



# ESG Oversight & Governance

In 2022, Burgundy implemented an important milestone in our ESG journey with the formation of a dedicated Sustainability Team. We created this team to provide specific expertise on ESG and the ability to delve deep into sustainability issues impacting our investments. This team supports our Investment Team in our ESG integration process and serves as a centralized location at Burgundy for all matters relating to sustainable investing and ESG.

The Sustainability Team is governed by our Sustainability Advisory Council, which is comprised of senior leaders at Burgundy. Members include our

Chief Executive Officer, Chief Investment Officer, and Chief Compliance Officer.

The Sustainability Advisory Council is responsible for Burgundy's overall approach to ESG. Our regional investment teams, consisting of Portfolio Managers and Investment Analysts, are responsible for implementing ESG and integrating it into their investment process and decision making. We believe that the investment decision-makers must do their own ESG research for ESG to be genuinely integrated into the investment process. The Sustainability Team supports our regional investment teams in this process.

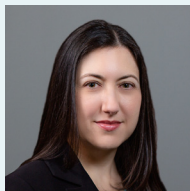
## SUSTAINABILITY ADVISORY COUNCIL



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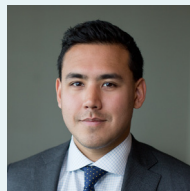
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Our dedicated Sustainability Team is already having an impact and has undertaken the following initiatives in the past year:

## Investment Team Support

The Sustainability Team has been supporting the Investment Team with ESG-specific research, carbon emissions data, controversy alerts, and by participating in engagement with portfolio companies. We are featuring an engagement with Nestlé in this report.

## Training

The Sustainability Team led a training session for the Investment Team on carbon credits. The training covered net-zero commitments made by companies, the use of carbon credits to achieve these targets, issues associated with carbon credits, and the potential reputational damage from greenwashing. We are featuring a summary of this training session in this report.

## ESG Tools and Resources

We made investments in new ESG tools and resources to augment our own ESG research and data. We added [Sustainalytics](#) to our toolkit because of the depth of research and suitability of data provided. While Sustainalytics also provides ESG risk ratings, we pay more attention to the underlying research they provide rather than take their ratings at face value. We believe it is our responsibility to identify and evaluate ESG factors and come to our own independent judgement. We also use Sustainalytics for carbon emissions benchmarking data, which we illustrate in the next section.

In addition to its work with the Investment Team, the Sustainability Team manages the firm's ESG policies and communications.



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## ESG Policies

We reviewed and updated our ESG policies this year. We replaced our ESG Policy Statement with a new Responsible Investment Policy. This policy describes our overall approach to ESG in investing, our ESG guidelines, and ESG oversight at Burgundy. We also published a new Stewardship Policy, which describes our approach to engagement and proxy voting. We have included our new policies in this report.

## UN PRI Submission

This year, we made our third submission to the UN-supported Principles for Responsible Investment. Burgundy has been a signatory of the [UN PRI](#) since 2019. This year's submission was led by the Sustainability Team, with support and guidance from the Sustainability Advisory Council.

## Client Reporting

The Sustainability Team has been meeting directly with clients to inform and answer their questions on Burgundy's approach to ESG, including what issues we are facing, how we are addressing them, and what progress we are making with our investee companies. The team has also been responding to ESG questionnaires and providing ESG and emissions-related data to our clients. Additionally, the team has also led the creation of this report. **B**



## Burgundy's ESG Journey



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