This document is a marketing communication.

OCTOBER 2023

FIERA REAL ESTATE

Investors must recognise the infinite benefits of leading from the front

- The Stewardship Code is shaping the outlook and actions of the companies that capital providers invest in.
- The process of standardising our approach to ESG has forced a re-think as to the gaps in our knowledge.
- The code will be foundational for international standards in the near future.

Vincent Beaulieu
Head of Sustainable Investing, Public Markets

Last month, the Financial Reporting Council (FRC) added 27 signatories to its Stewardship Code bringing its total coverage to 277 capital providers and an aggregate AUM of £44.6 trillion. Despite its narrow applicability to investing on behalf of UK savers and pensioners, the Stewardship Code has set something of a global benchmark for responsible investment practices – particularly as demand for sustainable financial and nature-based products continues to break out to new highs.

Industry pledges to universal standards are as powerful as they are purposeful. The UK Stewardship Code guides the responsible allocation of, and oversight over, capital. It shapes the outlook and actions of the companies that capital providers invest in. Importantly, it creates free-market customs: behavioural expectations which, while voluntary, are recognised as binding practices. Often, these emerge before and help shape legislation and policy. This is especially the case within responsible investing.

The Stewardship Code is a "bridge" to support responsible investment at a time when the bar of legislative requirements is low. We see this dislocation in mature public markets. The OECD reported that only half of 73 jurisdictions surveyed require or recommend boards to approve polices on sustainability-related matters, which still represent around two thirds of global market capitalisation. Voluntary commitments set upon asset managers and institutional investors cascade to public companies that discretely influence attitudes to disclosures, ESG reporting and shareholder communication.

For beneficiaries, guidelines like the Stewardship Code provide confidence that investments lead to sustainable benefits for society, the environment and the economy. For asset managers and allocators making public investments, it is an increasingly unavoidable requirement. But beyond joining because it is the right thing to do, what should compel asset managers – particularly those with global strategies – to join, and why did we?

As an asset manager with exposure to public markets and a recent signatory to the Stewardship Code, we'd urge investors to consider indirect advantages. In addition to the opportunity to codify our principles to responsible investing and conveying these to our stakeholders, we found that the process of internalising and standardising our approach to ESG forced a re-think as to gaps in our knowledge and areas of difference across our product suite, not least in emerging markets.

Fiera Capital has private market strategies where guidelines are thin on the ground. Natural capital is one example: we invest in agriculture and work directly with farmers injecting investment to support economies of scale. The basic framework of the Stewardship Code has served as an effective template for responsible investment that we are applying to our strategies in nature-based solutions, real estate and infrastructure, to name a few.

A challenge for multi-asset managers such as ourselves is that many ESG frameworks and tools are specific to particular asset classes. For us, an attraction in the Stewardship Code lies in its applicability across different venues for investment. Moreover, some of our investments are publicly listed and some are private, across a wide geography. There are numerous competing pledges, standards and certifications that seek to normalise ESG considerations across the investment cycle, but few provided are genuinely universal and undoubtedly the Stewardship Code will be foundational for international standards in the near future.

There were other compelling reasons. For one, the Stewardship Code has focussed Fiera's attention and that of our subsidiaries on the alignment our corporate purpose, culture and investment ethos – as well as arranging our responsibilities. For the many publicly listed companies and issuers we interact with it's vital assurance that we're cognisant of the full range of risks that would otherwise affect enterprise resilience, especially in respect of internal governance processes Fiera uphold. The Stewardship Code is particularly helpful in refining reporting lines across our sustainable investment experts, from a board level to ESG heads within Fiera's firm of boutiques – and to continuously update our practices to remain at the frontier of

responsible investing.

While there is a gravitation in ESG circles toward becoming more data-driven, there is power in a code that is asset-agnostic and principles-based. And, as well as minimising adaptational pressure and speeding up adoption of a whole host of different ESG investment methodologies, we'd expect major developments in responsible investment practices to be layered on the Stewardship Code – which is quickly becoming the common language for understanding responsible investment.

Disclaimer

Fiera Capital Corporation ("**Fiera Capital**") is a global independent asset management firm that delivers customized multi-asset solutions across traditional and alternative asset classes to institutional, retail and private wealth clients across North America, Europe and key markets in Asia. Fiera Capital trades under the ticker FSZ on the Toronto Stock Exchange. Each affiliated entity (each an "**Affiliate**") of Fiera Capital only provides investment advisory or investment management services or offers investment funds in the jurisdictions where the Affiliate and/or the relevant product is registered or authorized to provide services pursuant to an exemption from registration.

This document is strictly confidential and for discussion purposes only. Its contents must not be disclosed or redistributed directly or indirectly, to any party other than the person to whom it has been delivered and that person's professional advisers.

The information presented in this document, in whole or in part, is not investment, tax, legal or other advice, nor does it consider the investment objectives or financial circumstances of any investor.

Fiera Capital and its Affiliates reasonably believe that this document contains accurate information as at the date of publication; however, no representation is made that the information is accurate or complete and it may not be relied upon. Fiera Capital and its Affiliates will accept no liability arising from the use of this document.

Fiera Capital and its Affiliates do not make recommendations to buy or sell securities or investments in marketing materials. Dealing and/or advising services are only offered to qualified investors pursuant to applicable securities laws in each jurisdiction.

Past performance of any fund, strategy or investment is not an indication or guarantee of future results. Performance information assumes the reinvestment of all investment income and distributions and does not account for any fees or income taxes paid by the investor. All investments have the potential for loss.

This document may contain "forward-looking statements" which reflect the current expectations of Fiera Capital and/or its Affiliates. These statements reflect current beliefs, expectations and assumptions with respect to future events and are based on information currently available. Although based upon what Fiera Capital and its affiliates believe to be reasonable assumptions, there is no guarantee that actual results, performance, or achievements will be consistent with these forward-looking statements. There is no obligation for Fiera Capital and/or it Affiliates to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

Strategy data such as ratios and other measures which may be presented herein are for reference only and may be used by prospective investors to evaluate and compare the strategy. Other metrics are available and should be considered prior to investment as those provided herein are the subjective choice of the manager. The weighting of such subjective factors in a different manner would likely lead to different conclusions.

Strategy details, including holdings and exposure data, as well as other characteristics, are as of the date noted and subject to change. Specific holdings identified are not representative of all holdings and it should not be assumed that the holdings identified were or will be profitable.

Certain fund or strategy performance and characteristics may be compared with those of well-known and widely recognized indices. Holdings may differ significantly from the securities that comprise the representative index. It is not possible to invest directly in an index. Investors pursuing a strategy like an index may experience higher or lower returns and will bear the cost of fees and expenses that will reduce returns, whereas an index does not. Generally, an index that is used to compare performance of a fund or strategy, as applicable, is the closest aligned regarding composition, volatility, or other factors.

Every investment is subject to various risks and such risks should be carefully considered by prospective investors before they make any investment decision. No investment strategy or risk management technique can guarantee returns or eliminate risk in every market environment. Each investor should read all related constating documents and/or consult their own advisors as to legal, tax, accounting, regulatory, and related matters prior to making an investment.

United Kingdom: This document is issued by Fiera Capital (UK) Limited, an affiliate of Fiera Capital Corporation, which is authorized and regulated by the Financial Conduct Authority. Fiera Capital (UK) Limited is registered with the US Securities and Exchange Commission ("**SEC**") as investment advisers. Registration with the SEC does not imply a certain level of skill or training.

United Kingdom – Fiera Real Estate UK: This document is issued by Fiera Real Estate Investors UK Limited, an affiliate of Fiera Capital Corporation, which is authorized and regulated by the Financial Conduct Authority.

European Economic Area (EEA): This document is issued by Fiera Capital (Germany) GmbH ("**Fiera Germany**"), an affiliate of Fiera Capital Corporation, which is authorized and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin).

United States: This document is issued by Fiera Capital Inc. ("**Fiera U.S.A.**"), an affiliate of Fiera Capital Corporation. Fiera U.S.A. is an investment adviser based in New York City registered with the Securities and Exchange Commission ("**SEC**"). Registration with the SEC does not imply a certain level of skill or training.

United States - Fiera Infrastructure: This document is issued by Fiera Infrastructure Inc. ("Fiera Infrastructure"), an affiliate of Fiera Capital Corporation. Fiera Infrastructure is registered as an exempt reporting adviser with the Securities and Exchange Commission ("SEC"). Registration with the SEC does not imply a certain level of skill or training.

Canada

Fiera Real Estate Investments Limited ("Fiera Real Estate"), a wholly owned subsidiary of Fiera Capital Corporation is an investment manager of real estate through a range of investments funds.

Fiera Infrastructure Inc. ("Fiera Infra"), a subsidiary of Fiera Capital Corporation is a leading global mid-market direct infrastructure investor operating across all subsectors of the infrastructure asset class.

Fiera Comox Partners Inc. ("Fiera Comox"), a subsidiary of Fiera Capital Corporation is a global investment manager that manages private alternative strategies in Private Credit, Agriculture and Private Equity.

Fiera Private Debt Inc. ("Fiera Private Debt"), a subsidiary of Fiera Capital Corporation provides innovative investment solutions to a wide range of investors through two distinct private debt strategies: corporate debt and infrastructure debt.

Please find an overview of registrations of Fiera Capital Corporation and certain of its subsidiaries by following this link. alternative strategies in Private Credit, Agriculture and Private Equity.