



Proxy Voting Policy

Purpose

The purpose of the Mackenzie Financial Corporation (“Mackenzie”) Proxy Voting Policy (the “Policy”) is to ensure that Mackenzie votes the securities of companies for which it has proxy voting authority in accordance with its fiduciary duty to act in the best interests of its clients and in a manner most consistent with the long-term economic interest of investors.

Background

Securities legislation requires a registered portfolio manager, the registered portfolio manager being Mackenzie to establish and enforce written procedures for dealing with clients that conform to prudent business practice and enable the portfolio manager to serve its clients adequately. A registered portfolio manager is required to deal fairly, honestly and in good faith with its clients.

National Instrument 81-106 *Investment Fund Continuous Disclosure* (“NI 81-106”), Part 10 requires Canadian investment funds that are reporting issuers to establish and maintain proxy voting policies and procedures and to maintain a record of proxies received by an investment fund. NI 81-106 also requires that Canadian investment funds publicly disclose their complete proxy voting policies and procedures, a summary of their proxy voting policies and procedures and their proxy voting records.

Scope

This Policy applies to all proxy voting activity by the investment funds (“Funds”) and separately managed accounts advised by Mackenzie (collectively the “Accounts”).

This Policy is designed to be responsive to the wide range of subjects that can have a significant effect on the investment value of the securities held in the Accounts. This Policy is not exhaustive and an internal portfolio manager and associate portfolio manager, (collectively, “Portfolio Managers”) of the Accounts may depart from the “Voting Guidelines” section of the Policy if he or she believes that it is in the best economic interest of the Accounts.

Policy

1. Voting Authority

- a. The Portfolio Manager has the authority to vote proxies under the management agreements for the Accounts. As a result, there may be circumstances where the vote cast for the same security by different Portfolio Managers may differ.
- b. Separately managed account clients advised by Mackenzie may, at their discretion, retain proxy voting authority relative to the securities held in their portfolio(s).
- c. The Portfolio Manager shall not delegate proxy voting decision-making to third parties outside Mackenzie, the exception being Mackenzie sub-advisors.
- d. Sub-Advisors to the Accounts shall have the authority to make all voting decisions concerning the securities held in the Accounts they sub-advise on a fully discretionary basis in accordance with the applicable sub-advisory agreement. Sub-Advisors should have in place their own proxy voting policies and guidelines as part of their own investment management processes. Mackenzie will obtain and retain copies of such policies. Mackenzie will also obtain, at least annually, a record of the voting activities of sub-advisors with respect to the sub-advised Accounts.

2. Voting Practices

The Portfolio Manager shall take reasonable steps to vote all proxies received from the Fund Services team. A Portfolio Manager may refrain from voting where administrative or other procedures result in the costs of voting outweighing the benefits, including circumstances where:

- a. Voting securities are part of a securities lending program and the Portfolio Manager is unable to vote securities that are out on loan.
- b. A meeting notice is delivered close to the meeting date and the Portfolio Manager has insufficient time to process the vote.
- c. The Portfolio Manager sells shares prior to a company's meeting date and decides not to vote those shares.
- d. Voting securities have been blocked from trading in order to be tendered for voting purposes and the Manager believes that preserving the ability to trade the security is in the best interest of investors.

A Portfolio Manager may abstain or otherwise withhold his or her vote if, in the Portfolio Manager's opinion, such abstention or withholding is in the best interests of investors.

The Portfolio Manager shall not be restricted from trading in a security due to an upcoming shareholder meeting.

3. Fund of Fund Voting – Unitholder Vote

- a. A Portfolio Manager may vote on the securities of an underlying fund owned by an Investment Fund (“Top Fund”) when the underlying fund is not managed by Mackenzie.
- b. A Portfolio Manager will not vote the securities of the underlying fund if an underlying fund is managed by Mackenzie or one of its associates or affiliates, but will decide if it is in the best interests of the Top Fund investors to vote on the matter individually. Generally, for routine matters, the Portfolio Manager will decide that it is not in the best interests of the Top Fund investors to vote individually. Should the Portfolio Manager decide that it is in the best interests of the Top Fund investors to vote, then Mackenzie (on the Portfolio Manager’s behalf) will request each Top Fund investor to provide instructions on how to vote that investor’s proportionate share of the underlying fund securities owned by the Top Fund and will vote accordingly. The Portfolio Manager will only vote the proportion of the underlying fund securities for which Mackenzie has received instructions.

4. Disclosing Proxy Voting Information

In accordance with any applicable Code of Business Conduct and Ethics or otherwise, employees of Mackenzie, including Portfolio Managers, shall not respond to third-party requests for information or otherwise comment on how a Portfolio Manager has or will vote individual proxies. Any third-party requests for information shall be referred to the Vice-President, Legal or his/her designee, or Chief Investment Officer (“CIO”).

5. Voting Guidelines

Below is a statement of principles that generally describe how Mackenzie, as investment advisor, may vote on some commonly raised or potentially contentious issues. This is not a complete list of guidelines, but the principles that they are based on would apply to other circumstances as they arise. The primary principles underlying these guidelines are that a Portfolio Manager will exercise his or her discretion to vote in a manner that he or she considers is in the best interests of the Accounts.

5.1 Boards of Directors

Mackenzie generally votes in favour of recommendations that support:

- A majority of Board members being independent from management.
- The Chair of the Board being separate from the office of the Chief Executive Officer or board and management duties, are otherwise separated.
- Boards having an audit committee, nominating committee or compensation committee composed of directors who are independent from management.
- All Board members having the same term of office rather than staggered terms.

Notwithstanding the above, a Portfolio Manager may decide to support a proposal that does not comply with the above recommendations provided that the corporate performance or governance of the issuer over a reasonable period of time is not considered by the Portfolio Manager to be unsatisfactory.

5.2 Stock Option Plans and Other Executive Compensation

Mackenzie believes that company management and the compensation committee of the Board of Directors should, within reason, be given latitude to determine the types and mix of compensation and benefit awards offered. All forms of executive compensation are reviewed on a case-by-case basis. The following are general guidelines:

Options

- **Price** – Options with a strike price of less than 100% of the fair market value of the underlying common shares at the time of the grant will generally not be supported.
- **Repricing** - The repricing of options will generally not be supported.
- **Dilution** - Total option plan potential dilution should generally be no more than 10% of the issued and outstanding shares. Total options include shares reserved for previously granted but unexercised options and shares currently available for new option grants.
- **Board Discretion** - Plans that give the board broad discretion in setting the terms of the grant of options will generally not be supported. A shareholder-approved formula for options is preferable.
- **Director Eligibility** - Options for non-employee directors are acceptable under clearly defined and reasonable terms that permit option compensation commensurate with the duties and liabilities undertaken by the directors. The plan should generally have a specific and objective formula for the award of director options.
- **Concentration** - Plans that authorize allocation of 20% or more of the available options to any individual in any single year will generally not be supported.
- **Vesting Schedule** - Preferably, options will be tied to the achievement of annual corporate objectives. Options should generally not vest immediately when granted, but over a given number of years (5 to 10 years is a preferred duration).

Golden Parachutes - All severance compensation agreements will be reviewed on a case-by-case basis. Golden parachutes deemed excessive will generally not be supported.

Director Compensation - Compensation packages should encourage all directors to become shareholders, so as to align their interests with those of the shareholders. Plans that call for a certain percentage of director's compensation to be in the form of common shares will be generally supported.

5.3 Shareholder Rights Plans

Mackenzie believes that measures that impede takeovers or entrench management not only infringe on the rights of shareholders but may also have a detrimental effect on the value of the company. Mackenzie will generally oppose proposals, regardless of whether they are advanced by management or shareholders, of which the purpose or effect is to entrench management or dilute shareholder ownership. Conversely, Mackenzie will support proposals that would restrict or otherwise eliminate anti-takeover measures that have already been adopted by companies. Mackenzie will generally support shareholder rights plans with the following features:

- The plan is designed to provide the company's Board of Directors with sufficient time to undertake a fair and complete shareholder value maximization process and does not merely seek to entrench management or deter a public bidding process for the company's shares.

- The plan allows for partial bids. Partial bids to all shareholders with identical consideration are preferred.
- If implemented without prior shareholder approval, the plan expires no later than six months from its introduction, unless earlier confirmed by shareholders.
- The plan will require prior shareholder approval of substantive amendments.
- The plan provides that the minimum bid period is not longer than 60 days.
- The plan requires regular shareholder ratification ideally every three, but not less than every six years.
- The plan places a modest limit on the granting of any “break fees”.
- The plan has a trigger threshold of at least 10%.

5.4 Shareholder Proposals

Mackenzie will evaluate shareholder proposals on a case-by-case basis. All proposals on financial matters will be given consideration. Generally, proposals that seek to limit the rights of shareholders or that place arbitrary or artificial constraints on the company, its board of directors or management will not be supported.

5.5 Social/Political/Environmental Issues

Mackenzie, in its role as fiduciary, puts the economic interests of investors ahead of any non-financial matters. Proposals relating to social, political and environmental issues will be considered on a case-by-case basis to determine whether they will have a financial impact on shareholder value. Mackenzie will generally not support proposals that are unduly burdensome or result in unnecessary and excessive costs to the company. Mackenzie will generally vote for proposals that encourage responsible policies and practices, such as disclosure of risks arising from, and assessments of the impact of, social, environmental and ethical issues and fair human rights and labour practices. Additionally, in accordance with the “Responsible Investing Policy” Mackenzie gives the Portfolio Manager discretion with regard to social, political, environmental and ethical issues.

5.6 Creditor Voting

Mackenzie will, from time to time, be required to participate in voting situations where it is voting as a creditor. The overriding consideration in these situations will be to maximize the recoverability of the claim.

6. Proxy Voting Conflicts of Interest

Circumstances may occur where a Portfolio Manager may have a potential conflict of interest relative to its proxy voting activities. Potential conflicts of interest could include business relationships with an issuer or a proponent of a proxy proposal, or a Portfolio Manager’s personal or familial relationships with proponents of proxy proposals, participants in proxy contests, corporate directors or candidates for directorships.

Proxy Voting Conflict of Interest Procedures

The Portfolio Manager and all other parties involved in the administration of the Accounts are required to bring all potential proxy voting conflicts of interest to the attention of the Company’s

CIO and either the Vice-President, Legal, or the Chief Compliance Officer (“CCO”). Should the CIO and either the Vice-President, Legal or CCO conclude that a proxy voting conflict exists, the CCO shall be responsible for documenting the nature of the proxy voting conflict, the individual subject to the proxy voting conflict and the name of the issuer company. The CCO shall inform the Fund Services team that a proxy voting conflict exists and provide them with the name of the issuer company.

The Fund Services team shall maintain a proxy voting watch list (“Watch List”) that records the names of issuer companies that may be in a proxy voting conflict. The Fund Services team shall immediately notify the CIO and the Vice-President, Legal or CCO of any meeting circulars and proxies received from an issuer on the Watch List. The CIO and either the Vice-President, Legal or CCO shall discuss the voting matter(s) with the Portfolio Manager and ensure that the proxy voting decision is based on the Company’s proxy voting policies and is in the best interests of the Accounts.

All voting decisions made under this section shall be documented by and filed with the Fund Services team. On an annual basis, the CCO shall advise the Independent Review Committee of any reported proxy voting conflicts of interest in respect of the Funds, identify the applicable Portfolio Manager and the nature of the proxy voting conflict, and provide the details of any votes cast where such proxy voting conflict exists.

7. Proxy Voting Disclosure

The Fund Services team and the Legal Department shall maintain responsibility for ensuring that Mackenzie complies with the proxy voting disclosures required under NI 81-106, Part 10.4 *Preparation and Availability of Proxy Voting Record* which states:

- a. An investment fund must prepare a proxy voting record on an annual basis for the period ending June 30 of each year;
- b. An investment fund that has a website must post the proxy voting record to the website no later than August 31 of each year; and
- c. An investment fund must promptly send the most recent copy of the investment fund’s proxy voting policies and procedures and proxy voting record, without charge, to any securityholder upon a request made by the securityholder after August 31.

Compliance Reporting

The Compliance Department shall report any exceptions to the Policy to the Compliance Oversight Committee and to the Fund Oversight Committee of the Mackenzie Board of Directors (the “Fund Oversight Committee”) at least quarterly. In addition, reporting on the Policy shall be provided to the Independent Review Committee (the “IRC”) at least annually.

Policy Review

The Compliance Department shall coordinate a review of the Policy each calendar year and submit the Policy for approval to the Fund Oversight Committee. Upon approval of the Policy, the Fund Oversight Committee shall submit the Policy to the IRC for consideration as a standing instruction.