

Statement on Responsible Investment

Overview and Commitment

As a bottom-up, value-based investment manager who thinks like an owner and whose current Managing Directors and retired principals, their families and employees invest over \$1 billion in portfolios combined with or similar to those of our clients, Tweedy, Browne has always paid close attention in its investment decision-making process to both quantitative and qualitative factors that could materially impact the long-term value of our investments. Accordingly, environmental, social and/or governance factors have often played a role in our process. These factors are also growing in importance to many of our clients and prospective clients, as well as to their service providers. With this increased focus on responsible investment, we have determined to formalize our practices in this regard. This Statement on Responsible Investment describes our approach to the incorporation of environmental, social and governance factors in our investment decision-making process.

Responsible Investment at Tweedy, Browne

Tweedy, Browne Company LLC is an investment adviser registered with the U.S. Securities and Exchange Commission. Our value investment approach seeks to exploit discrepancies between the stock market price of a company and its underlying “intrinsic value” (sometimes referred to as private market value, “breakup value,” or liquidation value). Our research focuses on the determination of intrinsic value, its sustainability, and its potential for future growth. Fundamental principles of balance sheet and income statement analysis and a knowledge and understanding of actual corporate mergers, acquisitions, and liquidations form the core of this research. In our extensive research process, we examine a plethora of qualitative and quantitative factors, and seek to evaluate the long-term competitive position of prospective investments. We take a long-term approach to investment, invest our own capital alongside that of our clients, and think like owners.

Given the nature of our bottom-up, stock-by-stock research process, environmental, social and/or governance factors are often among the factors we examine when trying to assess the intrinsic value and future prospects of a prospective investment. Accordingly, these factors may play a role in our research and decision-making processes. If a material ESG risk is identified during our research process, it is formally evaluated, included in the analyst’s research materials, and brought to the attention of our Investment Committee. (In this regard, a “material” ESG risk is one that, in our assessment, could compromise our estimate of the long-term value of the company under consideration.) The identification of a material ESG issue will not necessarily be determinative in our decision to buy, sell or hold a company, particularly if the company has taken meaningful action to mitigate our concerns, or is trading at a valuation that, in our view, appropriately reflects those concerns. We do not use ESG factors in our initial value screens when we are looking for new undervalued opportunities, nor do we maintain a list of companies that are automatically excluded from consideration due to ESG concerns. Rather, ESG issues are considered and addressed as they are identified on a stock-by-stock basis, as part of our rigorous research process.

Our investment decision-making has from time to time over the years been significantly impacted by corporate governance concerns, which can often present a material risk for future value sustainability and growth. We have never had a desire to become a so-called “activist manager,” waging expensive proxy battles and the like. However, we have not hesitated to defend our clients’ interests, when necessary, through constructive engagement with the companies whose shares are held in our clients’ portfolios. This has involved direct communication with senior management and/or directors on issues such as responsible and intelligent capital allocation, management compensation, board composition, merger and acquisition activity and voting restrictions, among others.

While we remain committed to the incorporation of ESG factors into our investment process, we recognize that we must also fulfill our fiduciary obligation to act solely in the interests of our clients in seeking to produce attractive risk-adjusted returns. Accordingly, our primary objective is to produce long-term growth of capital for clients by building diverse portfolios of stocks that we believe are undervalued.

We have always been willing, within reason, to accommodate our separate account clients by adhering to restrictions on investments identified by them as inappropriate for their portfolio. We encourage clients who wish to impose particular ESG restrictions on their accounts (for example, by restricting certain industries or companies) to discuss those proposed guidelines with us. We are happy to accommodate such requests to the extent practicable.

Proxy Voting

We also take our proxy voting responsibilities very seriously, and believe the right to vote proxies is a significant asset of our clients. Our proxy review process, which has been in place for many years, is both thorough and objective, and designed with the objective of increasing shareholder economic value over time. The procedures outlined in our proxy voting policy apply to all proxy voting matters over which the firm has voting authority, including changes in corporate governance structures, the adoption or amendment of compensation plans (including stock options), and matters involving social issues or corporate responsibility or other ESG issues. While we generally vote in line with management's proposals, we do not hesitate to vote against management when we deem it to be in the best interests of our clients.

Principles for Responsible Investment

We applaud the UN Principles for Responsible Investment ("PRI") and became a signatory in May of 2020. Now that Tweedy, Browne has publicly committed to incorporating the principles, we will do so where consistent with our fiduciary responsibilities to our clients.

Roles and Responsibilities

Responsibility for implementation of and compliance with this Statement on Responsible Investment rests primarily with our research analysts and our Investment Committee. Tweedy, Browne is committed to periodically reviewing and updating this Statement on Responsible Investment as appropriate.

Reporting

We are happy to respond to individual investor and consultant inquiries regarding our responsible investment practices. We frequently complete client and consultant questionnaires on responsible investment and ESG topics. We are also happy to provide our proxy voting activity relating to securities held in client portfolios to clients upon request.