



BRANDYWINE GLOBAL INVESTMENT MANAGEMENT (EUROPE) LIMITED

BEST EXECUTION POLICY

03 January 2018

Scope

This best execution policy (the “**Policy**”) provides an overview of how Brandywine Global Investment Management (Europe) Limited (“**BGIM Europe**”) manages its obligations in respect of execution of client orders when buying or selling financial instruments.

Applicable Legislation

This Policy is issued pursuant to, and in compliance with the Markets in Financial Instruments (MiFID II) Directive 2014/65/EU and Markets in Financial Instruments (MiFIR) Regulation (EU) No. 600/2014.

BGIM Europe is authorised and regulated by the UK Financial Conduct Authority (the “**FCA**”) and as such this policy is also drafted in accordance with the FCA Conduct of Business Sourcebook (COBS 11) and the FCA’s Principles for Businesses (PRIN). All terms used by this Policy are defined in accordance with the FCA Handbook and COBS 11.

Client Classification

BGIM Europe will treat you as a Professional Client (“**client**”) whilst managing your funds. Professional Clients are considered to possess the experience, knowledge and expertise to make their own investment decisions and assess the risks inherent in their decisions. Broadly speaking, this means regulated entities, large undertakings, national and regional governments, public bodies that manage public debt, central banks, international and supranational organisations and other institutional investors whose main activity is to invest in financial instruments.

As of the date of this Policy, all of BGIM Europe’s clients are categorised as Professional Clients and the Policy addresses BGIM Europe’s obligations in respect of this category of client.

Our Commitment

When dealing with clients, BGIM Europe has a general duty to act honestly, fairly, professionally and in the best interest of the client.

Agreement to this Policy

This Policy has been provided to help clients understand how BGIM Europe manages client portfolios so that clients can make an informed decision on whether to use the services of BGIM Europe. Clients should ensure they have read and understood this Policy. By becoming a client of BGIM Europe, you will be deemed to have accepted this Policy.

Best Execution Policy

BGIM Europe delegates all of the discretionary management and related support activities of a client portfolio to its affiliated US company Brandywine Global Investment Management, LLC (“**BGIM US**”). Both BGIM Europe and BGIM US are wholly owned subsidiaries of Legg Mason, Inc, a publicly held US based global asset manager.

BGIM US is federally registered as an investment adviser with the US Securities and Exchange Commission (the "SEC"). Brandywine US offers an array of equity, fixed income, and balanced portfolios that invest in U.S., international, and global markets. BGIM US provides discretionary investment management services to a variety of clients including institutions, individuals, and various registered and unregistered pooled investment vehicles. In addition, BGIM US is the sub-adviser to affiliated and non-affiliated mutual funds and acts as a sub-adviser to several wrap programs sponsored by unaffiliated program sponsors. BGIM US also provides portfolio research services in the form of model investment portfolios to affiliated and non-affiliated investment advisers or other financial service providers. BGIM US is a signatory to the UN-supported Principles for Responsible Investment, a network of investors committed to investing responsibly and supporting a sustainable global financial system.

BGIM Europe, due to the delegation of discretionary management, does not transmit or execute orders on behalf of clients. BGIM Europe shall ensure that the delegation to BGIM US is permitted in its contractual arrangements with clients. Clients should be aware that because of this delegation the management of client portfolios is subject to the rules of the SEC and not subject directly to the FCA Rules on best execution. BGIM US maintains its own best execution policy and procedures.

As such, BGIM Europe takes all reasonable steps to ensure that the services provided to its clients are performed in accordance with the best interests of the client as well as in accordance with FCA Rules in respect of material outsourcing. BGIM Europe also takes reasonable steps to ensure that its selection of BGIM US and the overall management of the portfolio continue to meet these obligation. For the avoidance of doubt, reasonable steps includes but are not limited to, the execution of written agreements outlining the respective rights and obligations including rights of information, the protection of confidential information, inspection, admittance and access and monitoring rights in order to ensure effective supervision. BGIM Europe also establishes methods and procedures for reviewing on an ongoing basis the services provided.

Execution Venue

Due to the delegation from BGIM Europe to BGIM US, BGIM Europe's only execution venue per se is BGIM US. Clients are reminded that BGIM Europe neither transmits nor executes client orders.

BGIM Europe will provide its clients with MiFID II compatible best execution reporting as and when required.

BGIM US Best Execution Policy

A copy of the Best Execution Policy of BGIM US is available to clients of BGIM Europe on request.

Review of BGIM Europe Best Execution Policy

BGIM Europe will review this Policy annually and whenever a material change occurs that affects BGIM Europe's ability to obtain the best possible results for its clients.