



Annual Evaluation of Commitments to the Japan Stewardship Code

As part of Brandes Investment Partners' statement of self-evaluation and adherence to Japan's Stewardship Code, we regularly review our commitments as reflected in our statement of adherence. During the period January 1, 2018 to December 31, 2018, we took the following action:

- Reviewed and updated our proxy voting policy including adding additional criteria considered when evaluating director nominees and executive compensation plans.
- Conducted semi-annual meetings to review such topics as governance activities, engagement, proxy voting and development of corporate governance policies.
- Continually reviewed proxy advisory vendor performance, service, conflicts of interest and costs.
- Reviewed instances where Brandes voted differently than the recommendations of the proxy advisory vendors and/or the proposals by Japanese portfolio companies.
- Conducted annual due diligence meetings with our proxy advisory vendors.
- Met with IR Japan to review proxy voting results and discussed stewardship activities and changes in Japan.
- Engaged with proxy advisory vendors on contentious proxy meeting proposals in Japan.
- Maintained an extensive voting history to review corporate governance progress in Japan.
- Voted over 85 meetings of Japanese portfolio companies on behalf of Brandes funds and client accounts.
- Publicly disclosed on our website our voting history for all Japanese securities held by the Brandes funds over the trailing twelve month period, including rationale for voting against proposals.
- Communicated with the management of over 40 Japanese companies regarding such topics as executive compensation, capital allocation, director elections and corporate governance best practices.
- Fulfilled the requirements as a Principles for Responsible Investment signatory and continued as a member of International Corporate Governance Network.

Brandes believes that our stewardship activities are able to help shape the governance of Japanese portfolio companies, thereby enhancing their effectiveness and adding value for our clients over the long term. Brandes has long been a champion of responsible corporate behavior and will continue to fulfill our obligations as a steward of positive governance change in Japan.

VALUE SPECIALISTS SINCE 1974