



# Global Proxy Voting Guidelines

APPROVED BY THE GLOBAL SUSTAINABILITY COMMITTEE ON:  
JANUARY 31, 2024



# Table of Contents

<b>Introduction</b> .....	4
Scope of the Guidelines .....	4
Objective .....	4
Governing Principles .....	4
<b>1 Boards of Directors</b> .....	5
<b>1.1</b> Board Independence .....	5
<b>1.2</b> Independent Board Chair .....	6
<b>1.3</b> Board Committees .....	6
<b>1.4</b> Director Competence and Performance .....	7
<b>1.5</b> Director Diversity .....	7
<b>1.6</b> Term Limits .....	8
<b>1.7</b> Classified Boards .....	9
<b>1.8</b> Director and Officer Liability Protection .....	9
<b>1.9</b> Majority Voting .....	9
<b>1.10</b> Cumulative Voting .....	10
<b>2 Ratification of Auditors</b> .....	10
<b>3 Executive and Director Compensation</b> .....	11
<b>3.1</b> Executive Compensation .....	11
<b>3.2</b> Director Compensation .....	12
<b>3.3</b> Other Compensation Plans .....	12
<b>3.4</b> Shareholder Proposals on Compensation .....	13
<b>4 Mergers, Acquisitions and Takeover Defenses</b> .....	14
<b>4.1</b> Mergers and Acquisitions .....	14
<b>4.2</b> Antitakeover Provisions .....	14
<b>4.3</b> Shareholder Rights Plan .....	14
<b>4.4</b> Supermajority Vote Requirement .....	15
<b>4.5</b> Reincorporation Proposals .....	16

<b>5</b>	<b>Other Shareholders' Rights</b> .....	<b>16</b>
5.1	Calling a Special Meeting .....	16
5.2	Quorum Requirements .....	16
5.3	Confidential Voting .....	17
5.4	Unequal Voting Rights .....	17
5.5	Proxy Access .....	17
5.6	Bylaw Amendments .....	18
5.7	Other Business .....	18
<b>6</b>	<b>Capital Structure and Issuance</b> .....	<b>18</b>
6.1	Common Stock Authorization .....	18
6.2	Blank Cheque Preferred Stocks .....	19
6.3	Share Repurchase Programs .....	19
6.4	Private Placement .....	20
<b>7</b>	<b>Business Ethics and Corporate Behavior</b> .....	<b>20</b>
<b>8</b>	<b>Shareholder Proposals Approach</b> .....	<b>21</b>
<b>9</b>	<b>Environmental and Social Proposals</b> .....	<b>22</b>
9.1	Climate Change .....	22
9.2	Biodiversity and Other Environmental Issues .....	23
9.3	Human Capital .....	24
9.4	Social Capital (Customers & Society) .....	25
<b>10</b>	<b>Reporting and Transparency</b> .....	<b>27</b>
<b>11</b>	<b>Securities Lending</b> .....	<b>27</b>
<b>12</b>	<b>Proxy Voting Procedures and Record Retention</b> .....	<b>27</b>
<b>13</b>	<b>Conflicts of Interest</b> .....	<b>28</b>
<b>14</b>	<b>Compliance Monitoring</b> .....	<b>29</b>



# Introduction

## Scope of the Guidelines

These guidelines govern the exercise, by investment professionals or similarly authorized individuals of Fiera Capital Corporation and its affiliates (collectively called “Fiera Capital” hereafter), of voting rights at shareholders’ meetings of companies whose shares are held in investment portfolios under its management. The Chief Investment Officer of Public Markets is responsible for the establishment and annual review of these guidelines.

**Note:** all references to companies, shareholders, shares, and boards of directors are deemed to include income trusts, unitholders, units, and boards of trustees.

## Objective

Fiera Capital has a fiduciary duty to vote proxies with the goal of maximizing the value of its client’s investments and protecting their economic interest. Fiera Capital may also use proxy voting as a tool to engage with companies where in the opinion of the portfolio manager, the engagement could further these goals.

Engagement through proxy voting is a key element of Fiera Capital’s sustainable investing policy.

## Governing Principles

As an investment advisor, we seek to generate the best returns possible within the risk constraints of each individual investment policy. Within this framework, financial criteria should take precedence over any other factors at all stages of the investment process, including security selection, portfolio construction, and proxy voting. Environmental, social and governance (“ESG”) factors are incorporated in our fundamental research to the extent that they are material to the financial performance of the company.

These guidelines are not absolute, and each investee company’s individual circumstances must be weighed at the time of the vote, in particular for those with unique characteristics (size, stage of development, access to required resources, local market practices, etc.). Considerations should include the impact of any proposal on the company’s value and operating capacity, without unduly restricting the flexibility of the board of directors or burdening the board with obligations that are outside the scope of the company’s mission. Considerations will also be given to the reasonableness of the costs/benefits of proposals.

While Fiera Capital’s portfolio managers will generally vote proxies in accordance with these guidelines, there may be circumstances where the portfolio manager believes it is in the best interests of its clients to vote differently, or to withhold a vote or abstain from voting. In such cases, the portfolio manager shall document the rationale when voting differently than as prescribed by these guidelines.

# 1. Boards of Directors

A company's board of directors represents its shareholders and has responsibility for overall governance. A company's board of directors is responsible for appointing the Chief Executive Officer (the "CEO"), monitoring and evaluating senior management, determining the company's strategic direction, ensuring appropriate follow-up and overseeing controls and risk management.

## 1.1. Board Independence

Fiera Capital expects that a majority of directors are independent of the management of any company on whose board of directors they sit. While Fiera Capital's preference is for all directors to be independent, exceptions may be warranted due to a company's unique characteristics (size, stage of development, access to required resources, specialized knowledge, local market practices, etc.). For the purposes of these guidelines, an independent director is a person who meets the following criteria:

- > Is not a member of management, and is free from any business interest or other relationship that could reasonably be perceived to interfere materially with his/her ability to act in the best interest of the company;

The following types of individuals **would not** be considered independent directors:

- > A person who is currently an officer, employee or a service provider to the company, or any of its subsidiaries, or has been within the past three years;
- > A person who is an officer, employee or controlling shareholder of a company that has a material business relationship with the company.

Interlocking relationships among board members, in particular when a CEO sits on the board of directors of a company whose CEO sits on his board of directors, weakens the independence of directors, where conflicts of interest might arise if CEOs or executives sit on each other's boards.

Although they may not be considered independent, we will generally support the election of directors that are representatives of large shareholders (e.g.: controlling company) as their interests should be aligned with other shareholders' interests.

We encourage companies to disclose any potential conflicts of interests regarding board nominees.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote FOR resolutions designed to create or maintain boards of directors comprised of a majority of independent directors.
- > Fiera Capital will vote AGAINST/WITHHOLD board nominees where there are interlocking relationships with the management of the company.

## 1.2 Independent Board Chair

In addition, for directors to be more independent and, as a result, more critical in assessing proposals made by a company's management, it is preferable that the positions of chairperson of the board and CEO remain separate, and if not, that there should be an independent lead director.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will generally vote FOR proposals calling for the positions of chairperson of the board and chief executive officer to be split and for the position of chairperson to be held by an independent director.

## 1.3 Board Committees

Boards of directors should establish board committees including at least an audit, nominating/governance, and compensation committee. Depending on the industry, other committees might be appropriate such as a sustainability or risk management committee. Audit committee members MUST all be independent, while nominating/governance and compensation committee members SHOULD be independent.

We encourage the disclosure of each committee's mandate and activities in the proxy circular.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote FOR proposals designed to create or maintain an audit committee with only independent directors.
- > Fiera Capital will vote FOR proposals designed to create or maintain nominating/governance and compensation committees with a majority of independent directors.

## 1.4 Director Competence and Performance

To be effective, a board of directors should not be too small or too large. An adequate number of directors will depend on the size and complexity of the company as well as the number of committees of the board. There are also a maximum number of public company's boards that a director can sit on and be effective. A minimum attendance level is expected from directors.

We encourage the disclosure of the competence criteria used to select board candidates.

In order to ensure that directors work to represent shareholders' best interest, directors' performance should be reviewed regularly.

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote AGAINST/WITHHOLD board members with poor attendance record, typically less than 75%. Particularly, we will look for persistent trends of poor attendance.
- > Fiera Capital will vote AGAINST/WITHHOLD board nominees considered "over boarded." This includes individual directors who sit on more than 5 public company boards, or CEOs that sit on more than 2 public boards besides their own.
- > Fiera Capital will vote FOR proposals to develop and institute performance evaluations for a board of directors, and to include a summary of the evaluations in the annual proxy circular.
- > Fiera Capital will vote FOR the directors nominated by management unless the long-term performance of the company, or the directors has been unsatisfactory.

## 1.5 Director Diversity

Fiera Capital believes that the collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that people invest in their work represents a significant part of a firm's culture, reputation and achievement. As such, we support the appointment of qualified directors with diverse backgrounds to foster diversity of experiences, views, and opinion. We believe all kinds of diversity are beneficial to a board's performance: gender, ethnicity, race, age, religion etc. Ideally, a board of directors should reflect the diversity within the communities that the company serves and operates in. Specifically, regarding gender diversity, we believe that companies should aspire to have at least a third of their directors being women.

We also support disclosures on board diversity and its importance in selecting board candidates.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

> As stated, Fiera Capital believes that all companies should aspire to have at least a third of their board seats being held by women in order to foster diversity of thought and experience. However, we recognize that identifying suitable candidates to replace current directors takes time. As companies are working towards better representation on their board of directors, we will only expect that at least one board seat be held by a woman. Hence, we will vote AGAINST the re-election of members of the nominating/governance committee, or the Chairperson of the Board if the company lacks a formal nominating/governance committee, if:

- there is not at least 1 woman on the board;
- the board lacks diversity, and the company has not committed to increasing diversity of its members in the foreseeable future.

Ultimately, directors should have diverse backgrounds in order to foster diversity of thought which, in turn, will likely lead to better performance and leadership from the board. We recognize that 'one-size fits all' quotas are an imperfect way to achieve this goal, however they encourage change and instigate the conversation on board diversity. Nevertheless, there are circumstances in which it is acceptable for a company to not have met this threshold of having at least one woman on the board of directors. For instance, smaller companies might face a more restricted pool of candidate and need to focus on building out an efficient governance structure and board committees. In each case, we will evaluate if the company has made a reasonable effort to increase representation on its board and its commitment to increase diversity in the foreseeable future.

## 1.6 Term Limits

Fiera Capital believes that sufficient turnover of board members is needed to ensure that new perspectives are being added to the board through time. As a result, boards with excessive average tenure, above market norms, will be scrutinized for independence from management and to ensure turnover is sufficient. Exceptions may be warranted due to a company's unique characteristics (size, stage of development, access to required resources, local market practices, etc.). Fiera Capital will generally support proposals creating conditions that will enable the board of directors to operate effectively, competently, and independently of the company's management. However, we believe that setting fixed term limits for directors does not allow the necessary flexibility in evaluating on a case-by-case basis whether the disadvantages that come with an individual director's long tenure may be outweighed by special circumstances such as a unique and crucial expertise.

Shareholders must be given the opportunity, at least on an annual basis, to either reappoint incumbent directors or replace them.



## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will generally vote AGAINST proposals to limit the tenure of directors through term limits. However, directors whose tenure exceeds market norms will be scrutinized for independence from management and to ensure that new perspectives are added to the board.

## 1.7 Classified Boards

In order to keep directors accountable for their performance, Fiera Capital will support the election of individual directors rather than a full slate of directors. Classified boards may protect directors whose performance has been unsatisfactory.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote FOR proposals to declassify boards.

## 1.8 Director and Officer Liability Protection

Directors and officers that have mindfully engaged in activities that are detrimental to the company's success shall not receive liability protection from the company.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote AGAINST proposals to limit or eliminate entirely director and officer liability for: (i) a breach of the duty of care, (ii) acts or omissions not in good faith or involving intentional misconduct or knowing violations of the law (iii) acts involving the unlawful purchases or redemptions of stock, (iv) the payment of unlawful dividends, or (v) the receipt of improper personal benefits.

## 1.9 Majority Voting

Electing directors is a fundamental shareholder right. Thus, we support majority threshold voting proposals as they allow for an accurate representation of shareholders among the board of directors. Nonetheless, we recognize that the plurality voting standard is acceptable in the event of contested director elections.

## Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote FOR proposals requesting a majority voting standard policy.

## 1.10 Cumulative Voting

Cumulative voting ensures a fair representation of minority shareholders on the board of directors. Thus, Fiera Capital will generally support proposals to permit cumulative voting.

## Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will generally vote FOR proposals to restore or permit cumulative voting.

# 2. Ratification of Auditors

**A company's financial statements are the primary source of information about its financial performance. To ensure that this information is both reliable and presented fairly, it must be independently audited.**

External auditors should be appointed by a fully independent Audit Committee to be considered fair and objective. External auditors will not be considered independent of a company's management if they receive material consulting contracts from management.

## Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote FOR auditor ratification unless:
  - An auditor has a financial interest in or association with the company, and is therefore not independent;
  - There is reason to believe that the independent auditor has rendered an opinion that is neither accurate nor indicative of the company's financial position;
  - Poor accounting practices are identified that rise to a serious level of concern, such as fraud; or
  - Fees for non-audit services ("Other" fees) are excessive.

- > Fiera Capital will vote FOR proposals to appoint an independent external auditor.
- > Fiera Capital will vote FOR proposals requiring that an accounting firm acting as an external auditor disclose to the audit committee or to the board of directors the list of assignments, other than audit-related, that it accepts from the company.
- > Fiera Capital will vote on a case-by-case basis for auditor ratification if the Audit Committee is not comprised solely of independent directors, as defined in section 1.1.

## 3. Executive and Director Compensation

### 3.1 Executive Compensation

A compensation plan must contribute to aligning the interests of executives with the long-term interests of the company and its shareholders.

Compensation plans must factor in market conditions and the need to attract and retain qualified people without being excessive.

The incentive (variable) component of compensation should be linked to objective factors such as increased revenue or profitability, return on investment or other similar measures which should be disclosed. There should be a link between total pay and performance.

#### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote FOR proposals to set minimum stock ownership requirements for executives.
- > Fiera Capital will vote FOR proposals designed to create or maintain a compensation plan for executives based on the attainment of objectives that are consistent with the long-term interests of the company and its shareholders; such objectives should be disclosed.
- > Fiera Capital will vote FOR proposals relating to bonus and equity plans that provide for clawbacks in the case of fraud or restatement of financial statements.
- > On a case-by-case basis, Fiera Capital will examine proposals relating to loan programs for executives and will insist that the required interest rate be at least equal to the market rate.
- > On a case-by-case basis, Fiera Capital will examine proposals relating to severance compensation and will oppose any that appear excessive or unjustifiable (golden parachutes).
- > Fiera Capital will generally vote AGAINST Stock Appreciation Rights ("**SARs**"), tandem SAR's, and options carrying the right to receive the value of the option in shares. Fiera Capital will

vote AGAINST option plans that give a board the right to create such vehicles without seeking shareholders' approval.

- > Fiera Capital will generally vote AGAINST "evergreen" stock option plans which provide for an automatic yearly grant of additional shares for participating employees.
- > Fiera Capital will generally vote AGAINST "rolling maximum" stock option plans which is the practice of reserving a certain percentage of an issuer's outstanding shares to grant as awards to executives.
- > Fiera Capital will vote AGAINST the re-election of members of the compensation committee, or the Chairperson of the Board if the company lacks a formal compensation committee, if significant problematic pay practices have been identified for directors and/or executives (e.g.: excessive severance, etc.).

## 3.2 Director Compensation

Director compensation plans should be transparent and align directors' interests with those of the company and its shareholders. Compensation through stock ownership aligns interests of directors and shareholders.

Directors' compensation should reflect their responsibilities, expertise, time commitment and extent of participation on committees of the board.

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote FOR proposals to set minimum stock ownership requirements for directors.
- > Fiera Capital will vote FOR proposals that seek to pay outside directors a portion of their compensation in stock rather than cash.
- > Fiera Capital will vote AGAINST stock options for outside directors, unless it is considered the only way to attract outside talent by taking into consideration the capitalization of the company and specific industry.
- > Fiera Capital will vote AGAINST retirement plans for non-employee directors and FOR shareholders proposals to eliminate retirement plans for non-employee directors.

## 3.3 Other Compensation Plans

Fiera Capital believes that equity-based compensation plans align the interests of executives with those of the company and its shareholders, when set within reasonable terms. We will generally favor stock ownership plans over stock option plans. For such compensation plans, performance thresholds should be in place through performance-based vesting instead of only time-based vesting.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > On a case by-case basis, Fiera Capital will evaluate proposals for stock option plans, considering factors such as dilution to existing shareholders, issue price, vesting conditions, minimum projected holding period, maximum exercise term, etc. in making its assessment.
- > However, Fiera Capital will generally vote AGAINST resolutions dealing with stock plans that result in or could result in:
  - Options being repriced as a result of lower share prices; or
  - Options being repriced as a result of distributions paid on the underlying shares.
- > Fiera Capital will generally vote FOR Employee Stock Purchase Plans where the following applies:
  - Purchase price is at least 85% of fair market value; and
  - The number of shares allocated to the plan is 10% or less of the outstanding shares.

## 3.4 Shareholder Proposals on Compensation

Shareholders should always be able to voice their opinion on directors' compensation plans and, as such, we support proposals to disclose compensation plans and "say-on-pay" votes. Proposals related to the compensation plan of directors should be separate from those related to compensation plans for executives.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote FOR any proposal in favor of disclosing compensation plans for executives.
- > Fiera Capital will vote FOR any proposal in favor of disclosing compensation plans for directors.
- > Fiera Capital will vote FOR proposals that call for annual non-binding shareholder ratification of executives and directors compensation plans.
- > Fiera Capital will vote on a case-by-case basis for proposals seeking increased disclosure of compensation practices for the overall workforce.
- > Fiera Capital will assess shareholder proposals on a case-by-case basis requesting that the executive compensation be based on non-financial factors, including the company's performance on social and environmental objectives. Fiera Capital will consider factors such as the company's past social and environmental performance compared to its peers and the relevance of these objectives to the company.

## 4. Mergers, Acquisitions and Takeover Defenses

### 4.1 Mergers and Acquisitions

Corporate transactions such as mergers and acquisitions have an important impact on shareholder value and should be carefully examined. When they are put to a vote, we will examine these transactions on a case-by-case basis; specifically assessing the proposed valuation, the strategic rationale, the market reaction, any potential conflicts of interest, etc.

#### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote on a case-by-case basis on mergers and acquisitions proposals.

### 4.2 Antitakeover Provisions

Fiera Capital will consider takeover bids on a case-by-case basis, using the interests of shareholders as its primary criterion. We will not support antitakeover measures that protect management's best interests over those of the shareholders.

#### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote FOR proposals that seek to remove antitakeover provisions.
- > Fiera Capital will vote AGAINST any defensive initiative consisting of the sale of the company's best assets, unless such a sale is shown to be in the best interests of shareholders.
- > Fiera Capital will vote AGAINST escrow agreements if they are obviously designed to hamper rival bids that could be more beneficial to shareholders.

### 4.3 Shareholder Rights Plan

There are two main legitimate purposes for shareholders' rights plan: first, to allow the board of directors' sufficient time to find and develop alternative value enhancing arrangements that are more favorable to shareholders than the initial bid and second, to ensure that all shareholders are treated fairly in the event of a bid for their shares.

Shareholder rights plans must be ratified by the shareholders within a reasonable timeframe following the adoption of such a plan.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will generally vote AGAINST shareholders' rights plans, unless it believes that shareholders would not receive equal treatment in the event of a takeover bid or the company would not have enough time to consider alternatives to any such bid.
- > Fiera Capital will vote AGAINST shareholders' rights plans that are obviously designed to protect management or create unfair conditions for certain shareholders.
- > Fiera Capital will vote FOR proposals requiring shareholders' approval to adopt shareholders' rights plans or to make amendments to those plans.
- > Fiera Capital will vote FOR proposals requiring sunset provisions (three years maximum) in shareholders' rights plan.
- > Fiera Capital will vote AGAINST the payment of greenmail, which is the practice of repurchasing the bidder's shares at a premium to retain control in the event of a hostile takeover. The price paid for shares must be identical for all shareholders
- > Fiera Capital will vote FOR proposals of a takeover bid if:
  - There are measures to protect the rights of all shareholders;
  - The measure seeks to maximize shareholder value;
  - The measure will allow competing bids to be considered over a reasonable time; and
  - The measure is adopted for a limited period.

## 4.4 Supermajority Vote Requirement

Although supermajority votes can, in some situations, enhance shareholder value, they shouldn't be excessive. As such Fiera Capital will not support supermajority requirements above two-thirds of shares outstanding.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote AGAINST any supermajority proposal that has more than a two-third majority requirement for charter amendments, mergers and other significant business combinations. Exceptions might be made if it can be clearly demonstrated that it is in the shareholders' best interests.

## 4.5 Reincorporation Proposals

Fiera Capital will generally support reincorporation proposals that are supported by sound economic reasons. However, we will not support reincorporation proposals intended to protect management and directors' best interests over those of shareholders in the event of a takeover bid.

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote AGAINST proposals to reincorporate or restructure that are based solely on a desire to counter a takeover bid; however, it will support reincorporation or restructuring based on financial, business or economic reasons.

## 5. Other Shareholders' Rights

### 5.1 Calling a Special Meeting

In certain jurisdictions, shareholders may have the right to call a special meeting to initiate important shareholder resolutions in-between annual general meetings. Fiera Capital will generally support proposals to allow shareholders to do so under certain conditions (e.g.: reasonable ownership threshold).

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will generally vote FOR proposals to allow large shareholders to call a special meeting, taking into consideration the minimum ownership threshold required.

### 5.2 Quorum Requirements

Quorum requirements should be high enough to avoid that a small group of shareholders has excessive control over the votes. Nevertheless, these requirements should be reasonable enough to be achievable.



## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote AGAINST proposals to reduce quorum requirements for shareholder meetings below a majority of the shares outstanding unless there are compelling reasons to support the proposal.

## 5.3 Confidential Voting

Fiera Capital believes that for the shareholder voting process to be efficient, impartial and free from coercion, measures should be taken to allow shareholders to vote in a confidential manner.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will generally vote FOR proposals asking to introduce confidential voting.

## 5.4 Unequal Voting Rights

Fiera Capital wishes to maintain the principle that the same rights (e.g. voting rights) are attached to each and every share of a company, and to avoid having a company controlled by a minority of shareholders holding a majority of voting rights. As a firm, Fiera Capital appreciates the role of founders in the management of an ongoing concern and that, when warranted, flexibility may be owed to founders of small and growing companies.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote AGAINST the creation or extension of dual-share class ownership (subordinate shares, multiple voting shares, etc.) and will vote FOR the abolition of any such system.

## 5.5 Proxy Access

The nomination of directors is crucial to create an effective and successful board. In certain jurisdictions, this entails allowing large shareholders to nominate a reasonable number of candidates for election, under certain conditions.

## Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will generally vote FOR proposals to allow large shareholders to nominate a reasonable number of board members on the proxy, taking into consideration the minimum ownership threshold required.

## 5.6 Bylaw Amendments

To ensure that directors and executives are working for the best interests of shareholders, bylaws should not be amended without shareholder consent.

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote AGAINST proposals giving the board exclusive authority to amend the bylaws.

## 5.7 Other Business

Fiera Capital will generally not support proposals that ask shareholders to approve unspecified "other business" in advance of the meeting as they are effectively asking shareholders to approve an unknown item.

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote AGAINST proposals seeking approval for unspecified "other business" that may be conducted at the shareholder meeting.

# 6. Capital Structure and Issuance

## 6.1 Common Stock Authorization

Any measure that entails the creation of new shares or an amendment to the features of existing shares must be dealt with through a proposal to shareholders as it directly affects their rights. That said, it may be advisable to provide directors with an opportunity to create new shares for various purposes where warranted by the interests of the company, e.g. to give effect to a stock split or to fund a restructuring or acquisition.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote on a case-by-case basis for proposals to increase the number of shares of common stock authorized for issue, taking into account the size of the increase, the company's rationale for additional shares, the company's past use of authorized shares, and the risk to shareholders if the request is not approved.

## 6.2 Blank Cheque Preferred Stocks

While there are some valid business reasons to issue blank cheque preferred stock, this practice is generally subject to abuse. Once it is approved, the board has discretion to decide on the voting rights, conversion, and dividend of this stock without shareholder approval. This stock might be used to counter a takeover bid, which could be detrimental to common shareholders.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will vote AGAINST the issue of blank cheque preferred shares whose terms and conditions may be determined by the board of directors without consulting shareholders unless it is clearly established that such shares are in the interests of shareholders.

## 6.3 Share Repurchase Programs

Fiera Capital generally supports share repurchase programs as they can be used by a company to create value for its shareholders. However, while share repurchase programs may be beneficial to shareholders in the short-term, they can come with risks such as the reduction of cash on hand for other, more accretive, investments. Hence, share repurchase programs proposals should include provisions limiting the percentage of share that may be repurchased in a reasonable amount of time. These proposals will be evaluated in the context of local market practices.

## Voting Guidelines

### Except where warranted by a company's special circumstances:

- > Fiera Capital will generally vote FOR proposals to authorize share repurchase programs, if all shareholders may participate on equal terms.

## 6.4 Private Placement

As with the issuance of common shares, private placement issuances should be dealt with through a proposal to common shareholders as it directly impacts the value of their investment and their rights. Private placement issuances might be beneficial, especially if the company would file for bankruptcy if the transaction were not approved. However, each issuance should be examined individually to consider its specificities (rationale, dilution for existing shareholders, etc).

### Voting Guidelines

**Except where warranted by a company's special circumstances:**

- > Fiera Capital will vote on a case-by-case basis for proposals regarding private placement issuances, taking into account the rationale, the size of the placement, the issuance price compared to market price, potential conflicts of interest, and the risk to shareholders if the request is not approved.

## 7. Business Ethics and Corporate Behaviour

The globalization of financial operations has highlighted the role and responsibility of financial institutions with respect to several practices that are sometimes legitimate but can also be used for illegal purposes to corrupt the political process or to support criminal activity.

We are against the use of corporate funds for any purpose to influence the political process. We understand that there are many methods a corporation can use to influence the political process in a democracy, and this includes direct donations to political parties, contributions to committees to influence the political process, and payments to lobbyists. We are against the use of corporate funds for all these purposes and will support shareholder initiatives that either require companies to disclose these activities when they occur, or actually eliminate or limit them.

### Voting Guidelines

- > Fiera Capital will vote FOR any proposal designed to counter the use of financial tools for illegal purposes, both in Canada and abroad.
- > Fiera Capital will vote FOR any proposal designed to prohibit or counter methods of corruption in any country whatsoever.

- > Fiera Capital will vote AGAINST any financial contribution to a political party, although, should such contributions be made, it will vote FOR any proposal calling for their disclosure, regardless of the country in which such contributions are made.
- > Fiera Capital will vote FOR the disclosure of lobbying contributions where the company has contributed any money to organizations engaged to lobby directly on behalf of the company.

## 8. Shareholder Proposals Approach

Fiera Capital expects boards of directors to address issues when proposals receive significant voting support from shareholders.

Shareholders must be able to submit proposals at shareholders' meetings; they must also be given an opportunity to justify their proposals so that all shareholders may vote advisedly. However, their proposals should not be designed to unduly restrict the freedom of action enjoyed by the company's directors or executives, nor to dilute the fiduciary responsibility of the board to the company or to create a liability to persons who are not shareholders.

In recent years, the number of environmental and social shareholder proposals filed has significantly risen. However, these proposals greatly vary in quality and relevancy. To that effect, we have put in place a process for the review of these proposals. Fiera's Sustainable Investing team frequently monitors upcoming E&S shareholder proposals and identifies the most relevant ones. Relevancy is defined by considering several factors such as, but not limited to:

- > Whether the issue is deemed to be material for the industry,
- > Whether the proposal is redundant with the companies' current initiatives and commitments.

Once these proposals have been identified, the Sustainable Investing team analyzes them with the relevant investment teams. An opinion is formulated and recorded. In certain cases, we might engage with the company receiving the proposal and/or the proponent to gain a better understanding of the motivations behind the proposal. Every vote decision on E&S shareholder proposals is taken on a case-by-case basis to reflect the disparate nature of these proposals. Some elements that are taken into consideration when analyzing these proposals include, but are not limited to:

- > The company's current policies, practices and disclosure related to that issue,
- > Whether the benefits to shareholders of obtaining the additional information requested outweigh the costs,
- > Whether the company has been the subject of recent controversy or litigation related to that issue.

E&S shareholder proposals may address a wide range of sustainability issues. Section 9 highlights our view on the most prominent topics raised on the ballot.

## Voting Guidelines

- > On a case-by-case basis, Fiera Capital will review shareholder proposals and will generally support proposals expected to enhance shareholder value or improve disclosure when it enables shareholders to better assess risk taking into consideration the cost of doing so.

# 9. Environmental and Social Proposals

## 9.1 Climate Change

Fiera Capital believes climate change represents an important risk both in the short and long term and that companies should seek ways to mitigate climate change risks and plan accordingly. Climate risks may arise in respect of a company itself, its affiliates, or its supply chain and/or apply to a particular economic sector, geographical, or political region.

It is important that investors be made aware of the risks that climate change can represent for their investments and how investees are managing these risks. More specifically, we encourage companies to disclose their greenhouse gas emissions, climate scenario analyses, their governance structure around climate risks as well as any other relevant aspects of the company's strategy regarding mitigating climate risks. We believe that the Financial Stability Board's Task Force on Climate Related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB") provide sector-specific disclosure standards that serve as useful guidance for companies to identify, manage, and report on climate-related risks.

Fiera Capital also encourages the timely adoption of science-based short- and long-term greenhouse gas emissions reduction targets. A credible action and financial plan for the achievement of those targets as well as regular progress updates should also be disclosed.

Where relevant, we encourage companies to disclose their climate-related lobbying expenditures as well as their membership in associations conducting climate lobbying.

While these are best practices that we expect from companies, we acknowledge that the scrutiny around climate risks has risen rapidly over the past few years and that companies need reasonable time to start measuring emissions, establishing robust methodologies for target setting and tracking and putting in place a solid governance structure around climate risks. Hence, all climate-related proposals will be evaluated on a case-by-case basis, taking into account the specific context around each company, sector and business locations.

Shareholder proposals requesting that the company put its climate strategy plan up to an annual advisory vote to provide shareholders the opportunity to express approval or disapproval of its GHG emissions reduction plan ('Say-on-Climate' proposals), will be evaluated on a case-by-case basis. We generally believe that it is the responsibility of the company and the Board to set credible climate targets and prepare a robust plan to achieve them as well

as establish an effective governance structure to monitor progress towards achieving these targets. Shareholders are equipped with tools to express their disapproval of a company's strategy such as voting against the re-election of board members that are responsible for overseeing it. We also believe that direct engagement with company executives is an efficient way to raise our concerns and discuss a company's strategy directly with those that are responsible for it.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals seeking disclosure of the climate-related risks faced by a company, its greenhouse gas emissions, climate scenario analyses, its governance structure around climate risks as well as any other relevant aspects of the company's strategy regarding mitigating climate risks in line with TCFD's and SASB's reporting standards.
- > Fiera Capital will vote on a case-by-case basis for proposals asking that companies set science-based emissions reduction targets, within a reasonable timeframe.
- > Fiera Capital will vote on a case-by-case basis for proposals requesting that the company put its climate strategy plan up to an annual advisory vote to provide shareholders the opportunity to express approval or disapproval of its GHG emissions reduction plan ('Say-on-Climate' proposals).
- > Fiera Capital will vote on case-by-case basis for proposals asking that the company discloses its climate-related lobbying expenditures.

## 9.2 Biodiversity and Other Environmental Issues

Similarly to climate risks, a company's impacts and dependencies on nature can pose a financial risk to investors. Hence, it is important that investors be made aware of these impacts and dependencies on nature and how the company is managing them as well as any related targets.

The Taskforce on Nature-related Financial Disclosures ("TNFD") provides sector-specific disclosure standards that serve as useful guidance for companies to identify, manage, and report on nature-related risks. We encourage companies to prepare disclosures in line with these standards. However, we acknowledge that nature-related risks have gained scrutiny recently and that the TNFD recommendations have only been issued in 2023.

Fiera Capital supports the adoption of policies to minimize a company's environmental impact as it represents a risk to shareholders and to society at large. We recognize that not all environmental issues are material to every industry, but we expect policies on matters such as, but not limited to, biodiversity, land conservation, toxic and non-toxic waste management, and water management.

The materiality of nature and environmental risks greatly varies from one industry to another as well as from one location to another. Hence, all nature-related proposals will be evaluated on a case-by-case basis, taking into account the specific context around each company, sector and business locations.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals seeking disclosure of the nature-related risks faced by a company, its impact and dependencies on nature, its nature-related targets as well as any other relevant aspects of the company's strategy regarding mitigating nature risks in line with TNFD's and SASB's reporting standards.
- > Fiera Capital will vote on a case-by-case basis for proposals requesting disclosure of the company's policies, practices and targets related to its environmental impacts on matters such as, but not limited to, biodiversity, land conservation, toxic and non-toxic waste management, and water management.

## 9.3 Human Capital

Fiera Capital is in favor of proposals calling for the respect of human and labour rights where such proposals are based on the universal principles established by the UN's Universal Declaration of Human Rights, by the conventions of the International Labour Organization ("ILO"), by the Canadian Charter of Rights and Freedoms, by U.K. Modern Slavery Act 2015, or by any other document whose universal scope is recognized. Companies should put effective governance mechanisms in place to ensure compliance with their labour code of conduct and disclose such mechanisms.

Where a company relies on third-party contractors and suppliers in its supply chain, it is important that the company put compliance mechanisms in place to ensure that the contractors and suppliers respect labour and human rights as defined by the universal principles listed above. The company should ensure that no forced or child labour is used in its supply chain, especially in countries with historical evidence of human rights abuses, or if the supplier has been the subject of controversy or litigation related to human rights abuses in the past.

We believe that the adoption of a human and labour rights policy is a minimum standard for all companies. However, human rights issues affect some companies more than other depending on their industry and where they operate. Hence, when evaluating proposals calling for audits and reports on the effectiveness of the compliance mechanisms of a company regarding its human and labour rights policy, we will consider whether the company has been the subject of controversy or litigation related to human rights, as well as its current level of disclosure and practices compared to industry best practices and whether it conducts business in countries and within industries with historical evidence of human rights abuses.

## Voting Guidelines

- > Fiera Capital will vote FOR the adoption of codes of conduct and compliance mechanisms to ensure the respect of workers' rights as defined by the ILO and Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act. Specifically, these codes of conduct and compliance mechanisms should ensure the prohibition of forced labour, the prohibition of child labour, the prohibition of discrimination in employment and in working conditions, and the right of association and of collective bargaining, in the company's operations and supply chain.



- > Fiera Capital will generally vote FOR proposals requesting that the company conducts an audit on the effectiveness of its compliance mechanisms related to the respect of labour and human rights, including in its supply chain, and reports on the results. When evaluating such proposals, we will consider the factors listed above and will favor proposals where the company has been subject of a controversy or litigation related to human rights abuses or operates in countries and/or within industries with historical evidence of human rights abuses and its code of conduct and compliance mechanisms are not in line with best practices.

Respecting human and labour rights should be a core value of a company, however, attracting and retaining a talented and skilled workforce goes beyond just respecting these rights. As detailed in section 1.5 Director Diversity, Fiera Capital believes that diversity of thoughts, qualifications and experiences is key to a firm’s culture, reputation, and success. Diversity translates through many differences such as gender, ethnicity, religion, age, etc.

Fiera Capital is in favor of companies committed to fostering a culture of diversity, equity and inclusion (“DEI”) that promotes equality and respect through a harmonious and collaborative work environment. We encourage companies to disclose their policies, practices and targets related to DEI.

When evaluating proposals requesting that a company reports on the effectiveness of its DEI policies and related metrics such as gender/racial pay gap, we will consider whether the company has been the subject of controversy or litigation related to DEI, as well as its current level of disclosure and practices compared to industry best practices. As always, we will consider whether the benefits associated with receiving the information requested by the proposal outweigh the costs for shareholders.

### Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals requesting that a company reports on the effectiveness of its DEI policy and related metrics such as gender/racial pay gap.

## 9.4 Social Capital (Customers & Society)

A company’s products and services may have an impact on its customers and the communities that it operates in, and sometimes, this impact can be negative. Companies should put in place policies and practices to ensure that they are not causing harm to their stakeholders. Potential harm caused to stakeholders represents a risk to shareholders as it is a reputational risk for companies which could have legal and financial repercussions.

In order to prevent potential harm on stakeholders, a company should be transparent about the potential negative health consequences of its products and use of harmful ingredients. This is especially true for companies selling products such as tobacco, alcohol, medication, food, products using genetically modified organisms, etc.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals asking that the company prepares a report on the potential public health costs due to the sale of its products.

Proposals asking companies to have a third-party conduct a racial equity and/or civil rights audit have risen as a tool to investigate whether the practices of a company are discriminatory towards certain groups whether that be amongst customers, communities in which the company operates or its employees. These audits can be a helpful tool for investors to evaluate the practices of a company in cases where the company has been the subject of controversy or litigation related to discriminatory practices.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals asking that the company conducts a third-party racial equity and/or civil rights audit and reports on the results.

A company's projects can also have a negative impact on the livelihood of indigenous peoples. It is important for these companies to establish global policies and practices to ensure that they respect the rights of indigenous peoples such as those set out in the United Nations Declaration on the Rights of Indigenous Peoples (UN DRIP). Where a project might come in the way of indigenous peoples' livelihood, companies should seek the free, prior and informed consent (FPIC) of the indigenous communities impacted before proceeding. When evaluating proposals asking that the company conducts an audit and reports on the effectiveness of its compliance mechanisms to ensure that its human rights practices protect indigenous peoples' rights, we will consider whether the company has been the subject of controversy or litigation related to indigenous peoples' rights violations and how its practices measure against industry best practices.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals asking that the company conducts an audit and reports on the effectiveness of its human rights policy in ensuring that indigenous peoples' rights are respected.

Lastly, another important aspect of stakeholder protection is managing cybersecurity risks. Cybersecurity risks have grown with the digitalization of the economy and are a material risk in numerous industries. A cyber attack can lead to theft of customer data, especially personally identifiable information. The legal, financial, and reputational consequences for a company can be devastating and management should establish a sound and robust plan to manage and prevent these risks. However, cybersecurity risks are more material for industries that collect large amounts of personal data from their customers. Hence, when evaluating proposals that ask for a company to report on the effectiveness of its cybersecurity policies and practices, we will consider whether the company has been the subject of controversy or litigation related to cybersecurity and how their practices compare to industry best practices.

## Voting Guidelines

- > Fiera Capital will vote on a case-by-case basis for proposals asking that the company prepares a report on the effectiveness of its cybersecurity risk and data privacy management practices and policies.

## 10. Reporting and Transparency

Fiera Capital is committed to offering transparency to its clients. Proxy voting records may be requested by our clients at any time. High-level proxy voting statistics are also published annually in our Sustainable Investing report, available to the broader public.

## 11. Securities Lending

Fiera Capital may participate in securities lending programs. We are committed to working with our lending agents to recall all shares to be voted, where feasible. While this can be done in most cases, there is no guarantee that all shares will be recalled to be voted due to operational and trade related timing limitations of our lending agents.

## 12. Proxy Voting Procedures and Record Retention

Fiera Capital uses an external proxy advisory service provider, currently Institutional Shareholder Services Inc. (“ISS”), an independent firm with expertise in global proxy voting and corporate governance issues, to augment our internal processes.

ISS is responsible for a variety of functions, including coordinating with client custodians to obtain proxy materials; ensuring proxies are administered in a timely fashion; providing Fiera Capital with comprehensive voting recommendations as well as customized proxy proposals based on Fiera Capital’s guidelines; and executing the voting of proxies in accordance with Fiera Capital’s guidelines.

For each client’s portfolio where proxy-voting decisions are made, Fiera Capital will appoint a Fiera Capital investment professional to act as a Proxy Manager. The Proxy Manager is a member of the investment team advising the client’s portfolio. The Proxy Manager will review the ballots on ISS’s web platform, ProxyExchange, and submit his or her voting decision.

In the event that the Proxy Manager votes differently than what Fiera Capital and/or ISS’s guidelines would indicate, the Proxy Manager will be required to provide and certify the following items in ProxyExchange: (1) a written rationale supporting this decision and; (2) a certification that there is no a material relationship with the issuer and/ or a personal or business relationship that could present an actual or potential conflict of interest with Fiera Capital and that of its clients.

The processes described below are put in place with the ultimate objective to cast 100% of proxy votes held on behalf of our clients for whom we have voting authority.

When votes are casted differently than what these guidelines would indicate, the rationale provided by the Proxy Manager will be reviewed under the supervision of the Global Proxy Voting Committee. Members of the Global Proxy Voting Committee will also be responsible for ensuring consistency in the application of Fiera Capital's guidelines.

#### EXCEPTIONS TO THE ABOVE:

For Fiera Capital client portfolios or funds advised by an affiliate of Fiera Capital Corporation, proxy votes may be voted directly by such affiliate (a "**Direct Proxy Vote**"). For client accounts where the client is an insider of an issuer held in their client account, Fiera Capital shall vote in accordance with the management recommendation. In cases where the management recommendation differs from Fiera Capital's proxy voting guidelines or external proxy advisory service's recommendation, the votes for the account held by an insider of the issuer will be separated from the votes of any other client accounts; in such a case, this will be communicated to the members of the Global Proxy Voting Committee.

Fiera Capital may vote in accordance with guidelines that are dictated by its clients or that are of significance for specific groups of clients.

Fiera Capital will not process the votes for non-managed accounts as it does not have the authorization to do so.

## 13. Conflicts of Interest

We believe that this proxy voting process is reasonably designed to address material conflicts of interest that may arise in conjunction with proxy voting decisions.

Potential conflicts considered by the Global Proxy Voting Committee when it is determining whether to deviate from Fiera's Voting Guidelines include: a material client relationship with the issuer; or personal or business relationships between the portfolio managers and an executive officer or director.

## 14. Compliance Monitoring

The Global Proxy Voting Committee ensures that compliance with these guidelines is assessed at least quarterly and reviews any material deviation.

The Firm will disclose in its SEC Form ADV Part 2 that clients may contact the Compliance Department, via e-mail or telephone, in order to obtain information on how the Firm voted such client's proxies, and to request a copy of these policies and procedures. If a client requests this information, the Firm will prepare a written response to the client that lists, with respect to each voted proxy about which the client has inquired, (a) the name of the issuer; (b) the proposal voted upon, and (c) how the client's proxy was voted. A summary of this Proxy Voting Policy and procedures will be included in the Adviser's SEC Form ADV Part 2 (if applicable) and will be updated whenever the policy or procedure is materially updated. The Compliance Department will monitor that a copy of this summary is sent to relevant advisory clients (either as a separate mailing or along with a periodic account statement or other correspondence sent to clients).

fiera.com



**FIERA**CAPITAL