



VALUE SPECIALISTS SINCE 1974

Brandes Investment Partners Corporate Governance Principles

We believe well-governed companies should apply prudent principles to their corporate governance structure and demonstrate consistency with them through the decisions they make. Fundamental to a well-governed company is an appropriately structured and functioning board that is comprised of qualified and engaged directors. Accordingly, we believe all corporate boards of directors should display the following traits:

- Act independently from management, free from conflicts of interest and in the best interests of the shareholders
- Make decisions that are consistently in the best interests of the shareholders and be held accountable for such decisions and actions
- Give the highest priority to shareholder rights and equality in treatment of shareholders
- Evaluate management in an objective manner, ensuring that compensation programs are reasonable in size and commensurate with performance
- Communicate with shareholders in a timely, responsive, and transparent manner

The Spirit of Voting

One of the most significant rights as shareholders is the right to vote their shares at a company's annual and extraordinary meetings. In doing so, we ensure that our client's votes are cast in a manner that is most consistent with our Proxy Voting Guidelines, and which are based on the underlying guiding principle of voting in the best economic interests of shareholders over the long term.

Our assessment process consists of consulting a variety of sources, including all relevant company filings and research materials provided by proxy advisors, as well as engagement with company management.

Principles-Based Voting Guidelines

Our Corporate Governance Principles and Proxy Voting Guidelines were developed to encourage companies to take the actions that we believe, in the long run, are in the best economic interest of the shareholders. We apply these fundamental principles when evaluating our guidelines:

- Independence and Effectiveness of the Board of Directors
- Alignment of Management and Director Remuneration
- Protection of Shareholder Rights

We will analyze and consider individual company circumstances and their alignment with our Corporate Governance Principles. These Principles and Proxy Voting Guidelines are reviewed and updated on an annual basis by our Corporate Governance Committee.



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Responsible Ownership

While proxy voting is a basic and important fundamental right, it is only one area of focus for us as shareholders. We are also committed to continuing to monitor a company's financial and non-financial performance after each investment has been made. In doing so, we embrace the concept of being an active, engaged, and responsible owner of the companies we invest in on behalf of our clients. Accordingly, our approach from a governance perspective, we participate in a number of activities on a case-by-case basis, including:

- Ongoing engagement and dialogue with companies
- Assessment of the ability of the board of directors to make effective decisions that are in the best interests of shareholders
- Collaboration with other investors where appropriate