

Environmental, Social and Governance Policy

Since 1975, Southeastern Asset Management's (Southeastern) primary goal has been to protect against permanent capital loss, while seeking to deliver superior long-term absolute returns by owning high-quality businesses, run by capable and honorable people, temporarily selling at a discounted price. These "Business, People, Price" criteria serve as the key pillars for our long-term, concentrated, engaged value investment approach that we have consistently pursued for over four decades.

We believe that environmental, social and governance (ESG) best practices are critical to the intrinsic value of any investment. Southeastern is committed to incorporating ESG considerations into our analysis of companies, vetting of management teams and disciplined valuation process. As long-term business owners, we approach ESG considerations from a fundamental, bottom-up research perspective and engage with managements on the most important issues to promote positive change, rather than passively exclude broad sectors of the market. Southeastern's 15-member global research team, led by Head of Research and CEO Ross Glotzbach, is responsible for ESG integration and implementation.

We are a signatory to the [United Nations-supported Principles for Responsible Investment \(UNPRI\)](#), a leading global network for investors who are committed to integrating ESG considerations into their investment practices and ownership policies. We are also a signatory to [Climate Action 100+](#), an investor-led initiative that is supported by PRI and is focused on actively engaging with management teams that are in a position to help drive change. We support both organizations' commitment to improving governance, strengthening transparency and disclosure and driving positive long-term change. Additionally, we are supporters of the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#), an initiative created by the Financial Stability Board to improve and increase reporting of climate-related financial information.

ESG considerations extend beyond how we invest and shape how we run our own business. Founded in 1975, Southeastern benefits from three generations of active leadership, who have structured the business for long-term sustainability. Southeastern employees are committed to partnering with our clients, our investee partners, our fellow employees and our community. We are 100% employee-owned, and Southeastern's employees and related entities are the largest investors across the funds that Southeastern manages, creating best in class alignment with our clients.

Applying ESG Principles to Our Investment Approach

Business, People, Price Investment Criteria

ESG considerations are integrated throughout our investment process, from the initial qualitative and quantitative analysis, to the investment decision-making process, as well as throughout our ownership. When assessing “People”, we seek to partner with responsible management teams that practice good stewardship on behalf of shareholders while growing value per share over time through intelligent capital allocation.

When assessing the long-term value of a “Business”, we consider multiple factors. We seek to own high-quality businesses with sustainable competitive advantages, strong balance sheets and long-term free cash flow growth. Environmental and social factors are important drivers within our analysis of a business’s long-term value. One way that this is quantified in determining the right entry “Price” is that we generally assume that companies scoring better on ESG metrics are worth a higher terminal value in our discounted cash flow analysis.

We formally incorporate our bottom-up analysis in a dedicated ESG section within our research reports. This analysis details how the company rates on ESG factors, including how the reality compares to the market’s perception of these issues, as well as areas where we might seek to engage with management to improve the company’s footprint. As with all our bottom-up research, our in-house ESG analysis is proprietary. We use MSCI ESG Rating as a third party data provider to help quantify ESG-specific metrics. We have found this to be a useful supplement to our in-house, bottom-up analysis that draws upon our extensive global resources and network to gain a more comprehensive picture. However, just like our long history of proxy voting where we review ISS recommendations but make our own decision, we would never outsource something this important.

Long-term View

As a long-term, fundamental investor, we behave as business owners, not short-term traders. Our three- to five-year average holding period and five-plus year investment horizon set us apart and allow us to focus on a business’s long-term value and sustainability versus its short-term price performance. It also aligns us with decisions and policies that support sustainable, long-term value creation and enables our active engagement with investee partners who share our long-term priorities. Additionally, we have aligned ourselves with a long-term, like-minded client base by investing alongside them in our funds, closing our strategies when it would benefit our shareholders to do so and maintaining an open dialogue over time. The long-term support from our clients has allowed us to successfully pursue our approach for over four decades.

Collaborative Engagement

Southeastern approaches every investment with a business-owner mindset, and we believe it is our fiduciary duty to encourage responsible corporate governance by always keeping an engaged dialogue with our management teams and boards of directors. We constructively engage with our management partners to help drive successful, long-term outcomes, using our

global network, size, reputation and expertise. In rare cases when our management teams are not acting on behalf of shareholders or the long-term sustainability of the business, we may publicly push for change. However, our preferred method is behind the scenes and out of the headlines. Even in cases where we are fully supportive of management, we are never passive. Our experience and reputation of being a large, long-term, collaborative shareholder gives us access to management and the credibility to share ideas and help achieve positive outcomes. Our extensive global network, built over four decades, is a unique competitive advantage that allows us to evaluate businesses and management from multiple perspectives. We tailor our engagement based on our on-the-ground experience and understanding of what factors are most important to each business and what approach is most effective in each region.

Oversight

We have an established ESG Committee, with representation from the Research and Client Relations and Communications teams, which reports directly to CEO and Head of Research, Ross Glotzbach. While each research analyst is ultimately responsible for each name under coverage, the ESG Committee is involved in ongoing oversight of the incorporation of ESG matters into our investment process and client reporting, as well as our day-to-day business operations.

Client Restrictions

We welcome requests for separately managed account (SMA) portfolio customization that exclude individual companies or sectors from their holdings, whether these requests emanate from ESG or other socially responsible investment (SRI) concerns. We currently manage over \$2.3 billion in client accounts with specific ESG or SRI restrictions.

Proxy Voting

As an investment adviser registered with the Securities and Exchange Commission under Section 203 of the Investment Advisers Act of 1940 (the "Advisers Act"), we have implemented a formal proxy voting policy that is designed to ensure that Southeastern votes client securities in the best interest of clients. Upon request, we provide any SMA clients with a copy of these proxy voting policies and procedures, as well as complete information on how we voted proxies of companies in the client's portfolio. We also publicly file how we vote the U.S. mutual funds that we manage.

We do not rely upon management guidance and/or a proxy service consultant to determine how we will vote. Rather, we review each individual proxy on a case-by-case basis and make our own determination. We seek to vote our proxies in support of strong and shareholder-friendly corporate governance that we believe will help the company to create and realize long-term sustainable value for shareholders.

Client Reporting and Transparency

We maintain an open and transparent dialogue with our clients in keeping with our governing principles which state that we will “treat your investment as if it were our own” and “communicate with our investment partners as candidly as possible.” We provide an annual ESG report (please refer to our 2020 Annual ESG Report [here](#)) and semi-annual carbon footprint reporting. Additionally, we discuss our investment theses and ongoing engagement activities in detail in our quarterly client commentaries and on our podcast series, The Price-to-Value Podcast with Southeastern Asset Management.

Applying ESG Principles to Southeastern

Our Partnership Approach and Code of Ethics

Alignment of interests with our clients is a critical element of our ethos and defines our culture of strong corporate governance. Southeastern’s unique code of ethics requires all employees to limit investments in publicly traded equities to funds advised by Southeastern, thereby aligning our interests with our clients’ and minimizing potential conflicts. Deviations from this investment policy must be either under a delineated exception or approved by the Code Compliance Committee. Employees invest in the same securities and pay the same fees as our clients. As required by U.S. federal law, Southeastern’s Code of Ethics prohibits our personnel from trading in a company’s securities or derivatives thereof, whether on behalf of clients or themselves, while in possession of material, non-public information about the company and from communicating that information to others.

Employee Ownership

Southeastern is 100% employee owned. Founder and Chairman Mason Hawkins structured the Firm to support our unique investment philosophy and to maintain a constant focus on the best interests of our client partners. Our independence ensures our ability to stick to our core discipline throughout any market cycle so that we can work without distraction for the long-term benefit of our investors.

Our Community-Minded Culture

Our culture is defined by our partnership approach, unique investment philosophy, ownership mindset and commitment to giving back to the community. An equal passion for how we invest and for helping others is the most important common thread across our employees. The unique location of our headquarters in Memphis, TN bolsters our focus on fostering independent thought, as well as our leadership’s passion for giving back to this local community to help support and foster long-term growth. Southeastern employees have founded and/or directly support well over 500 different non-profits in Memphis and elsewhere, with a focus on improving education and providing mentorship for those in need, training and recruiting talent for high impact jobs, revitalizing neighborhoods, developing sustainable food sources and supporting the arts community. We approach our community involvement with the same partnership ethos that permeates our business - we focus on maximizing long-term impact, minimizing publicity

for ourselves and recognizing that good partnerships run deeper than just financial contributions. We encourage all employees' community involvement with an explicit policy that allows for the use of workdays for philanthropic pursuits.

Diversity and Inclusion

At an investment level, diversity considerations come into play in our assessment of "People" – both senior management and board composition – at every business. Studies show that a diversity of thought, experience and opinions help drive better long-term results. A key part of our people engagement is often to help companies re-evaluate the composition of their boards to ensure that persons with relevant experience and expertise that are not yet represented on the board or at the company are added.

At the Firm level, enhancing diversity is a key initiative, as we seek to continually deepen our global view with new and varied perspectives. Given the small, lean nature of the Firm, we do not frequently hire new team members. However, over the last decade, we have made good progress in diversifying the research team from a geographic background, ethnicity, age and gender perspective. Today, seven of our 15 research team members are from minority ethnic background and/or female. Additionally, eight out of 15 hold passports from six different countries across the world. This evolution of the team has yielded greater local expertise, deeper networks and a richer firm-wide Global perspective. Additionally, we have three generations of active Firm leadership in place, with each bringing a different perspective to management and business decisions. Today, one out of seven members of the Executive Committee, one out of five department heads and one out of four corporate officers are female, and five out of 18 Principals are female and/or from a minority ethnic background. This diversity of backgrounds, experiences and ways of thinking add better perspective to communications, operations and management discussions that directly impact Firm decisions made by the Executive Committee. We remain dedicated to considering candidates from diverse backgrounds in future recruiting and to retaining and developing a strong pool of talent to ensure that Southeastern has a best in class, robust and sustainable infrastructure to enable our global investment efforts.

Full Code of Ethics and Proxy Voting Policy are available upon request.

Further information about Southeastern Asset Management can be found in our ADV Part 2, available at www.adviserinfo.sec.gov. Past performance does not guarantee future results.