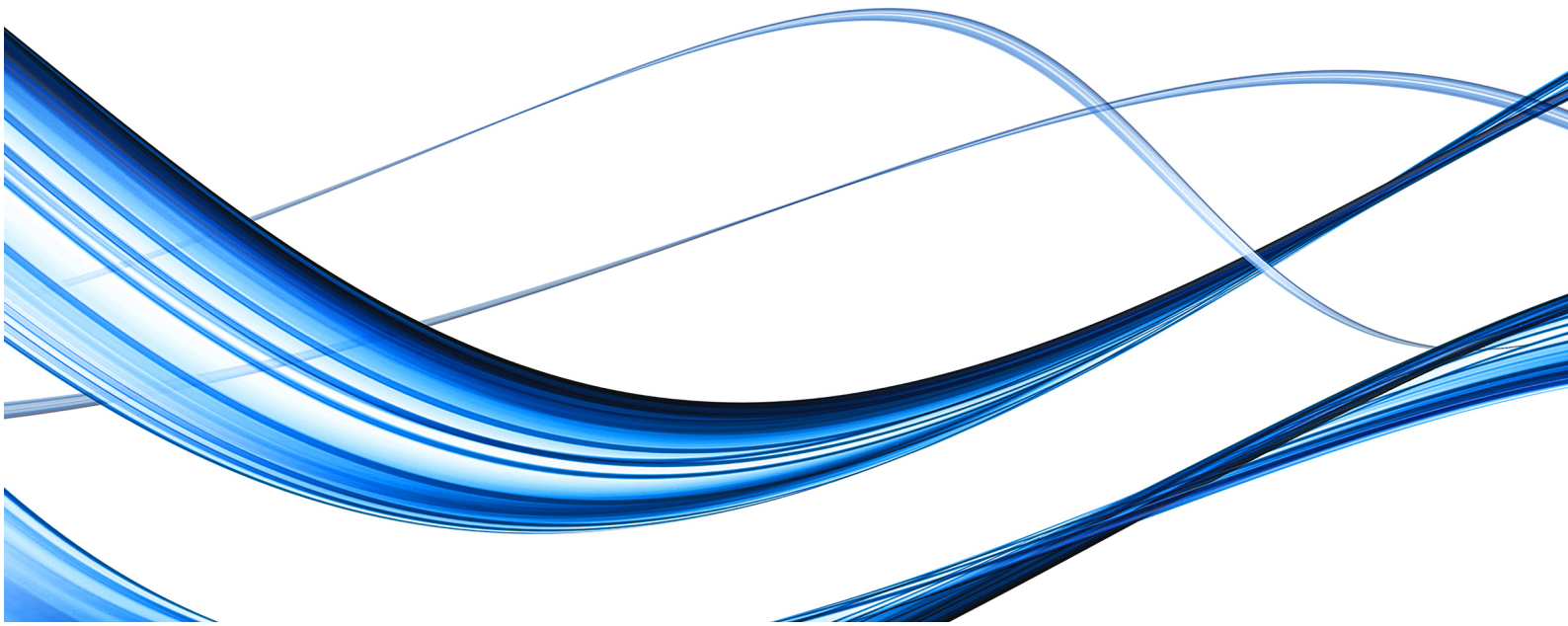


Encasa Canadian Equity Fund
(formerly the Genus Social Housing Canadian Equity Fund)

Q4 2019

October 1st - December 31st

Proxy Voting Report



Proxy Voting Highlights Q4 2019

Meetings

Type

Annual 1

Total 1

100% Annual

Jurisdiction

United States 1

Total 1

United States 100%

Proposals

	Votes consistent with / contrary to management recommended votes		No. proposals
All proposals	71% consistent	29% contrary	17
Management proposals	80% consistent	20%	15
Director Elections	85% consistent	15 %	13
Say-On-Pay	100% contrary		1
Auditor Ratification	100% consistent		1
Shareholder proposals	100% contrary		2
Social	100% contrary		1
Governance	100% contrary		1

Highlights of SHARE's 2020 Model Proxy Voting Guidelines

The annual update to SHARE's 2020 Model Proxy Voting Guidelines was more extensive than usual. We use these guidelines in voting ballots for our proxy voting clients, so you will see these changes in how your ballots are voted in the coming months. We believe these changes keep SHARE's approach to proxy voting up-to-date with current standards for sound, responsible corporate governance.

Here are some highlights of the changes in our 2020 Proxy Voting Guidelines.

Reorganized structure

The most noticeable change to the 2020 Model Proxy Voting Guidelines is the way they are organized. The guidelines have been reorganized to integrate and combine what used to be separate sections for corporate governance and corporate social responsibility. For example, the section on reports includes guidelines for financial reports and reports on climate change. This reorganization better reflects SHARE's long-held position that corporate social responsibility is part of good corporate governance.

The guidelines open with a new section, *What is a responsible company*, that describes SHARE's view of corporate responsibility:

Companies do not operate in a vacuum. They affect and are affected by the people, social structures and environment around them. International and domestic law and convention establish varying degrees of corporate responsibility for the effects of a corporation's conduct on its stakeholders, such as employees, shareholders, lenders, customers and suppliers, the communities in which they operate, and on the natural environment. But responsible business conduct is not solely a matter of legal liability. It is inseparable from good business practice and good corporate governance because it affects a company's ability to operate profitably and sustainably in the long term.

[The fund] supports the development of strong corporate governance and responsible business conduct as a means of promoting long-term value and a sustainable, inclusive and productive economy.

Director attendance

We've added a guideline in this section to vote against overcommitted directors. We define overcommitted directors as those who serve on more than five boards, or if they are corporate executives who serve as directors on more than two additional boards. SHARE will vote against directors who serve on more corporate boards than this.

Auditor independence and the appointment of auditors

Companies sometimes hire their external audit firm to provide them with tax advice or other services. Hiring the external auditor to perform other, non-audit work has the potential to compromise the independence of those auditors.

SHARE strongly prefers auditors who do not provide services for a corporation other than the annual audit. We vote against approving the external auditor if the fees for non-audit work are above a certain threshold. In the past, that threshold was one-third of the total fees paid to the external audit firm. Beginning in 2020, that threshold has been lowered to 25%.

Relationships with Employees

Another of the new sections of the 2020 guidelines includes the guidelines on executive compensation, workers' pay, and other labour issues, such as workplace health and safety, and gender equity.

This section contains SHARE's guidelines on voting for proposals that ask companies to disclose information recommended by the Workforce Disclosure Initiative. This includes reports on the characteristics of companies' workforces, their efforts to improve the quality of their workplaces, and comparable reports on the workforces of their supply chains.

The section also includes guidelines on executive compensation and income inequality. These guidelines were in SHARE's 2019 Proxy Voting Guidelines. In the 2020 version, those guidelines have a new introduction that articulates the risks income inequality poses for investors:

The growing disparity between the incomes of the wealthiest segment of the population and the majority of working people is a concern for investors. Economic growth slows when the incomes of the wealthy rise and those of the lower and middle classes do not, with the potential to create greater social and political instability and risk.^[1] The compensation of executives often places them among the wealthiest 1% of the population and contributes to rising disparities in income.

Good compensation plans recognize the value of the efforts of all of a company's workers, and the importance of fairness as well as market considerations in allocating pay.

Relationships with Indigenous peoples

This is a new section:

Regardless of whether or not companies have operations on Indigenous lands, they should ensure that Indigenous people have equitable access to employment and training, and that their procurement programs include Indigenous suppliers whenever possible. Diversity policies and programs for suppliers, employees and directors should include Indigenous peoples.

- [The fund] will vote for proposals that ask or require companies to respect the UN Declaration on the Rights of Indigenous Peoples in seeking the consent of Indigenous peoples and in proceeding with any operations on their lands.
- [The fund] will vote for proposals that ask or require companies to obtain free, prior and informed consent from Indigenous communities before proceeding with any operations on their territories.
- [The fund] will vote for proposals that ask or require companies to provide tangible benefits to Indigenous communities on whose territories those companies wish to operate or have projects.
- [The fund] will vote for proposals that ask or require companies to consult with Indigenous communities on environmental issues, and to respect Indigenous knowledge, perspectives and practices related to those issues.

Environmental issues often have a greater effect on Indigenous communities than on the non-Indigenous population. Meaningful engagement with Indigenous communities must include consulting them on environmental issues. Companies should respect Indigenous perspectives on, knowledge of, and cultural practices related to environmental matters.

- [The fund] will vote for proposals that ask or require companies to consult with Indigenous communities on environmental issues, and to respect Indigenous knowledge, perspectives and practices related to those issues.

We also revised the *Diversity on boards of directors* guidelines to add Indigenous heritage to the types of diversity that board should consider in their diversity policies.

SHARE's 2020 Model Proxy Voting Guidelines will be posted on our website in English and French in the coming weeks. In the meantime, a summary of the substantive changes to the guidelines is available upon request to Catherine Smith at csmith@share.ca.

[1]. E. Dabla-Norris, K. Kochhar, N. Suphaphiphat, F. Ricka, E. Tsounta, *Causes and Consequences of Income Inequality: A Global Perspective*, IMF Discussion Note SDN/15/13, International Monetary Fund, June 2015. https://www.imf.org/~media/Websites/IMF/imported-full-text-pdf/external/pubs/ft/sdn/2015/_sdn1513.ashx

MICROSOFT CORPORATION United States

Ticker Symbol	MSFT	ISIN	US5949181045
Meeting Date	04-Dec-2019	Meeting Type	ANNUAL

Custodian	Account No.	Ballot Shares	Unavailable Shares	Vote Date	Vote Confirmed
TRUST BANQUE NATIONALE.	N1-000001002.2	17300	0	14-Nov-2019	Yes

Item	Proposal	Proposed By	Vote	For/Against Management
1	Election of Director: William H. Gates III	Management	For	For
2	Election of Director: Reid G. Hoffman	Management	For	For
3	Election of Director: Hugh F. Johnston	Management	For	For
4	Election of Director: Teri L. List-Stoll	Management	For	For
5	Election of Director: Satya Nadella	Management	For	For
6	Election of Director: Sandra E. Peterson	Management	For	For
7	Election of Director: Penny S. Pritzker	Management	For	For
8	Election of Director: Charles W. Scharf	Management	Against	Against
Comments: Mr. Scharf is the CEO of Wells Fargo, and sits on this company's compensation committee. Directors who are executives themselves may have conflicts of interest in setting the pay of other executives, and thus are not suitable to be members of compensation committees.				
9	Election of Director: Arne M. Sorenson	Management	For	For
10	Election of Director: John W. Stanton	Management	For	For
11	Election of Director: John W. Thompson	Management	For	For
12	Election of Director: Emma Walmsley	Management	For	For
13	Election of Director: Padmasree Warrior	Management	Against	Against
Comments: Ms. Warrior is the CEO of the Fable Group, and sits on this company's compensation committee. Directors who are executives themselves may have conflicts of interest in setting the pay of other executives, and thus are not suitable to be members of compensation committees.				
14	Advisory vote to approve named executive officer compensation	Management	Against	Against
Comments: Microsoft paid its top 5 executives a total of US\$106 million in the 2019 fiscal year. Four of the top 5 executives were paid more than 200 times the US average personal income. These levels of compensation contribute to income inequality, which is detrimental to the overall economy and society. In addition, only half of the executives' long-term incentive bonus is based on performance. That bonus is the largest portion of their pay. The lack of performance conditions limits the effectiveness of the bonus as an incentive to do a good job, and contributes to excessive amounts of executive compensation.				
15	Ratification of Deloitte & Touche LLP as our independent auditor for fiscal year 2020	Management	For	For
16	Shareholder Proposal - Report on Employee Representation on Board of Directors	Shareholder	For	Against
Comments: This proposal asks Microsoft to report on the opportunities it has to encourage the inclusion of non-management employee representation on its board of directors. This is somewhat more directive than we usually support. However, Microsoft's labour relations have been rocky in the past 2 years, as employees have protested against some of the company's projects with the US government, and demonstrated against gender discrimination and sexual harassment. Putting employee representatives on the board is a novel idea in the US, but it is quite common in Europe. The practice correlates with better labour relations and improved productivity. Thus it might prove to be an innovative solution to Microsoft's labour relations problems. The proposed report would require Microsoft to consider this possibility, which is certainly worthwhile.				
17	Shareholder Proposal - Report on Gender Pay Gap	Shareholder	For	Against

Comments: This proposal asks Microsoft to report on its global difference in the median pay of its male and female employees. A median pay gap is more informative than a comparison of pay by gender for the same positions, because it takes into account the preponderance of men in higher-paying jobs. Reports on gender-based differences in median pay are mandatory in the UK, and Microsoft issues that report for its UK division. Microsoft has more women in executive positions than many of its peers in the high-tech industry. The proposed report would not be difficult for the company to produce, since it already does so for its UK operations. And the report would allow the company to highlight its progress in promoting gender equality in its employee population.



The Shareholder Association for Research and Education (SHARE) is dedicated to building a sustainable, inclusive and productive economy. Since its creation in 2000, SHARE has worked toward this goal by supporting responsible investment leadership among institutional investors and building a network of investors who share our vision. SHARE assists in implementing responsible investment strategies through our Active Ownership Services, including:

- Pension Investment & Governance Education
- Proxy Voting & Advisory Services
- Shareholder Engagement
- Proxy Vote Auditing Services
- Responsible Investment Advisory Services

www.share.ca

Suite 510 - 1155 Robson Street, Vancouver, BC V6E 1B5 Canada T 604 408.2456 F 604 408.2525

Suite 257, 401 Richmond Street West, Toronto, ON M5V 3A8 Canada T 416 306.6463