

Emerging Markets Debt Opportunities

Objective

We aim to generate income and capital appreciation. Our goal is to outperform the benchmark by 1.5% (net of fees), on an average annual basis, over rolling five-year periods.

Benchmark

Blended benchmark consists of 50% Local Currency Sovereign EM Debt, 25% Hard Currency Sovereign Debt, 25% EM Corp. Debt (50% JPM GBI-EM Global Diversified, 25% JPM EMBI Global Diversified, 25% JPM CEMBI Broad Diversified).

Universe

The majority of the portfolio will be invested in sectors of the EM debt markets, including hard and local sovereign EM debt and hard and local currency corporate debt. The strategy has a limited ability to own exposures in select developed markets primarily for defensive or hedging purposes. The portfolio may contain limited amounts of G-3 duration (long and/or short).

Our Competitive Advantage

The strategy combines quantitative valuation screening with qualitative macroeconomic analysis, fundamental analysis, and catalyst identification. The ability to find undervalued segments of the emerging markets and exercise the discipline to consistently invest in them while avoiding the excessively overvalued segments creates a significant edge in managing EM portfolios. Furthermore, we manage the strategy in a holistic manner, not within respective asset allocation sleeves.

Investment Process Summary

We follow a value-driven process that seeks to identify undervalued assets globally by utilizing a top-down macroeconomic framework married with a fundamental assessment of sovereign and corporate issuance. We structure portfolios along macroeconomic themes involving business cycle analysis, inflation trends, monetary policies, and political, social, environmental risks. We actively manage currency exposures and focus on owning undervalued currencies while hedging currencies that we believe are overvalued.

Strategy Differentiation

Dual Approach

Marries valuation and macro research with fundamental analysis at the sovereign and corporate levels.

Holistic Management

The strategy is not managed in independent sleeves that are bolted together. The team evaluates valuation and macro research across the EM debt universe and functions as an asset allocator across the broad EM debt space.

Flexible and Dynamic

By combining sovereign, currency, sector, and security research with macroeconomic analysis, the team dynamically rotates positioning over the business cycle.

Unconstrained Yet Measured

Not biased to local currency or hard currency, emerging sovereign debt or emerging corporate debt, we simply seek value with a macro catalyst. The investment team implements its process within a tracking error framework, allowing for a flexible approach that keeps within the spirit of the overall mandate.



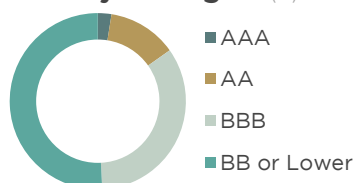
At a Glance

- The investment objective for the strategy is to generate income and provide capital appreciation
- The aim of the portfolio is to effectively and opportunistically allocate capital across the broad EM debt universe, focusing on value anomalies
- Flexible, macro driven approach centered on the EM debt universe
- Blended benchmark consisting of 50% Local Currency Sovereign EM Debt, 25% Hard Currency Sovereign Debt, 25% EM Corporate Debt

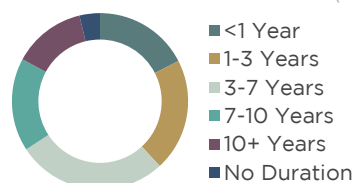
Characteristics^{1,2}

	Strategy	Benchmark
Avg. Quality ³	BBB-	-
Avg. Maturity (Yrs.)	13.25	8.47
Avg. Eff. Duration (Yrs.)	4.67	-
Avg. Coupon (%)	7.23	5.23
Current Yield (%)	7.88	-
Avg. Yield-to-Maturity (%)	8.75	6.89
Number of Issues	45	-

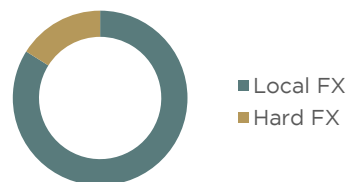
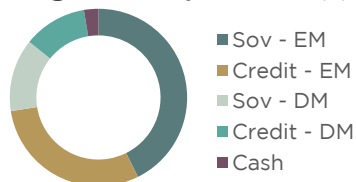
Quality Ratings^{1,2} (%)



Duration Allocation^{1,2} (%)



Regional Exposure^{1,2} (%)



Assets Under Management (M) (Shown in USD)

Brandywine Global, Firmwide	59,468
Fixed Income Product Group	46,600
Emerging Markets Debt Opportunities	27

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

	Gross	Net	JP50HC50LC
2023	16.02	15.34	11.43
2022	-11.19	-11.73	-13.34
2021	-5.83	-6.40	-4.65
2020	9.65	9.00	4.49
2019	5.63	5.42	4.16
2018	-	-	-
2017	-	-	-
2016	-	-	-
2015	-	-	-
2014	-	-	-
2013	-	-	-

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

Sharpe Ratio	0.02
Sortino Ratio	0.03
Information Ratio	0.54

Portfolio Managers



Anujeet Sareen, CFA
Portfolio Manager
29 Years of Experience



Jack P. McIntyre, CFA
Portfolio Manager
36 Years of Experience



Michael Arno, CFA
Portfolio Manager & Sr. Research Analyst
19 Years of Experience



Carol Lye
Portfolio Manager & Sr. Research Analyst
17 Years of Experience



David F. Hoffman, CFA
Managing Director & Portfolio Manager
48 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	JP50HC50LC
QTD	9.30	9.14	7.71
YTD	16.02	15.34	11.43
1 Year	16.02	15.34	11.43
3 Year	-1.00	-1.59	-2.72
Since Inception	2.73	2.12	0.05

Inception Date: 9/1/2019

GIPS Information (%) (Results shown in USD)

Year or YTD	Gross	Net	JP50HC5 OLC	# of Accounts	Market Value (M)	Total Firm Assets (M)	Composite Dispersion	Composite Rolling 3Y SD	JP50HC50LC Rolling 3Y SD
2023	16.02	15.34	11.43	1	28	59,468	-	11.07	9.41
2022	-11.19	-11.73	-13.34	1	24	52,601	-	11.52	11.55
2021	-5.83	-6.40	-4.65	1	27	67,356	-	-	-
2020	9.65	9.00	4.49	1	29	63,872	-	-	-
2019	5.63	5.42	4.16	1	26	74,024	-	-	-

Data as of December 31, 2023 JP50HC50LC = JPM 50 HC 50 LC (25EMBID 25CEMBID 50GBIEMGD) 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. The Emerging Markets Debt Opportunities Composite has had a performance examination for the periods September 1, 2019 through June 30, 2021. The verification and performance examination reports are available upon request. 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: Emerging Markets Debt Opportunities Composite (the "Composite") Inception date: August 31, 2019. Creation date: February 13, 2020. The Composite includes all fully discretionary, actively managed accounts with no minimum market value requirement and no investment restrictions invested in the Emerging Markets Debt Opportunities strategy. Composite is primarily invested in local and hard currency sovereign, quasi-sovereign and corporate debt as well as currencies of countries in the JP Morgan GBI-EM Global Diversified Index, JP Morgan EMBI Global Diversified Index and the JP Morgan CEMBI Broad indices as well as allowable non-index countries subject to client guidelines. Primary Benchmark Description: Custom Blend: 50% JP Morgan GBI - EM Global Diversified, 25% JP Morgan EMBI Global Diversified, 25% JP Morgan CEMBI Broad Diversified - A comprehensive blend of global emerging market indices, consisting of, investable government and corporate bonds issued in both developed and emerging market currencies. 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 (minimum initial investment: \$75 million): 0.600% on the first \$75 million; 0.550% on the amount in excess of \$75 million. 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 = JP50HC50LC

JP50HC50LC = J.P. Morgan 50% HC 50% LC (25EMBIGD 25CEMBIBD 50GBIEMGD)

- 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 Emerging Markets Debt Opportunities 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. 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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