

Burgundy's Approach to MiFID II

The Markets in Financial Instruments Directive II (MiFID II) is a regulation that took effect January 2018 that aims to increase market transparency across the European Union (EU) through the standardization of the regulatory disclosures required for individual markets. It is one of the most significant regulatory changes to impact the global asset management industry. The MiFID II reforms cover a number of key topics including: best execution, conflicts of interest, bundled commissions and payments for research & trading.

At Burgundy, we follow a disciplined, bottom-up, value-driven approach to investment research, supported by intensive fundamental research. We believe that conducting our own research is the backbone of our success. From time to time we have used external research paid for using broker commissions to supplement our own research, but we do not rely on external research in our decision-making.

We always approach our decision-making with the guiding principles of fairness and transparency in mind such that all our clients are treated equally.

As of January 3, 2018, Burgundy has gone execution only on all trades and will absorb all external research costs related to our equity mandates for all clients, regardless of domicile. We will not pass these broker research commissions on to our clients, nor will our fees change as a result of this policy.