

SUSTAINABLE INVESTMENT POLICY

Consistent with our investment philosophy, as long-term investors in high-quality businesses, we integrate Environmental, Social and Governance (ESG) factors into fundamental investment analysis. ESG integration is intrinsic to our long-standing approach. This approach to investing in high-quality businesses is pragmatic, not ideological.

At Jarislowsky Fraser, sound investment decision-making goes beyond consideration of short-term profits and includes factors that favour long-term value creation. We consider well developed and executed ESG practices as essential characteristics of high-quality businesses.

In essence, sustainable investing and the analysis of material ESG factors have always been core elements of our bottom-up, fundamental investment approach. As the world around us and the issues that impact it continue to evolve, we use the following principles to guide us in our investment process.

Our Principles

- **Integrate** the analysis of material ESG factors into our investment decisions. We recognize that what is material to the future success of a business may be different than what has driven past performance.
- **Be engaged investors**, where acting as long-term stewards is part of our fiduciary duty and can be an opportunity to add value for shareholders. As such, consideration for governance issues including proxy voting is fully integrated into our investment process and, when necessary, we engage with both management and the board to improve ESG practices that are material to long-term sustainable value creation.
- **Encourage disclosure** of information that is relevant to the analysis of material ESG factors by companies and stakeholders where commercially reasonable. We value management candor and believe that transparency and accountability contributes to the quality and ethics of management and can drive excellence.
- **Collaborate** with other organizations, including PRI, CCGG, SASB, GISR and CDP¹, in order to advance sustainable investment practices for the benefit of all stakeholders.

¹ Principles for Responsible Investment (PRI) Canadian Coalition for Good Governance (CCGG); Sustainability Accounting Standards Board (SASB); Global Initiative for Sustainability Ratings (GISR); CDP, formerly Carbon Disclosure Project.