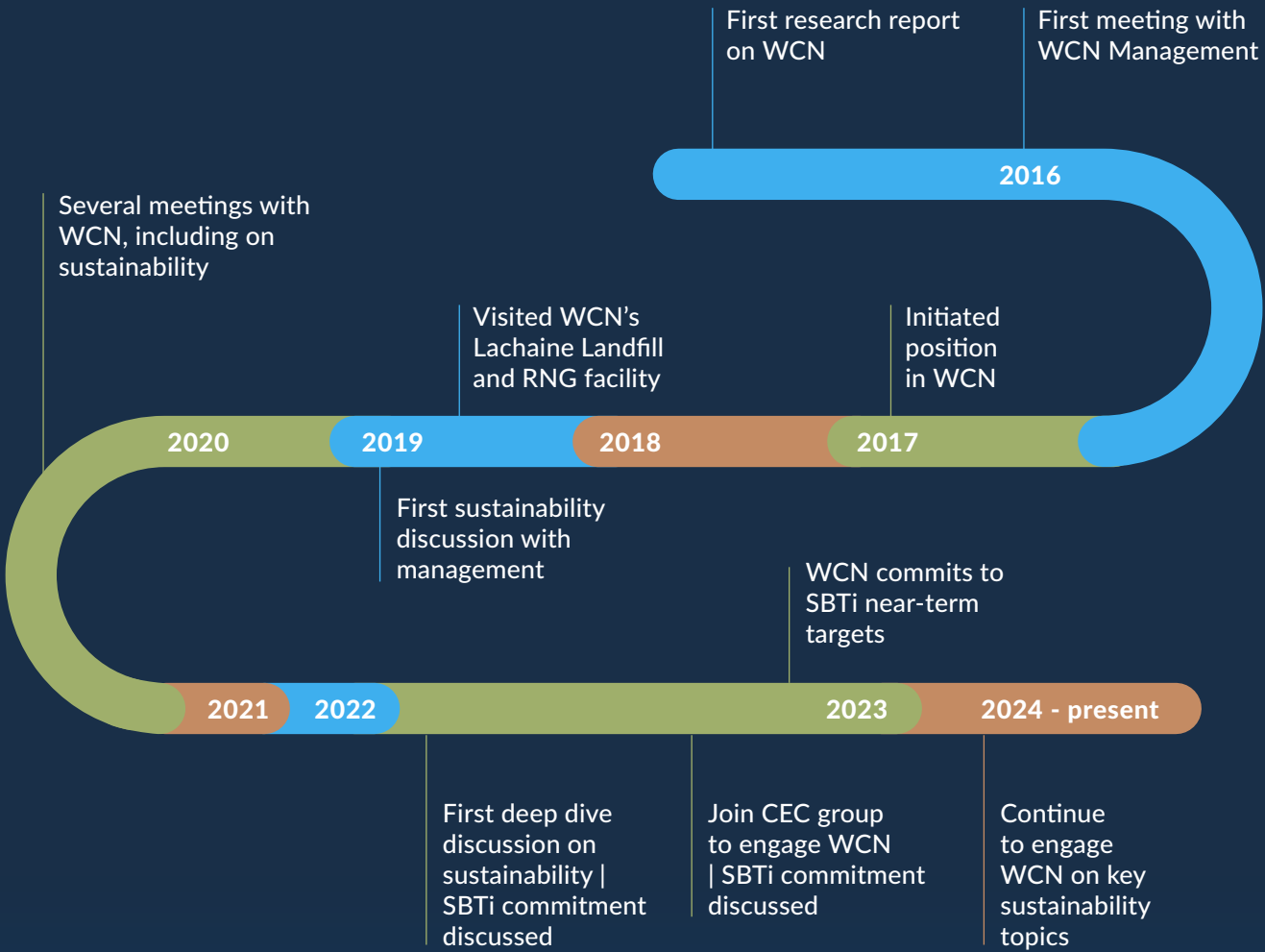
Has this focused engagement strategy helped your team to become better investors?

I believe it has.

Our engagement strategy has made our fundamental analysis richer because it has helped us get to the heart of why certain companies are able to sustainably generate exceptional results.

It has made for deeper conversations with the companies we are invested in, and Waste Connections is no exception.

Engagement History with Waste Connections





Section II Active Ownership



“

As active owners, we focus on both engaging with the companies we hold in our portfolios and exercising our voting rights in order to promote greater value for long-term shareholders and to reduce risk.

”

Engaging with Companies

Our engagement philosophy centres on being active owners and nurturing the important relationships we have built over many years. As long-term investors on behalf of our clients, we aim to promote ethical conduct among business leaders toward all stakeholders, whether it be employees, customers, communities, shareholders, suppliers or the environment.

We believe a responsible approach to important stakeholder issues will bear fruit for the long-term value of the business and its shareholders. If you treat employees well, focus on client needs, invest in the future of the business and operate responsibly in the community, the business has a much higher chance of succeeding and growing well into the future. Over time, we have found that engagement is our most effective tool for encouraging change. Successful engagement rests on strong relationships and manifests itself over many meetings, discussing the merits of new initiatives, policy changes or risks and strategic developments. Ultimately, we aim to encourage permanent change that is authentic and permeating, which can be much more impactful over time.

Our engagement methods primarily involve one-on-one engagements with company management or the board. Our long-standing relationships with the management teams of most companies we hold allow us to have robust discussions about sustainability progress, challenges and concerns. Our team conducts in-depth research into a company's sustainability approach and material sustainability topics and develops a set of engagement objectives and questions for the company. Our engagement objectives for the company are often sent to them before we have an engagement. These engagements may also dive deep into a material sustainability topic for the company such as, Indigenous relations, cybersecurity, climate plans and more. Since 2023, we have set 71 engagement objectives for our portfolio companies and have so far achieved 20% of them, with 79% of them still ongoing.

PROGRESS ON OUR ENGAGEMENT PROGRAM*

20% Achieved⁵⁹ **79%** Ongoing⁶⁰

* As of December 31, 2024.

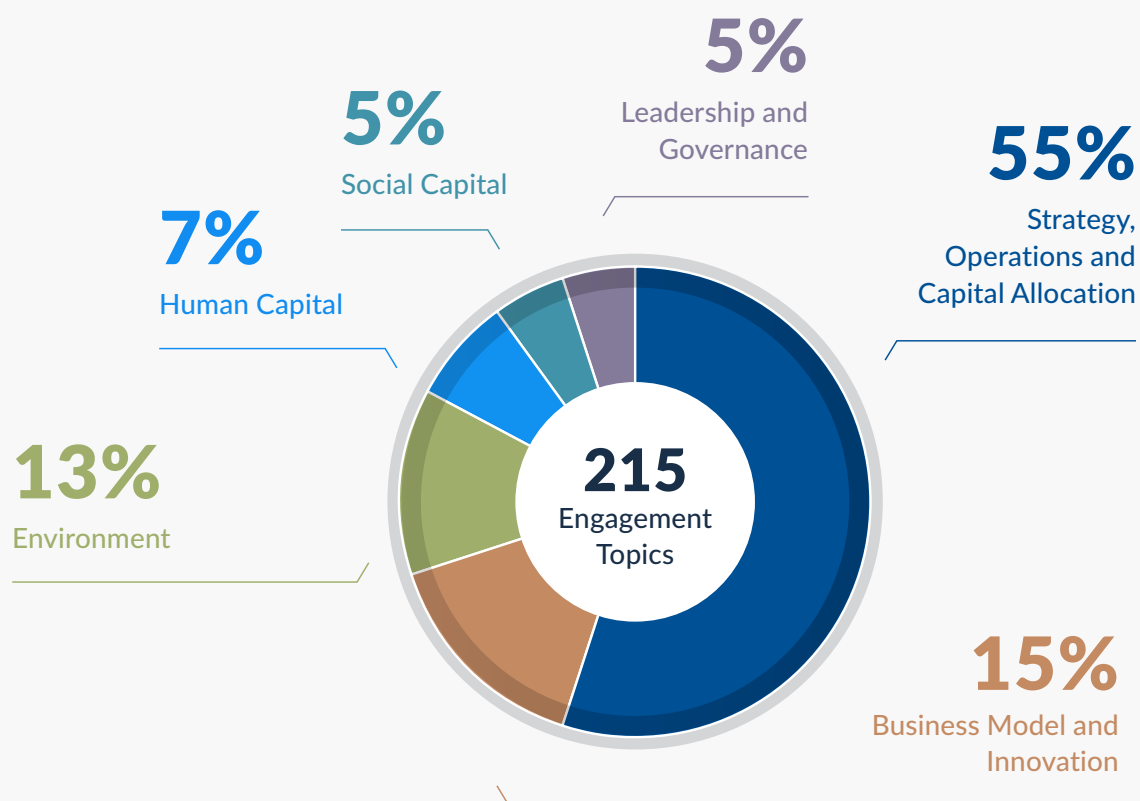
Increasingly, apart from one-on-one engagements with companies, we have also become more involved in collaborative engagements with other asset managers and asset owners.

For information on our collaborative engagements, read [Section III: Collaboration](#)

We enter all engagements into our proprietary Engagement Tracker, enabling us to compare our progress over time. This way, we can record the impact of our discussions and understand the alignment of our engagements with the SASB dimensions.

The resulting data is shown below.

Number of Engagement Topics by SASB Dimensions



Source: Canadian Equity Internal Dashboard (SHELBI) covering period January 1, 2024 to December 31, 2024.

ENGAGEMENT CASE STUDY

SECTOR – CONSUMER DISCRETIONARY

BACKGROUND

Over the last few years, we have had several engagements with this Consumer Discretionary company about their climate transition plan. As the company is exposed to transition risks from technological evolution in the markets it operates in, its strategy to address this risk has been a frequent engagement objective of our team. However, the progress at this company on the development and communication of their climate transition plan was limited. In 2023, we decided to join Climate Engagement Canada (CEC) and the collaboration group under CEC that was engaging with this company.

ACTION

One of the areas of focus for the CEC group was for the company to provide scenario analysis aligned with the Taskforce on Climate-related Financial Disclosures (TCFD). This would let investors know what possible future scenarios of technological evolution were considered in business strategy and planning. The group had discussions with the company about providing more quantitative disclosure on their scenario analysis.

OUTCOME

In the company's 2024 sustainability disclosure, they provided more details about the scenarios and resulting changes in consumer demand that were considered. We will continue to engage the company to understand how these scenarios change over time and how their business planning evolves to meet changing customer behaviour.



ENGAGEMENT CASE STUDY

SECTOR – INDUSTRIALS

BACKGROUND

This company has over the last several years made significant reductions in operational emissions and has set ambitious near-term science-based emissions reduction targets. Much of their historical emissions reduction came from internal efforts (primarily Scope 1 and 2), but their SBTi-validated targets also require them to achieve emissions reduction from their supply chain (Scope 3).

ACTION

While most of their emissions reduction targets appeared to be on track, our research revealed a gap between current progress and their 2025 supply chain emissions target. In our engagement with the company, we enquired about the possibility of meeting this target.

OUTCOME

During the discussion, we discovered that one of the company's key suppliers had not adopted a science-based emissions reduction target. This means the company may not meet one of its 2025 emissions reduction goals. This discovery highlights the importance of collective effort amongst all players in the supply chain to achieve climate objectives and the potential need to change suppliers in order to meet ambitious emissions targets.

ENGAGEMENT CASE STUDY

SECTOR – CONSUMER STAPLES

BACKGROUND

Canada has long had a reputation as a value-seeking culture evident through Canadians' tendency to "Shop the Flyer," which stands in contrast to many countries around the world, where grocery flyers delivered to the home are limited. Over the years, we have observed this sensitivity to price on many occasions and continue to observe it today with a backdrop of above-average inflation.

ACTION

We held a number of engagements with this food retailer as well as three site visits with key leaders of the discount division to understand their expansion and pricing strategy.

OUTCOME

This retailer has a long-track record of discount expansion while successfully competing with global discount giants. A refinement of that strategy occurred in 2024, which will include an expansion of lower-priced private label products, a square footage expansion of discount and increased reinvestment into pricing in an increasingly competitive environment. Food affordability and insecurity are important subjects for Canadians, and we are happy to see this response from the company.

ENGAGEMENT CASE STUDY

SECTOR – FINANCIALS

BACKGROUND

Severe weather events in Canada are increasingly causing more financial damage to insured properties, which is leading to escalating cost of home insurance.⁶¹ In some cases, insurance companies are no longer insuring certain areas against certain extreme weather events.⁶² This poses an important long-term question: "How will this impact the business model of Property & Casualty (P&C) insurers?"

ACTION

As part of our continued engagement on this question, we had an in-depth discussion with a portfolio company on disclosures aligned with understanding the financial impact of various climate scenarios on the company's business model. The discussion focused on understanding the climate scenario analysis that was conducted by the company to assess the risk and the outcome of the analysis.

OUTCOME

The increased frequency and intensity of climate related events is expected to continue to put upward pressure on insurance pricing. This trend has been in place for several years, but for the company in question, it has not yet led to the creation of any additional "uninsurable regions." The financial cost of climate events and insurance pricing will continue to be a key engagement topic in the years to come.

ENGAGEMENT CASE STUDY

SECTOR – INFORMATION TECHNOLOGY

BACKGROUND

The founder and controlling shareholder of this portfolio company communicated their candidate for succession. We wanted to understand the overall succession strategy and how this candidate viewed the business.

ACTION

We reached out to the company to schedule a meeting with the successor, and we met them at their headquarters for a discussion. The topics we discussed included their background before joining the company, their roles since joining and how they viewed key success factors, such as Mergers & Acquisitions (M&A) and client engagement.

OUTCOME

We learned the successor had spent a substantial amount of time at the company leading critical functions, such as HR, Marketing and M&A. They also showed us an internally developed sophisticated electronic system for identifying and tracking best company practices, which were then shared across the organization. On M&A, we learned that the due diligence process is very detailed and thorough, and the successor participates actively as part of the 'final approvals' team. After our discussion, we believe they have a deep understanding of the underlying business and share the ethos of the chair and the other members of senior management.

ENGAGEMENT CASE STUDY

SECTOR – INFORMATION TECHNOLOGY

BACKGROUND

This successful serial acquirer of software companies has a decentralized culture and M&A process. Therefore, it's crucial for other members of management, aside from the President and CFO, to embody the same company culture and ethos.

ACTION

We reached out directly to a senior member of management involved with M&A to schedule a meeting. The topics of discussion included the history of the management team, training of future M&A professionals and employee compensation.

OUTCOME

This management member worked very closely with the founder in the early days of the company, and we learned that the company refined its best practices by fostering a culture that was focused on learning from mistakes. Our discussions on the 'ideal' compensation structure focused on motivating employees to do the right thing. After the meeting, it was apparent to us that the company had strong bench strength. We will continue to meet with other senior employees of the company to further understand the company's decentralized business model and culture.

ENGAGEMENT CASE STUDY

SECTOR – INDUSTRIALS

BACKGROUND

This Industrials company had been producing sustainability reports for several years, but our research identified multiple gaps in how it communicated its sustainability strategy to investors, along with missing disclosures on several sector-specific metrics.

ACTION

While we've had multiple engagements with the company where sustainability topics were discussed, in 2024 we held a dedicated deep-dive meeting focused specifically on sustainability. We communicated our meeting objectives and the disclosure gaps we had identified to the company in advance of the meeting.

OUTCOME

Our experience with engagements shows us that, for a successful engagement, it is important for investors to communicate objectives very clearly when it comes to material sustainability topics. The discussion we had with the company was insightful and we understood the depth of work that was occurring in the background. They were making significant progress in terms of materiality assessments, robust emissions measurement and alignment with sustainability disclosure standards. However, certain areas still require further improvement. We will continue to engage with the company to monitor progress regarding our objectives.

ENGAGEMENT CASE STUDY

SECTOR – FINANCIALS

BACKGROUND

One of the sustainability metrics we monitor and engage companies on when it comes to Indigenous relations is Partnership Accreditation in Indigenous Relations ("PAIR") certification.⁶³ The objective of PAIR certification is to confirm organizational performance on Indigenous relations and signal to the Indigenous community that these organizations are good business partners, great places to work, and committed to prosperity in Indigenous communities. This portfolio company had recently committed to obtaining PAIR certification.

ACTION

We scheduled a sustainability-focused engagement with this Financials company with one of the objectives to understand the impact of committing to PAIR certification.

OUTCOME

They described the demanding nature of obtaining PAIR certification, which required developing new policies, adjusting recruitment strategies to increase Indigenous representation, updating procurement practices to incorporate Indigenous suppliers and establishing a framework to measure progress on multiple Indigenous relations metrics. However, the benefits to the company in terms of employee retention, stronger supplier relationships and meeting investor expectations were also clearly demonstrated.

Voting Proxies

By voting proxies, we aim to promote strong corporate governance, encourage long-term thinking and, ultimately, enhance value for shareholders over time. These routinely involve selecting the board of directors, voting on the choice of an external auditing firm and weighing in on senior management compensation.

Sometimes, it will involve voting on proposals submitted by other shareholders. In most cases, these proposals are submitted by long-term shareholders with meaningful equity stakes in the business who care deeply about the long-term performance of the business. In other cases, proposals come from shareholders who own very few shares and who are not primarily focused on long-term shareholder value, but instead on non-financial objectives, such as social or political objectives. We assess each proposal individually, on a case-by-case basis, through a fiduciary lens, understanding that not all shareholder proposals are created equally.

As a general rule, for us to support a shareholder proposal, it must be evident that the proposal will benefit the company and its shareholders (our clients) in the long term. While there is no limit to potential proposals, management's time, attention and resources are limited. We want those resources to be devoted to operating and improving the quality of the business. As such, the onus is on the shareholder to put forth a proposal that it is worthy of support.

In deciding whether or not to support a shareholder proposal, here are some of our considerations:

- > Does the shareholder proposal highlight a business risk or opportunity for the company? Is there evidence of the risk/opportunity manifesting?
- > Would the adoption of the shareholder proposal lead to negative consequences? Would it lead to competitive disadvantages?
- > Has the company given us adequate reassurances that the objective of the shareholder proposal will be achieved on a different timeline or method?

Here are our proxy voting results from 2024

Proxy Vote Categories	Against	For	Total
Management	20	864	884
Auditors	—	67	67
Board Related	14	687	701
Capital Stock Related	—	15	15
Changes to Company Statutes	1	15	16
Compensation	1	77	78
GHG Emissions	—	2	2
Management of the Legal and Regulatory	—	1	1
Other	4	—	5
Shareholder	54	32	86
Total	74	896	970

Source: Canadian Equity Internal Dashboard (SHELBI) covering period January to December 31, 2024.

PROXY VOTING CASE STUDY ✓

SECTOR – FINANCIALS

BACKGROUND

This financial company had previously committed to net zero emissions by 2050 and set interim 2030 emissions reduction targets for their Scope 3 financed emissions (Scope 3: Category 15). A shareholder proposal was filed by a proponent requesting more disclosure on how the company's strategy was aligned with meeting their financed emissions targets. We had previously voted against a similar proposal at the company, as they had only recently set their financed emissions targets.

ACTION

Our research into the company's latest climate action report and engagements with the proponent of the proposal revealed a significant gap between their stated sectoral financed emissions targets and the actions required to achieve these targets. We had discussions with the company to understand their strategy in more detail but were concerned that the gap between the stated targets and the actions required to meet the targets would not be effectively addressed. We voted **FOR** the proposal requesting more disclosure from the company on the alignment of their financing strategy with their interim financed emissions targets.

OUTCOME

While the vote received material support, it did not pass. We will continue to engage with companies that have set emissions reduction targets to ensure their strategies and operations are aligned with achieving those goals.

PROXY VOTING CASE STUDY ✓

SECTOR – CONSUMER DISCRETIONARY

BACKGROUND

A portfolio company received a shareholder proposal requesting the adoption of the World Health Organization's (WHO) guidelines on the use of medically important antimicrobials in food producing animals. We have long supported increased disclosure related to reducing the use of hormones and antibiotics in food, as we believe it relates importantly to food quality, social trends and customer satisfaction.⁶⁴

ACTION

Although our portfolio company had made some progress in reducing or eliminating the use of medically important antimicrobials in the poultry supply chain, progress in the beef and pork supply chain was lacking. Moreover, progress in reducing the use of these microbials appeared to have stalled in recent years, according to our engagement with the company. We voted **FOR** the proposal to signal to the company that enhanced disclosures on the subjects of food quality and traceability should be a priority within its sustainability strategy, as it links to long-term business success.

OUTCOME

While the proposal did not pass, we will continue to engage with management and monitor progress on this topic.

PROXY VOTING CASE STUDY ✖

SECTOR – CONSUMER DISCRETIONARY

BACKGROUND

This Consumer Discretionary company received a shareholder proposal on reducing plastic packaging by a prescribed amount. Packaging is highly important to this industry, and this topic had been an engagement focus for us over the years. The company had also received a similar shareholder proposal in the past, and we voted in favour of it.

ACTION

We engaged with the company on the proposal to understand their progress and the concerns raised by the proponent. In 2024, the company released a new target that addressed the primary objective of our engagements with the company on this topic. We voted **AGAINST** the proposal because the company was making progress on reducing plastic packaging. While we would like more clarity on their target, this was a good step to address investor concerns.

OUTCOME

While the proposal did get some material support, it did not pass. Our objective will continue to be to engage with the company on this topic as we believe that plastic packaging waste may pose reputational and policy risks to this industry.

PROXY VOTING CASE STUDY ✔

SECTOR – COMMUNICATION SERVICES

BACKGROUND

Over the last few years, we have received multiple shareholder proposals from proponents asking for companies to adopt advisory votes on climate action, broadly termed as “Say-on-Climate.”⁶⁵ These votes provide shareholders the opportunity to express approval or disapproval of its climate plans and related activities. We generally believe that it is the responsibility of the company and the Board to set credible climate targets and plans to achieve them. Hence, we have generally voted against these proposals in the past, partly because we have seen portfolio companies make continuous progress on climate. However, this Communication Services company has, over the last few years, shown limited progress in their climate action plan.

ACTION

We voted **FOR** the proposal to indicate to the management of the company that this continues to be an important issue for us as investors.

OUTCOME

The vote did not pass and only received minimal support from shareholders. We plan to accelerate our engagement efforts with this portfolio company to improve their climate action plan.

PROXY VOTING CASE STUDY ✓

SECTOR – CONSUMER STAPLES

BACKGROUND

This Consumer Staples company, along with other companies in our portfolio, received shareholder proposals requesting that they hold in-person Annual General Meetings (“AGM”). During the pandemic, many companies moved their annual meetings to a virtual-only format to ensure that shareholders were able to participate. However, after the pandemic, this practice continued, and several companies did not reinstate the in-person format of their AGMs.

ACTION

We engaged with the company to understand their reasons for preferring a virtual-only format, one reason being the resulting cost savings. While we appreciated the company’s thought process in reaching this decision, we voted **FOR** this proposal (along with similar proposals at other companies), as we believed it would provide an opportunity for shareholders to engage with the management of a company, in person. In-person AGMs also allow shareholders to freely ask questions with limited discretion on the part of the mediator.

OUTCOME

The proposal did pass and the company agreed to do hybrid meetings, i.e. meetings both in-person and virtual, starting in 2025. We would also like to note that there were similar proposals we supported at other companies did not pass



PROXY VOTING CASE STUDY ✗

SECTOR – FINANCIALS

BACKGROUND

In 2024 we received several anti-ESG proposals, that is, shareholder proposals that opposed limiting corporate environmental impacts, promoting diversity or providing investors with more ESG disclosures.⁶⁶ One of these proposals, filed across several financial institutions, requested that they disclose to investors the financial impacts of their oil and gas divestment policies. Our portfolio companies responded to the proponent by clarifying that no such divestment policies existed.

ACTION

We voted **AGAINST** the proposals as it was clear that there were no oil and gas divestment policies in place and the proponent did not highlight to investors where such policies were publicly disclosed.

OUTCOME

The proposal failed and received very minimal support from investors.

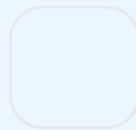
2024 Highlights From Our Portfolio Companies

We continued to see progress in the commitments and targets set by our portfolio companies, as well as in how sustainability is integrated into their business planning and capital allocation.



Constellation Software earned a place on Newsweek's 2024 list of the World's Most Trustworthy Companies. Recognized in the software and telecommunications category, Constellation was highlighted for fostering trust with customers, investors and employees alike.

Newsweek - September 4, 2024



The Canada Infrastructure Bank and **Bank of Montreal** launched a joint effort to encourage building owners to invest in energy retrofits, such as replacing polluting heating and cooling systems and upgrading building envelopes and insulation.

The Globe and Mail - January 24, 2024

Oilsands giant **Suncor Energy Inc.**, which has been heavily criticized in recent years for an abnormally high number of workplace deaths at its sites, reported that 2023 was its best year ever in terms of worker safety.

CBC.ca - February 22, 2024



TalkLife received capital investment from TELUS Ventures, the investment arm of communications technology company, **TELUS**. The TalkLife platform is an innovative online peer support community for people to talk about their mental health.

Cision - February 8, 2024



Canada's largest property and casualty insurer, **Intact Financial**, rolled out a new fire prevention pilot project the summer of 2024 that deployed trained fire experts to homes in Western Canada that are in the line of active wildfires.

The Globe and Mail - May 7, 2024



Too Good To Go, an app that allows people to buy surplus food from restaurants and stores at a discount, is adding thousands of Circle K (a brand of **Alimentation Couche-Tard**) convenience stores to increase its presence in the U.S., as high food prices continue to vex consumers.

Bloomberg - June 6, 2024

Canadian National Railway (CN) added two new firefighting trains along with two additional rail cars to its fire mitigation and suppression fleet. The trains will provide support in combating wildfires along rights of way, bringing a water and fire suppression capacity to isolated areas, and helping to secure goods on the railroad's network and surrounding communities.

progressiverailroading.com - May 30, 2024



The **Royal Bank of Canada** embarked on a major initiative that will accelerate the retrofit of its extensive branch network in Canada, investing C\$35 million over three years in the first phase, through the installation of energy efficient, low-carbon heating and cooling systems, such as heat pumps, which will replace aging heating, ventilation and air conditioning (HVAC) equipment.

Cision - July 18, 2024





FLO, a leading North American Electric Vehicle (EV) charging company and smart charging solutions provider, and **METRO Inc.** announced a new partnership to provide fast charging at more than 130 Metro, Super C, Food Basics and Marché Adonis grocery store locations across Quebec and Ontario.

METRO Inc. - June 4, 2024

A pair of projects in B.C. and California could help to improve the lives of nearly nine million people thanks to work from Edmonton engineering firm **Stantec**. Stantec was contracted for water and power projects with BC Hydro and the Los Angeles Department for Water and Power (LADWP), to the tune of a combined C\$290 million with the goal of increasing the reliability of their power grids.

Edmonton Sun - September 23, 2024



Ballard Power Systems announced the signing of a new long term supply agreement with **Canadian Pacific Kansas City**, including the initial supply of 98 hydrogen fuel cell engines for use in the North American freight rail market. Deliveries of all 98 engines are expected in 2025.

Cision - December 5, 2024



Saskatoon-based **Nutrien Ltd.** mined 25 million tonnes of potash using automated technologies that allow mining machines to be remotely operated away from the mining face and, in some cases, from the surface. The company expects to spend between C\$15 million and C\$20 million annually to implement automated technologies at its potash mines.

Regina Leader-Post - December 2, 2024



Section III Industry Collaboration

“

Collaborative shareholder engagement occurs when a group of institutional investors come together to engage in dialogue with companies on environmental, social and governance (ESG) issues. By speaking to companies with a unified voice, investors can more effectively communicate their concerns to corporate management.

”

– UN PRI⁶⁷



An Update on Our Collaboration Efforts

While we continue to prioritize direct engagements with companies, since 2023, we have continued to integrate more collaborative engagements into our engagement program.

The importance of collaborative engagement as an effective means to facilitate dialogue and drive consensus on what the companies of the future look like was highlighted by Canada's Expert Panel on Sustainable Finance.⁶⁸ This panel, which made a series of recommendations in 2019 to align Canada's financial system with a low carbon future, suggested establishing a national engagement program similar to the global Climate Action 100+ to drive a broader and more consistent dialogue with Canadian issuers around climate risks and opportunities.

Climate Engagement Canada ("CEC"), launched in 2021, serves as that national engagement program. We joined CEC in 2023 to collaborate with other asset managers invested in the most emissions-intensive publicly traded companies in Canada.



2024 HIGHLIGHTS FROM COLLABORATIVE ENGAGEMENTS

Climate Engagement Canada ("CEC") – a finance-led initiative that drives dialogue between the financial community and corporate issuers to promote a transition to a net zero economy.⁶⁹

- > Continued to be involved in 7 company engagement groups under CEC: METRO Inc. (co-lead); TC Energy (co-lead); Keyera (co-lead); Empire Co. (participant); Nutrien (participant); Waste Connections (participant); Alimentation Couche-Tard (participant).
- > Since we joined CEC, 33% of the engagement objectives we had internally set to through our CEC engagements have been achieved.

Climate Action 100+ – an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change in order to mitigate financial risk and to maximize the long-term value of assets.⁷⁰

- > Continued to be involved in the investor group engaging Imperial Oil.

Canadian Coalition for Good Governance ("CCGG") – a coalition of investors that promote good governance practices, including the governance of environmental and social matters, at Canadian public companies and assists institutional investors in meeting their stewardship responsibilities.⁷¹

- > Continued to be a member of CCGG's Environment & Social Committee.
- > In 2024, participated in CCGG's response to the Competition Bureau of Canada's consultation with regard to amendments to the Competition Act (following Royal Assent of Bill C- 59). The amendments aim to address unsupported environmental claims from companies, commonly known as greenwashing. Our response was aimed at improving the guidance provided by the Competition Bureau that impacted communications from companies directed to investors.
- > Participated in virtual and in-person consultations of the Canadian Sustainability Standards Board's (CSSB) to improve their proposed standards. These standards, which were released in December 2024, "are guideline requirements for reporting sustainability-related risks and opportunities. They specify how qualitative and quantitative sustainability-related risks and opportunities should be identified, disclosed, and reported."⁷²

Section IV Climate



Spotlight:
 Climate Adaptation at a
 Railroad Company

An interesting trend we discovered in 2024 relates to the impact of wildfires on one of our holdings and the adaptation efforts undertaken. The table below, based on company disclosures, clearly shows that forest fires are having an increasing impact on their rail network, but we also found that the impact on the financial health and the operating success of the business has been limited so far.

Why is that? Adaptation. In the case of a railroad, this could be modifying operating plans or routes, but it could also be investment to increase the resilience of the network and create redundancy.

Here, we have a clear link between a sustainability topic, physical risks from a changing climate, and our investment process. The two are one in the same. In other words, sustainability is part of, and not separate from, the investment process.

This reinforces the importance of adaptation. We seek well-established companies with a demonstrated ability to evolve, those that have shown resilience over time. When we study companies, we focus on a company's history rather than future promises, looking for a culture that adapts its operations and business model when needed. This increases the likelihood that the company will be able to face and overcome the next inevitable challenge.

The average age of the companies in our flagship Canadian Equity portfolio is over 80 years.⁷³ So, if events such as these continue to increase either in frequency and/or intensity, we know we have a great portfolio of established businesses that have adapted in the past and are best positioned to adapt in the future. This is a key part of our process.

Classification by a railway company of the
 impacts of forest fires on their network

2004 - 2005	➤	No impact
2008 - 2010	➤	Minimal
2011	➤	Severe
2012 - 2014	➤	Minimal
2015	➤	Important
2016	➤	Minimal
2017 - 2019	➤	Important
2020	➤	Minimal
2021	➤	Severe
2022	➤	Important
2023 - 2024	➤	Severe

Source: From the 2004-Q2 2024 financial reports of a Class I North American freight rail company

Progress on Our Net Zero Commitment

As long-term investors, entrusted by our clients with the growth and preservation of capital, preparing for the impacts of climate change is an increasingly important part of risk management. On behalf of our clients, it is our responsibility as investors to constantly evaluate and understand the risks of climate change as well as the scenarios and pathways to a net-zero world.

In 2021, Fiera Capital joined the Net Zero Asset Managers ("NZAM") initiative, committing to support⁷⁴ the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with broader efforts to limit global warming to 1.5°C. As part of that initiative, Fiera Capital is committed to work proactively towards the goal of reaching net zero greenhouse gas emissions by 2050 or sooner.

WHAT DOES SUCH A COMMITMENT ENTAIL?

NZAM⁷⁵ requires an asset manager to set 2030 interim targets for a proportion of its assets under management (AUM), consistent with a fair share of the 50% global reduction in CO₂ identified as a requirement in the Intergovernmental Panel on Climate Change (IPCC) special report on global warming of 1.5°C. These targets need to be reviewed at least every five years, increasing the proportion of AUM until 100% is covered.

The impacts of climate change
can become a fundamental financial
risk to investments

For the first stage,
we are committing
to the following:



in **2022**



the commitment of our **Ethical Fossil Fuel Free** strategies to NZAM was approved, which is approximately 18% of the Canadian Equity team's AUM (as of December 31, 2024)

by **2030**



55% reduction in the weighted average carbon intensity (Scopes 1 & 2) relative to the TSX Index (Baseline year – 2019)

by **2025**
and **2030**

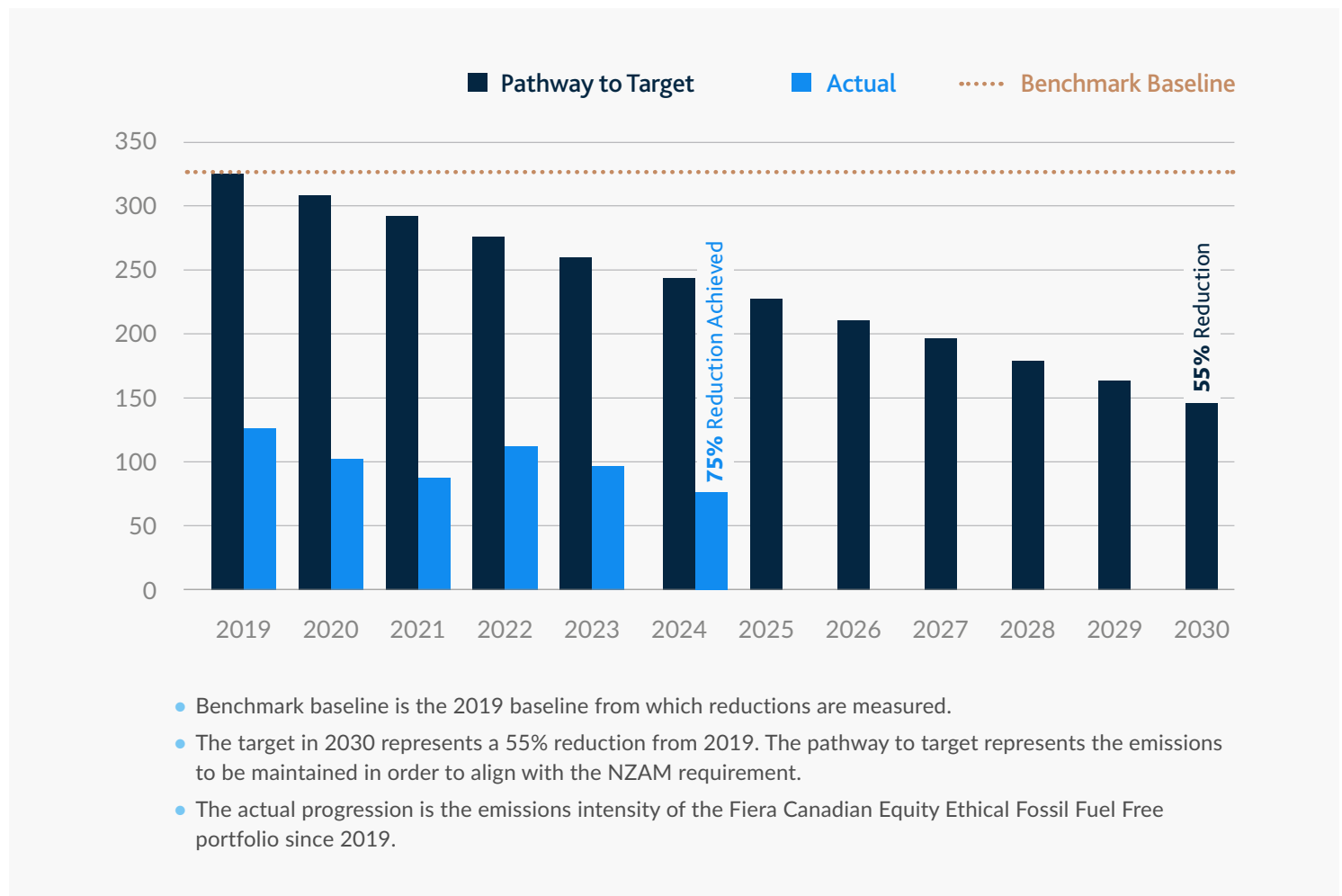


An engagement goal ensuring that 70% and 90% respectively of financed emissions (Scopes 1 & 2) in material sectors are either assessed as net zero, aligned with a net-zero pathway or the subject of direct or collective engagement and stewardship actions (Baseline year – 2021)

Ahead of the Curve

Weighted Average Carbon Intensity
(Scope 1 and 2 Emissions to US\$M Sales)

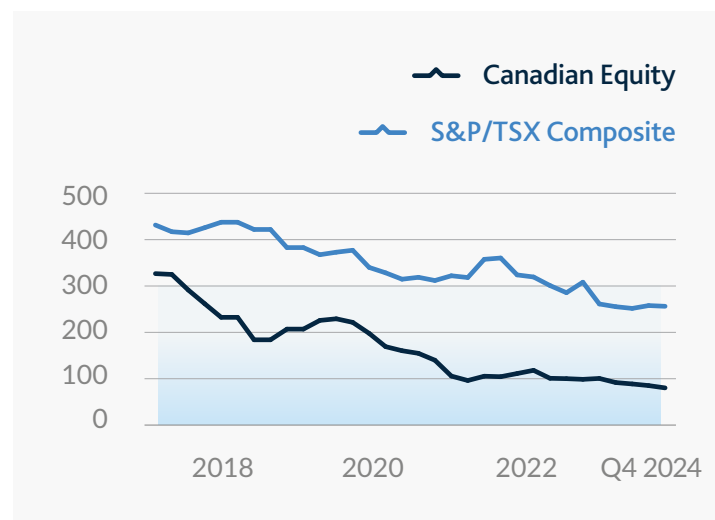
- **Scope 1:** Owned or controlled emissions from operations
- **Scope 2:** Emissions from purchased electricity and heating



Source: Data from MSCI for December 31, 2015 to December 31, 2024. Pathway to target from NZAM Commitment.

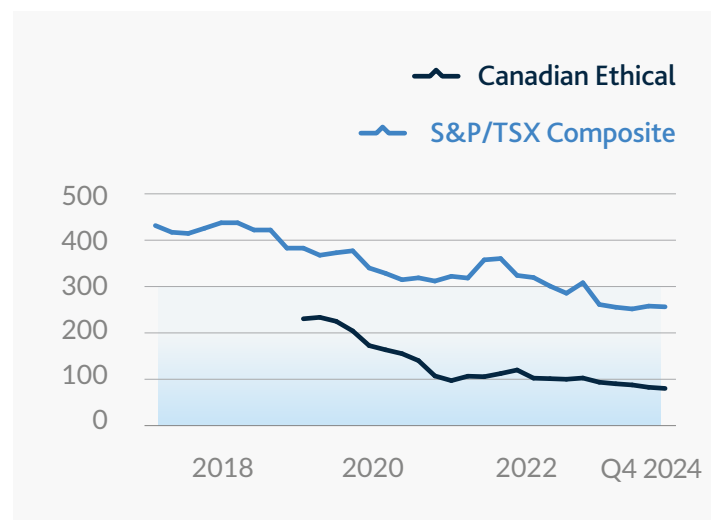
Climate Performance of Our Strategies

Our strategies continue to outperform their benchmarks when comparing emissions intensity.⁷⁶



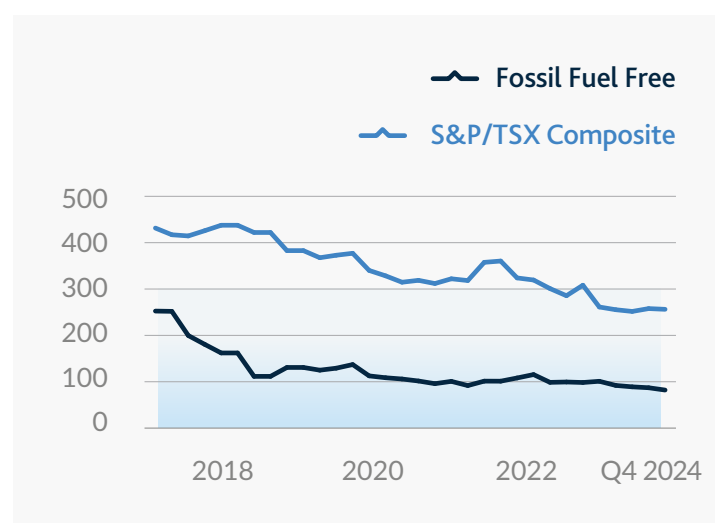
-70.3%

Q4 2024 % Difference in Carbon Intensity vs Benchmark



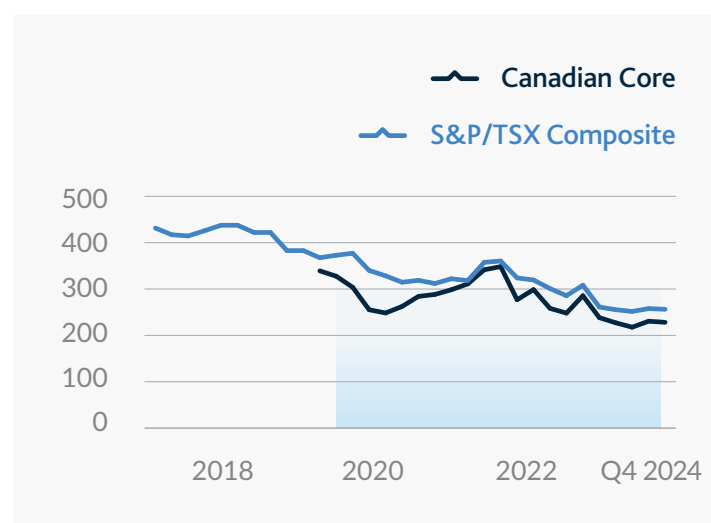
-69.3%

Q4 2024 % Difference in Carbon Intensity vs Benchmark



-69.5%

Q4 2024 % Difference in Carbon Intensity vs Benchmark



-11.2%

Q4 2024 % Difference in Carbon Intensity vs Benchmark

Endnotes

- 1 Waste Connections on Renewable Energy: <https://sustainability.wasteconnections.com/renewable-energy.html>
- 2 METRO Inc. GHG Emissions Infosheet, December 2024: https://corpo.metro.ca/userfiles/file/PDF/Responsabilite_entreprise/EN/infosheet_GHG_2024.pdf
- 3 The Globe and Mail article published on November 22, 2024: Strategist of the Year: Charles Brindamour future-proofs Intact Financial against climate change: <https://www.theglobeandmail.com/business/rob-magazine/article-strategist-of-the-year-charles-brindamour-future-proofs-intact/>
- 4 Thomson Reuters Launches Generative AI-Powered Solutions to Transform How Legal Professionals Work, published November 15, 2023: <https://www.thomsonreuters.com/en/press-releases/2023/november/thomson-reuters-launches-generative-ai-powered-solutions-to-transform-how-legal-professionals-work>
- 5 Refers to our Canadian Equity (Flagship) portfolio
- 6 As of Q4 2023
- 7 Refers to our Canadian Equity (Flagship) portfolio
- 8 As of Q4 2023
- 9 Companies that have committed or plan to commit to Near Term Science-based Emissions Targets validated by the Science Based Targets initiative (SBTi) or a Glasgow Financial Alliance for Net Zero (GFANZ) initiative. In early 2025, there were several exits from the Net Zero Banking Alliance that have not been reflected in this report.
- 10 Refers to our Canadian Equity (Flagship) portfolio
- 11 As of Q4 2024
- 12 Engagement objectives may be addressed through direct engagements with companies or through our collaborative engagement with other financial institutions.
- 13 An engagement objective is categorized as “Achieved” if a portfolio company provides disclosure that an objective set by the Canadian Equity team in their engagement with the company, was achieved.
- 14 An engagement objective is categorized as “Ongoing” if an objective set by the Canadian Equity team was communicated to a portfolio company in an engagement, but is yet to be achieved.
- 15 In light of recent developments in the United States, NZAM, in early 2025, announced a review of the initiative during which it will suspend tracking of signatory implementation and remove the commitment statement and list of signatories from its website.
- 16 Target returns are aspirational, forward-looking, do not represent actual performance, there is no guarantee that such performance will be achieved, and actual results may vary substantially.
- 17 Percentage of portfolio companies that disclose what percentage of their Canadian employees are Indigenous.
- 18 Percentage of portfolio companies that disclose how much of their supplier spend is with Indigenous suppliers.
- 19 Percentage of portfolio companies that have committed to or have Progressive Aboriginal Relations (PAR) certification.
- 20 Percentage of portfolio companies that provide cyber security training to their employees
- 21 Simple average Glassdoor rating of portfolio companies
- 22 Simple average of the 5-year employee job growth at portfolio companies. Job growth may be due to organic growth, mergers and divestments.
- 23 Percentage of portfolio companies that have a health and safety policy. The methodology that is used to calculate this metric was revised in this report and hence not compared to December 31, 2023.
- 24 Percentage of portfolio companies that have a whistleblower policy. The methodology that is used to calculate this metric was revised in this report and hence not compared to December 31, 2023.

- 25 Percentage of portfolio companies that disclose their operational GHG emissions.
- 26 Companies that have committed or plan to commit to Near Term Science-based Emissions Targets validated by the Science Based Targets initiative (SBTi) or a Glasgow Financial Alliance for Net Zero (GFANZ) initiative. In early 2025, there were several exits from the Net Zero Banking Alliance that have not been reflected in this report.
- 27 Percentage of portfolio companies that have an energy efficiency policy. The methodology that is used to calculate this metric was revised in this report and hence not compared to December 31, 2023.
- 28 Percentage of portfolio companies that have a water use policy. The methodology that is used to calculate this metric was revised in this report and hence not compared to December 31, 2023.
- 29 Simple average CEO tenure of portfolio companies.
- 30 Long-term shareholders comprise of founders or related parties who have a significant ownership in their company.
- 31 Percentage of portfolio companies that ESG metrics linked to executive compensation. The methodology that is used to calculate this metric was revised in this report and hence not compared to December 31, 2023.
- 32 Median effective tax rate disclosed by portfolio companies.
- 33 Percentage of portfolio companies that provide public sustainability disclosure through sustainability/ESG/CSR/Impact reports or through their websites
- 34 Simple average age of inception of portfolio companies.
- 35 Percentage of portfolio companies that provide disclosures aligned with the Sustainability Accounting Standards Board (SASB).
- 36 Percentage of portfolio companies that provide disclosures aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations.
- 37 Percentage of portfolio companies that disclose what percentage of their Canadian employees are Indigenous.
- 38 Percentage of portfolio companies that disclose how much of their supplier spend is with Indigenous suppliers.
- 39 Percentage of portfolio companies that have committed to or have Progressive Aboriginal Relations (PAR) certification.
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- 55 Percentage of portfolio companies that provide disclosures aligned with the Sustainability Accounting Standards Board (SASB).
- 56 Percentage of portfolio companies that provide disclosures aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations.
- 57 The International Energy Agency (IEA), Methane Tracker, 2021: <https://www.iea.org/reports/methane-tracker-2021/methane-and-climate-change>
- 58 U.S. Bureau of Labor Statistics, Civilian occupations with high fatal work injury rates, 2023: <https://www.bls.gov/charts/census-of-fatal-occupational-injuries/civilian-occupations-with-high-fatal-work-injury-rates.htm>
- 59 An engagement objective is categorized as "Achieved" if a portfolio company provides disclosure that an objective set by the Canadian Equity team in their engagement with the company, was achieved.
- 60 An engagement objective is categorized as "Ongoing" if an objective set by the Canadian Equity team was communicated to a portfolio company in an engagement, but is yet to be achieved.
- 61 Insurance Bureau of Canada, 2024 shatters record for costliest year for severe weather-related losses in Canadian history at \$8.5 billion, published January 13, 2025: <https://www.abc.ca/news-insights/news/2024-shatters-record-for-costliest-year-for-severe-weather-related-losses-in-canadian-history-at-8-5-billion>
- 62 Insurance Bureau of Canada, It's time for the federal government to launch the National Flood Insurance Program: www.abc.ca/issues-and-advocacy/canadians-need-flood-protection
- 63 Canadian Council for Indigenous Business, PAR Companies and Best Practices: <https://www.ccab.com/programs/par-companies/>
- 64 World Health Organization, WHO guidelines on use of medically important antimicrobials in food-producing animals, published November 7, 2017: <https://www.who.int/publications/i/item/9789241550130>
- 65 UN Principles for Responsible Investment, Climate transition plan votes: investor briefing, published February 10, 2022: <https://www.unpri.org/stewardship/climate-transition-plan-votes-investor-briefing/9096.article>
- 66 Harvard Law School Forum on Corporate Governance, Strategic Governance of AI: A Roadmap for the Future, published April 24, 2025: <https://corpgov.law.harvard.edu/2024/07/31/anti-esg-proposal-surged-in-2024-but-earned-less-support/>
- 67 United Nations Principles of Responsible Investment, 2013. <https://www.unpri.org/download?ac=4156>
- 68 Final report of the Expert Panel on Sustainable Finance, 2019: https://publications.gc.ca/collections/collection_2019/eccc/En4-350-2-2019-eng.pdf
- 69 Climate Engagement Canada January 12, 2025. <https://climateengagement.ca/about/>
- 70 Climate Action 100+ January 12, 2025. <https://www.climateaction100.org/about/>
- 71 Canadian Coalition for Good Governance January 12, 2025. <https://ccgg.ca/mission-and-vision/>
- 72 Financial Reporting & Assurance Standards Canada, Canadian Sustainability Disclosure Standards, December 18, 2024: https://www.frascanada.ca/en/cssb/news-listings/csds1_csds2_launch
- 73 Simple average age of inception of portfolio companies.
- 74 Target returns are aspirational, forward-looking, do not represent actual performance, there is no guarantee that such performance will be achieved, and actual results may vary substantially.
- 75 In light of recent developments in the United States, NZAM, in early 2025, announced a review of the initiative during which it will suspend tracking of signatory implementation and remove the commitment statement and list of signatories from its website.

Important Disclosure

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