



ESG Policies

Responsible Investment Policy

Introduction

Burgundy's mission is to protect and build our clients' capital over the long term. We do this by following a quality-value investment approach supported by intensive fundamental research. Our research enables us to invest in outstanding businesses at prices we view as less than their intrinsic value. Taking a long-term view allows us to think like owners of businesses, and, as owners, we endeavour to actively engage with management to help us assess and influence the long-term sustainability of our holdings. Along with many other factors, we believe companies that operate in a sustainable manner can create long-term value for their shareholders. Therefore, wherever possible, we encourage companies to carefully manage the environmental, social, and governance (ESG) impacts of their decisions and to disclose material ESG information. We believe incorporating material ESG risks and opportunities into our analysis can contribute positively to the performance of our strategies.

This Responsible Investment Policy highlights Burgundy's approach to responsible investing. The policy applies to both our equity and fixed income strategies.

Integration & Exclusions

Responsible investing can include various approaches to incorporating ESG considerations into a portfolio. At Burgundy, we utilize two methods of responsible investing: integration and exclusions. These approaches are not mutually exclusive. While all of Burgundy's investment mandates integrate ESG considerations, select Socially Responsible Investing (SRI) Funds and Foundation Funds apply negative screens and exclude a defined set of industries.

Integration at Burgundy involves incorporating material ESG factors into the investment process with the objective of improving the long-term financial outcomes of our clients' portfolios. Burgundy's investment approach is based on rigorous due diligence of the companies we evaluate. This involves identifying and evaluating factors material to the long-term value of those companies, including ESG factors, and incorporating such factors in the process of reaching a final investment decision.

Negative screening used in Burgundy's SRI and Foundation Funds excludes securities in predefined industries – namely, tobacco, cannabis, armament, and gambling.

Additionally, Burgundy adheres to any sanction restrictions imposed by applicable law across all our funds. Burgundy sources and relies on the Government of Canada, the Office of Foreign Assets Control (OFAC), the United Nations Security Council, and the United States Department of State for current sanctions data. As part of our detailed bottom-up analysis when researching companies, before we buy and while we own equity in a company, we ensure that companies in which we invest are not located in or otherwise materially connected with a sanctioned country or person.

ESG Guidelines

Our primary goal is to own companies that will remain appealing to their investors, customers, employees, suppliers, and communities because we believe this maximizes shareholder value over the long term. As a general rule, Burgundy will not exclude any particular investment based on ESG factors alone; however, our Investment Team does consider ESG factors when conducting research. It is the depth of our independent research process that allows us to uncover ESG factors early on and determine

whether those factors may have an impact on returns. This process allows us to gain a complete view of the company and its risk profile. From time to time, ESG discoveries will prevent us from investing in a company.

Environmental: We seek companies that (i) recognize the impacts of climate change, (ii) are mindful of their use of resources, and (iii) have a culture of strict compliance with laws and regulations (including environmental ones). We consider risks and opportunities associated with environmental factors when evaluating an investing decision. We support companies' efforts to mitigate and manage potential environmental risks and liabilities. This includes litigation and regulatory risk, physical risks (such as flooding, forest fires, and droughts), and transition risks (such as stranded assets and carbon pricing).

Social: We seek companies that exhibit a culture of due process, honest dealing and fairness, and an awareness of their social obligations in the communities in which they operate. We believe that companies should respect fundamental human rights within their operations and supply chains, and we will oppose exploitative labour practices.

Governance: We look for companies that are well-managed with strong, focused governance structures. We seek companies whose governance practices are sound, whose compensation policies are reasonable, and whose management incentives are aligned with ours as minority shareholders.

Sustainability Outcomes

We recognize that investment choices can have real world impacts, both positive and negative, beyond the impact on our clients' portfolios. We also recognize that where we choose to allocate capital and our stewardship efforts can contribute to meaningful changes at investee companies that can lead to a more sustainable society, economy, environment, and planet.

While our primary ESG integration objective is to compound our clients' capital, our position as engaged shareholders provides us with some influence over our

investments. This influence can be used to encourage companies to achieve certain sustainability outcomes. Our Portfolio Managers and Investment Analysts emphasize the sustainability outcomes they believe are practical to the managements of their companies.

We believe companies should disclose measurable environmental and social matters like carbon emissions, waste, workforce diversity, health and safety incidents, data breaches, and so on. Improved disclosure helps investors assess sustainability outcomes.

Conflicts of Interest

In the course of investing responsibly, it is possible for conflicts of interest to arise. Burgundy has a robust Conflicts of Interest Policy that outlines how potential conflicts are identified and managed through avoidance, control, or disclosure. Burgundy also has an Employee Code of Conduct that sets out the principles and policies that employees must uphold in order to protect and build clients' wealth for the long term. Adherence to terms of the Code is a condition of employment, and employees attest to their adherence on an annual basis.

Sustainability Resources and Oversight at Burgundy

Burgundy has an in-house Sustainability Team to support our ESG integration process. The Sustainability Team provides a dedicated resource to the Investment Team for ESG-specific research and engagement and serves as a centralized location at the firm for all matters relating to responsible investing.

Burgundy's Sustainability Advisory Council, comprised of our Chief Executive Officer, Chief Investment Officer, Director of Research, Chief Compliance Officer, and members of the Sustainability Team, is responsible for Burgundy's overall approach to responsible investing. This includes maintaining relevant policies and ensuring that Portfolio Managers and Investment Analysts have the tools and training necessary to effectively implement such policies.

The Council is also responsible for overseeing the implementation of this Responsible Investment Policy and ongoing monitoring. This Responsible Investment Policy will be reviewed annually by the Sustainability Advisory Council and updated as necessary.

The Legal & Compliance Team is responsible for oversight of related policies, including Burgundy's Proxy Voting Policy and Guidelines, Conflict of Interest Policy, and Code of Conduct Policy as well as documentation of investment research.

Stewardship Policy

Introduction

Burgundy's mission is to protect and build our clients' capital over the long term. We do this by following a quality-value investment approach supported by intensive fundamental research. Our research enables us to invest in outstanding businesses at prices we view as less than their intrinsic value. Taking a long-term view allows us to think like owners of businesses, and, as owners, we endeavour to actively engage with management to help us assess and influence the long-term sustainability of our holdings. Along with many other factors, we believe companies that operate in a sustainable manner can create long-term value for their shareholders. Therefore, wherever possible, we encourage companies to carefully manage the environmental, social, and governance (ESG) impacts of their decisions and to disclose material ESG information. We believe incorporating material ESG risks and opportunities into our analysis can contribute positively to the performance of our strategies. This Stewardship Policy highlights Burgundy's approach to stewardship, including our stewardship objectives and approach, prioritization of stewardship activities, and monitoring mechanisms.

Stewardship Objective

Our stewardship objective is to use stewardship tools such as engagement with issuers, proxy voting, escalation, public policy submissions, and collaboration to preserve and grow our clients' capital over the long term.

Stewardship Approach

A. Issuer Engagement

Prior to making an investment decision, our Portfolio Managers and Investment Analysts conduct extensive research. Where possible, they conduct onsite visits with companies to observe the working environment and meet with management teams. Engaging with companies allows our team to discuss, assess, and influence matters of strategy, operations, culture, governance, and material environmental and social factors. Due to Burgundy's long-term investing approach, our Portfolio Managers and Investment Analysts endeavour to maintain consistent interaction over time with the management teams of companies in which we are invested. The team also engages with boards of directors, where accessible and warranted. This helps inform our decision-making on initial or continued investment in an issuer.

We increasingly engage with companies on ESG topics because they are, in many instances, material to the intrinsic value of the companies we evaluate. Given the materiality, frequency, and complexity of ESG issues, Burgundy created an in-house Sustainability Team to support our Investment Team in their ESG integration and engagement process. The Sustainability Team is governed by the Sustainability Advisory Council, comprised of our Chief Executive Officer, Chief Investment Officer, Chief Compliance Officer, Director of Research, and members of the Sustainability Team. The Sustainability Team is available as a dedicated resource to the Investment Team to provide ESG-related data and research to complement their engagement efforts.

The primary way we uncover ESG issues is through our core investment process, which is supplemented by ESG-specific research performed in collaboration with our Sustainability Team. If, through this process, we uncover ESG factors material to the intrinsic value of the company we are evaluating, we may engage with the management or the board of that company on the issue.

Proceedings of meetings are shared between the Investment Team and the Sustainability Team to be used to further inform investment decision-making.

B. Exercising Voting Rights

It is Burgundy's policy to vote on all proxies for accounts where we have voting authority. Our voting decisions reflect what we consider to be in the best interest of our clients. Proxy voting is conducted in a generally unified and consistent manner across all accounts. To accomplish this, Burgundy has established a comprehensive set of Proxy Voting Guidelines. The guidelines provide a framework for Portfolio Managers to follow and set out clear recommendations on various topics, such as Boards of Directors, Management Compensation, Shareholder Rights, and Environmental and Social Issues. Portfolio Managers are, however, still responsible for signing off on every proxy ballot. Burgundy uses Institutional Shareholder Services' (ISS) services to carry out all proxy voting consolidation for the accounts and funds managed by the firm.

C. Escalation

Engagement with companies in which we invest, along with voting proxies, constitute our primary approaches to stewardship. Should such initial efforts not result in favourable outcomes, we may consider escalation techniques, such as formally writing to the management or the board setting out concerns or proposing a change to board membership. We would also consider collaborating with other shareholders in such efforts, where available and permissible (subject always to applicable securities laws). Occasionally, we may speak out publicly against an issuer as a final escalation tactic, typically on matters of poor corporate governance. We also consider divestment as our last resort, only after we have concluded that a particular company is not receptive to engagement approaches.

From time to time, we engage directly with management and the board of directors on proxy matters we deem important, particularly when we disagree with management's recommendations. We also sometimes use proxy voting as an escalation tactic in instances where other forms of engagement are not productive.

We are always open to considering other stewardship approaches as Burgundy does not have any restrictions on the escalation measures we can use.

D. Collaboration & Public Policy Submissions

Collaboration provides the opportunity for investors to come together, pool resources, share information, and add weight to their concerns. Burgundy occasionally collaborates as part of its stewardship efforts, including via the Canadian Coalition for Good Governance (CCGG), of which Burgundy was a founding member. The CCGG engages directly with the boards of public companies in Canada on corporate governance and material ESG issues that are important to its members. Burgundy chooses to support the CCGG in collaborative engagements because, in some instances, collaborative engagement can be more powerful than one investor acting alone.

Prioritization

Given our rigorous bottom-up investment approach, our Investment Team has an in-depth understanding of the company they are evaluating and, therefore, are best positioned to determine the most material ESG issues. As such, stewardship activities are prioritized based on the judgment of the Portfolio Managers and Investment Analysts, taking into account the size of our investment, materiality of potential outcomes, and materiality relative to an individual business. They generally have good access to management and can have direct conversations with them, which we believe is the most effective engagement method.

Conflicts of Interest

Burgundy and its employees are cognizant of their responsibility to always act in the best interests of our clients. When exercising stewardship, it is possible for conflicts of interest to arise. Burgundy has a robust Conflicts of Interest Policy that outlines how potential conflicts are identified and managed through avoidance, control, or disclosure. Burgundy also has an Employee Code of Conduct that sets out the principles and policies that employees must uphold in order to protect and build clients' wealth for the long term. Adherence to terms of the Code is a condition of employment, and employees attest to their adherence on an annual basis.



Monitoring & Implementation

This Stewardship Policy is reviewed annually and implemented by Burgundy's Sustainability Advisory Council across all regional investment teams to ensure portfolio management activities are aligned with our position on sustainable investing. Each regional team is responsible for incorporating this Policy to fit their unique stewardship approach.

The Legal & Compliance Team is responsible for oversight of related policies, including Burgundy's Proxy Voting Policy and Guidelines, Conflict of Interest Policy, and Code of Conduct Policy as well as documentation of investment research. **B**

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Select securities are used as examples. Any numerical references are approximations only. The list of companies and discussion topics presented is not a comprehensive list and is provided to illustrate Burgundy’s investment philosophy and approach to evaluating ESG factors. Any holdings described here do not represent all securities purchased, sold, or recommended for advisory clients or held in an entire Burgundy strategy. Because Burgundy’s portfolios make concentrated investments in a limited number of companies, a change in one security’s value may have a more significant effect on the portfolio’s value. A full list of securities is available upon request.

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