

# Statement of Commitment to the Singapore Stewardship Principles

We are entrusted by our clients to serve as stewards of their capital. We are committed and aligned with the stewardship responsibilities set forth within the Singapore Stewardship Principles as part of our fiduciary duty to enhance the long-term investment returns of our clients.

## PRINCIPLE 1: TAKE A STAND ON STEWARDSHIP

RESPONSIBLE INVESTORS ESTABLISH AND ARTICULATE THEIR POLICIES ON THEIR STEWARDSHIP RESPONSIBILITIES.

Brandywine Global's stewardship and responsible investment commitments are governed by the following policies and procedures, and are reviewed on an annual basis, which typically coincides with our Principles for Responsible Investment (PRI) Transparency Report.

- [ESG Integration and Engagement Policy Statement](#)
- [ESG Engagement Policy Statement for Sovereigns](#)
- [Proxy Voting Policy](#)

## PRINCIPLE 2: KNOW YOUR INVESTMENT

RESPONSIBLE INVESTORS COMMUNICATE REGULARLY AND EFFECTIVELY WITH THEIR INVESTEE COMPANIES.

Engagements are a central component of each investment team's ESG integration. We use engagement interactions to better inform our investment decisions, to promote pragmatic policies, and to avoid investments that pose an untenable level of material risk. Engagements may occur at any stage of the investment process, usually triggered when we have identified an issue or practice that requires more information to understand the issuer's strategy. Initial outreach may first begin with an email, letter, or phone call—depending on the relationship and access our investment teams have with the issuers or any related stakeholders. Our goal is to always seek direct virtual or in-person meetings to discuss sustainability risks and opportunities and foster ongoing dialogue thereafter.

The trajectory of an engagement period may differ based on the sustainability risk, the materiality of that issue, the response from the entity, and how this information could impact our overall investment decision. The outcome may be positive if the entity is aware of and addressing a sustainability risk, neutral if there is awareness of risk though more time is needed to execute upon a plan, or negative if there is an unwillingness or inability to address our concerns. When engagements expose a significant downside to sustainability risks, we will either closely monitor, reduce, or completely exit a position. For our equity teams, we may also supplement our engagements with proxy voting by voting against management on a targeted concern.

## PROMOTING DEEPER INSIGHTS

At Brandywine Global, we believe the inclusion of factors related to sustainable and responsible investing are necessary for a complete understanding of both risk and opportunity.

- **Environmental** – Unsustainable or controversial environmental policies may lead to financial penalties, compromised reputation, competitive disadvantage, and negative implications for growth.
- **Social** – Poor labor practices or human rights violations may put companies or countries at risk of unrest or upheaval, impairing economic progress.
- **Governance** – Insufficient governance may promote an environment that ignores investor rights and interests while enabling fraud or corruption, limiting investment returns and exacerbating risks.



Brandywine Global Investment Management, LLC  
1735 Market Street, Suite 1800 / Philadelphia, PA 19103

North America: 215 609 3500  
Europe: +44 20 7786 6360  
Asia: +65 6536 6213

[brandywineglobal.com](http://brandywineglobal.com)

### PRINCIPLE 3: STAY ACTIVE AND INFORMED

RESPONSIBLE INVESTORS ACTIVELY MONITOR THEIR INVESTEE COMPANIES.

Our analysis and monitoring of both countries and companies are a continuous process to ensure that we stay current with ongoing developments at each company or country. With respect to corporate holdings, through our stewardship we vote proxies and shareholder proposals as part of the company annual general meeting and actively engage on issues where necessary. We also participate in several industrywide working groups to engage collaboratively with both corporations and government officials on a variety of fundamental economic issues and ESG opportunities.

### PRINCIPLE 4: UPHOLD TRANSPARENCY IN MANAGING CONFLICTS OF INTEREST

RESPONSIBLE INVESTORS MAKE KNOWN THEIR APPROACH TO MANAGING CONFLICTS OF INTEREST.

Brandywine Global requires that clients' interests are put first and that employees disregard any other relationship, arrangement, interest, or conflict of interest that may influence in a material manner any action that an employee may take for a client. Brandywine Global maintains a Conflicts of Interest Policy ("Policy") to identify the more significant conflicts of interest that may exist from time to time in the course of its investment management activities, and set out the measures taken by Brandywine Global to manage those conflicts. The Conflicts Policy is not intended to identify all actual or potential conflicts of interest. Conflicts of interest related to the stewardship responsibilities of proxy voting and engagement are covered in the Policy.

Engagements are an integral part of our investment process as we use engagement interactions to better inform our investment decisions, address existing or potential economic and business risks, promote added value within companies and countries, or to avoid investments that pose an unacceptable level of risk. From time to time, we may engage with companies where there may be a conflict of interest, for example, where the company is a client of, or significant service provider to, the Firm. In the event of a conflict in the engagement process, the conflict will be escalated to the Investment Committee and General Counsel & Chief Compliance Officer to determine the appropriate response and action.

### PRINCIPLE 5: VOTE RESPONSIBLY

RESPONSIBLE INVESTORS ESTABLISH CLEAR POLICIES ON VOTING AND EXERCISE THEIR VOTING RIGHTS IN A RESPONSIBLE FASHION.

In exercising discretion to vote proxies for securities held in client accounts, Brandywine Global is guided by general fiduciary principles. Brandywine Global's goal in voting proxies is to act prudently and solely in the best economic interest of its clients for which it is voting on their behalf. In furtherance of such goal, Brandywine Global will vote proxies in a manner that Brandywine Global believes will be consistent with efforts to maximize shareholder values.

Furthermore, it is our responsibility to exercise active ownership through proxy voting to support practical corporate governance, sound ESG policies and practices, communicate our views to companies, and promote change. In cases where we believe management has not taken sufficient efforts to address material environmental or social risks, we may choose to support shareholder proposals aimed at enhancing shareholder value or risk mitigation in alignment with our fiduciary principles.

### PRINCIPLE 6: SET A GOOD EXAMPLE

RESPONSIBLE INVESTORS DOCUMENT AND PROVIDE RELEVANT UPDATES ON THEIR STEWARDSHIP ACTIVITIES.

To promote transparency and set a good example within the investment management industry, we offer engagement reporting for all investment teams, and have a sovereign engagement framework to explain the Global Fixed Income team's stewardship efforts. These documents are publicly available and may be found within our annual stewardship report.

### PRINCIPLE 7: WORK TOGETHER

RESPONSIBLE INVESTORS ARE WILLING TO ENGAGE RESPONSIBLY WITH ONE ANOTHER WHERE APPROPRIATE.

We believe in the power of collective action within the investment management industry; by acting in concert with other managers, the aggregation of our engagements and assets under management are more influential. We also recognize the significant power we have as a global investor

with multiple asset classes under management. Therefore, we seek to collaborate across our investment teams when we have overlapping holdings—regardless of where each team is invested in the capital structure.

We have become increasingly involved in multilateral global ESG efforts, beginning in 2017, when the Firm signed the PRI's Statement on ESG in Credit Ratings and became a founding member of the organization's advisory council. The opportunity to become more involved in these global initiatives has been invaluable, by giving our investment professionals access to industry peers and their best practices, emerging sustainability themes, and unfettered access to our issuers. We have also welcomed the opportunity to share our approach to ESG research and analysis with our peers, as responsible investing is positive-sum for all collaborators.

This material contains the opinions of Brandywine Global Investment Management, LLC, which are subject to change without notice. Analysis and integration of ESG factors is qualitative and subjective by nature, and there is no guarantee that the ESG criteria used, or judgment exercised, by Brandywine Global will reflect the values of any particular investor. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product.