

Corporate Credit

Objective

Our investment objective is to generate an attractive cash distribution in excess of the current rate of inflation and an attractive total return while minimizing the risk of a permanent loss of capital over a complete market cycle. We expect to achieve our objective by investing in corporate bonds when we believe the market price discounts a greater risk of default or a greater loss upon default than is warranted.

Investible Universe

The strategy invests in both investment grade and below-investment-grade corporate bonds, with a bias to defensive high yield corporate bonds (due to lower duration and/or higher credit quality). Under normal circumstances, the strategy will have an effective duration of less than five years.

Investment Process Summary

Research Process Focused on Fundamental Credit Analysis

Our company analysis focuses on the fundamental economic drivers of the business and assesses whether there is adequate financial strength and flexibility to meet ongoing commitments. Avoiding deteriorating situations is critical to delivering consistent results. We evaluate not only the business prospects of the issuer but also whether the current price is attractive relative to risk.

In analyzing the underlying risk/return relationship, we look at the individual bond characteristics such as coupon, tenor, covenants, call schedule, bond rating, and size, which all factor into the price we are willing to pay. We take a position in a security when we have sufficient downside protection and it is priced attractively. We seek to invest in businesses with improving return on invested capital, stable or improving competitive advantages, manageable balance sheets, and outstanding managers and employees.

We also evaluate management's treatment of bondholders and stockholders. We believe management teams that understand the competitive dynamics of their business and employ prudent capital allocation often produce value for bondholders and stockholders.

Security Selection on Strong Theses

After the credit research is complete, the portfolio managers determine whether a security is attractive relative to asset and interest coverage and relative to other securities with comparable risk. We will only own the bonds of a company that we can analyze and value.

Portfolio Construction

Portfolio construction is a bottom-up process with the highest weights assigned to companies where the team has the highest conviction. Familiarity with a company, degree of downside protection, the attractiveness of the price, and analyst conviction shape portfolio construction. The liquidity and expected volatility of a corporate bond are also important factors in portfolio construction. Given our long-term time horizon, we may invest in less liquid or more volatile securities when we receive adequate compensation.

Opportunities may arise out of company-specific dislocations, industry dislocations, or market-wide dislocations. The important point is that we have conviction in our analysis, and we are willing to take advantage of dislocations that result in mispriced bonds.

Our Competitive Advantage

If we don't know a bond well or don't find its price attractive, we will not own it. This common-sense approach is surprisingly uncommon. Our process is disciplined but adaptable:

- Manage independent of benchmark weights
- Liquidity provider rather than a liquidity taker
- Nimble in the secondary market, selective in the new issue market
- High-conviction portfolios
- Long-term investment temperament



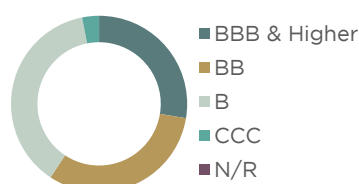
At a Glance

- Benchmark: ICE BofAML U.S. Corporate & High Yield Index
- The investment objective for the strategy is to generate income and provide attractive risk-adjusted capital appreciation.
- The strategy invests in both investment grade and below-investment-grade corporate bonds, with a bias to defensive high yield corporate bonds.
- Long-term oriented, benchmark-agnostic investment approach allows the strategy to take positions in those issues that, based on our fundamental research, provide attractive yield and total return potential relative to asset and interest coverage and relative to other securities with comparable risk.

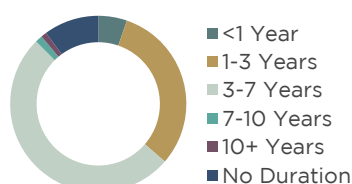
Characteristics^{1,2}

Number of Issues	167
Avg. Maturity (Yrs.)	4.90
Avg. Eff. Duration (Yrs.)	2.92
Avg. Yield-to-Maturity (%)	6.98
Current Yield (%)	6.10
Avg. Yield-to-Worst (%)	6.89

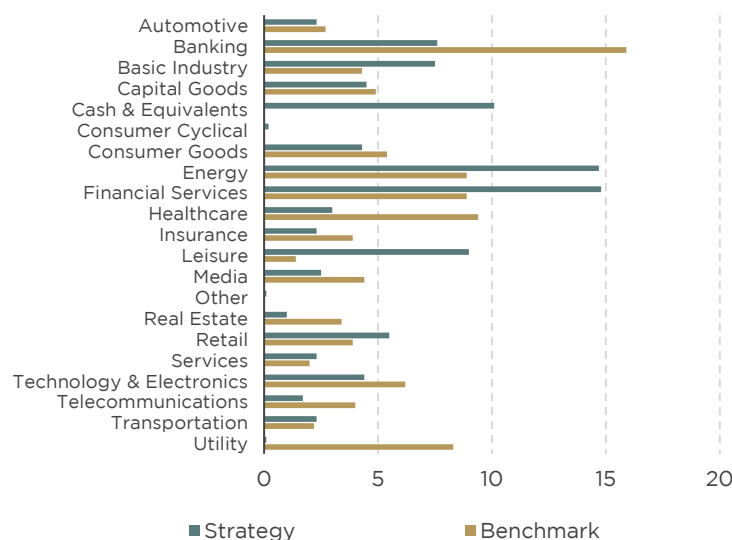
Quality Ratings^{1,2} (%)



Duration Allocation^{1,2} (%)



Sector Weights^{2,3} (%)



Assets Under Management (M) (Shown in USD)

Brandywine Global, Firmwide	59,468
Fixed Income Product Group	46,600
Corporate Credit	1,653

Calendar Year Returns² (%) (Results shown in USD)

	Gross	Net	BAUCHY	BAUHY2
2023	14.23	13.55	9.08	13.46
2022	-7.99	-8.49	-14.80	-11.22
2021	4.63	4.12	0.01	5.36
2020	10.43	9.94	9.34	6.17
2019	13.92	13.41	14.28	14.41
2018	1.27	0.82	-2.21	-2.28
2017	8.56	8.08	6.66	7.48
2016	12.94	12.44	7.97	17.49
2015	2.20	1.74	-1.37	-4.64
2014	3.16	2.64	6.43	2.50
2013	6.10	5.58	0.34	7.42

Risk Characteristics² (Composite Net of Fees) (Since Inception)

Sharpe Ratio	0.77
Sortino Ratio	0.77
Information Ratio	0.36

Portfolio Managers



Bill Zox, CFA
Portfolio Manager
30 Years of Experience



John McClain, CFA
Portfolio Manager
16 Years of Experience



Jack Parker, CFA
Assoc. Portfolio Manager
8 Years of Experience

Data as of December 31, 2023
Past performance is no guarantee of future results.



Annualized Returns (%) (Results shown in USD)

	Gross	Net	BAUCHY	BAUHY2
QTD	6.67	6.50	7.80	7.06
YTD	14.23	13.55	9.08	13.46
1 Year	14.23	13.55	9.08	13.46
3 Year	3.22	2.66	-2.41	2.00
5 Year	6.70	6.16	3.04	5.21
7 Year	6.17	5.65	2.78	4.42
10 Year	6.12	5.61	3.22	4.51
Since Inception	7.18	6.66	5.08	7.65

Inception Date: 10/1/2002

GIPS Information (% , unless otherwise noted) (Results shown in USD)

Year or YTD	Gross	Net	BAUCHY	BAUHY2	# of Accounts	Market Value (M)	Total Firm Assets (M)	Composite Dispersion	Composite Rolling 3Y SD	BAUCHY Rolling 3Y SD	BAUHY2 Rolling 3Y SD
2023	14.23	13.55	9.08	13.46	1	1,653	59,468	-	7.01	8.40	8.33
2022	-7.99	-8.49	-14.80	-11.22	1	1,311	52,601	-	10.10	9.15	11.10
2021	4.63	4.12	0.01	5.36	1	2,201	67,356	-	8.54	7.03	9.14
2020	10.43	9.94	9.34	6.17	1	2,020	63,872	-	8.63	6.99	9.39
2019	13.92	13.41	14.28	14.41	1	1,141	74,024	-	2.70	3.22	4.13
2018	1.27	0.82	-2.21	-2.28	1	743	70,070	-	3.36	3.43	4.64
2017	8.56	8.08	6.66	7.48	1	652	74,382	-	3.79	3.63	5.60
2016	12.94	12.44	7.97	17.49	1	533	65,498	-	3.96	3.93	6.03
2015	2.20	1.74	-1.37	-4.64	1	317	68,819	-	2.91	3.81	5.27
2014	3.16	2.64	6.43	2.50	1	220	63,375	-	2.37	3.77	4.44
2013	6.10	5.58	0.34	7.42	1	187	50,050	-	3.33	4.33	6.42

Data as of December 31, 2023. BAUCHY = ICE BofAML US Corporate and High Yield (IUC0). BAUHY2 = ICE BofAML U.S. High Yield. Organization: Brandywine Global Investment Management, LLC (the "Firm") is a wholly owned, independently operated, subsidiary of Franklin Resources, Inc. Brandywine Global Investment Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Brandywine Global Investment Management, LLC has been independently verified for the periods January 1, 1993 through June 30, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Disclosed total firm assets represent the total market value of all discretionary and nondiscretionary, fee-paying and non-fee-paying assets under the Firm's management. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Composite Description: The Corporate Credit Composite (the "Composite") Inception date: September 30, 2002. Creation date: April 1, 2015. The Composite is comprised of discretionary non-fee and fee paying non-wrap accounts with a market value over \$10M managed according to the firm's Corporate Credit income strategy. The strategy's investment objective is to provide an attractive cash distribution and total return greater than the current rate of inflation, while minimizing the risk of a current loss of capital over a five-year time horizon. The strategy generally invest in investment grade and below-investment grade (high yield) corporate bonds and will typically maintain an effective duration of less than five. The Corporate Credit Composite was previously managed by the Corporate Credit team at Diamond Hill Capital Management. On August 1st, 2021, Diamond Hill Capital Management sold the line of business that included the Corporate Credit team to Brandywine Global Investment Management. Composite activity prior to August 1st, 2021 is from the prior firm. Primary Benchmark Description: The ICE BofA U.S. Corporate & High Yield Index is the primary benchmark. This index is comprised of U.S. dollar denominated investment grade and below investment grade corporate debt publicly issued in the U.S. domestic market. Secondary Benchmark Description: The ICE BofAML US High Yield Index tracks the performance of USD denominated below investment grade corporate debt publicly issued in the major domestic markets. Performance Calculation: Preliminary data, if so noted, reflects unreconciled data for the most recent reporting period. Portfolios are valued daily on a trade date basis and include dividends and interest as well as all realized and unrealized capital gains and losses. Return calculations at the portfolio level are time-weighted to account for periodic contributions and withdrawals. Performance results are calculated on a before tax, total return basis. The Composite returns consist of size-weighted portfolio returns using beginning of period values to weight the portfolio returns. Monthly linking of interim performance results is used to calculate quarterly and annual returns. Composite's valuations and returns are computed in U.S. Dollars ("USD"). The results are presented in USD or in other currencies (to accommodate overseas investors), the latter by converting monthly USD returns into other currency returns using the appropriate currency exchange rate returns. Gross returns reflect the deduction of trading expenses. Net-of-fees returns is calculated using a model approach whereby we use the current highest tier of the appropriate strategy's fee schedule as disclosed in the Form ADV. Composite dispersion is calculated using the asset-weighted standard deviation method for all portfolios that were in the Composite for the entire year. Composite dispersion is not presented for periods with five or fewer portfolios. The number of accounts and market values are as of the end of the period. The three-year annualized standard deviation, calculated using gross-of-fee returns, measures the variability of the composite and the benchmark returns over the preceding 36-month period. Gross-of-fees returns are used to calculate the presented risk measures. A complete list of composites, and limited distribution pooled funds descriptions as well as a list of broad distribution pooled funds is available upon request. Fee Schedule: Institutional Client Separate Account Management Fee Schedule: 0.65% on the first \$50 million; 0.45% on any portion of assets in excess of \$50 million. Please note, fee prior to 02/28/2015 was zero. Additional information on the Firm's fee schedule can be found in Form ADV Part 2A which is available upon request. **Past performance is no guarantee of future results.**

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Disclosures

Benchmark = BAUCHY

BAUCHY = ICE BofA U.S. Corporate & High Yield Index

- 1 The data represent the aggregate characteristics of all securities held in the respective Representative Portfolio, an actual commission account not subject to taxation, and are included for informational purposes only. The Portfolio Characteristics of any particular account may vary based on any investment restrictions applicable to that account.
- 2 Supplemental Information to the attached Corporate Credit GIPS report.
- 3 The "Average Quality" is determined by assigning numerical scores to each credit rating and calculating a weighted average for the securities held in the portfolio. The numeric score calculated for the entire portfolio is then converted back into the corresponding credit rating. Individual security ratings are determined by using the middle rating from the three major NRSROs (S & P, Moody's, and Fitch) assigned to each security. In the event that ratings are provided by only two agencies, the lowest rating will be assigned. If only one agency assigns a rating, that rating will be applied. If the security is not rated by one of the three major agencies, U.S. treasuries and certain U.S. agencies are given the U.S. issuer rating. Sovereign treasuries are given the sovereign issuer rating. All other unrated securities are given a rating equivalent to a defaulted bond. Cash is included and receives the highest rating.

Source: Bloomberg (© 2024, Bloomberg Finance LP), which Brandywine Global believes to be accurate and reliable. Investing involves certain risks, including possible loss of principal. You should understand and carefully consider a strategy's objectives, risks, fees, expenses and other information before investing. In rendering portfolio management services, Brandywine Global Investment Management, LLC may use the portfolio management services, research and other resources of its affiliates. The views expressed in this document are not intended to be a recommendation or investment advice and do not take into account the individual financial circumstances or objectives of the investor who receives it. The securities described herein may not be suitable for all investors. There is no guarantee that Brandywine Global will meet any of its investment objectives. The metrics shown are only one component of performance and are not and should not be viewed as a statement of the future performance of the strategy. There is no guarantee that holding securities with any of the risk metrics shown will cause the portfolio to outperform its benchmark. Characteristics, region and currency weightings are subject to change and should not be considered as investment recommendations. It should not be assumed that investment in the regions or currencies listed and account quality ratings or duration ranges were or will prove profitable, or that investment decisions we make in the future will be profitable. Region and currency weights, account quality ratings or duration ranges with regard to any particular client account may vary based on any investment restrictions applicable to the account. There may be additional risks associated with international investments. International securities and ADRs may be subject to risks including, but not limited to: market/currency fluctuations, investment risks, and other risks involving foreign economic, political, monetary, taxation, auditing and/or legal factors. These risks may be magnified in emerging markets. International investing may not be suitable for everyone. High-yield, lower-rated, fixed income securities generally entail greater market, credit/default and liquidity risk and may be more volatile than investment-grade securities. High yield bonds possess greater price, volatility, illiquidity, and possibility of default. Ratings by S&P or another Nationally Recognized Statistical Rating Organization (NRSRO). Brandywine Global Investment Management, LLC believes that transactions in any option, future, commodity, or other derivative product are not suitable for all persons, and that accordingly, clients should be aware of the risks involved in trading such instruments. There may be significant risks which should be considered prior to investing. Derivatives transactions may increase liquidity risk and introduce other significant risk factors of a complex character. All securities trading, whether in stocks, options or other investment vehicles, is speculative in nature and involves substantial risk of loss. All indices are unmanaged and are not available for direct investment. Indices do not incur costs including the payment of transaction costs, fees and other expenses. This information should not be considered a solicitation or an offer to provide any Brandywine Global Investment Management, LLC service in any jurisdiction where it would be unlawful to do so under the laws of that jurisdiction. Stated assets under management may include some portfolios that are not contained in the strategy's composite. Some portfolios may fall into multiple strategies as the portfolio(s) meet the definition of multiple composites. Target Returns are aspirational in nature; criteria and assumptions were not used in their calculation. Performance results of the named strategy are presented gross and net of management fees. Gross performance returns include transaction costs but do not reflect the deduction of Brandywine Global's management fee. Net performance returns reflect the deduction of all applicable management fees and expenses, before custody charges, withholding taxes and other indirect expenses. Gross and net performance returns over one year are annualized and assume the reinvestment of all dividends, interest, and capital gains. Please refer to Part 2A of Brandywine Global's Form ADV for a description of its advisory fees. As fees are deducted quarterly, the compounding effect will be to increase the impact of fees by an amount directly related to the gross account performance. The above are the views of Brandywine Global and are not intended as a forecast or guarantee of future results. Brandywine Global's selection process may prove incorrect, which may have a negative impact on performance. Please refer to our GIPS® reports, which include performance footnotes, fee schedules, detailed index descriptions, and disclosures.

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A Franklin Templeton Company

Brandywine Global Investment Management, LLC

1735 Market Street
Suite 1800
Philadelphia, PA 19103



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