

## Sustainable Investment Philosophy

### Philosophy

As stewards of capital, Westfield maintains a fiduciary responsibility to understand the full spectrum of investment opportunities and risks to the best of our abilities on behalf of our clients. We engage in responsible investing based on that obligation, believing that the analysis improves our fundamental understanding of opportunity and risk and leads to better investment outcomes. We believe that both financial and non-financial factors can play a material role in long-term value creation and the informational advantage achieved by conducting fundamental research is enhanced by the addition of sustainability analysis. We also are committed to taking good corporate citizenship very seriously and believe that it is emblematic of business quality. We do it internally with our hiring practices, our genuine care for the environment, and our diversity and inclusion initiatives, and we value similar commitments by the senior leadership of the companies in which we invest.

### Core Tenets of Our Approach

*Value Creation Focus* - Our principal focus remains on identifying and investing in businesses best positioned to create value over the long-term on behalf of our clients. This pursuit implicitly encompasses both financial and non-financial factors that play a material role in that value creation, but it is important to note that we do not believe it is our responsibility, nor our right, to consider moral or ethical outcomes above value creation potential when making investment decisions.

*Research Independence* – As a research-driven organization, we value the independence of our views above all else and we assess the materiality, relevancy, and impact of non-financial criteria in this same manner. Additional sources of information such as public filings and third-party data providers are used as inputs to the process, but ultimately our independent assessment is the most critical element to our research process.

*Materiality & Relevance* – We believe that non-financial factors can be important, even critical, to the long-term value creating potential of a business, but they are only incorporated to the extent they impact that potential in tangible ways. Different industries are impacted differently by various environmental, social, and governance factors, and we believe it is prudent to assess those factors within that context.

*Critical Role of Engagement* – We view corporate engagement in the form of dialogue with management teams as a critical tool which is used both in the assessment of corporate stewardship capabilities, but also as an open channel to communicate our opinions and preferences as shareholders. The degree to which we value these interactions is evidenced by the time we commit to this endeavor and the over 1000 management team meetings we conduct each calendar year.

## **Implementation**

Westfield's sustainable investment program is implemented utilizing an integrated, research-driven approach which combines deep fundamental research with proprietary sustainability research to enhance our assessment of investment opportunities and risks. This sustainability research process includes interviews with key management team contacts, reviews of material sustainability metrics from public filings and third-party data, and additional independent research, to name a few.

The output of this proprietary research process is a standardized evaluation of a company across several dimensions with consideration given to their current status as well as improvement over time. These dimensions include:

- Product or service impact
- Operating Environmental and Social practices
- Governance and Risks

This research is documented and discussed for both existing investments and potential new investment candidates.

## **Transparency**

We are committed to both having a thorough and effective sustainable investment program, but also to being transparent about our process, the results, and the evolution of our efforts as we respond to new methods of reporting, disclosure, and analysis. Additional information about our sustainable investing program and the supporting documentation may be made available upon request.