

Investment Management Engagement Statement

BBH Investment Management believes that engaging with companies and issuers to positively influence corporate behavior and reduce an investment's risk profile is an important component of our bottom-up, research-driven investment process. Engaging actively with management teams provides our Portfolio Managers and Analysts with greater insight into a company or issuer's strategy, competitive positioning, and durability, as well as the risks and opportunities associated with an investment, which often include environmental, social and governance-related ("ESG") issues.

In addition to informing our investment decisions, engagement also provides opportunities to share BBH Investment Management's philosophy regarding ESG and contribute to corporate best practices.

In their interactions with management teams, our Portfolio Managers and Analysts encourage transparency and proactive disclosure of ESG-related data, which in turn helps us ensure that material risks are appropriately managed.

Engagement takes place throughout our investment process, from initial due diligence to ongoing monitoring during the life cycle of an investment. As often as possible, our Portfolio Managers and Analysts engage with CEOs, CFOs, other executive and operational management team members, and Boards of Directors. These discussions may be held via in-person meetings, conference calls or through written correspondence.

Equity

Our equity Portfolio Managers and Analysts endeavor to maintain consistent interaction with the management teams of every company in which we invest. Our due diligence on companies and their industries is extensive and ongoing throughout the investment cycle, and we consider a high level of engagement with company management teams to be an important part of our fundamental research.

We strive for regular interaction with executive management, operational management and the Boards of Directors of our companies. Where possible, we conduct onsite visits to observe working and manufacturing environments. In addition, we engage with other stakeholders such as suppliers, customers and competitors as part of our process.

Constructive engagements allow us to discuss matters such as strategy, business operations, governance, corporate culture and a wide variety of other topics, including ESG issues. Our engagement with portfolio companies allows our Portfolio Managers and Analysts to continually test the fundamental assumptions that underpin our investment theses and helps us identify opportunities or risks associated with those assumptions. In certain instances, these interactions create a venue for us to make constructive suggestions or offer our opinions on strategic issues, ESG-related or otherwise.

When we engage with companies, stakeholders and other knowledgeable parties, we memorialize the activities in our equity research database.

Proxy Voting

We exercise active ownership via the proxy voting process. Our voting decisions reflect what we consider to be in the best interests of our clients (the ultimate shareholders). Our objective is to maximize the economic value of each investment and to ensure proper recognition of shareholder rights. This includes taking ESG factors into consideration when voting. We have engaged Glass Lewis, a leading independent provider of global governance advisory services, to provide recommendations for the voting of proxies. While Glass Lewis's recommendations provide a valuable base of information and benchmarking, our Portfolio Managers and Analysts always have an independent perspective, and our practice is to consider each proxy vote on a case-by-case basis. If an Analyst disagrees with a Glass Lewis recommendation, a written rationale is required, and a Portfolio Manager must approve the decision.

We maintain a record of proxy votes, and on an annual basis a summary report is presented to the Investment Management's Operating Committee for review. In addition, the Investment Management ESG Oversight Committee is responsible for reviewing Investment Management's ongoing commitment to ESG matters and monitoring our ESG investment activities, including proxy voting.

Fixed Income

With respect to fixed income investments, we are generally not in a position to influence corporate and public policy. Notwithstanding this reality, we do seek to engage with issuers prior to investing in their debt securities. When we have these opportunities for direct interaction with management, in addition to a dialogue on other fundamental credit criteria, we seek to enhance the level of information related to ESG disclosures and positioning, with the intent of encouraging better management of ESG risks.

Our engagement with issuers occurs through the regular due diligence process our Portfolio Managers and Analysts conduct on each issuer that they cover. The level of access and engagement varies across the Fixed Income universe. We actively engage with and monitor our issuers through multiple channels including investor meetings, conferences, issuer roadshows, periodic investor update calls, and additional direct emails and phone calls.

We report our ESG risk assessment on issuers in our credit research database.

Conclusion

At the core of our investment process has always been an understanding that the path to generating attractive long-term investment returns is first and foremost, to reduce the likelihood of a permanent loss. As part of our bottom-up fundamental research process, active engagement helps us effectively assess risk profiles and the long-term sustainability and durability of our companies and issuers.

Through our intensive research on companies and industries, strong engagement with management, as well as our continual efforts to monitor the regulatory and governmental environment, we aspire to develop and refine our insights into how well ESG factors are being managed.

For more information, please refer to the [BBH IM Position Statement](#) and [BBH Climate Statement](#).

A less favorable ESG profile may not preclude the Adviser from investing in an issuer, as the consideration of ESG factors is not more influential than the consideration of other investment criteria.

Risks

Investors should be able to withstand short-term fluctuations in the equity markets and fixed income markets in return for potentially higher returns over the long term. The value of portfolios changes every day and can be affected by changes in interest rates, general market conditions and other political, social, and economic developments.

Considering ESG factors as part of investment decisions may result in forgoing otherwise attractive opportunities, which may result in lower performance when compared to advisers that do not consider ESG factors.

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MAY LOSE VALUE