QV INVESTORS

Responsible Investing

Philosophy & Approach

Environmental, social and governance (ESG) factors may present challenges or opportunities that impact long-term investment performance. Identifying material ESG issues and incorporating them into our investment decision-making is part of our fiduciary duty and is consistent with our objective to invest in enduring businesses over the long term. We believe assessing long-term risks and opportunities related to ESG issues enhances our ability to build resilient portfolios that will provide strong risk-adjusted returns.

Our approach to responsible investing (RI) is consistent across all of our investment strategies. We only invest in companies that perform strongly across our bottom-up investing framework, including factors such as quality of management, franchise and business outlook. We recognize that ESG risks and opportunities may meaningfully impact our assessment of a business within this framework, including its competitive position, ability to innovate and the changing dynamics of the industry in which it operates. A company must stay relevant and generate long-term benefits for stakeholders in an ever-evolving world.

In our view, strong governance underpins a company's ability to effectively identify and address risks and opportunities in the interest of all stakeholders. We have found that companies with strong governance qualities, including a thoughtful board and management team, a long-term focus and strong alignment of interests, tend to address environmental and social issues more effectively. Companies that manage these issues well tend to view them as fundamental aspects of corporate culture, strategy and operations. For more information on our guiding corporate governance beliefs, please refer to our Proxy Voting guidelines.

Strong management of ESG issues may benefit companies in a myriad of ways, including brand strength, pricing power, operational efficiency, productivity, ability to pursue new sources of revenue, ability to attract and retain employees, lower balance sheet and/or operational risks, and lower cost of or greater access to capital. Ultimately, integrating ESG factors helps us identify industry leaders with sustainable competitive advantages.

We do not employ a values-based or exclusionary approach to ESG matters. Potential issues are considered on a case-by-case basis, weighing challenges against potential offsetting positives within our investing framework. We value transparency and a commitment to continuous improvement. We will choose not to invest if a company's approach to ESG is likely to impede our ability to realize attractive risk-adjusted returns.

Oversight & Responsibilities

Our RI efforts are overseen and coordinated by the RI Committee, which consists of broad representation from across the investment team. The RI Committee reports directly to the Board of Directors, which helps set priorities and oversee initiatives. Each investment team implements RI activities directly.

Integration

Integration is the systematic inclusion of ESG considerations in investment analysis to better manage risks and improve returns. Our investment teams aim to identify relevant ESG information from sources including company reports, internal analysis and third-party resources. We use a proprietary scorecard to independently evaluate material ESG factors for each company. Relevant ESG considerations may include, but are not limited to:

Environmental	• Environmental damage or pollution • Vulnerability to climate change • Dependency on scarce natural resources
Social	• Stakeholder health & safety • Data security & privacy • Community/societal impact of operations
Governance	• Quality of board & executive team • Ownership structure & alignment of interests • Risk of corruption, reporting or tax issues

We may deem an ESG issue to be material if it has a high probability of materializing and is likely to have a non-negligible impact on our investment case. We aim to consider both quantitative and qualitative information to gain a holistic view of the company's ESG profile and how it may relate to financial performance. Qualitative indicators may include whether the company has implemented comprehensive strategies on the issue, and the company's track record for past controversies. Where applicable, we may reflect the estimated impact of material ESG factors in our outlook for a company's earnings power, future profitability and/or growth. We may also consider how an issue will impact the valuation of a business over time. The evolution of material ESG factors is captured in our regular review of each investment.

Active Ownership

Active ownership is the use of one's ownership position and/or associated voting rights to influence corporate behaviour. Key objectives of our active ownership activities, primarily through proxy voting and, when required, engagement, include:

- Reducing risks and/or maximizing investment returns by advocating for strong oversight and management of material risk factors
- Deepening our understanding of a company's approach to ESG stewardship
- Building long-term relationships and developing trust through candid communication
- Promoting continuous improvement

The active ownership activities described below are carried out by the investment teams directly. Information gained from these activities can therefore be incorporated into overall assessments and resulting investment decisions, when applicable.

Proxy Voting – We aim to exercise our right to vote at every shareholder meeting held. All ballot items are independently reviewed and evaluated in-house. While third-party research may be used to enhance our due diligence, all final voting decisions are made by the investment team.

We believe proxy voting can be an effective means of expressing views on ESG issues. While we do not vote proxies to conform to a specific ESG mandate, we aim to vote in a way that best promotes long-term shareholder value. Where applicable, we may initiate a dialogue with companies prior to voting to raise concerns or seek additional information. When meaningful, we will share the rationale for our voting actions with interested companies, either voluntarily or at the company's request. For more information, please refer to our Proxy Voting guidelines.

Engagement – Shareholder engagement refers to any interactions with current or potential investee companies regarding ESG issues. We may choose to engage to better understand a company's overall strategy, communicate our expectations as long-term shareholders, identify potential impacts on business/financial performance or to promote stronger disclosure. We initiate conversations with companies, and they also seek out our feedback as long-term investors. During any engagement, we aim to establish a two-way dialogue and provide feedback constructively.

We generally focus on company-specific issues. Opportunities for engagement are often identified through our ongoing integration and proxy voting activities. In prioritizing resources, we may consider factors such as the size of the holding, the materiality of the ESG factor to our long-term investment case, or the adequacy of existing public disclosure. While most of our engagement efforts occur informally and on an ad-hoc basis, we may engage proactively with a board or management team if a particular ESG concern is significant to our investment thesis.

When applicable, we will track a company's progress or milestone achievements in our regular reviews. A company's responsiveness to ESG concerns may materially impact our overall assessment for investment. Escalation of a material concern may include voting action, further engagement with the

board, reduced exposure, or divestment.

We may choose to join collaborative initiatives with other investors. Through our involvement in industry associations (as further discussed below), we also contribute to collaborative engagement efforts indirectly.

Commitment

We are a signatory to the Principles for Responsible Investing (PRI), a voluntary and aspirational set of principles reflecting the increasing relevance of environmental, social and corporate governance issues to investment practices. In signing these principles, we have joined a global network of investors committed to:

1. Incorporating ESG issues into investment analysis and decision-making
2. Active ownership
3. Seeking appropriate disclosure on ESG issues
4. Promoting acceptance and implementation of these principles within the investment industry
5. Working together to enhance effectiveness in implementing the principles
6. Reporting on our activities and progress

We are also members of the Canadian Coalition for Good Governance (CCGG), the pre-eminent corporate governance organization in Canada. CCGG represents the interests of institutional investors to promote good governance practices at Canadian public companies and improve the regulatory environment to best align the interests of companies with their shareholders.

Our membership and/or association with any industry groups will be reviewed on at least an annual basis to confirm the groups' activities and policy stances are consistent with our investment philosophy and long-term objectives.

Incentives

We focus on ensuring all products are managed with a long-term commitment to our investment process, including ESG considerations. QV's incentive structure includes competitive base salaries, an annual incentive, and the potential for equity ownership in the firm. Strong investment performance will increase the asset base and benefit all shareholders. Individual evaluations focus on factors including job performance and the advancement of QV values. In this regard, we believe investment professionals are appropriately incentivized to deliver the best security selection and portfolio management, including integrating ESG factors into investment decision-making.

Communication

We review our RI achievements and priorities in regular reporting to stakeholders. On at least an annual basis, we will report on past RI activities and establish RI objectives for the upcoming period. Our proxy voting record is available to clients on a quarterly basis.