

ENGAGEMENT POLICY

Introduction

Montrusco Bolton Investments Inc. (“MBI”) is a Canadian boutique asset manager, firmly established with roots tracing back to 1946. Headquartered in Montreal, the firm has an entrepreneurial culture with long-term strategic partners, a robust infrastructure, and a sound governance, as well as a diversified investment offering. The company is privately owned and independent and serves institutional clients in North America, Europe, and Asia. Montrusco Bolton has been a signatory of the UN Principles for Responsible Investment since 2011.

At MBI, we consider that companies that implement strong governance practices and effectively manage the environmental and social impact of their business activities are more likely to generate superior performance and long-term value for investors and our society. We are committed to targeting impressive results for our clients. We achieve this by developing in-depth knowledge of portfolio candidates before investing in them. This means deepening our understanding of the internal and external forces that impact their operations. An important part of this investment philosophy is analyzing the corporate governance practices as well as the environmental and social impacts of the companies in which we invest.

We have been applying the following policy to all internally managed assets including Canadian Equities, Global Equities and Fixed Income.

Philosophy

As stewards of our clients’ assets, Montrusco Bolton aims to generate superior long-term risk adjusted returns. We maintain that active engagement with issuers is an essential part of this goal and allows us to better evaluate risks and opportunities relative to Environmental, Social, and Governance (“ESG”) issues. We believe that incorporating ESG factors into our fundamental research, including active engagement, is part of a sound investment process. This began with the introduction of exclusions of sin stock in 2004 and evolved over time to the use of ESG integration in our investment decision-making. Furthermore, in 2011 we became a signatory to the United Nations Principles for Responsible Investment (PRI). Through our principles of engagement, we work to improve ESG disclosures and reporting for companies in our portfolios in an effort to identify and mitigate ESG-related risks.

Principles

Montrusco Bolton seeks to achieve stakeholder alignment and measurable outcomes through regular engagement with management teams of portfolio holdings as well as through independent proxy voting (*Please refer to Montrusco Bolton’s Proxy Voting Policy for more information*). We take an active approach to engaging with companies in which we invest to deepen our understanding of material ESG issues, identify and monitor risks, and to influence management teams to adopt ESG best practices and reporting. Our investment teams strive to

develop long-term relationships with company management teams and to have consistent dialogue that is respectful, and which creates mutual trust. Each analyst leads engagement for their own sector(s) to evaluate management quality, competitive advantages, capital allocation, and sustainable practices. Ongoing discussions are aligned with the SASB¹ Materiality Map to focus on important factors for the related industry, as well as the Ten Principles of the United Nations' Global Compact² and UN 17 Sustainable Development Goals³ ("SDG").

Process

The process is underpinned by Montrusco Bolton's proprietary evaluation method which centers on five sustainability pillars. These pillars are derived from a subset of the SDGs for which we believe corporations can have an impact. Each meeting is documented in our database for reference and monitoring by the investment team. We aim to engage with portfolio holdings on a regular basis to maintain an open dialogue and track progress on engagement topics. Proxies are voted independent of management and our proxy voting provider's recommendations.

Montrusco Bolton's sustainability pillars focus on the following areas:

- Planet
 - Environmental policies and climate risk management
 - Carbon intensity and emissions reduction targets
- People & Society
 - Diversity and anti-discrimination policies for ethnicity and gender
 - Labour standards and talent development
- Governance
 - Compensation practices and alignment with shareholders
 - Board independence and corporate structure
- Operations
 - Product/service safety, security, and reputation
 - Supply chain management
- Disclosure
 - Transparent reporting and accounting practices
 - Sustainability reporting and environmental disclosures

Conclusion

Investment stewardship is central to Montrusco Bolton fiduciary responsibility to our clients. We consider active engagement to be a central tenet of achieving attractive risk adjusted returns for clients. We believe that our method of collaborative engagement and open

dialogue is an effective way to identify and mitigate ESG risks and create value by promoting improvements and best practices.

¹SASB Standards guide the disclosure of financially material sustainability information by companies to their investors. Available for 77 industries, the Standards identify the subset of environmental, social, and governance issues most relevant to financial performance in each industry.

Effective August 1, 2022, the Value Reporting Foundation—home to the SASB Standards—consolidated into the IFRS Foundation, which established the first International Sustainability Standards Board (ISSB). SASB Standards are now under the oversight of the ISSB. The ISSB will build upon the SASB Standards and embed SASB’s industry-based standards development approach into the ISSB’s standards development process. The ISSB actively encourages preparers and investors to continue to provide full support for and to use the SASB Standards until the SASB Standards become the IFRS Sustainability Disclosure Standards.

²You can find more information about the UN Global Compact Principles at this link: <https://www.unglobalcompact.org/what-is-gc/mission/principles>

³You can find more information about the Sustainable Development Goals at this link: <https://sdgs.un.org/goals>