

# Proxy Voting Policy & Procedures

## Vendor Services

In order to fulfill our fiduciary duties, Burgundy uses ISS' services to carry out all our proxy voting consolidation for the accounts and funds managed by the firm based on instructions outlined in the Burgundy Proxy Guidelines. Although the Burgundy Proxy Guidelines provide general standards for voting judgments, Portfolio Managers are still responsible for signing off on each and every proxy ballot.

Burgundy relies on ISS for the following services:

- Maintain/update accounts eligible for proxy voting (including adding new accounts and closing old accounts)
- Share and ballot reconciliation
- Providing notification and reminders of upcoming proxy votes
- Communicating voting recommendations and rationales
- Systematic default votes based on Burgundy's Guidelines
- Executing voting instructions
- Recording and reporting proxy voting records

Although ISS also provides services on suggesting votes when Burgundy Proxy Guidelines do not cover the issue, Burgundy usually does not use this part of service.

Currently, the Proxy Administrator, Backup Proxy Administrator and the manager of the operations in the Investment Department have full access to the voting function of ISS. Compliance and Administrators have access to run voting reports but do not have access to the voting function.

ISS being one of Burgundy's service providers is within the scope of our annual vendor oversight process. An internal and an external questionnaire are filled out to evaluate their services and fee charges. Burgundy also remains frequent communication with ISS for issues evolved from the proxy voting process.

## **Burgundy Proxy Guidelines**

Burgundy Proxy Guidelines set out clear proxy voting principles relating to Boards of Directors, Management Compensation, Shareholder Rights, and Environmental and Social Considerations. Burgundy Proxy Guidelines provide portfolio managers with clear direction of how to vote on behalf of Burgundy's Funds and separately managed accounts. Burgundy Proxy Guidelines provide a framework with which to approach this process. Burgundy Proxy Guidelines are reviewed or updated by Chief Investment Officer at least annually.

## **Share/Ballot Reconciliation**

As part of ISS' services, ISS is in charge of share/ballot reconciliation process. Burgundy's Database transmits security holdings including share numbers to ISS every morning. From there, ISS is able to reconcile ballots according to their policies and procedures.

## **Vote Casting**

Burgundy's Proxy Administrator is in charge of the voting process by: monitoring ISS' system, compiling the proxy ballots and reports, providing the documents to the Portfolio Managers, obtaining the necessary votes and signatures, casting the votes onto ISS' system, and record keeping of the relevant back-up documents. When all parties are in the office, this process may occur by printing the documents from the ISS platform. When a party is out of the office the votes are transmitted from the Administrator to the Portfolio Manager by email. Records of virtual vote confirmations are also retained for record keeping and audit purposes.

## **Situations for No Vote**

In certain situations, Burgundy would not vote proxies for a client account. Examples of this would be as follows:

- Client has provided instruction to Burgundy that they will vote their own proxies.
- Client has a securities lending arrangement with their custodian. Since the client has initiated the lending arrangement, Burgundy will not recall the securities and will not vote the proxies.
- Client account holds a security as a result of custodial action(s) (i.e. cash sweep into money market fund).

- **Foreign Securities:** In some foreign markets administrative issues beyond our control may sometimes prevent us from voting such proxies. For example, we may receive meeting notices after the cut-off date for voting or without enough time to fully consider the proxy. Similarly, proxy materials for some issuers may not contain disclosure sufficient to arrive at a voting decision, in which cases we may abstain from voting. Some markets outside the U.S. and Canada require periodic renewals of powers of attorney that local agents must have from our clients prior to implementing our voting instructions. Due to the complications and cost efficiency of this practice, we may abstain from voting as well.
- **Share Blocking:** Proxy voting in certain countries (e.g. Switzerland) requires “share blocking”. Shareholders wishing to vote their proxies must deposit their shares shortly before the date of the meeting (usually one week) with a designated depository. During this blocking period, shares that will be voted at the meeting cannot be sold until the meeting has taken place and the shares are returned to the clients’ custodian banks. We may determine that the value of exercising the vote is outweighed by the detriment of not being able to sell the shares during this period. In cases where we want to retain the ability to trade shares, we may abstain from voting those shares.

## **Votes Deviated from Burgundy Proxy Guidelines**

From time to time a Portfolio Manager may have good cause to deviate from the predetermined voting policy guidelines. It may also not be possible for our custom voting policy to anticipate every voting situation, and Burgundy may encounter proxy proposals that are not covered by its guidelines (e.g., mergers or reorganizations) and which may involve a potential conflict.

## **Burgundy’s Proxy Voting Disclosure**

As Burgundy’s U.S. Funds are registered as Delaware Statutory Trusts on a private placement basis, these do not require a submission of the Form N-PX to the SEC that would be required of mutual funds governed by the Investment Companies Act.

None of Burgundy’s Canadian Funds are reporting issuers and therefore Burgundy has no requirements to disclose on our website annual proxy voting records for the prior year. However, Burgundy does have the proxy voting records available upon request.

In addition to these requirements, Burgundy has made arrangements with some clients to provide proxy voting records on a regular basis. This is maintained on a case-by-case basis and is overseen by the applicable client administrator.

## **ESG**

Long term shareholder value creation requires companies to operate in a sustainable manner and, as a result, we encourage companies to carefully manage the environmental, social and governance impacts of their decisions.

While we strongly believe in high ethical standards, we recognize there are few moral absolutes. Therefore, we weigh the facts of each environmental, social and governance issue on a case-by-case basis as outlined in our Proxy Voting Guidelines.