



Brandywine Global Acquires Diamond Hill Capital Management's High Yield-Focused Funds and Adds Portfolio Management Team

High Yield and Corporate Credit Funds Expand Brandywine Global's Fixed Income Industry Leadership and Broaden Its Fundamental Credit Research Expertise

PHILADELPHIA — (August 2, 2021) — [Brandywine Global Investment Management, LLC](#) ("Brandywine Global"), a specialist investment manager and subsidiary of Franklin Resources, Inc. (NYSE: BEN), announced today that it completed its acquisition of the business of [Diamond Hill's](#) high yield-focused U.S. corporate credit mutual funds following a previously announced agreement with Diamond Hill Capital Management ("Diamond Hill") effective July 30, 2021. The acquisition expands Brandywine Global's fixed income offerings and broadens its expertise in bottom-up fundamental credit research.

The High Yield and Corporate Credit funds will continue under current portfolio managers John McClain, CFA and Bill Zox, CFA, along with senior associate Jack Parker, CFA, as they join members of Brandywine Global's global fixed income team. As of June 30, 2021, the Diamond Hill High Yield Fund, which had \$1.1 billion in assets under management (AUM), and the Diamond Hill Corporate Credit Fund, which had \$2.3 billion in AUM as of the same period, each had an overall 5 star rating, for the High Yield Bond Fund category, by Morningstar for their Class I shares. Morningstar ratings are calculated based on a Morningstar Risk-Adjusted Return measure.

For Diamond Hill Corporate Credit Fund, the Overall Morningstar Rating™ is based on 634 High Yield Bond funds as of June 30, 2021. The Fund's Class I rating was 5 stars among 634, 5 stars among 556, and 5 stars among 361 High Yield Bond funds for the 3-, 5-, and 10-year periods ended June 30, 2021, respectively.

For Diamond Hill High Yield Fund, the Overall Morningstar Rating™ is based on 634 High Yield Bond funds as of 6 June 30, 2021. The Fund's Class I rating was 5 stars among 634 funds and 5 stars among 556 High Yield Bond funds for the 3- and 5-year periods ended June 30, 2021, respectively.

The experienced investment team and the two high yield-focused U.S. corporate credit funds complement Brandywine Global's existing value-driven, macro-oriented offerings and expand its suite of global corporate credit strategies. As members of the fixed income team, McClain, Zox and Parker will have the opportunity to leverage Brandywine Global's highly regarded

macroeconomic capabilities to bring additional resources to these two funds. Additionally, this integration will introduce exciting opportunities for collaboration and research synergies between Brandywine Global’s corporate credit and equity analysis functions. McClain, Zox, and Parker will be further supported by the broader global resources of Franklin Templeton.

“We’re excited to welcome John, Bill and Jack to our firm. Their exceptional investment talent is a welcome addition to our fundamental research capabilities and our overall corporate culture,” said David Hoffman, chairman and head of global fixed income at Brandywine Global. “We’re devoted to encouraging independent thinking and challenging one another in a culture of integrity and mutual respect. The team brings a new perspective and an extraordinary work ethic that will enhance the way we look at fixed income and our ability to deliver superior outcomes for our clients.”

“We’re thrilled to join Brandywine Global. We’re confident clients will benefit from the marriage of our bottom-up fundamental approach with Brandywine Global’s global, macro-driven insights,” McClain said.

“We’re looking forward to collaborating with our new colleagues at Brandywine Global and taking advantage of the broader resources of Franklin Templeton. We feel it’s a perfect fit. There is no question we share the same value-driven, benchmark-agnostic, high-conviction philosophy,” said Zox.

Diamond Hill Corporate Credit Fund has been reorganized as BrandywineGLOBAL - Corporate Credit Fund. Diamond Hill High Yield Fund has been reorganized as BrandywineGLOBAL - High Yield Fund. In addition to retaining the same portfolio managers, both funds continue to have the same investment objectives and substantially similar principal investment strategies as the predecessor Diamond Hill funds. Additionally, each fund will assume the historical performance of the predecessor fund. Details including the new ticker symbols and CUSIPs for both funds are below.

| Table 1 | | | | | | |
|------------------------------------|--------|-----------|-------------------------|--|--------|-----------|
| Diamond Hill Corporate Credit Fund | | | Reorganization Activity | BrandywineGLOBAL – Corporate Credit Fund | | |
| Share Class | Symbol | CUSIP | | Share Class | Symbol | CUSIP |
| Y | DSIYX | 25264S643 | Merge into new fund | IS | BGISX | 52472T767 |
| I | DHSTX | 25264S866 | | I | BCGIX | 52472T775 |
| Investor | DSIAX | 25264S882 | | A | BCAAX | 52472T783 |
| - | - | - | New fund share class | C | BGGCX | 52472T759 |
| | | | | | | |

| Diamond Hill High Yield Fund | | | Reorganization Activity | BrandywineGLOBAL – High Yield Fund | | |
|------------------------------|--------|-----------|-------------------------|------------------------------------|--------|-----------|
| Share Class | Symbol | CUSIP | | Share Class | Symbol | CUSIP |
| Y | DHHYX | 25264S569 | Merge into new fund | IS | BGHSX | 52472T718 |
| I | DHHIX | 25264S577 | | I | BGHIX | 52472T726 |
| Investor | DHHAX | 25264S585 | | A | BGHAX | 52472T734 |
| - | - | - | New fund share class | C | BGHCX | 52472T692 |

John McClain, CFA

McClain joined Brandywine Global as a portfolio manager in July 2021. He had previously been a portfolio manager at Diamond Hill Capital Management, having joined the firm in 2014. Prior to that, McClain was senior vice president – credit at Standard Life Investments from 2010 to 2014. From 2007 to 2010, he was at Nationwide Mutual Insurance as a management associate in the Financial Leadership Rotation Program and then an investment analyst in distressed debt. McClain has a B.S. in business economics from the University of Kentucky (*magna cum laude*) and an MBA from the Tepper School of Business at Carnegie Mellon University.

Bill Zox, CFA

Zox joined Brandywine Global as a portfolio manager in July 2021. He had previously been a portfolio manager at Diamond Hill Capital Management, having joined the firm in 2001. Prior to that, Zox was a tax partner at Schottenstein, Zox & Dunn, Co., LPA from 2000 to 2001. From 1993 to 1999, he was an associate at Schottenstein, Zox & Dunn. Zox has a B.A. in political science from Williams College, a J.D. from The Ohio State University Moritz College of Law (with honors), and an LL.M. in taxation from the University of Florida Levin College of Law.

Jack Parker, CFA

Parker joined Brandywine Global as a research analyst in July 2021. He had previously been a senior associate at Diamond Hill Capital Management, having joined the firm in 2015. Parker has a B.S. in business administration (accounting and finance) from The Ohio State University.

About Brandywine Global

Brandywine Global Investment Management, LLC ("Brandywine Global") believes in the power of value investing. Acting with conviction and discipline, Brandywine Global looks beyond short-term, conventional thinking to rigorously pursue long-term value. Since 1986, the Firm has provided a range of differentiated fixed income, equity and alternative solutions to clients worldwide. Brandywine Global, a specialist investment manager of Franklin Resources, Inc., manages \$65 billion in assets under management as of June 30, 2021, with headquarters in Philadelphia and offices in Singapore¹ and London.² Visit www.brandywineglobal.com and the Firm's industry-leading [Around the Curve](#) blog.

Important Information About the Funds

Fixed-income securities involve interest rate, credit, inflation, and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. High yield bonds are subject to greater price volatility, illiquidity, and possibility of default. As a non-diversified Fund, it is permitted to invest a higher percentage of its assets in any one issuer than a diversified fund, which may magnify the Fund's losses from events affecting a particular issuer. Active management does not ensure gains or protect against market declines.

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All investments involve risk. Past performance is no guarantee of future results.

¹ Brandywine Global Investment Management (Asia) Pte. Ltd

² Brandywine Global Investment Management (Europe) Limited

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Morningstar Rating is for the named share class only; other classes may have different performance characteristics. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

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An investor should consider a fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus contains this and other important information about the Fund(s) and are available by calling (800) DIAL BEN/342-5236. Please read the prospectus or summary prospectus carefully before investing.

Forward-Looking Statements

Statements in this press release that are not historical facts are “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. When used in this press release, words or phrases generally written in the future tense and/or preceded by words such as “will,” “may,” “could,” “expect,” “believe,” “anticipate,” “intend,” “plan,” “seek,” “estimate,” “preliminary” or other similar words are forward-looking statements.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors, that could cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements.

Any forward-looking statement made in this press release speaks only as of the date on which it is made. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Brandywine Global and Diamond Hill undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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