UCITS DELEGATE REMUNERATION POLICY

Fisher Asset Management, LLC

(the "Company")

Effective as of 1 January 2018

1 INTRODUCTION

Fisher Asset Management, LLC (the "**Company**") acts as investment sub-adviser to one or more Undertakings for Collective Investment in Transferable Securities (the "**Funds**").

In such capacity, it is a delegate of the investment manager(s) to the Funds, which has been authorised by the Central Bank of Ireland (the "**Central Bank**") or another EU national regulatory authority to act as the investment manager to the Funds.

The Company is required to ensure that its remuneration arrangements are such that, from the Funds' perspective, they do not circumvent the remuneration rules set out in the UCITS Regulations and the Guidelines.

The Company has prepared this remuneration policy (the "**Remuneration Policy**") to outline how it adheres to the remuneration requirements set out in the UCITS Regulations and the Guidelines and to demonstrate how it has established and applies remuneration policies and practices that are consistent with, and promote, sound and effective risk management.

The purpose of this Remuneration Policy is to provide a clear direction and policy regarding the Company's remuneration policies and practices consistent with the principles in the UCITS Regulations and the Guidelines.

This Remuneration Policy has been adopted by the Company solely in connection with its appointment as investment sub-adviser of the Funds.

This Remuneration Policy

- is consistent with and promotes sound and effective risk management;
- encourages the alignment of the risk taken by staff in the Company with the risk profile of the Funds and does not result in risk taking by staff in the Company in such a way as to be inconsistent with the investment policy of the Funds;
- is appropriate and proportionate to the Company's size, internal organisation and the nature, scope and complexity of its activities; and
- shall apply to the Company's Identified Staff that manage the Funds so as to enable the Company to align the interests of the Identified Staff (as defined in section 4 below) and the Funds to achieve and maintain a sound financial situation.

In preparing this Remuneration Policy, the Company has taken into account the nature, scale and complexity of its business. In determining the range of activities to be undertaken by the Company, the Company has given due consideration to the Funds, their investments, strategies, the investment location, the distribution model and the investor base. Due consideration has also been given to the resources available to the Company and the resources and expertise of the various third parties engaged to support the Funds and carry out certain functions on its behalf.

2 APPLICABLE REGULATION AND INTERPRETATION

For the purposes of this Remuneration Policy, the following defined terms and legislative/regulatory references are of particular note:

"AIFMD"	means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU);
"Applicable UCITS Regulation"	means collectively the UCITS Directive, the UCITS Regulations, and the Central Bank UCITS Regulations, as appropriate;
"Central Bank"	means the Central Bank of Ireland;
"Central Bank UCITS Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 as amended, consolidated or substituted from time to time;

"ESMA"	means the European Securities and Market Authority;
"ESMA UCITS Q&A"	means ESMA's Questions and Answers on the Application of the UCITS Directive (ESMA/2016/569);
"EU Regulator"	means an EU national competent regulatory authority;
"**Guidelines**"	means ESMA's Guidelines on sound remuneration policies under the UCITS Directive, applicable from 01 January 2017 (ESMA/2016/575);
"**UCITS Regulations**"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended, consolidated or substituted from time to time.

In relation to various aspects of this Remuneration Policy where there is any perceived ambiguity or lack of clarity in the Applicable UCITS Regulation and/or the Guidelines, the Company will have regard to any published guidance on the relevant point by the Central Bank or ESMA or in the absence of any such published guidance that of any other EU Regulator, if appropriate.

In the absence of such additional supporting guidance in relevant instances regard may also be had to any guidance published by any of the relevant regulatory bodies in the context of AIFMD remuneration requirements, to the extent it provides guidance on corresponding elements to the UCITS requirements being considered.

3 SCOPE OF REMUNERATION

Remuneration, for the purposes of this Remuneration Policy, consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of the Company, in exchange for professional services rendered by its Identified Staff in respect of its investment management of the Funds.

Fixed remuneration means payments or benefits without consideration of any performance criteria.

Variable remuneration means additional payments or benefits depending on performance or, in certain cases, other contractual criteria.

4 IDENTIFIED STAFF

"**Identified Staff**" should cover the Company’s identified staff who have a material impact on the risk profiles of the UCITS it manages as a result of the delegation, and only in respect of the remuneration for such delegated activities.

This can include senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers (who have a material impact on the risk profiles of the UCITS). "**Control functions**" are staff (other than senior management) responsible for risk management, compliance, internal audit and similar functions.

The Company's Identified Staff as at the date of this version of the Remuneration Policy are set forth in Schedule 1.

The Company will not apply this Remuneration Policy to those of its staff that are not Identified Staff.

5 REMUNERATION PROCESS AND PRINCIPLES

(1) Variable remuneration

Variable remuneration is an important tool to incentivise staff. It also gives the Company flexibility such that, in years where the Company performs poorly, variable remuneration may be reduced or eliminated and the capital of the Company can be preserved. In some circumstances, however, variable remuneration, if inappropriately structured, can lead to excessive risk taking as employees may be incentivised to keep taking risk to maintain or increase their variable remuneration.

In deciding the mix between fixed and variable remuneration of Identified Staff, the Company is mindful of the need to ensure that the basic pay of staff is adequate to remunerate the professional services rendered taking into account, inter alia, the level of education, the degree of seniority, the level and expertise and skills required. The Company is an asset management business and its revenues are based on the amount of assets it manages and its revenues may therefore be more volatile than other types of businesses. Variable remuneration allows the Company to reduce the risk that its capital base is eroded due to the need to pay fixed remuneration cost should assets under management decline.

(2) **Remuneration process**

The Company decides in December of each year what, if any, variable compensation to award Identified Staff.

The factors that are taken into account in deciding the quantum of the variable remuneration are as follows:

- achievement against objectives and whether the individual exceeded what was expected of them during the year;
- whether the individual embodied the factors set out in the Company's Vision and Values in Action;
- performance of the Funds in relation to their benchmarks over the prior three years (or since inception if less than three years);
- compliance by the individual with all relevant compliance and risk requirements and other firm policies and procedures;
- the profit that the Company made during the previous year; and
- other factors as may be determined from time to time by the board of directors of the Company (the "**Board**").

(3) **Remuneration principles**

It is primarily the responsibility of the Company to assess its own characteristics and to develop and implement remuneration policies and practices which appropriately align the risks faced and provide adequate and effective incentives to its Identified Staff.

When establishing and applying the total remuneration, inclusive of salaries and discretionary bonuses for Identified Staff, the Company shall comply with the principles set out in Regulation 24B(1) of the UCITS Regulations (as set out in Schedule 2 for reference) in a way and to the extent that is appropriate taking into account its size, internal organisation and the nature, scope and complexity of its activities.

(4) **Personal Hedging and Insurance**

Identified Staff are prohibited from using personal hedging strategies or remuneration- and liability-related insurance for the purpose of undermining the risk alignment effects embedded in this Remuneration Policy.

6 SCOPE OF THE REMUNERATION POLICY AND APPLICATION OF THE PRINCIPLES

Regulation 24B(1) of the UCITS Regulations states that UCITS management companies (and as above, by incorporation self-managed UCITS[1]) shall comply with the UCITS remuneration principles "in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities."

[1] Per Recital (2) and Article 30 of UCITS V.

While it is noted that the Guidelines do not expressly provide for the disapplication of certain UCITS remuneration principles on the grounds of proportionality, this is not expressly prohibited either. Indeed, ESMA indicated, in a letter to the European Commission on this issue[2], that

> "*there might be cases where the application of the payout process rules to the staff of the delegate would not be proportionate and would not achieve the outcome of aligning the delegates' staff interests with those of the investors in the UCITS."*

In the absence of further guidance or legal clarification from the European Commission, ESMA, the Central Bank or another applicable EU Regulator, it is noted by the Company that an applicable delegate may determine to disapply the principles outlined in sections (m), (n) and (o) of Regulation 24B(1) (the "**Pay-out Process Rules**") - based on the proportionality criteria outlined in the Guidelines on (i) size, (ii) internal organisation and (iii) nature, scope and complexity of the relevant delegate's business.

Factors that the relevant delegate may consider in arriving at such a conclusion may include the size of the delegate's balance sheet, the proportionate value of UCITS assets managed relative to non-UCITS assets managed (and resultant UCITS/non-UCITS revenue generated) and therefore whether the UCITS assets managed by the relevant delegate are not "*potentially systemically important (e.g. in terms of total assets under management*)".[3]

As of January 2018, the approximate assets under management of the Company as sub-advisor for the Funds is US$189.70 million. In addition, the approximate assets under management of the Company as manager of its own UCITS funds is US$3,654.81 million in Irish UCITS and US$3,933.67 million in UK UCITS. In total, the Company sub-advises or manages approximately US$7,778.18 million in UCITS assets.

The level of total assets managed by the Company as of January 2018 is US$95,897.62million.

Accordingly, the sub-advised Funds represent approximately 0.20% of total assets under management of the Company, and all UCITS assets represent approximately 8.11% of total assets under management of the Company.

The Pay-out Process Rules shall be disapplied by the Company in accordance with the Guidelines, on the grounds of proportionality.

This approach will be reviewed and reassessed, as necessary for subsequent financial periods following the issuance of any further regulatory guidance or legal clarification that conflicts with this current position.

7 BOARD OVERSIGHT AND UPDATES TO THIS REMUNERATION POLICY

The Board will be responsible for the oversight of compliance with this Remuneration Policy. It will review the appropriateness of this Remuneration Policy annually and will ensure that it is operating as intended. It will also review this Remuneration Policy to ensure that it continues to be compliant with applicable national and international regulations, principles and standards. This Remuneration Policy shall be reviewed and updated as necessary on at least an annual basis or as and when is required or deemed necessary by the Company.

Material changes to this Remuneration Policy will be approved by the Board.

[2] https://www.esma.europa.eu/sites/default/files/library/2016-412_letter_to_european_commission_european_council_and_european_parliament_on_the_proportionality_principle_and_remuneration_rules_in_the_financial_sector.pdf

[3] Paragraph 25 of the Guidelines; guidance on the "size" criteria for proportionality purposes.

SCHEDULE 1

Identified Staff List

Name	**Reason for inclusion**
Ken Fisher	Co-Chief Investment Officer and Investment Policy Committee Member
Jeff Silk	Co-Chief Investment Officer and Investment Policy Committee Member
Aaron Anderson	Investment Policy Committee Member
Bill Glaser	Investment Policy Committee Member
Michael Hanson	Investment Policy Committee Member

SCHEDULE 2

UCITS Remuneration Principles (as contained in Regulation 24B(1) of the UCITS Regulations)

24B. (1) When establishing and applying the remuneration policies referred to in Regulation 24A, management companies shall comply with the following principles in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities:

(a) the remuneration policy is consistent with and promotes sound and effective risk management and does not encourage risk taking that is inconsistent with the risk profiles, rules or instruments of incorporation of the UCITS that the management company manages;

(b) the remuneration policy is in line with the business strategy, objectives, values and interests of the management company and the UCITS that it manages and of the investors in such UCITS, and includes measures to avoid conflicts of interest;

(c) the remuneration policy is adopted by the management body of the management company in its supervisory function, and that body adopts, and reviews at least annually, the general principles of the remuneration policy and is responsible for, and oversees, their implementation, provided that the tasks referred to in this sub-paragraph shall be undertaken only by members of the board who do not perform any executive functions in the management company concerned and who have expertise in risk management and remuneration;

(d) the implementation of the remuneration policy is, at least annually, subject to central and independent internal review for compliance with policies and procedures for remuneration adopted by the management body in its supervisory function;

(e) staff engaged in control functions are compensated in accordance with the achievement of the objectives linked to their functions, independently of the performance of the business areas that they control;

(f) the remuneration of senior officers in the risk management and compliance functions is overseen directly by the remuneration committee, where such a committee has been established under paragraph (3);

(g) where remuneration is performance-related, the total amount of remuneration is based on an assessment of— (i) the performance of the individual and of the business unit or UCITS concerned, (ii) the risks of the UCITS concerned, and (ii) the overall results of the management company when assessing individual performance, taking into account financial and non-financial criteria;

(h) the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS managed by the management company in order to ensure that the assessment process is based on the longer term performance of the UCITS and its investment risks and that the payment of performance-based components of remuneration is spread over that period;

(i) guaranteed variable remuneration is exceptional, occurs only in the context of hiring new staff and is limited to the first year of engagement of such staff;

(j) fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component;

(k) payments relating to the early termination of a contract reflect performance achieved over time and are designed in a way that does not reward failure;

(l) the measurement of performance used to calculate variable remuneration components or pools of variable remuneration components includes a comprehensive adjustment mechanism to integrate all relevant types of current and future risks;

(m) subject to the legal structure of the UCITS and its fund rules or instruments of incorporation– (i) not less than 50 per cent, or (ii) where the management of UCITS accounts for less than 50 per cent of the total portfolio managed by the management company, a substantial portion, of any variable remuneration component consists of units of the UCITS concerned, equivalent ownership interests, or share-linked instruments or equivalent non-cash instruments with incentives that are as effective as any of the instruments referred to in this paragraph, and in respect of such a variable remuneration component– (I) the management company shall establish and apply to the instruments a retention policy designed to align incentives with the interests of the management company, of the UCITS that it manages and of the unit-holders of the UCITS, and (II) the Bank may place restrictions on the types and designs of the instruments or ban certain instruments as appropriate;

(n) a substantial portion, which shall be– (i) not less than 40 per cent, or (ii) in the case of a variable remuneration component of a particularly high amount, not less than 60 per cent, of a variable remuneration component referred to in paragraph (m), is deferred and vests no faster than on a pro-rata basis over a period that is– (I) appropriate in view of the holding period recommended to the unit-holders of the UCITS concerned, (II) correctly aligned with the nature of the risks of the UCITS in question, and (III) not less than 3 years;

(o) a variable remuneration component referred to in paragraph (m), including any portion thereof deferred in accordance with paragraph (n), is paid or vests only if it is— (i) sustainable according to the financial situation of the management company as a whole, and (ii) justified according to the performance of the business unit, of the UCITS and of the individual concerned, and shall be considerably contracted where subdued or negative financial performance of the management company or of the UCITS concerned occurs, taking into account both current compensation and reductions in pay-outs of amounts previously earned, including through malus or clawback arrangements;

(p) the pension policy is in line with the business strategy, objectives, values and long-term interests of the management company and the UCITS that it manages, and in particular- (i) if an employee leaves the management company before retirement, discretionary pension benefits in respect of the employee shall be held by the management company for a period of five years in the form of instruments referred to in paragraph (m), and (ii) in the case of an employee reaching retirement, discretionary pension benefits shall be paid to the employee in the form of instruments referred to in paragraph (m), subject to a five year retention period;

(q) staff are required to undertake not to use personal hedging strategies or remuneration- and liability-related insurance to undermine the risk alignment effects embedded in their remuneration arrangements;

(r) a variable remuneration component is not paid through vehicles or methods that facilitate the avoidance of the requirements laid down in these Regulations.