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Fisher Investments Europe®

BENEFITS OF ACTIVE TOP-DOWN INVESTING

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RISK OF PASSIVE INVESTING

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WHY TOP-DOWN

OUR TOP-DOWN PROCESS AND HISTORICAL STRATEGY SHIFTS

RISK OF PASSIVE INVESTING

- Passive investing can create unintended size bias. As bull markets advance, aggregate equity market capitalisation tends to concentrate.

- Market capitalisation tends to concentrate in one or two sectors.

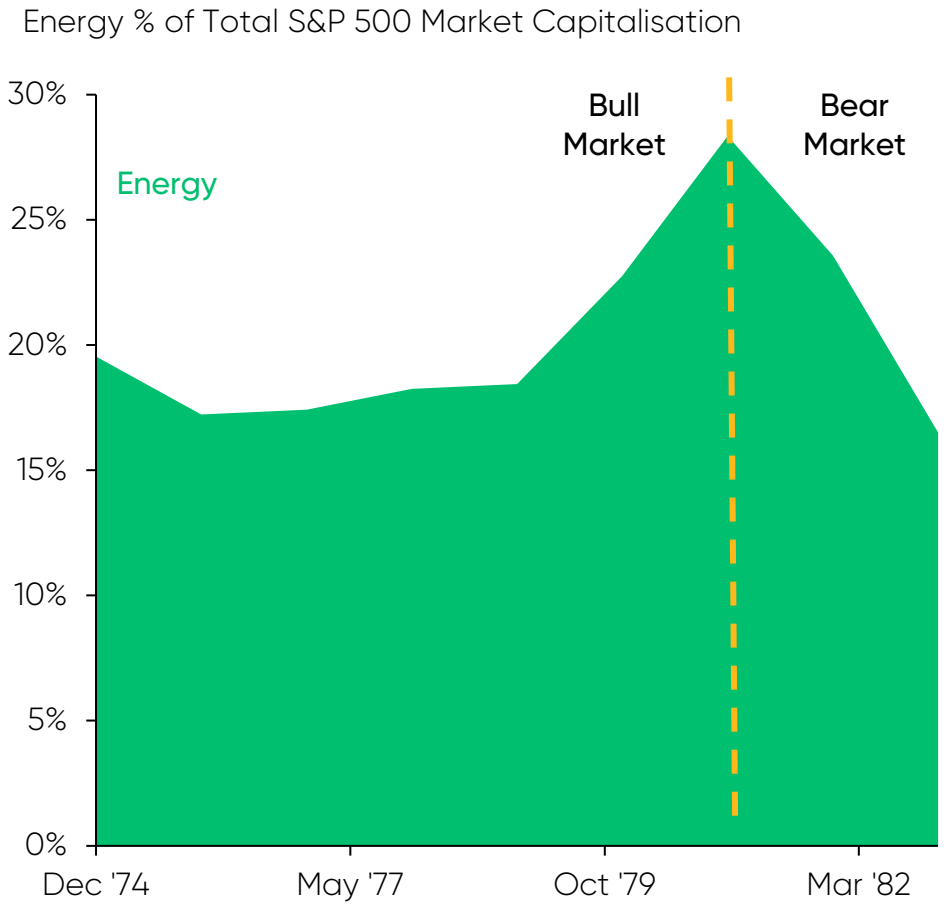
- These dominant sectors historically underperform in the subsequent bear market with the largest sector leading the decline.

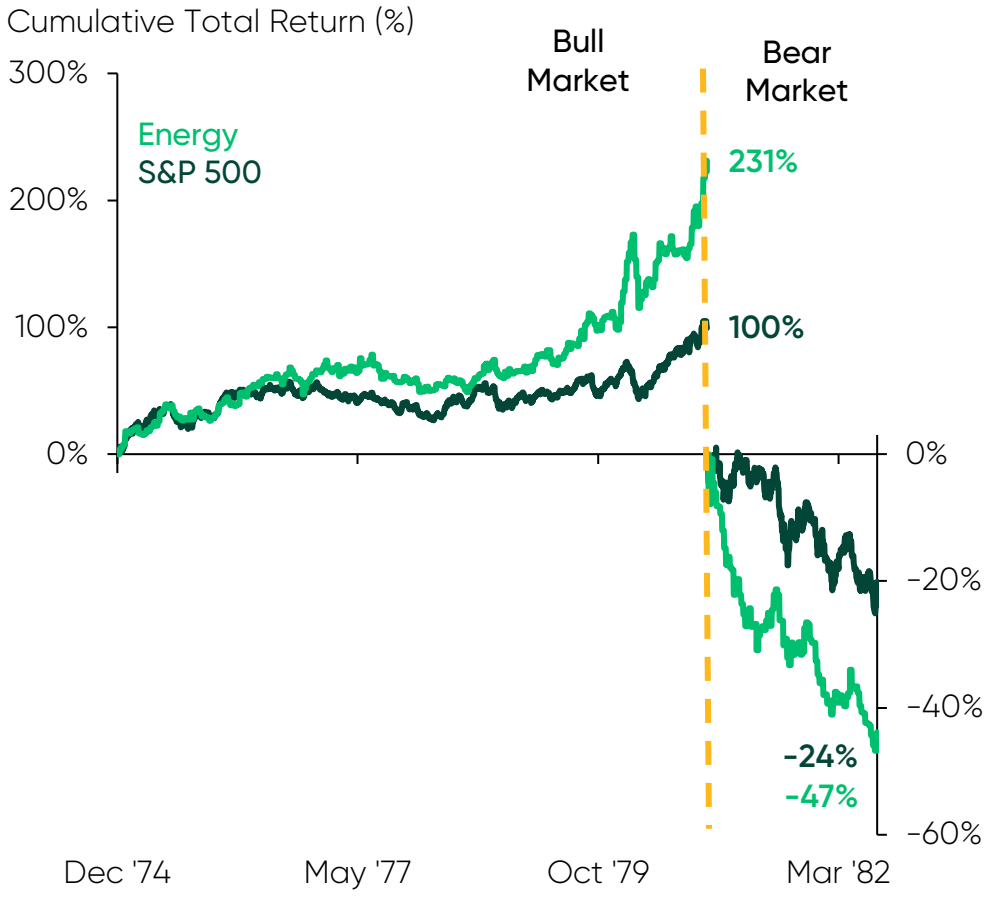
- Style behaviour through market cycles also follows a very consistent pattern. Small value and large growth leadership depends on nature of business cycle.

- Passive index biases create opportunities for active investors.

PASSIVE INVESTING AND UNINTENDED CONCENTRATION RISK

During the 1974 - 1982 market cycle, Energy's share of total market capitalisation rose and contracted dramatically. If someone had been a passive investor at the time, they would have gained full exposure to the sector at the worst possible time. The sector underperformed all other sectors in the preceding bear. Active investors can dynamically reposition potentially adding significant value given the extreme sector rotations late in the market cycle.

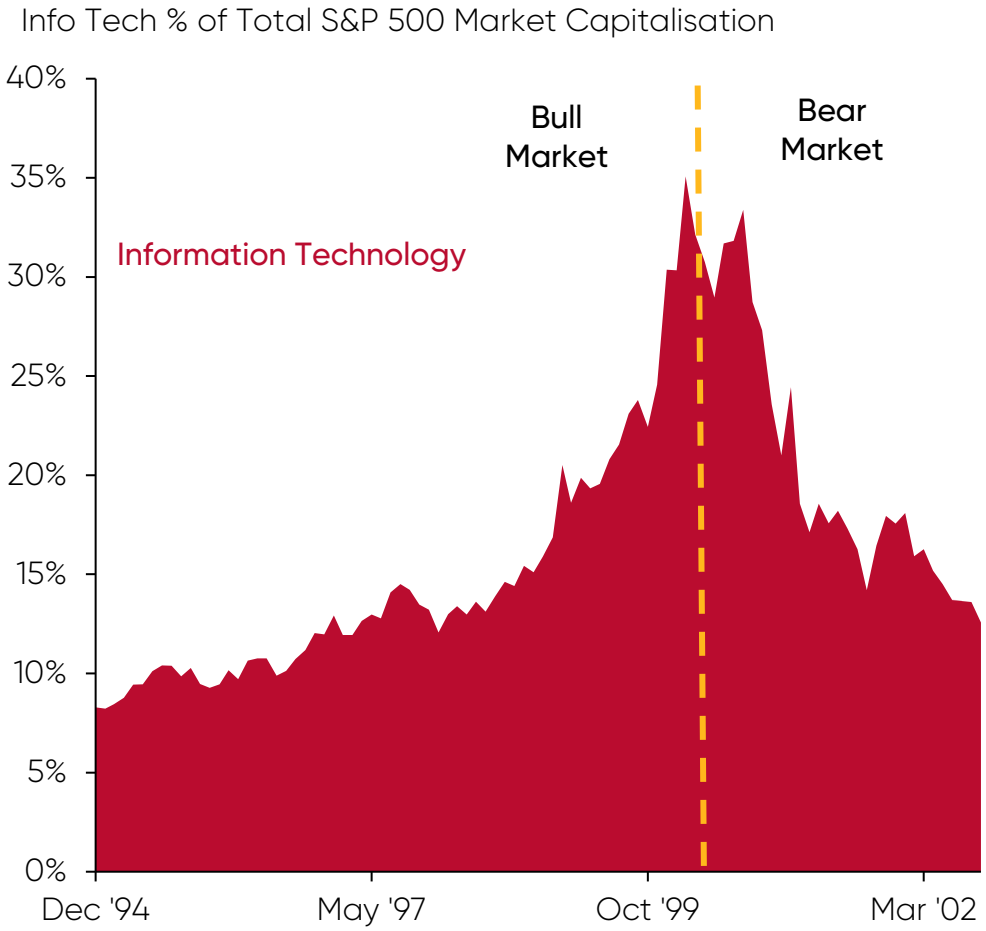


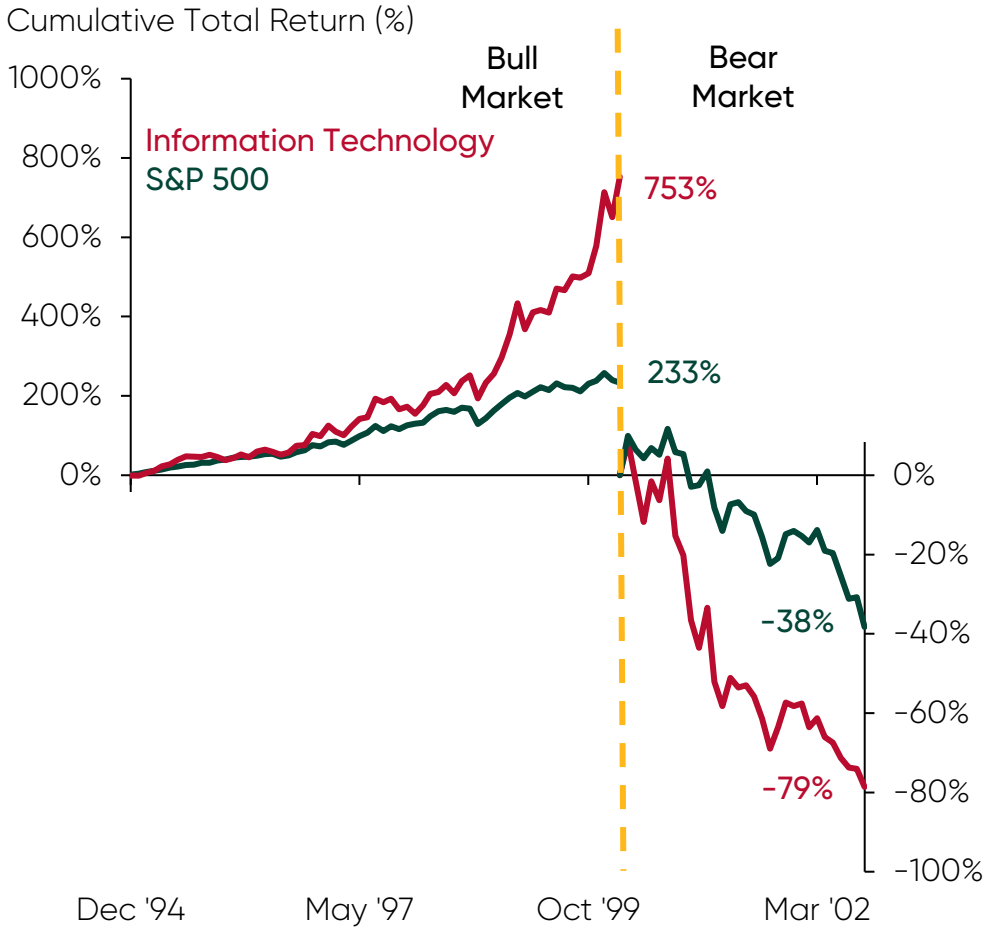


Left Source: Compustat; bottom-up constituent data via Compustat used for sector weights from 1974 to 1982. Graph show weights as of year-end for Energy sector in S&P 500 Index. Data from 31/12/1974 to 31/12/1982. USD. Please note prior to 1986, Energy used integrated oil. Largest sector is measured at the peak of the bull market. Right Right Source: FactSet and Global Financial Data as of 12/08/1982. Please note prior to 1986, Energy used integrated oil. Line graphs shows cumulative price returns of S&P 500 and respective S&P 500 Sectors Index. Data from 04/10/1974 to 12/08/1982. USD.

PASSIVE INVESTING AND UNINTENDED CONCENTRATION RISK

During the 1994-2002 market cycle, Information Technology's share of total market capitalisation rose and contracted dramatically. After strong performance in the bull, Technology substantially underperformed all other sectors in the bear.

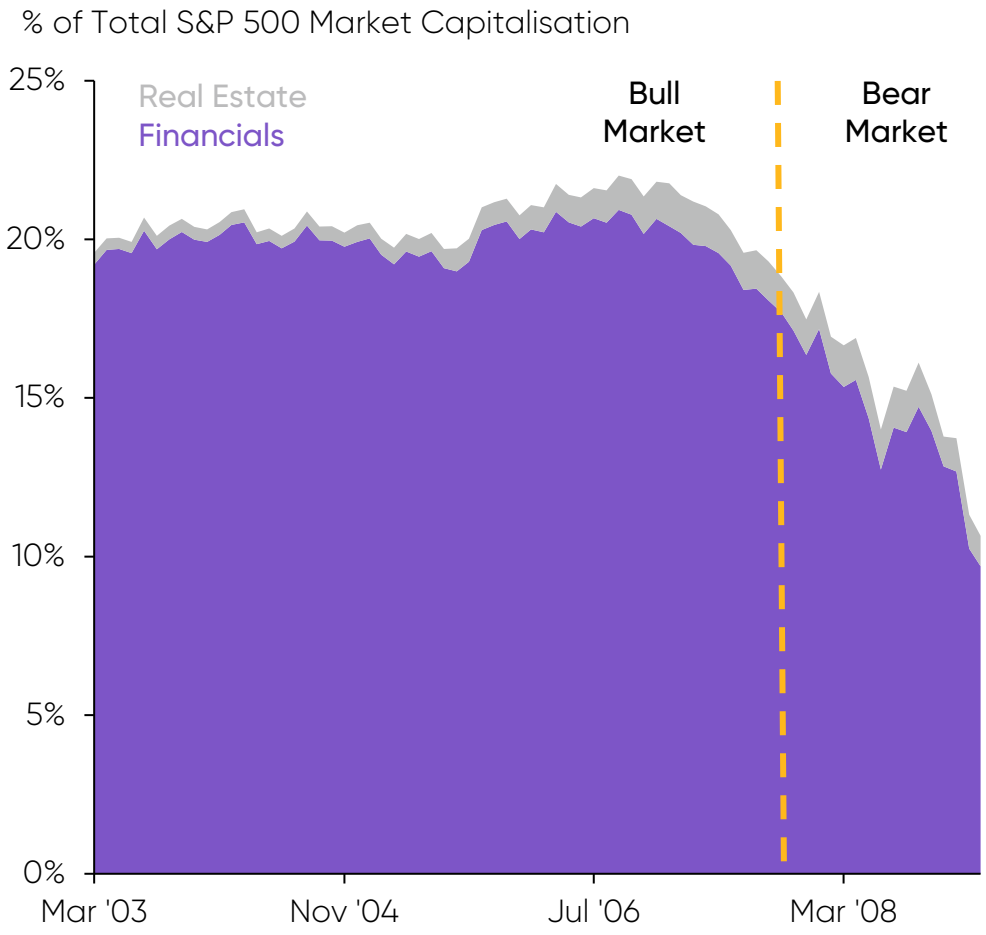


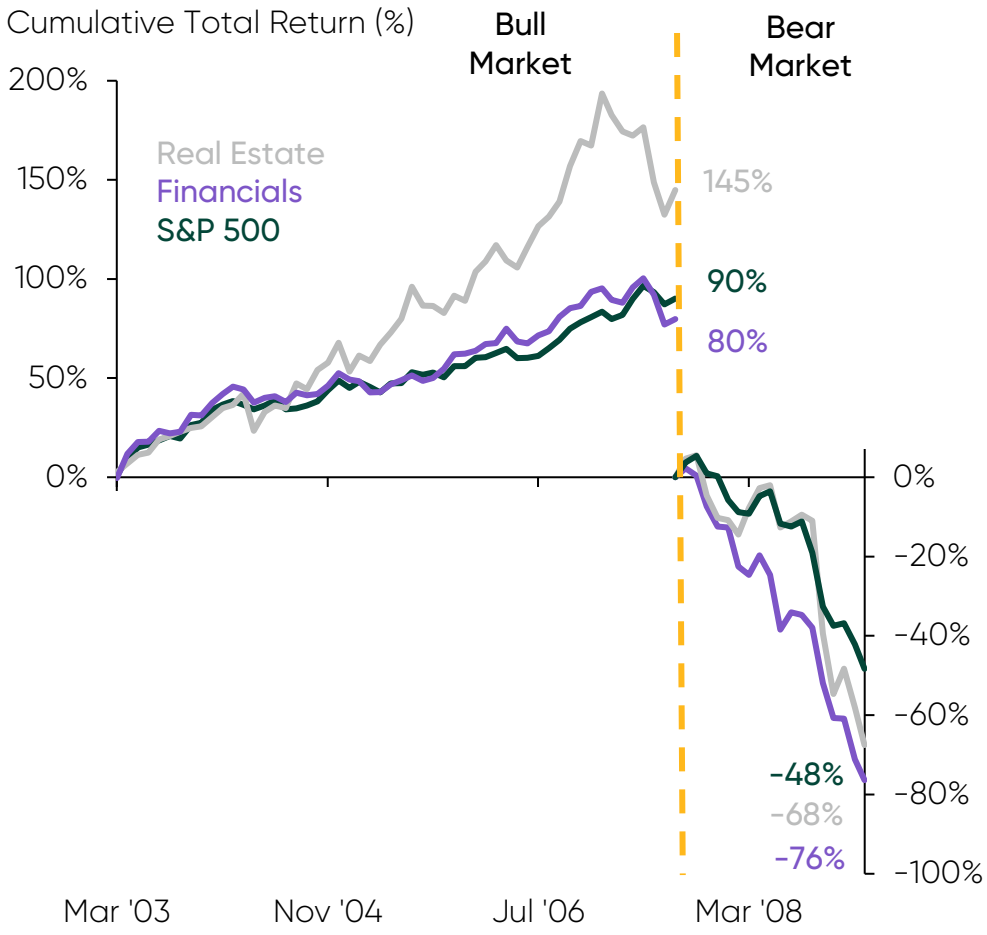


Left Source: FactSet, as of 30/09/2002. Graph shows weights as of month end for Information Technology sector in S&P 500 Index. Data from 01/12/1994 to 30/09/2002. USD. Largest sector is measured at the peak of the bull market. Right Source: FactSet, as of 09/10/2002. Line graphs shows cumulative returns of S&P 500 and respective S&P 500 Sectors Index. Data from 01/12/1994 to 30/09/2002. Data in USD.

PASSIVE INVESTING AND UNINTENDED CONCENTRATION RISK

During the 2003-2009 market cycle, Financials' and Real Estate's share of the total market cap contracted dramatically during the bear. After solid performance in the bull, Financials and Real Estate were the two worst performing sectors in the bear.

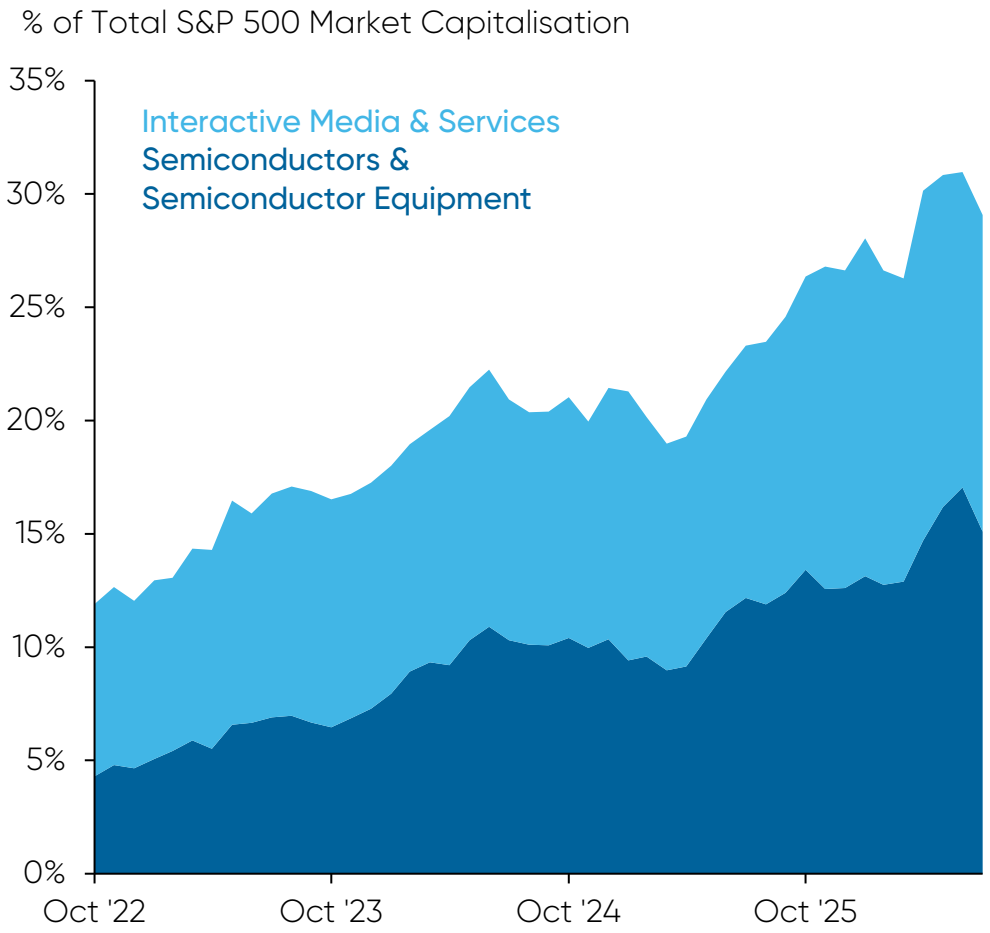


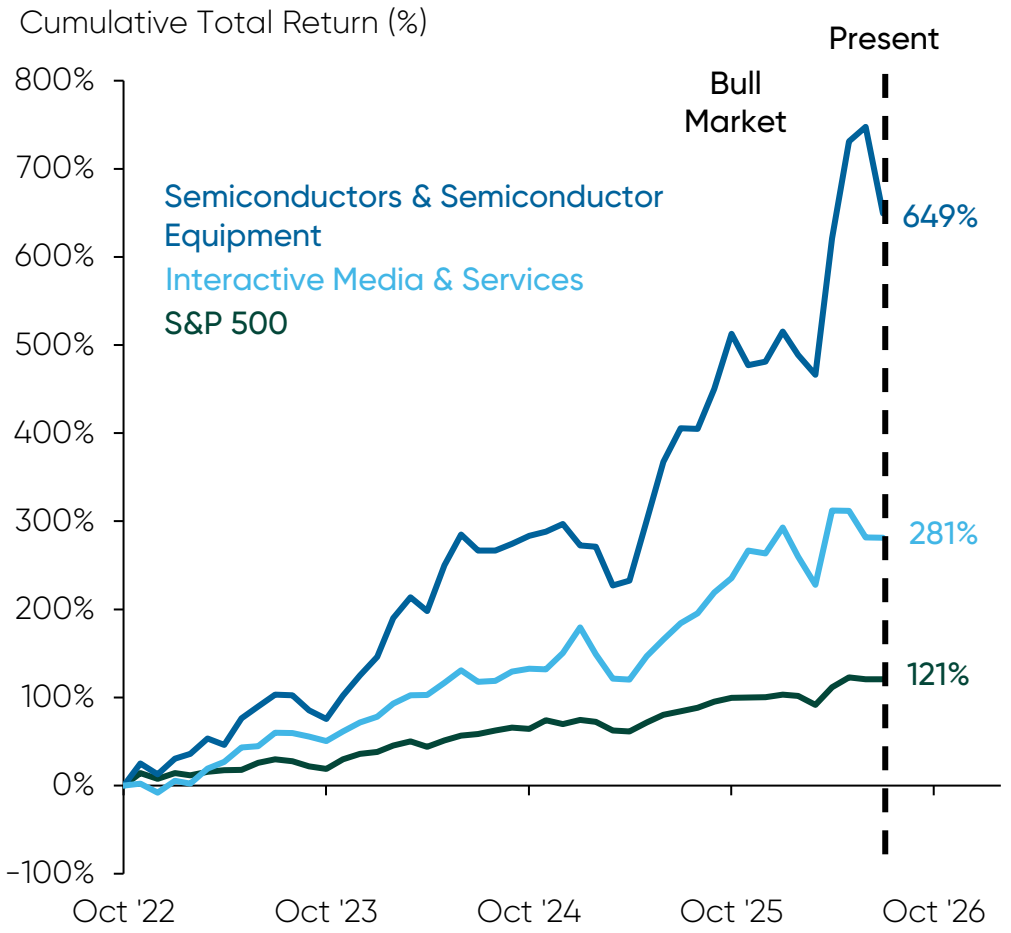


Left Source: Factset, as of 28/02/2009. Graph shows weights as of month end for Financials and Real Estate sector in S&P 500 Index. Data from 01/03/2003 to 28/02/2009. USD. Largest sector is measured at the peak of the bull market. Right Source: Factset, as of 28/02/2008. Line graphs shows cumulative returns of S&P 500 and respective S&P 500 Sector Indexes. Data from 01/03/2003 to 28/02/2009. USD. Real Estate was a sector broken out of the Financials sector in 2016.

PASSIVE INVESTING AND UNINTENDED CONCENTRATION RISK

Since the 2022 market bottom, Semiconductor and Technology-like segments of the market have significantly outperformed. Strong performance can increase concentration in market capitalisation weighted indices, potentially amplifying downside risk for passive investors if market leadership reverses.

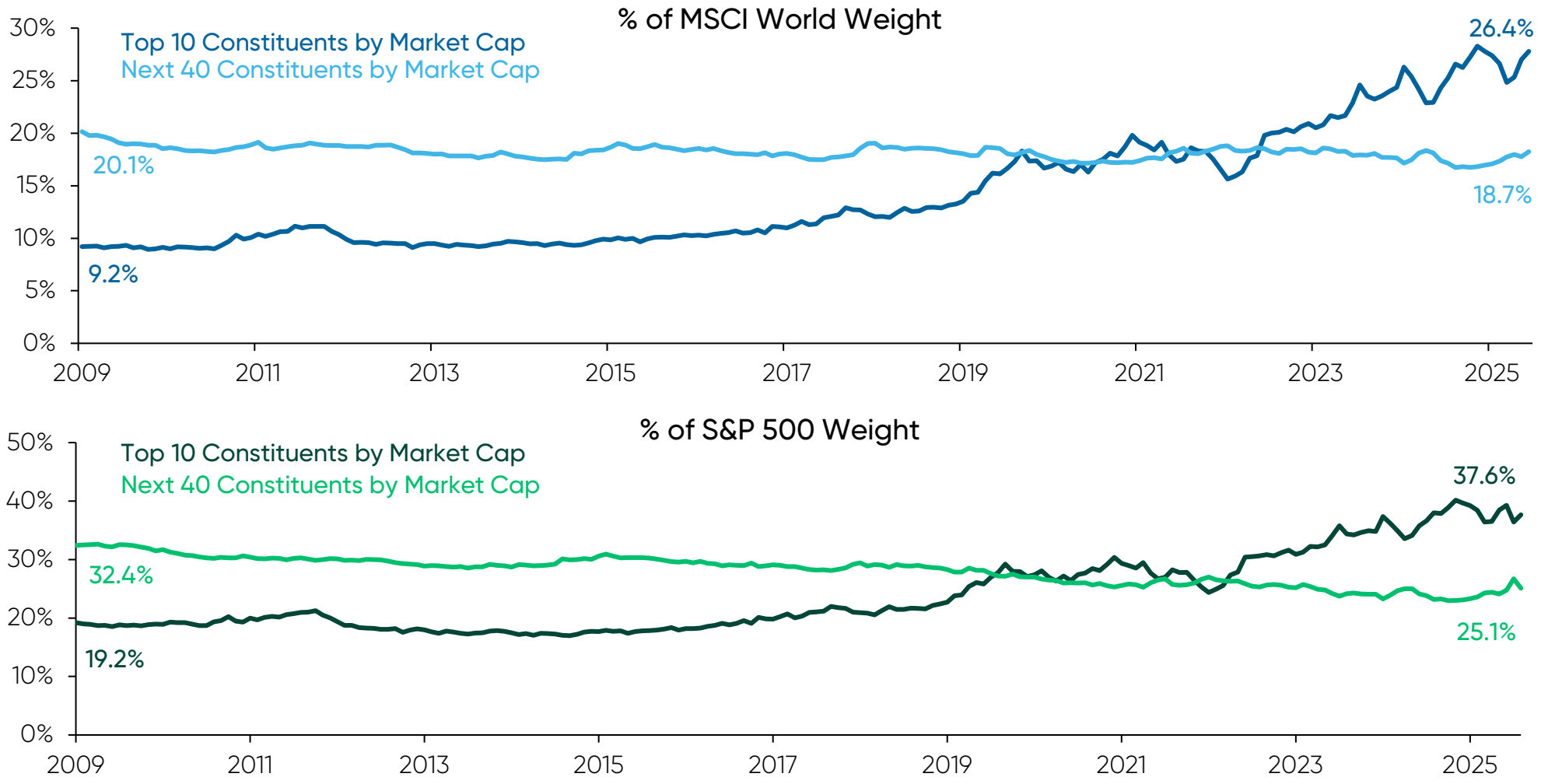




Left Source: FactSet, as of 31/07/2026. Graph shows weights as of month end for Information Technology sector in S&P 500 Index. Data from 01/10/2022 to 31/07/2026. Largest sector is measured at the peak of the bull market. Right Source: FactSet, as of 09/10/2002. Line graphs shows cumulative returns of S&P 500 and respective S&P 500 Sectors Index. Data from 01/10/2022 to 31/07/2026. Data in USD.

PASSIVE INVESTING AND UNINTENDED SIZE BIAS

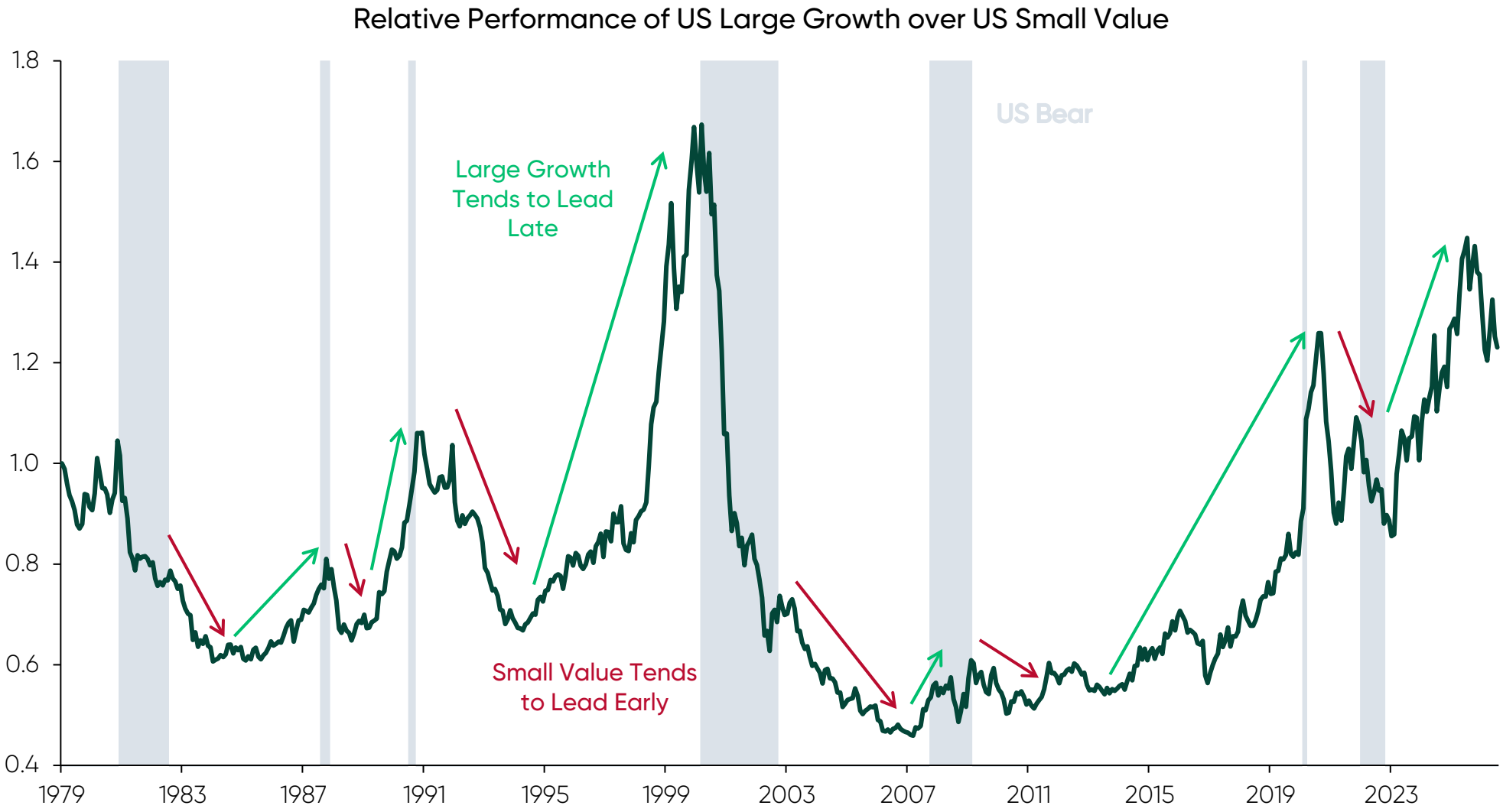
A handful of mega cap companies are now exerting an outsized impact on equity index performance relative to history. In 2009, the largest 10 companies in the MSCI World represented 9% of the index. Currently, the largest 10 companies by market cap represent 26% of market share in MSCI World equities. This size bias is even more pronounced in US equities.



Source: FactSet, from 31/12/2009 and 30/06/2026. The foregoing information is based on the monthly market capitalisation figures of the MSCI World and S&P 500 indices.

PASSIVE INVESTING SUBJECT TO MARKET CYCLE BIAS

While smaller value companies typically outperform early in a new market cycle, large growth companies tend to lead late in a bull market.



Source: FactSet. Shows daily relative performance of the S&P 500 Growth index against the Russell 2000 value index, 31/01/1979 – 30/06/2026. Indexed to 1 on 31/01/1979. Investing in financial markets involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance neither guarantees nor reliably indicates future performance. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates.

RISK OF PASSIVE INVESTING

WHY ACTIVE

WHY TOP-DOWN

OUR TOP-DOWN PROCESS AND HISTORICAL STRATEGY SHIFTS

WHY ACTIVE?

- Passive investors, buying into the market (or maintaining passive exposure) late in the market cycle find a substantial portion of their investment in the market's largest sector at the most perilous time.

- It is important for active managers to recognise market cycles, understand investor biases and measure sentiment.

- The probability of active investors outperforming or sector risk incurred by passive investors is not static through the market cycle.

- A dynamic investing approach may allow active managers to outperform at different stages of the market cycle and capture categorical performance spreads.

- However, in generating long-term active outperformance, it is normal for active management to experience periods of underperformance as active performance is cyclical.

NO ONE STYLE/REGION IS INHERENTLY SUPERIOR

Leadership of styles, countries, sectors, and market capitalisations is constantly rotating throughout the market cycle. As a result, investing in equities requires a dynamic approach to outperform in a constantly changing market environment.

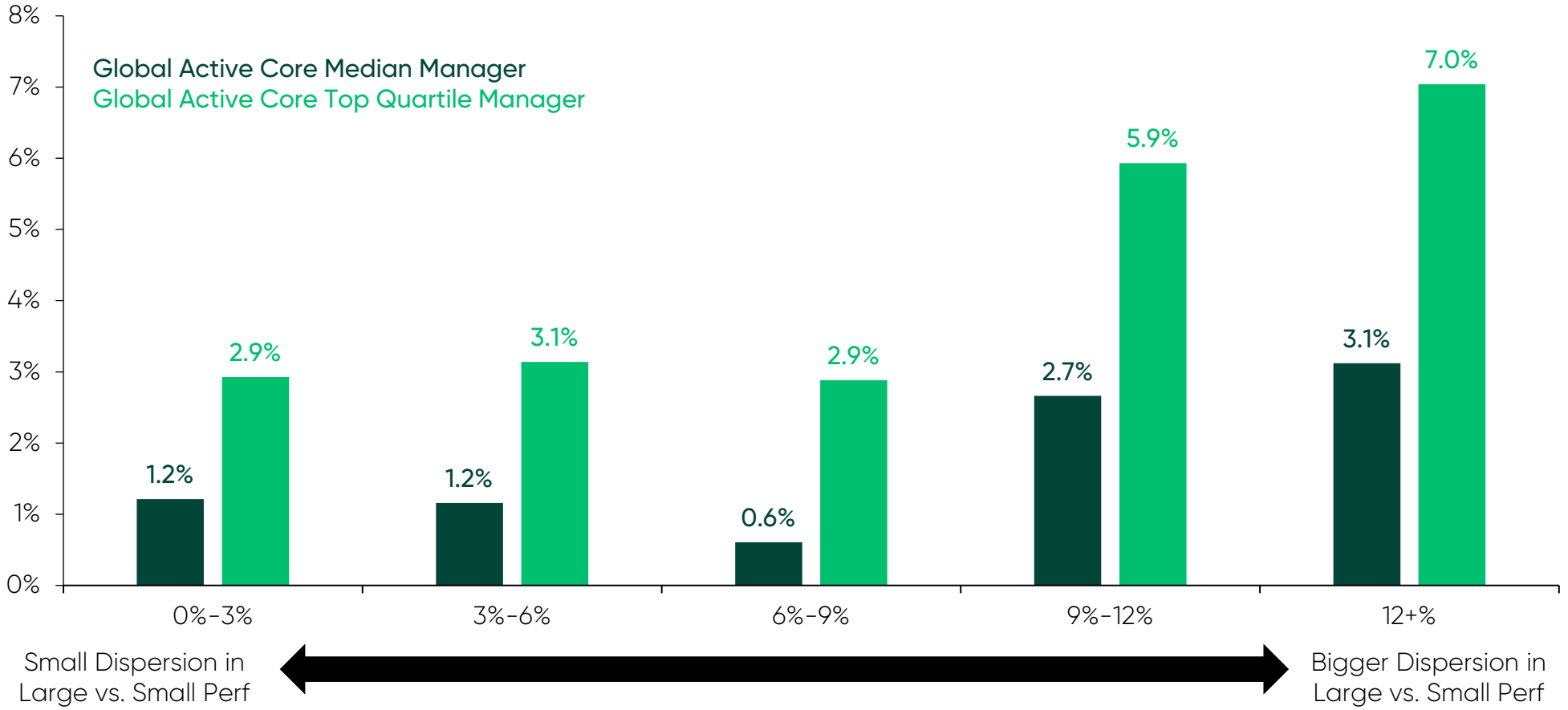
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Small 26.3%	North America -0.1%	Europe ex UK 21.3%	North America 29.6%	North America 11.9%	Growth 1.5%	Value 12.6%	EM 37.3%	North America -5.7%	Growth 32.7%	Growth 33.6%	North America 26.4%	UK -4.8%	Growth 33.2%	Growth 24.2%	Europe ex UK 35.5%
EM 18.9%	UK -2.6%	EM 18.2%	Small 28.7%	Growth 5.4%	Europe ex UK -0.6%	Small 11.6%	Dev. Asia 31.7%	Growth -8.1%	North America 30.7%	North America 19.9%	Value 19.6%	Value -7.5%	North America 26.0%	North America 24.0%	UK 35.1%
Dev. Asia 17.0%	Value -7.3%	Small 18.1%	Europe ex UK 27.6%	Value 2.9%	North America -0.9%	North America 11.6%	Growth 30.0%	Value -10.8%	Europe ex UK 24.8%	Dev. Asia 19.7%	UK 18.5%	Dev. Asia -17.2%	Europe ex UK 21.7%	Value 10.8%	EM 33.6%
North America 15.3%	Growth -7.4%	Dev. Asia 16.8%	Growth 23.2%	Small 1.8%	Small -1.0%	EM 11.2%	Europe ex UK 26.8%	Dev. Asia -13.5%	Small 24.7%	EM 18.3%	Growth 17.1%	Europe ex UK -18.0%	Small 16.8%	Dev. Asia 9.6%	Dev. Asia 28.0%
Growth 15.1%	Small -11.3%	Growth 16.7%	Value 22.4%	Dev. Asia 0.0%	Dev. Asia -2.0%	Dev. Asia 4.9%	Small 23.8%	UK -14.2%	UK 21.0%	Small 16.3%	Small 16.1%	Small -18.7%	UK 14.1%	Small 7.7%	Growth 22.4%
Value 10.2%	Dev. Asia -15.1%	Value 15.6%	UK 20.7%	EM -2.2%	Value -6.3%	Growth 3.3%	UK 22.3%	Small -14.4%	Value 20.6%	Europe ex UK 10.9%	Europe ex UK 15.7%	North America -19.5%	Value 11.8%	UK 7.5%	Value 22.0%
UK 8.8%	Europe ex UK -15.3%	UK 15.3%	Dev. Asia 12.0%	UK -5.4%	UK -7.6%	UK -0.1%	North America 20.9%	EM -14.6%	Dev. Asia 19.4%	Value -0.3%	Dev. Asia -1.5%	EM -20.1%	Dev. Asia 11.4%	EM 7.5%	Small 19.7%
Europe ex UK 1.6%	EM -18.4%	North America 14.8%	EM -2.6%	Europe ex UK -6.5%	EM -14.9%	Europe ex UK -0.6%	Value 18.3%	Europe ex UK -15.1%	EM 18.4%	UK -10.5%	EM -2.5%	Growth -28.6%	EM 9.8%	Europe ex UK 0.1%	North America 18.1%

Source: FactSet, as of 31/12/2025. Based on calendar year total returns in USD for the following indices: MSCI Emerging Markets, MSCI North America, MSCI ACWI Small Cap, MSCI ACWI Growth, MSCI ACWI Value, MSCI United Kingdom, MSCI Europe ex UK, MSCI All Country Asia Pacific. Investing in financial markets involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance neither guarantees nor reliably indicates future performance. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates.

ACTIVE MANAGERS LEAD DURING SMALL/LARGE SPREADS

We have observed active managers' excess returns increase during periods of greater dispersion between small cap and large cap stocks. Understanding the degree of dispersion in global equities may inform active managers' relative performance in certain market regimes.

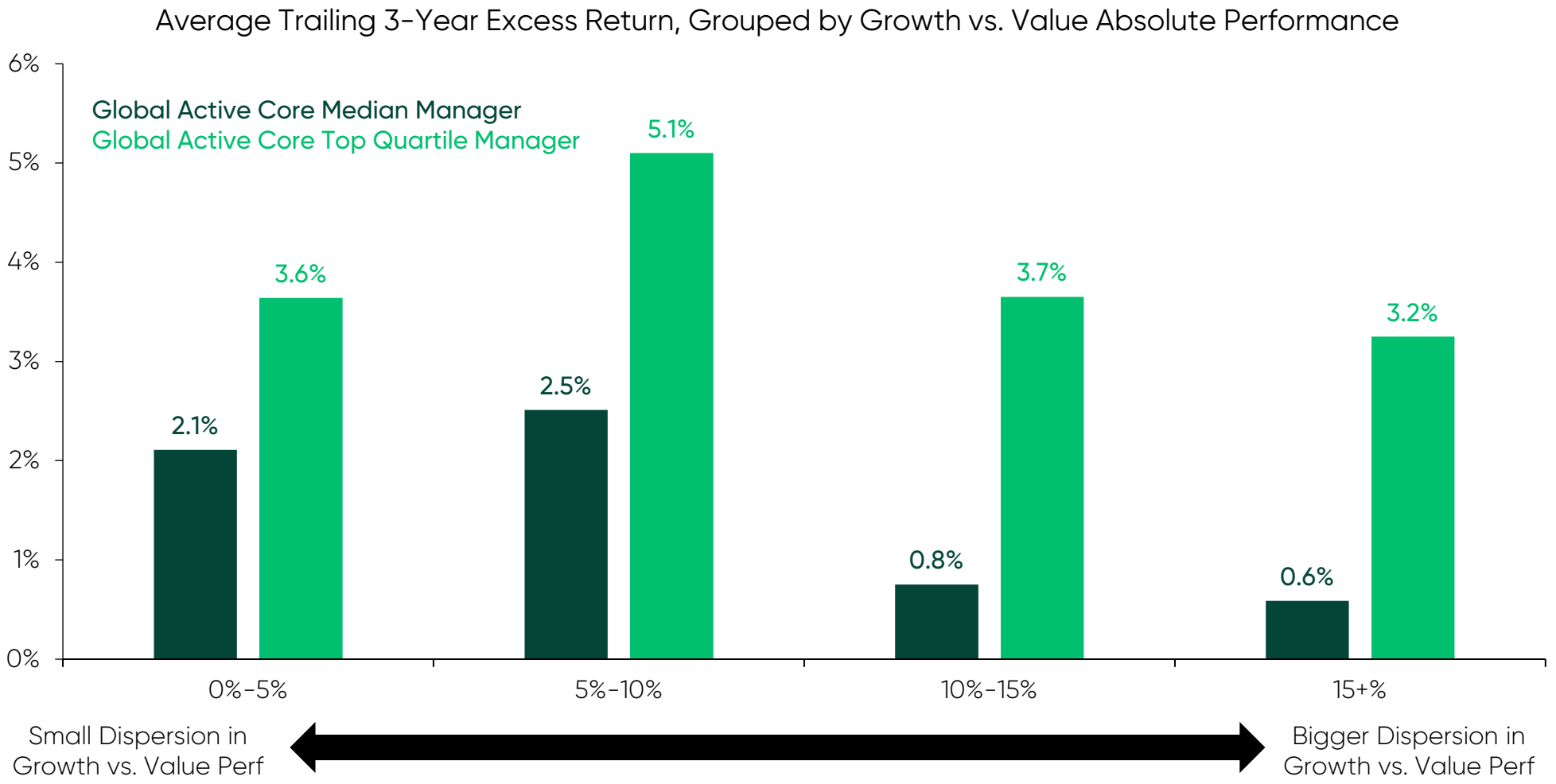
Average Trailing 3-Year Excess Return, Grouped by Large vs. Small Absolute Performance



Source: eVestment, monthly, 01/01/1999 – 30/06/2026. Absolute spreads is calculated by taking the absolute difference of MSCI World Small and Large cap annualised performance on a trailing 3-year rolled monthly basis. Manager returns are annualised trailing 3-year rolled monthly using all active managers from eVestment's All Global Core Equity universe using gross of fees data. Excess returns shown against each managers preferred benchmark. Data in USD.

ACTIVE MANAGERS LEAD DURING GROWTH/VALUE SPREADS

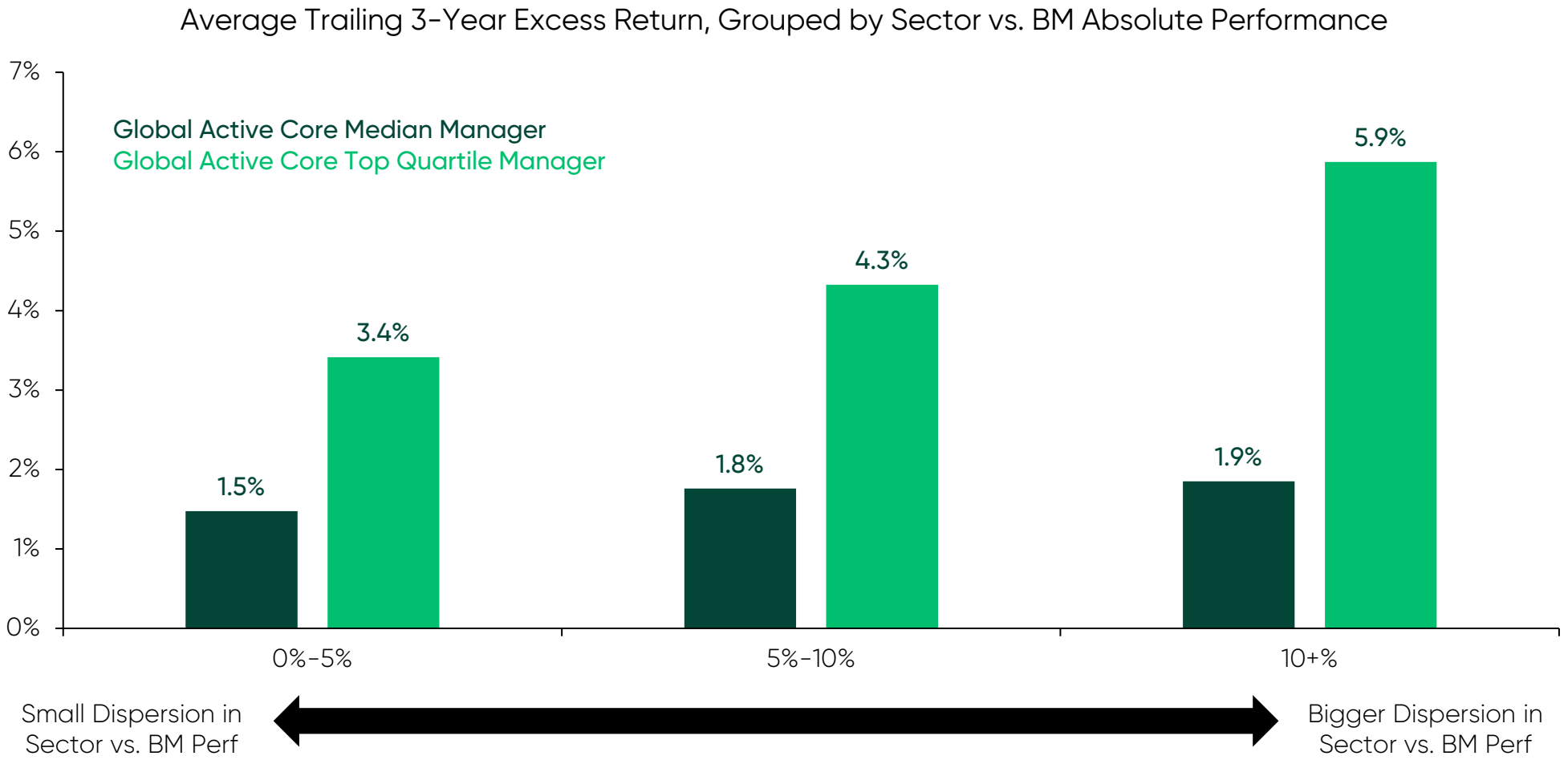
Active managers' excess return peaks in modest growth and value dispersion environments.



Source: eVestment, monthly, 01/01/1982 – 30/06/2026. Absolute spreads is calculated by taking the absolute difference of MSCI World Growth and Value annualised performance on a trailing 3-year rolled monthly basis. Manager returns are annualised trailing 3-year rolled monthly using all active managers from eVestment's All Global Core Equity universe using gross of fees data. Excess returns shown against each managers preferred benchmark. Data in USD.

ACTIVE MANAGERS LEAD DURING HIGHER SECTOR SPREADS

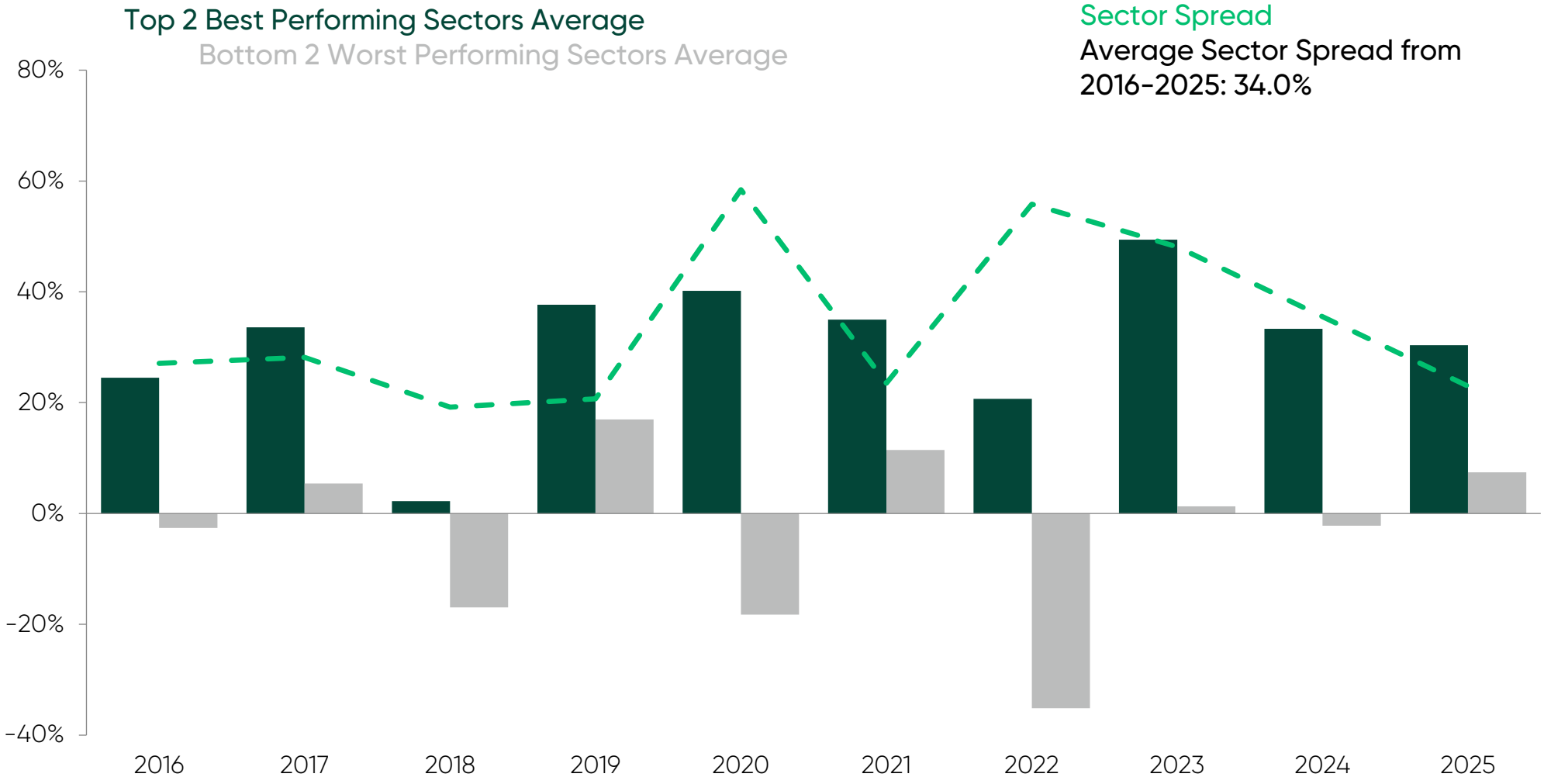
Active managers' excess returns tend to increase with increased dispersion between sectors' performance. Generally, the larger the difference between sector and benchmark performance, the greater the average 3-year excess return for active global managers.



Source: eVestment & FactSet, monthly, 01/01/1995 – 30/06/2026. Absolute spreads is calculated by taking the average absolute difference of MSCI World sector's performance versus the MSCI World on an annualised trailing 3-year rolled monthly basis. Manager returns are annualised trailing 3-year rolled monthly using all active managers from eVestment's All Global Core Equity universe using gross of fees data. Excess returns shown against each managers preferred benchmark. Data in USD.

MSCI WORLD TOP 2 BOTTOM 2 SPREAD

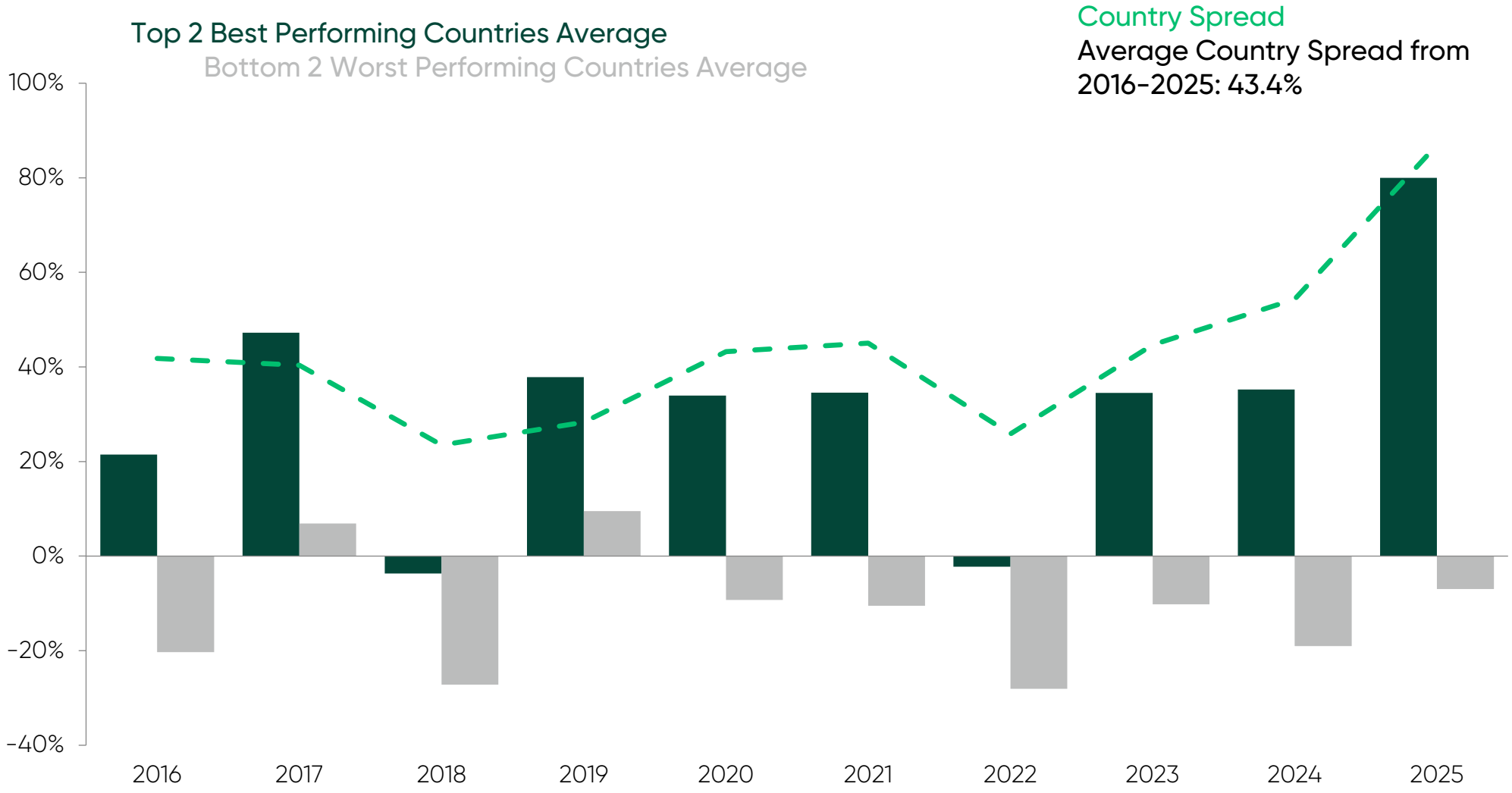
The large spread between the returns of outperforming and underperforming sectors offer active managers ample opportunity to outperform. We expect sector dispersion to continue to remain elevated.



The data set for a given year is the MSCI World Index constituent list for each year end, and the returns used are price returns. "Top 2 Best Performing Sectors Average" takes the arithmetic average of the top two performing sectors in the MSCI World Index for a given year. The same concept is applied for "Bottom 2 Worst Performing Sectors Average." The "Average Sector Spread" is the arithmetic average of the yearly spread between "Top 2 Best Performing Sectors Average" and "Bottom 2 Worst Performing Sectors Average". Data in USD. Source: FactSet. As of 31/12/2025.

MSCI WORLD TOP 2 BOTTOM 2 SPREAD

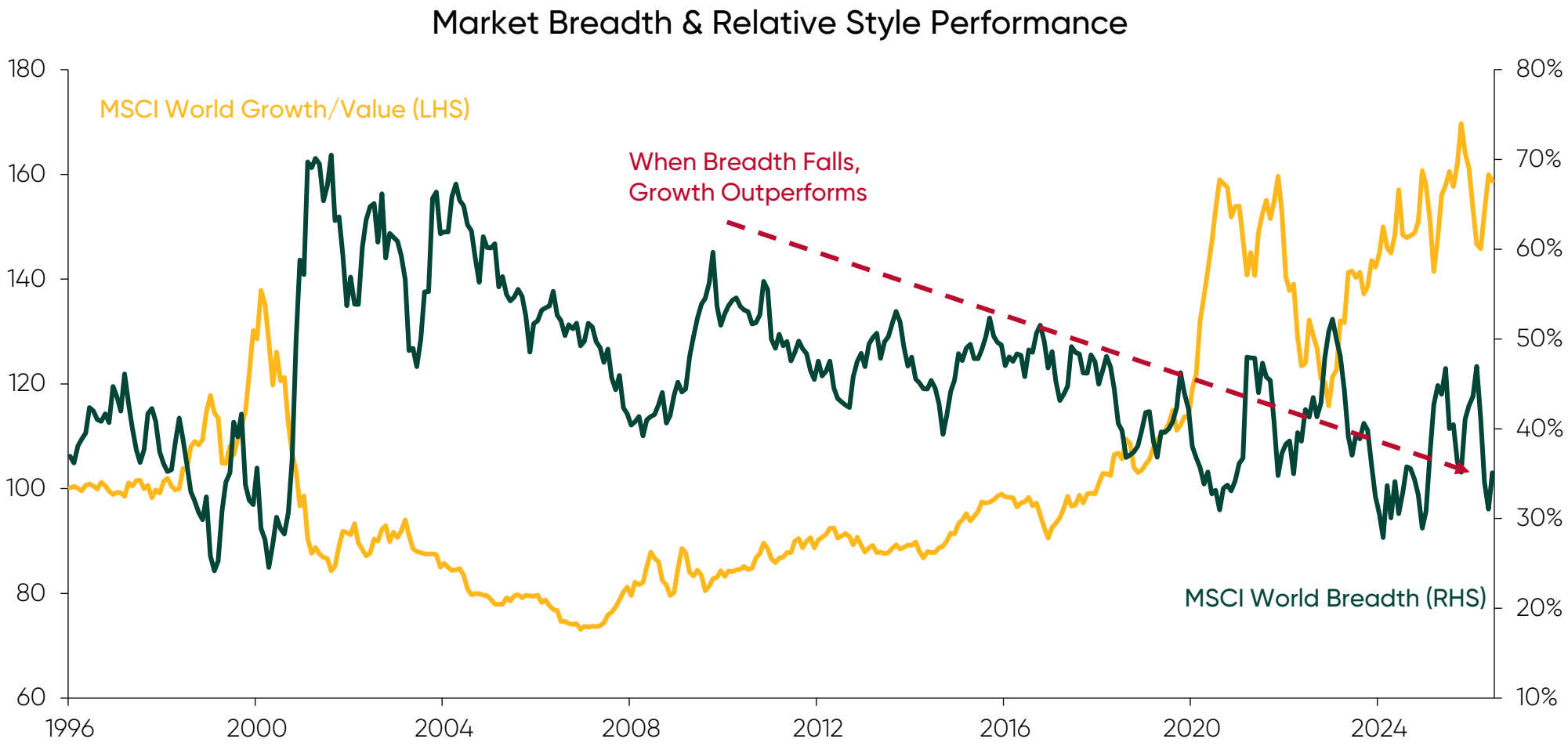
Country spreads have increased in recent years, offering active managers ample opportunity to outperform. We expect country dispersion to continue to remain elevated.



The data set for a given year is the MSCI World Index constituent list for each year end, and the returns used are price returns. "Top 2 Best Performing Countries Average" takes the arithmetic average of the top two performing countries in the MSCI World Index for a given year. The same concept is applied for "Bottom 2 Worst Performing Countries Average." The "Average Country Spread" is the arithmetic average of the yearly spread between "Top 2 Best Performing Countries Average" and "Bottom 2 Worst Performing Countries Average". Data in USD. Source: FactSet. As of 31/12/2025.

MARKET BREADTH

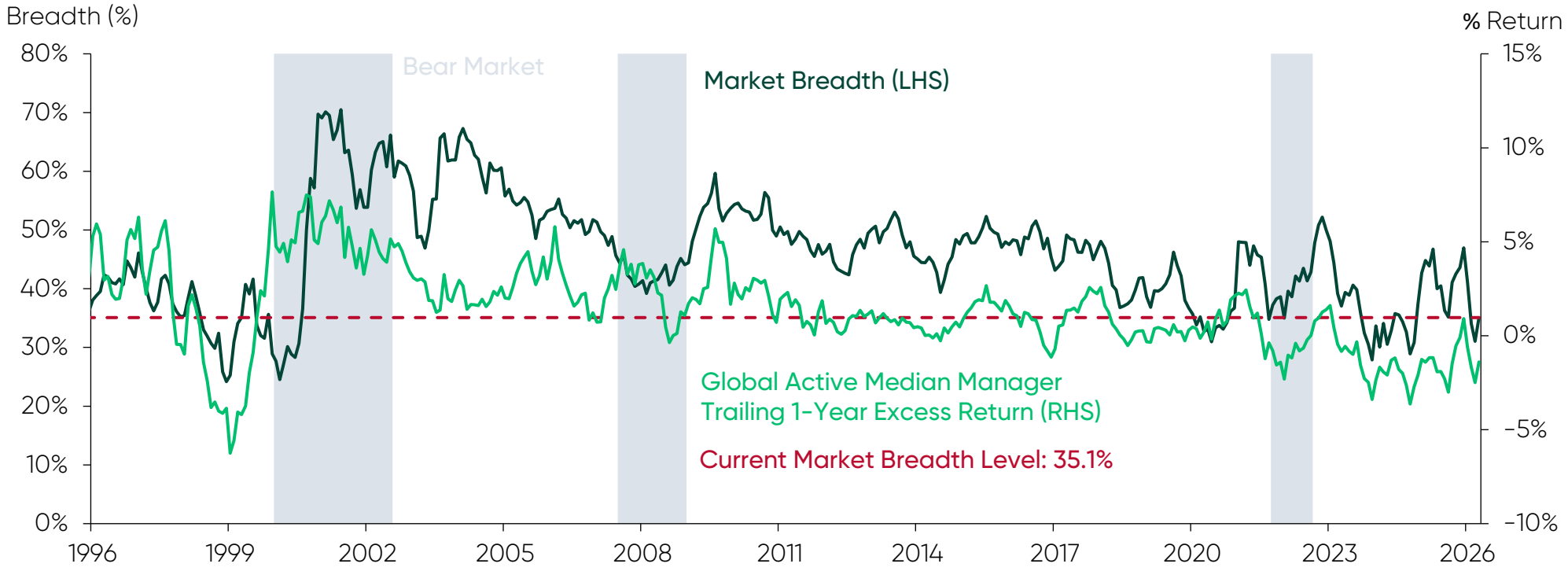
Market breadth is generally a good indicator of growth/value leadership cycles, with low breadth exhibiting high correlation to growth outperformance. Market breadth usually jumps at the beginning of a new market cycle, but the opposite has been true so far in the bull market that started late 2022. After a brief spike, breadth continued narrowing following the new bull market that began in late 2022.



Source: FactSet and Clarifi, from 31/01/1996 to 30/06/2026. Breadth is defined as the number of companies outperforming the headline index on a trailing 12-month basis divided by the total number of constituents in the index. Index constituents on a given date are from twelve months prior. Forward 12-month returns are then calculated and lagged to show them on a trailing 12-month basis. The foregoing information is based on MSCI World Growth over MSCI World Value performance indexed to 100 on 31/01/1996. Data in USD.

IMPACT OF MARKET BREADTH ON ALPHA

Active Manager excess return coincides with high market breadth. Market breadth usually expands at the beginning of new bull markets, however the nascent bull market beginning in late 2022 was an exception with outperformance concentrated in a handful of stocks. Should market breadth increase in 2026, it would likely benefit active managers.



MSCI World Breadth vs Active Manager Return Correlation	
Period	Correlation
1996-2023	0.53
Bull Markets	0.46
Bear Markets	0.55

Source: Clarifi, as of 30/06/2026. MSCI World constituent and headline index prices, monthly, 31/01/1996 – 30/06/2026. Breadth is defined as the number of companies outperforming the headline index on a trailing 12-month basis divided by the total number of constituents in the index. Index constituents on a given date are from twelve months prior. Forward 12-month returns are then calculated and lagged to show them on a trailing 12-month basis. Global Active Manager excess returns sourced from eVestment, as of 30/06/2026 in USD using rolling monthly excess returns compared to the MSCI World Index.

RISK OF PASSIVE INVESTING

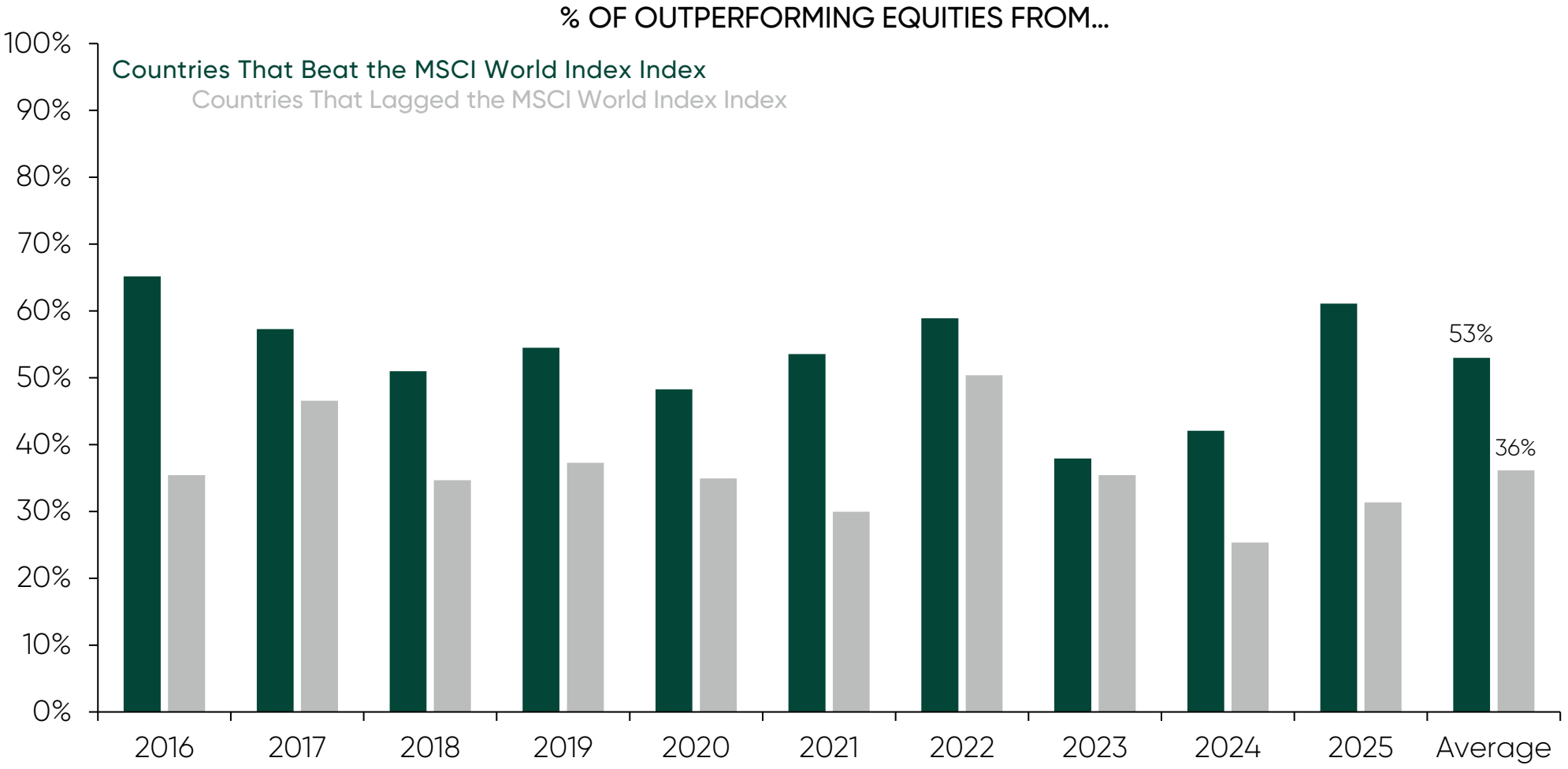
WHY ACTIVE

WHY TOP-DOWN

OUR TOP-DOWN PROCESS AND HISTORICAL STRATEGY SHIFTS

TOP-DOWN MATTERS IN GLOBAL EQUITIES

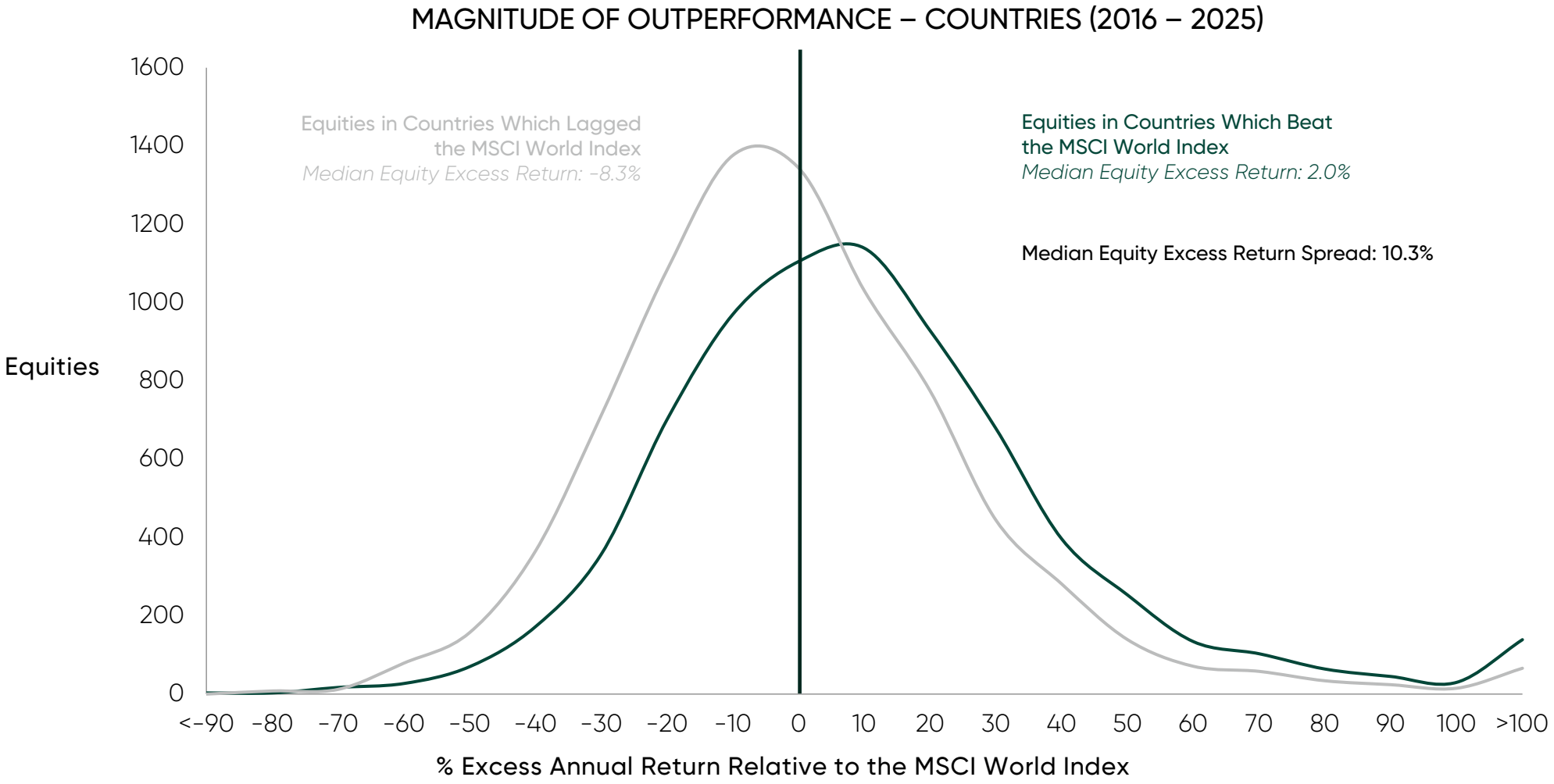
Identifying countries which beat the market can greatly increase the likelihood of selecting outperforming equities.



The data set for a given year is the MSCI World Index constituent list for each year end, and the returns used are total returns. If a country in the MSCI World Index outperforms the overall MSCI World Index for a given year, the number of equities in that country that also outperformed the overall MSCI World Index is counted; the "Countries That Beat the MSCI World Index" is thus the total number of equities counted in this fashion divided by the total number of MSCI World Index constituent equities within countries that outperformed the overall MSCI World Index in a given year, at year end. The same concept is applied for underperforming countries. Finally, an arithmetic average of all years sampled is shown. Based on the total number of securities in the index reporting performance as of the end of the period. Data in USD. Source: FactSet. As of 31/12/2025.

EQUITY SELECTION MADE EASIER

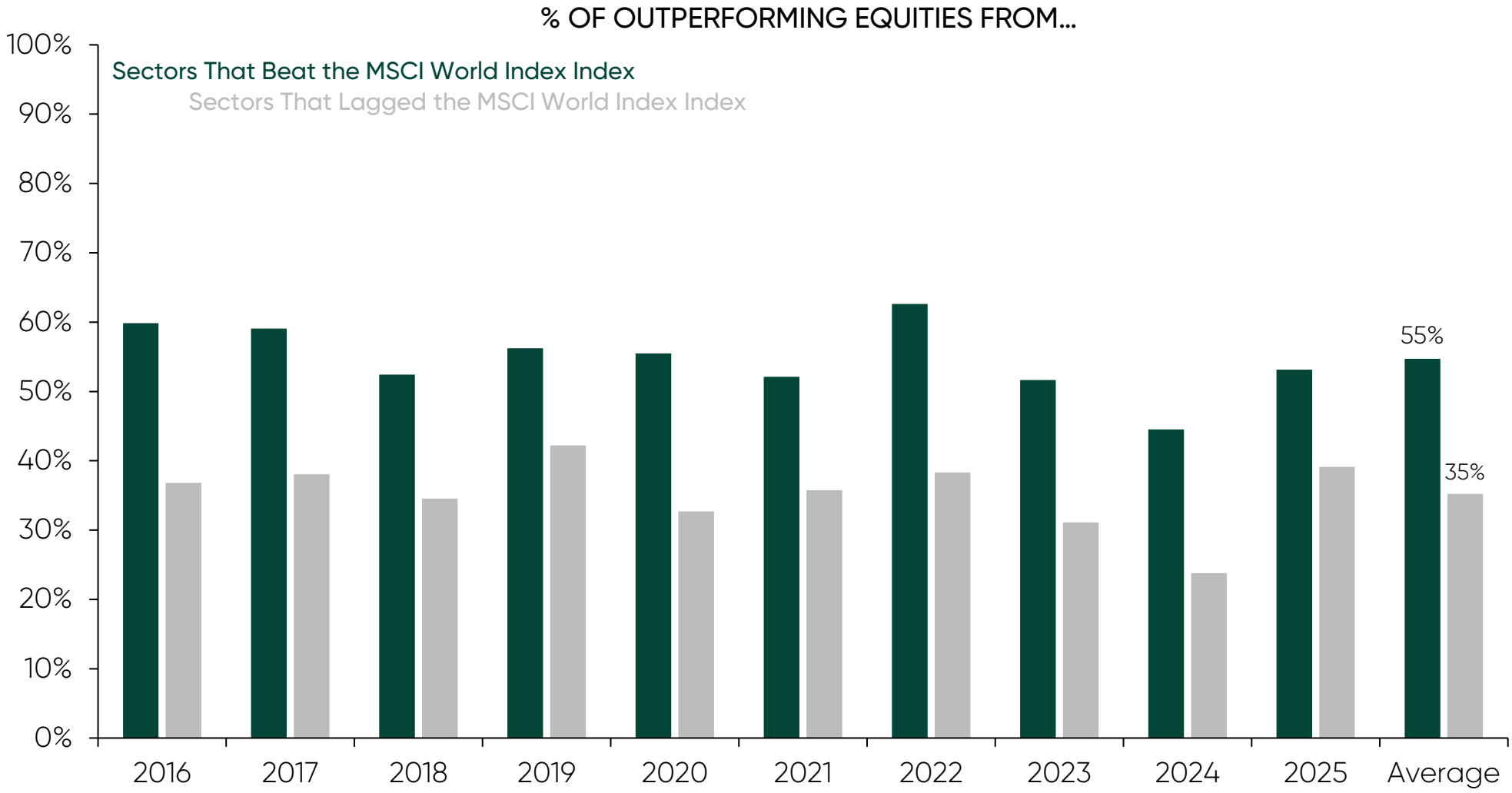
Equities from outperforming countries tend to generate more excess return than those from underperforming countries.



MSCI World Index constituents by each year end, using constituent price level returns. Chart calculates the number of equities that fall into each annual excess return range. All constituent returns are relative to the MSCI World Index. Based on the total number of securities in the index reporting performance as of the end of the period. Data in USD. Source: FactSet. As of 31/12/2025.

TOP DOWN MATTERS IN GLOBAL EQUITIES

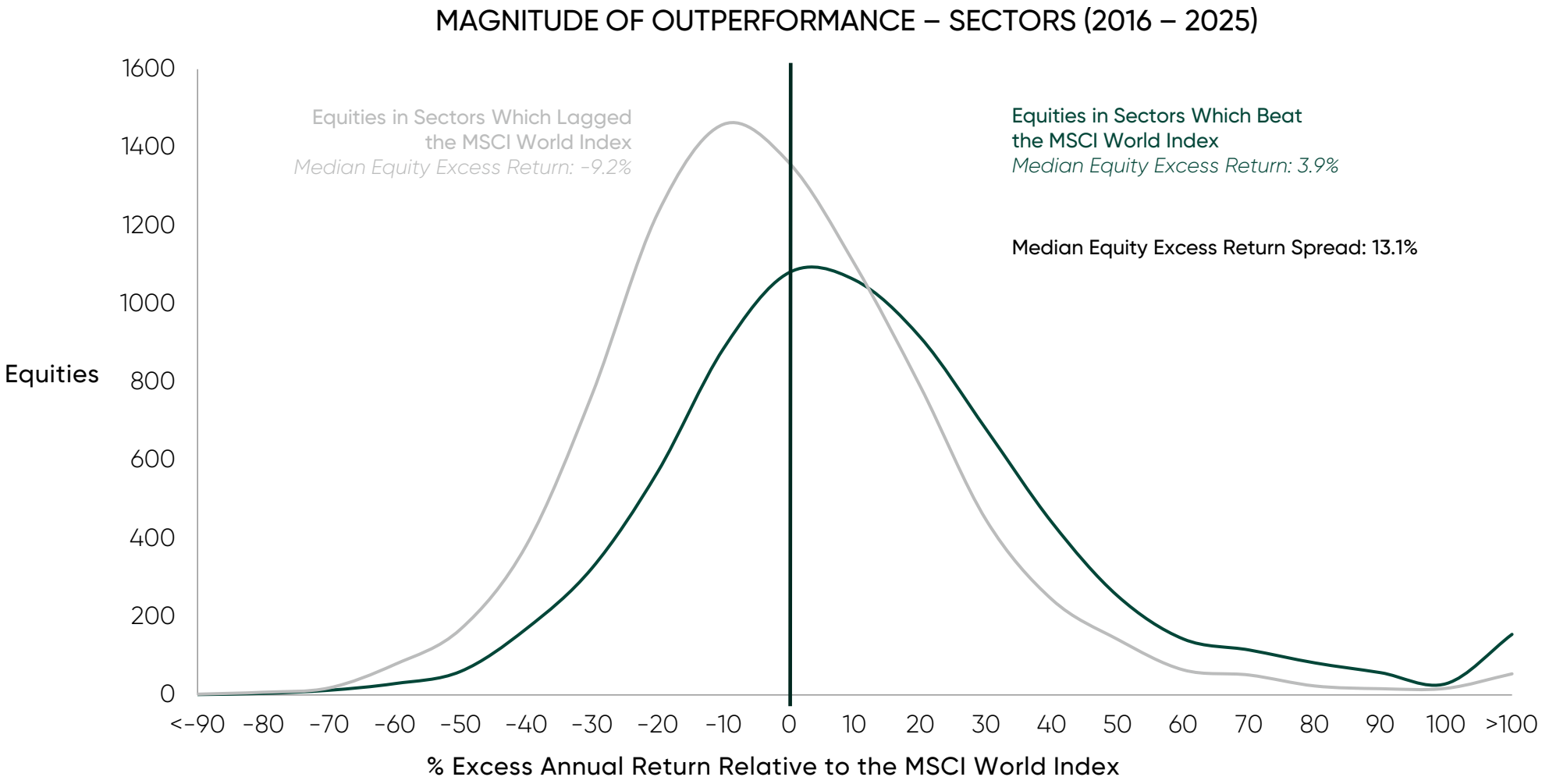
Similarly, identifying sectors which beat the market can greatly increase the likelihood of selecting outperforming equities.



The data set for a given year is the MSCI World Index constituent list for each year end, and the returns used are total returns. If a sector in the MSCI World Index outperforms the overall MSCI World Index for a given year, the number of equities in that sector that also outperformed the overall MSCI World Index is counted; the "Sectors That Beat the MSCI World Index" is thus the total number of equities counted in this fashion divided by the total number of MSCI World Index constituent equities within sectors that outperformed the overall MSCI World Index in a given year, at year end. The same concept is applied for underperforming sectors. Finally, an arithmetic average of all years sampled is shown. Based on the total number of securities in the index reporting performance as of the end of the period. Data in USD. Source: FactSet. As of 31/12/2025.

EQUITY SELECTION MADE EASIER

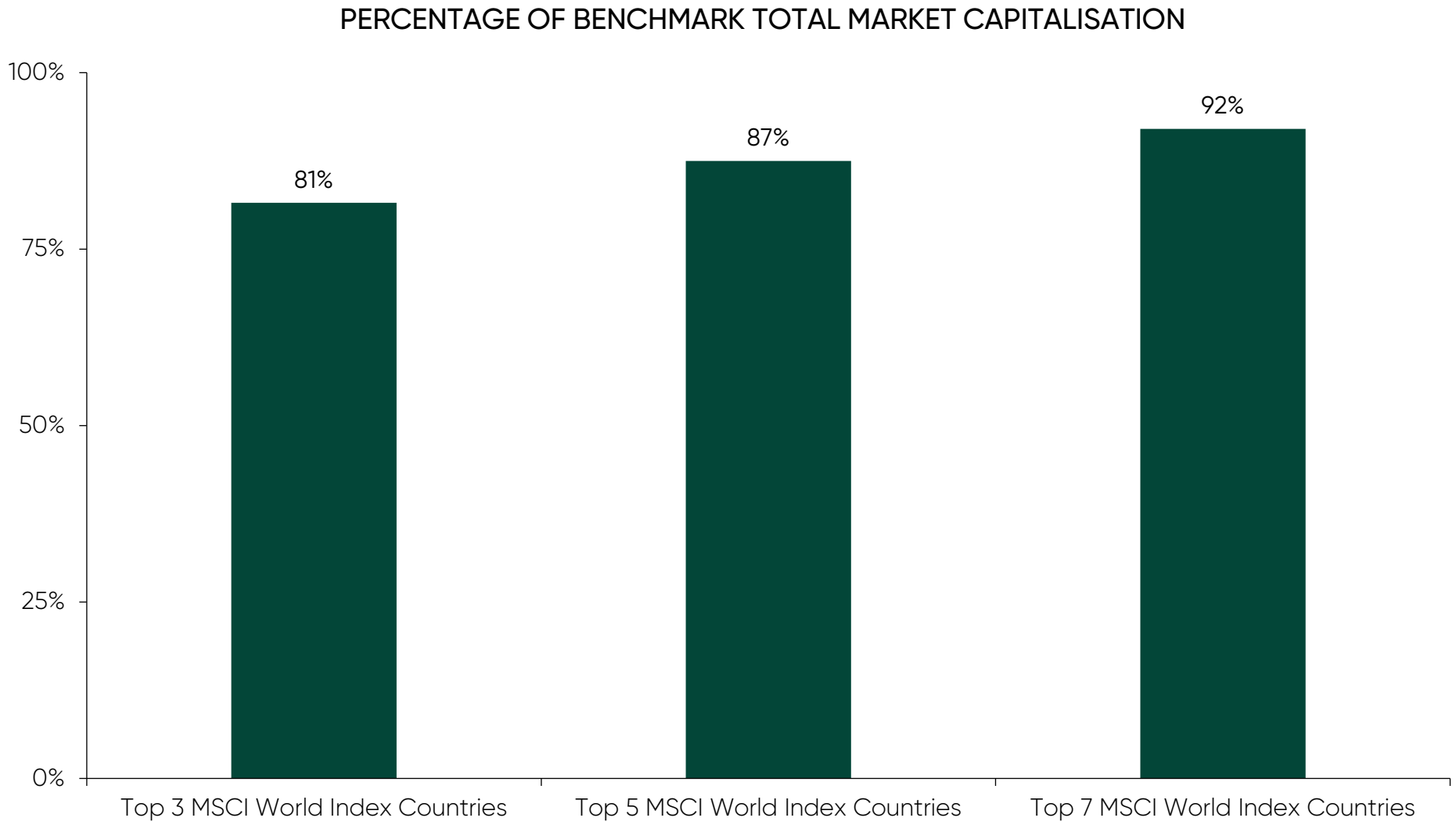
Further, equities from outperforming sectors tend to generate more excess return than those from underperforming sectors.



MSCI World Index constituents by each year end, using constituent price level returns. Chart calculates the number of equities that fall into each annual excess return range. All constituent returns are relative to the MSCI World Index. Based on the total number of securities in the index reporting performance as of the end of the period. Data in USD. Source: FactSet. As of 31/12/2025.

TOP DOWN MATTERS IN GLOBAL EQUITIES

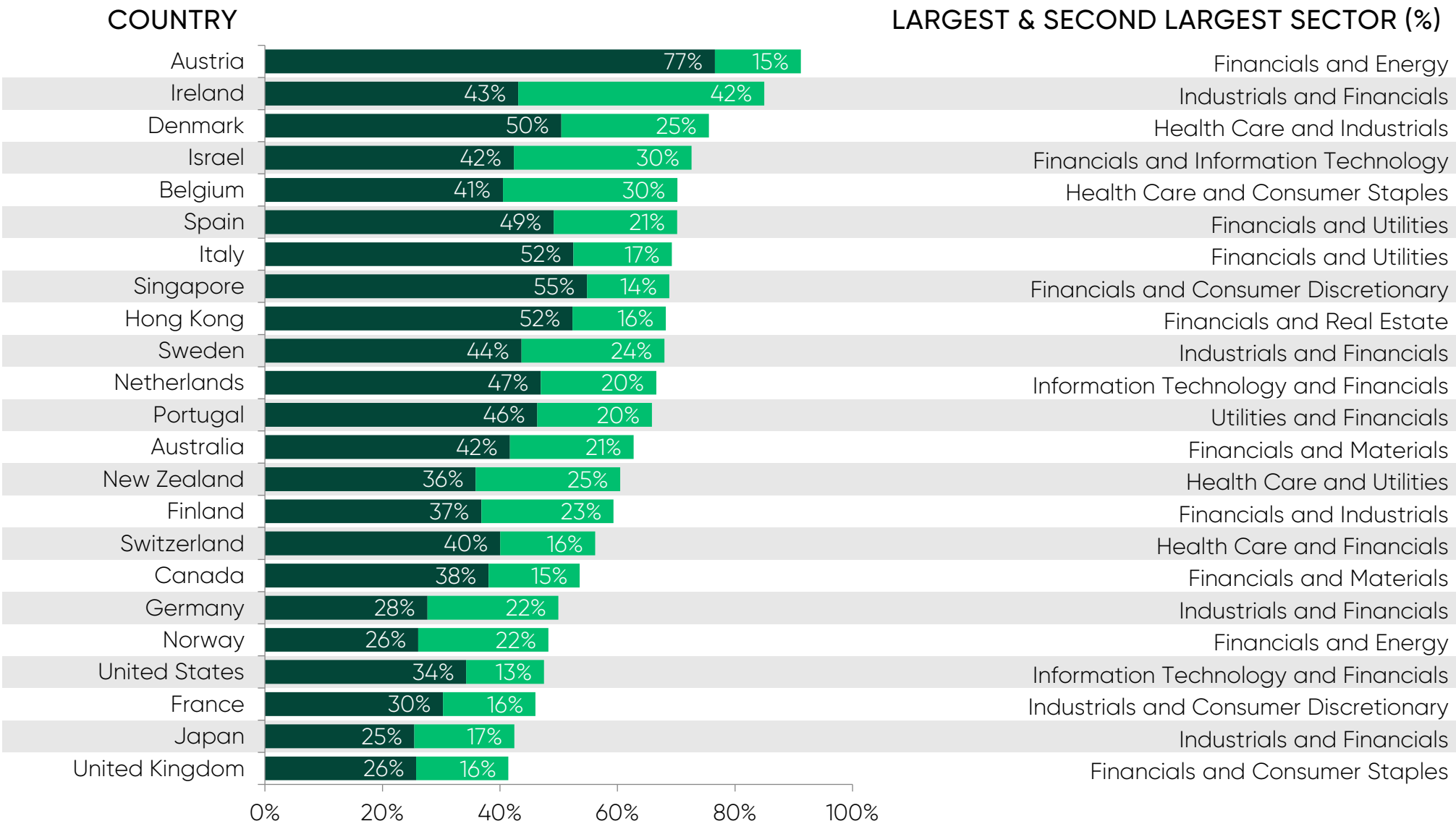
Understanding benchmark composition helps us discover opportunities to manage risk and achieve excess return. For example, in analysing the benchmark, we find that a few countries make up the majority of the market.



Sum of the largest three, largest five, largest seven index constituent countries by free float adjusted market capitalisation as a percentage of total index capitalisation. Source: FactSet. As of 31/12/2025.

TOP DOWN MATTERS IN GLOBAL EQUITIES

Two sectors make up a sizable amount of each country's market cap.



Largest two GICS sectors of index constituent countries by free float adjusted market capitalisation. Based on MSCI World Index. Source: FactSet. As of 31/12/2025.

RISK OF PASSIVE INVESTING

WHY ACTIVE

WHY TOP-DOWN

OUR TOP-DOWN PROCESS AND HISTORICAL STRATEGY SHIFTS

OUR TOP-DOWN PROCESS AND HISTORICAL STRATEGY SHIFTS

Why choose Fisher Investments amongst active managers?

COMPLETE INVESTMENT PROCESS

- We believe that a combined bottom up and top-down approach increases the probability of alpha generation.
- Fisher Investments can dynamically shift to capture regional & sector trends.
- Fisher Investments attempts to capitalise on trends of the market cycle: Early, Mid and Late Bull Market Cycle as well as Bear markets.

ACHIEVED CONSISTENT ALPHA

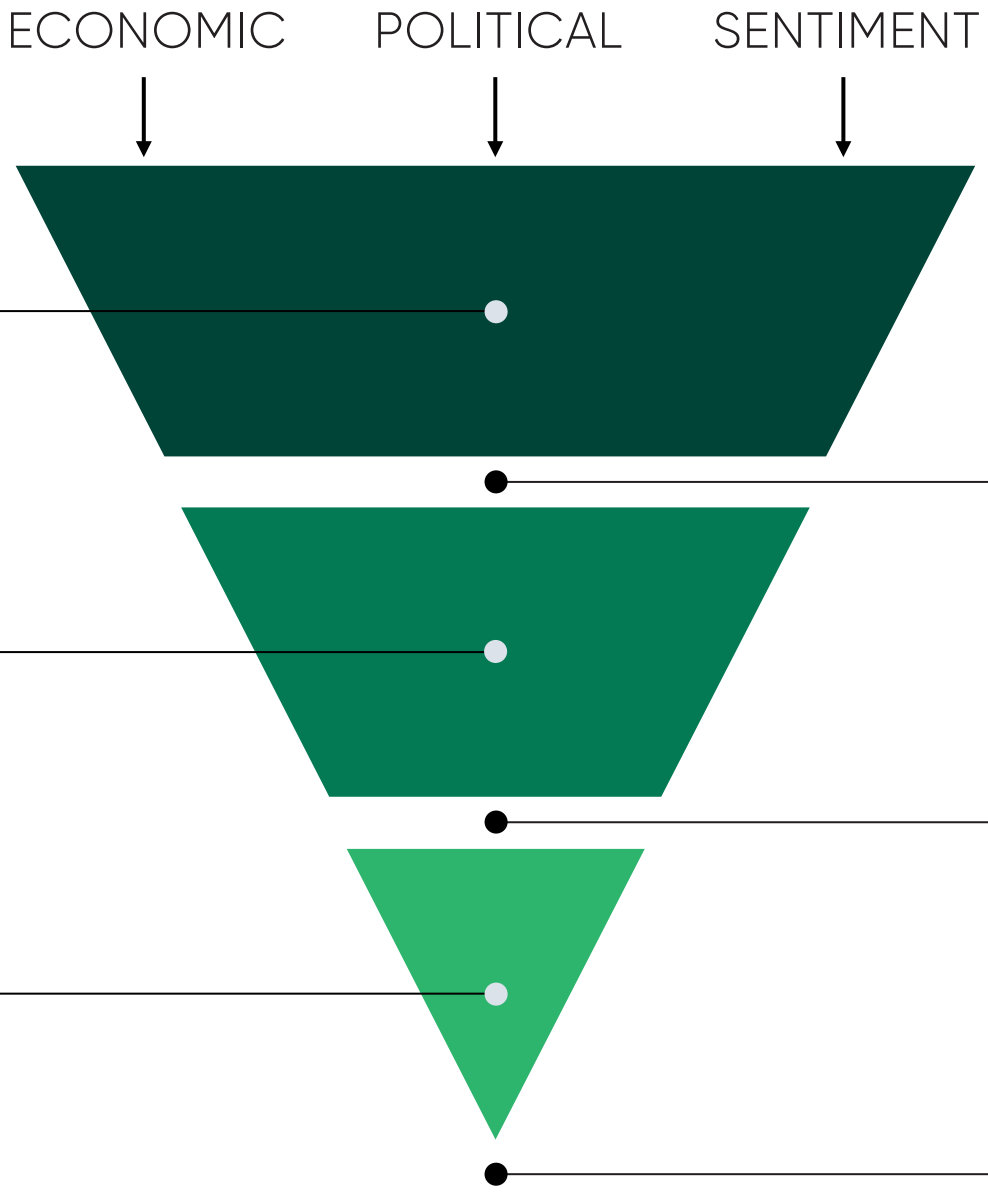
- Track record of positive excess returns in a variety of market environments

FIRM STABILITY

- 100% privately owned
- Portfolio managers averaging over 30+ Years at Fisher Investments

TOP-DOWN INVESTMENT PROCESS

OVERVIEW



GLOBAL MACRO DRIVER ANALYSIS

Investment Policy Committee
Capital Markets Research Team

COUNTRY, SECTOR, THEMATIC WEIGHTS

PROSPECT LIST DEFINITION

Investment Policy Committee
Capital Markets Research Team

PROSPECT LIST

SECURITY ANALYSIS

Investment Policy Committee
Securities Research Team

SECURITY

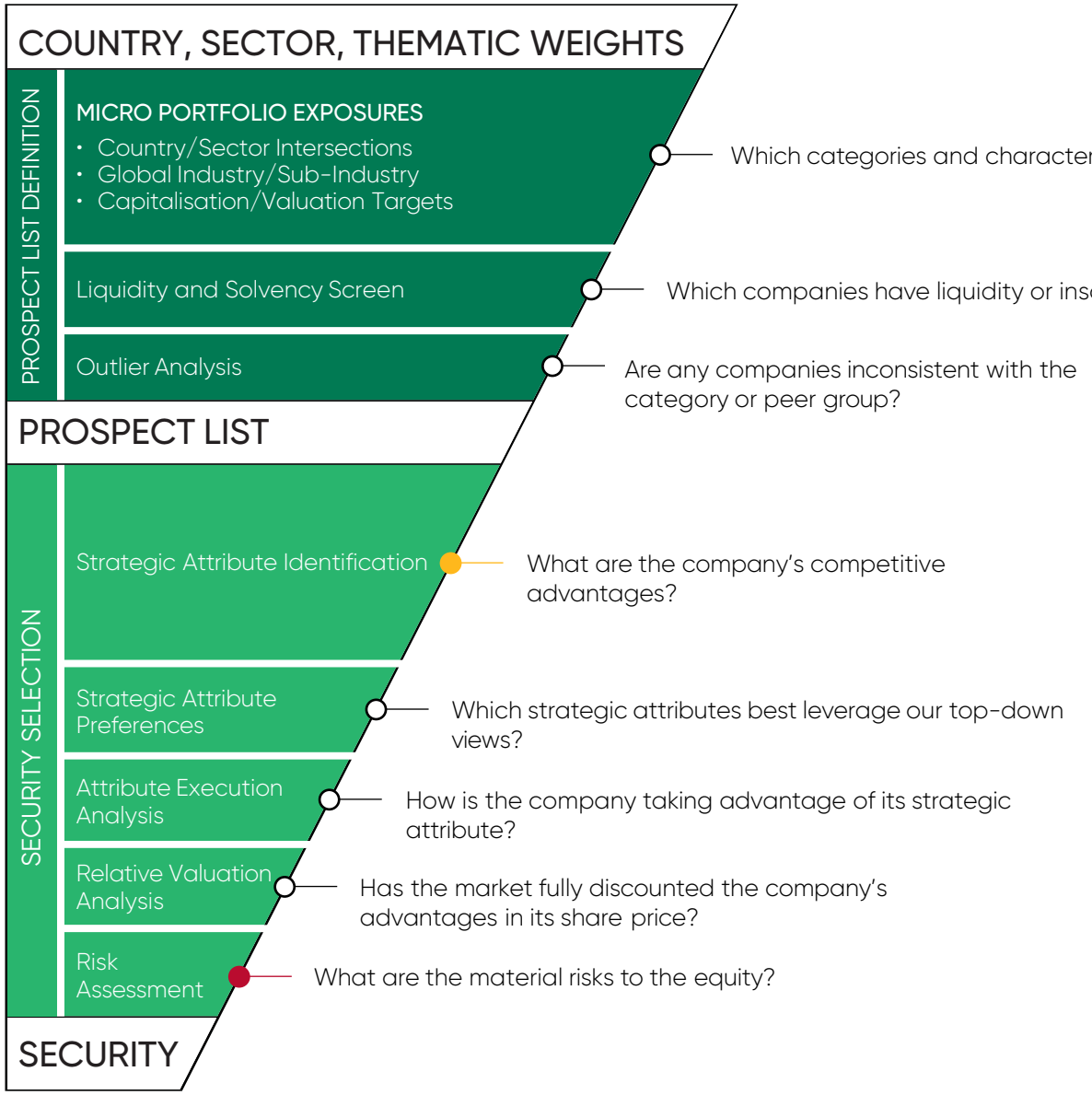
PORTFOLIO DRIVERS

COUNTRY, SECTOR AND THEMATIC EXPOSURES

Driver Category	Portfolio Drivers	Information Sources	Frequency of Change	Analytical Approach
Economic	Yield Curve Spreads Access to Credit Relative GDP Growth Monetary Base/Growth Currency Strength Relative Interest Rates Inflation Debt Level Leading Economic Indicators Global Capacity Infrastructure M&A, Issuance and Repurchase Fiscal Policy	• Government agency, central bank, supranational and industry organisations' periodic releases • Global economic and securities databases including Worldscope, Datastream, IBES, Compustat, Global Vantage, Factset, S&P, MSCI, Russell, Global Financial Data, Clarifi and proprietary databases • Industry and trade group publications	Periodic (weekly, monthly, quarterly, annually)	Using econometrics and statistical relations, seek historically unusual or extreme driver outputs underappreciated by the marketplace.
Political	Taxation Property Rights Structural Reform Privatisation Trade/Capital Barriers Current Account Government Stability Political Turnover	• Over 100 financial and popular media periodicals and extensive online information monitoring • Political and economic databases	Ad hoc	Marginal rate of change analysis of political developments incorporating both quantitative and qualitative inputs
Sentiment	Mutual Fund Flows Relative Style, Asset Class, Valuation and Performance Media Coverage Institutional Searches Consumer Confidence Foreign Investments Professional Investor Forecasts Momentum Cycle Analysis Risk Aversion Fundamental v. Behavioural Factor Analysis	• Over 100 financial and popular media periodicals and extensive online information monitoring • Asset management industry publications and databases • Proprietary samplings of investor sentiment	Periodic, Ad hoc	A contrarian analysis of investor sentiment incorporating both quantitative and qualitative inputs

PROSPECT LIST DEFINITION AND EQUITY SELECTION

FROM COUNTRY, SECTOR AND THEMATIC WEIGHTS TO THE PORTFOLIO



Strategic Attribute Examples		
Brand Names	Turnaround Story	Strong Product Pipeline
Market Share	Barriers to Entry	Niche Market
Cost of Production	Consolidator	Other Industry Specific Attributes
Proprietary Technology	Restructuring Plan	Balance Sheet Strength
Strategic Relationships	Innovator	Regional Advantage

Red Flag Examples		
Operational	**ESG**	**Market & Security**
Customer Concentration	Environmental Liability	Equity Ownership Concentration
Sole Source Supplier	Labour Relations	Pending Corporate Actions
Executive Departures	Corporate stewardship	Accounting Irregularities
Regulatory & Legal Risks	Governmental Influence	Market Access

The equity selection process presented herein is for illustrative purposes only and is not comprehensive. It should not be assumed that it represents, on its own, the sole method used by Fisher Investments to make investment recommendations and is only a reflection of our investment process capabilities. Other techniques may produce different results, and the results for individual clients and for different periods may vary depending on market conditions and the composition of their portfolios.

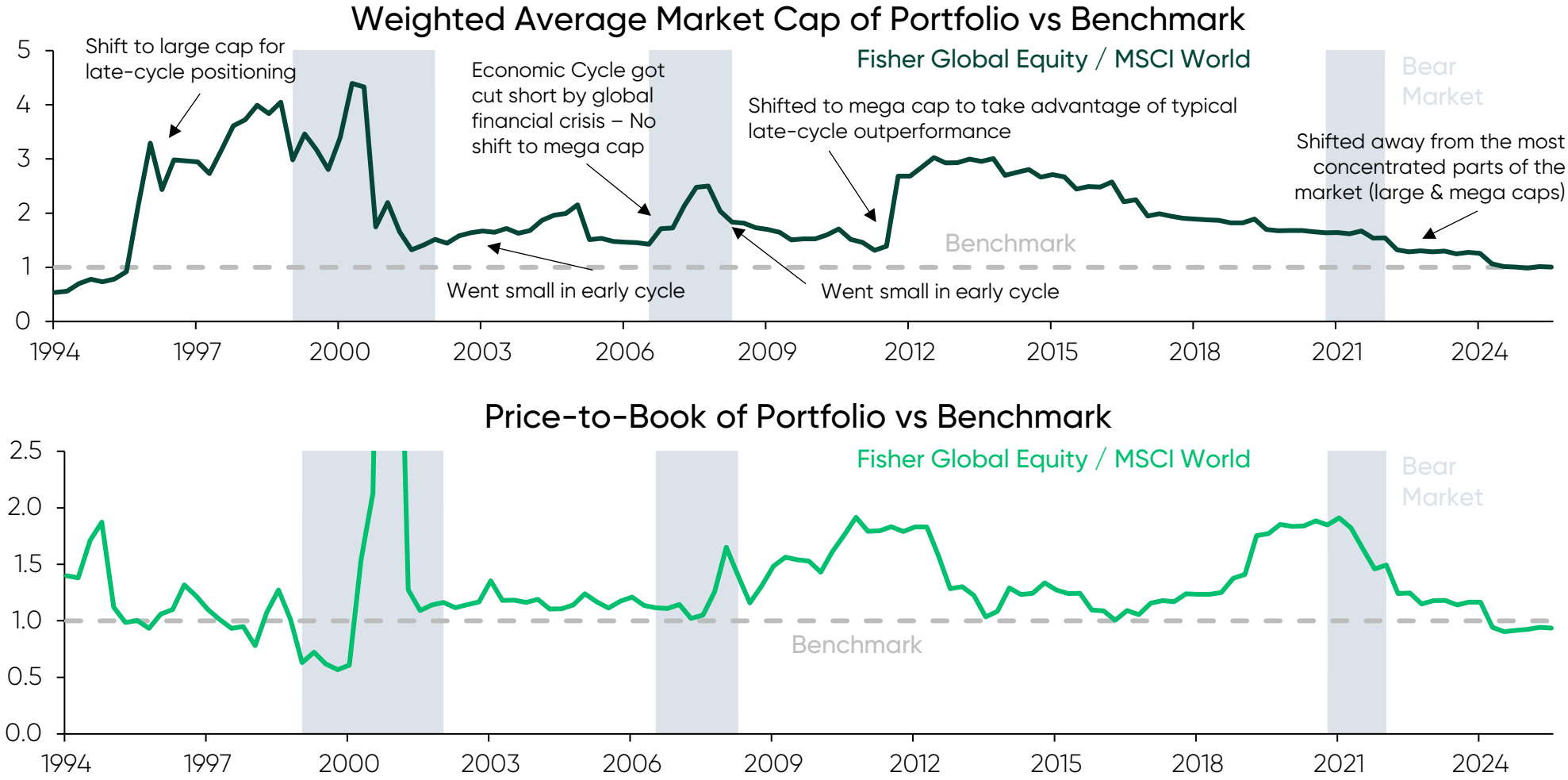
PORTFOLIO CONSTRUCTION

WEIGHTING COUNTRIES, SECTORS, THEMES AND EQUITIES

1. Top-down drivers establish relative conviction for countries, sectors and themes
   - +/- strong, medium, mild
2. Analyse benchmark composition
   - Weights by country, country/sector intersections, global sectors or industries
3. Determine category over/underweights
   - Weights relative to benchmark are proportionate to degree of conviction
   - Adjust weights so portfolio sums to 100%
4. Determine the number of equities required to support each category over/under weight
   - Rule of thumb: 1-2 equities for every 2% portfolio weight
5. Define equity peer groups according to category needs
6. Select equities
7. Weight individual equities
   - Selected equities within a peer group may be equal-weighted or weights may vary with IPC conviction
8. Risk analytics
   - Evaluate any unintended risk concentrations

HISTORICAL SIZE AND STYLE SHIFTS

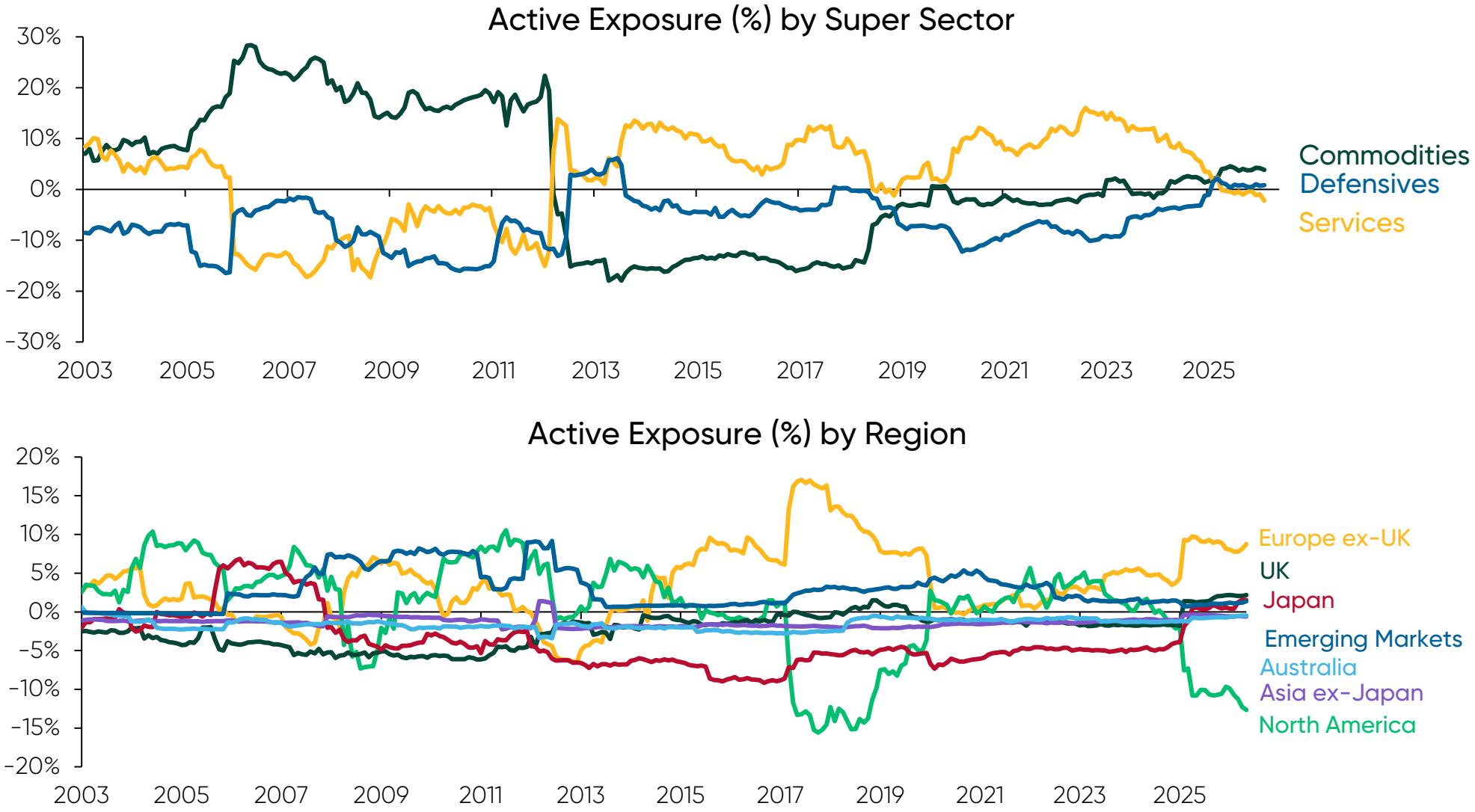
Since inception of the Fisher Global Equity strategy in 1994, the strategy has actively shifted its size and style exposure relative to the MSCI World several times – informed by our market cycle analysis and overall market outlook.



Source: FactSet, quarterly from 31/12/1994 to 30/06/2026. The foregoing information is based on the representative portfolio of the Fisher Investments Global Total Return Strategy (incepted on 01/09/1994), benchmarked against the MSCI World index. This representative portfolio information (rather than a composite or an average of a group of portfolios), excluding cash, is derived from an actual client portfolio. Clients' portfolio characteristics may differ given the various investment restrictions, cash requirements and other circumstances applicable to particular clients. Portfolio information is as of the given dates, and no assurances can be given it has not changed or it will not change in the future. Data in USD.

HISTORICAL SECTOR AND REGION SHIFTS – GLOBAL EQUITY

Helped by our top-down approach, Fisher Investments has generated excess returns through active country and sector decisions.



Source: Barra Portfolio Manager as of 30/06/2026, using Barra's GEMLT Model. "Commodities" includes Energy, Industrials, and Materials; "Defensives" includes Consumer Staples, Health Care, Utilities and the Telecommunication Services industry; "Services" includes Consumer Discretionary, Financials, Information Technology, Real Estate, and Communication Services). Barra data starting on 01/02/2003.

SECTOR DRIVER ANALYSIS

OVERWEIGHT FINANCIALS

The Financials sector is poised to do well in the current environment. The broader banking system remains robust, with underappreciated balance sheet strength amid a healthy economic backdrop. Additionally, the sector historically performs well in inaugural years and may benefit from an improving regulatory backdrop, as well as a broader shift to Value-oriented, non-US heavy sectors.

ECONOMIC DRIVERS

+ **Capital & Liquidity Buffers:** Banks worldwide maintain some of the highest capital and liquidity buffers in modern history, providing ample ability to weather any economic uncertainty ahead. Strong balance sheets allow for continued loan growth and the ability to keep lending margins wide via low dependence on more expensive interest-bearing funding sources.
+ **Steepening Global Yield Curves:** Moderating inflation has allowed central banks to cut short-term rates, while steady economic growth has supported range-bound long-term rates. We believe a steeper Yield Curve outside the US is underappreciated and could continue to drive stronger returns in non-US Financials.
+ **Household Balance Sheets:** Household debt servicing costs are the lowest in decades. Loan delinquency rates have ticked higher in recent months, but normalisation is to be expected following the post-pandemic's unsustainably low delinquency rates. While lower-income cohorts have come under more pressure, labour markets remain broadly healthy, with consumers in a strong position to repay and take on more debt.
± **Banks Trade Like Their Region:** Outside of the US, bank excess return is highly correlated with their domestic markets. Given our expectation for non-US and European stocks to lead, Financials in those regions are likely poised for outperformance.
± **Potential Manufacturing Recovery:** The cyclical Financials sector is influenced by the global manufacturing cycle. Green shoots in China's economy, recovering global corporate capex, and lagged impacts of monetary easing offer a tailwind for a rebound in the manufacturing cycle. Near-term, however, uncertainty and input cost volatility from the Iran conflict could weigh on expectations.
± **Rate Sensitivity:** Financials historically exhibit a strongly positive correlation with the direction of long-term bond yields. As inflation moderates, we expect long-term rates to remain range-bound, representing a modest headwind to the sector. However, falling rates may benefit select banks by bolstering the value of bonds held on bank balance sheets and easing funding costs, offsetting these headwinds.

ECONOMIC DRIVERS

± **Private Credit Headwinds:** Large swaths of the sector, including asset managers, insurers, commercial banks, and investment banks face uncertainty headwinds over direct and indirect exposure to private credit. Systemic contagion risk appears unlikely, with bank exposure fears overstated, but the constant barrage of headlines is unhelpful for sentiment.

POLITICAL DRIVERS

± **Supportive Regulatory Outlook:** In the aftermath of 2023's US regional bank failures, regulations seemed likely to increase, placing greater scrutiny on bank capital and liquidity, restricting banks' ability to grow and take risks. Since then, bi-partisan pushback and industry lobbying has watered down many proposed regulations, and Trump's election victory has further boosted expectations for de-regulation, M&A activity, and light-touch regulators.
- **Midterm Year Headwinds:** The financials sector often lags in US midterm election years, and has been a target of populist rhetoric from the Trump administration over issues like credit card interest rates and debanking accusations as campaign season looms.

SENTIMENT DRIVERS

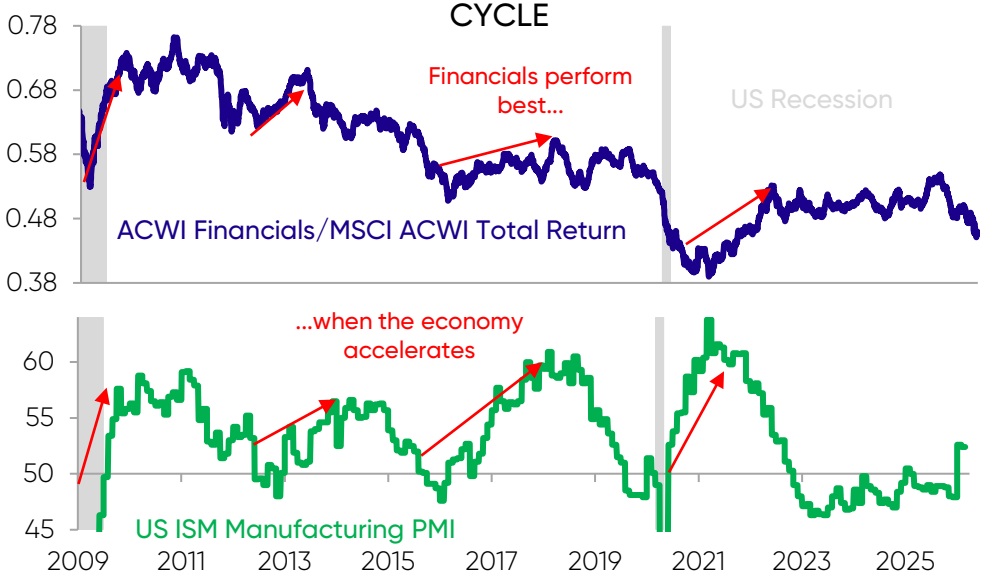
+ **Weak but Improving Sentiment:** Banks trade at low, undemanding relative valuations, particularly as recent geopolitical volatility has driven fears of recession and stagflation, setting the stage for potential upside surprise.
- **Late Cycle Preferences:** Financials does best in early to mid cycle, and often lags late-cycle as investors seek out quality and balance sheet-lite characteristics.

As of March 2026. We have provided our general comments to you based on information we believe to be reliable. There can be no assurances that we will continue to hold this view; we may change our view at any time based on new information, analysis, or reconsideration.

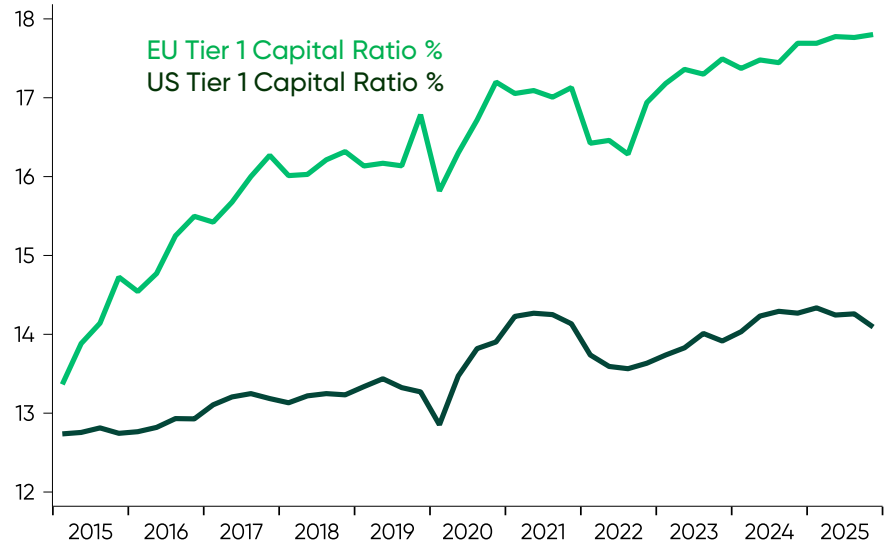
SECTOR DRIVER ANALYSIS

OVERWEIGHT FINANCIALS

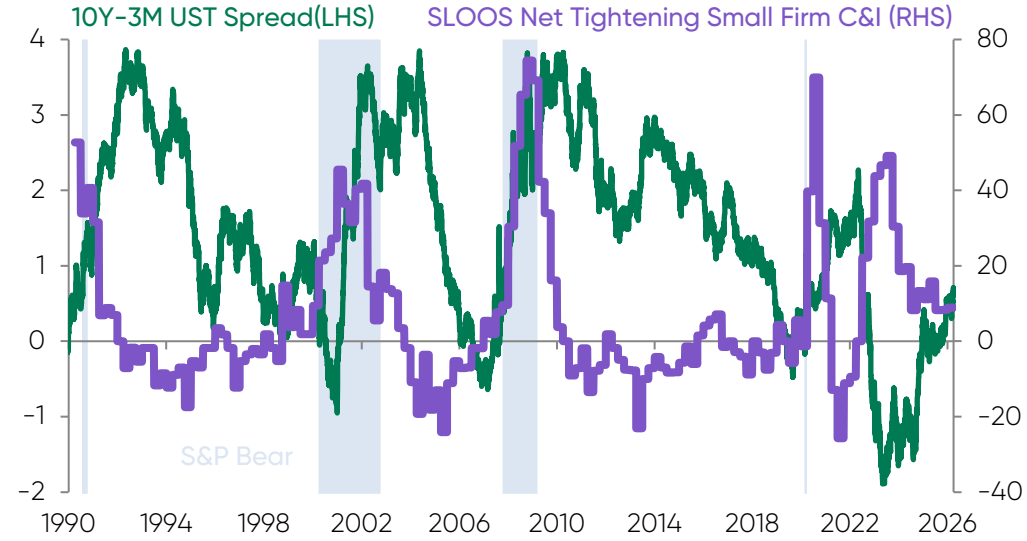
CYCLICAL FINANCIALS SECTOR IS INFLUENCED BY MANUFACTURING CYCLE



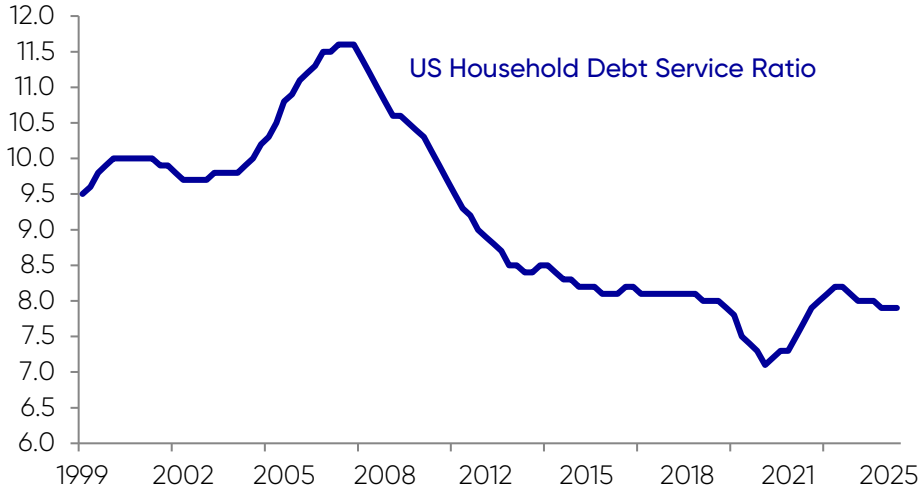
BANK CAPITAL RATIOS NEAR HISTORIC BESTS TODAY



STEEPENING YIELD CURVE AND EASING LENDING STANDARDS



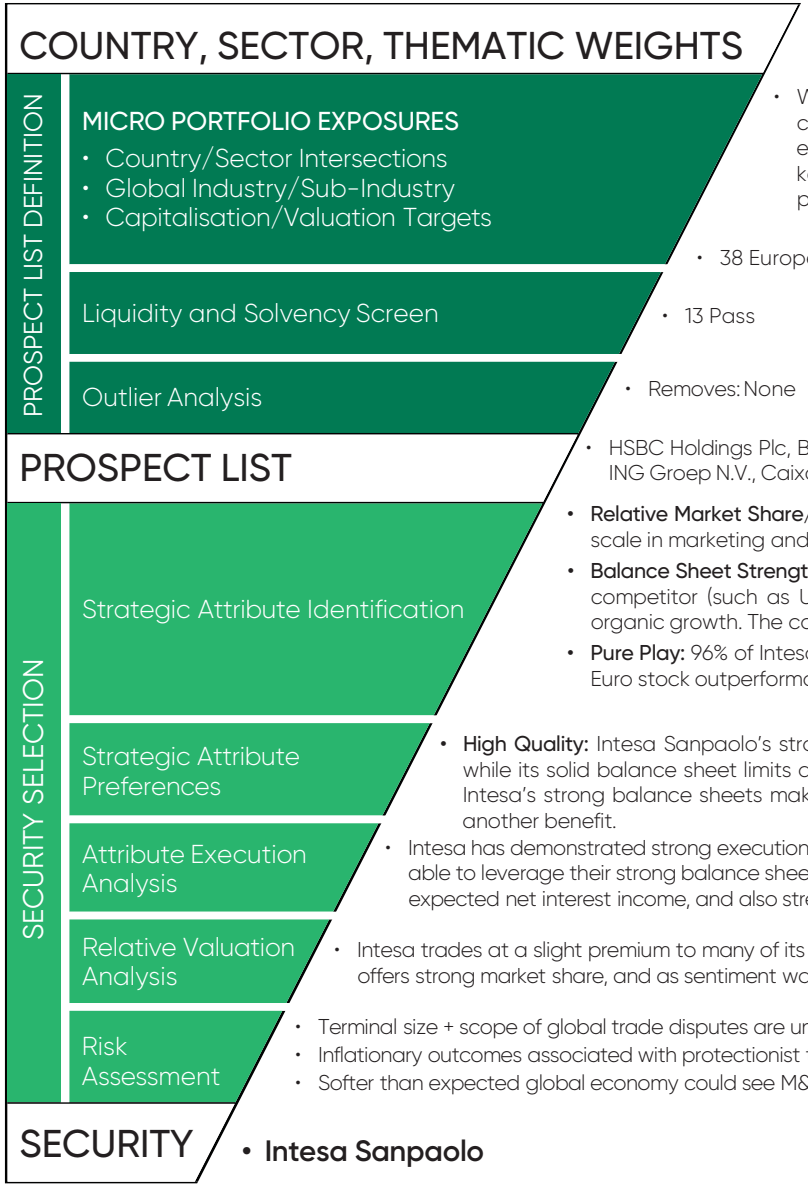
HOUSEHOLD DEBT SERVICING IS CHEAP –PRIVATE SECTOR NOT OVERLEVERAGED



Top Left Source: ISM, ECRI, FactSet, daily. As of March 2026. Top Right Sources: Macrobond as of March 2026. Bottom Left Source: Federal Reserve, FactSet as of March 2026. Bottom Right Source: Federal Reserve. As of December 2025. Last updated March 2026.

REPRESENTATIVE SECURITY SELECTION

INTESA SANPAOLO (ITALY, FINANCIALS)



- 234 MSCI World Financials
- We believe the Financials sector likely outperforms, particularly led by European and Non-US Financials. Banks broadly continue to maintain the highest capital and liquidity buffers in modern history, providing ample ability to weather economic uncertainty ahead. Banks' strong balance sheet position allows for recovering loan growth and the ability to keep wide net interest margins, and thus, profitability. High capital ratios should also lead to continued shareholder payouts via dividends and buybacks.
- 38 European Banks
- 13 Pass
- Removes: None
- HSBC Holdings Plc, Banco Santander, S.A., UniCredit S.p.A., **Intesa Sanpaolo S.p.A.**, Banco Bilbao Vizcaya Argentaria, S.A., BNP Paribas S.A. Class A, ING Groep N.V., CaixaBank SA, Barclays PLC, Lloyds Banking Group plc, Credit Agricole SA, NatWest Group Plc, Nordea Bank Abp.
- **Relative Market Share/Economies of Scale:** Within Italy, Intesa Sanpaolo ranks first in loans and deposits. High relative share leads to economies of scale in marketing and customer service, supporting higher margins.
- **Balance Sheet Strength:** Intesa Sanpaolo has a strong capital position (<13% CET1) and among the strongest credit quality of any major Italian bank competitor (such as UniCredit and Mediobanca), which should allow it to remunerate shareholders via buybacks and dividends and invest in organic growth. The company's strong balance sheet also reduces the risk of dilutive capital raises.
- **Pure Play:** 96% of Intesa's revenue is generated within Europe's borders, making it a pure play on better-than-expected EMU economic growth and Euro stock outperformance.
- **High Quality:** Intesa Sanpaolo's strong capital ratio and superior credit quality versus peers position it for faster loan growth and greater organic investment, while its solid balance sheet limits dilution risk. With a steepening European yield curve banks are more incentivised to lend as this increases banks profitability. Intesa's strong balance sheets makes them well positioned to benefit from this economic tailwind, while years of deleveraging and attaining low NPL status is another benefit.
- Intesa has demonstrated strong execution of its strategic attributes, as evidenced by its position as the fifth largest bank in Europe and by market cap. The bank has been able to leverage their strong balance sheet to take advantage of the favourable banking environment in Europe as evident in their Q2 earnings beat driven by better than expected net interest income, and also strength in fee generating businesses.
- Intesa trades at a slight premium to many of its peers, which in our view reflects the extent of the market pricing in Intesa's recent strong earnings. Intesa is well-capitalised and offers strong market share, and as sentiment warms towards growth prospects across the Eurozone today's valuations likely leave room for future multiple expansion.
- Terminal size + scope of global trade disputes are unknowable. Escalation could threaten global growth trajectory.
- Inflationary outcomes associated with protectionist trade policies could tighten monetary policy—compressing the yield curve, and choking off credit growth.
- Softer than expected global economy could see M&A activity materially slow.
- **Intesa Sanpaolo**

As of March 2026. Please see the Equity Selection Disclosure in the Appendix.

RISK CONTROLS

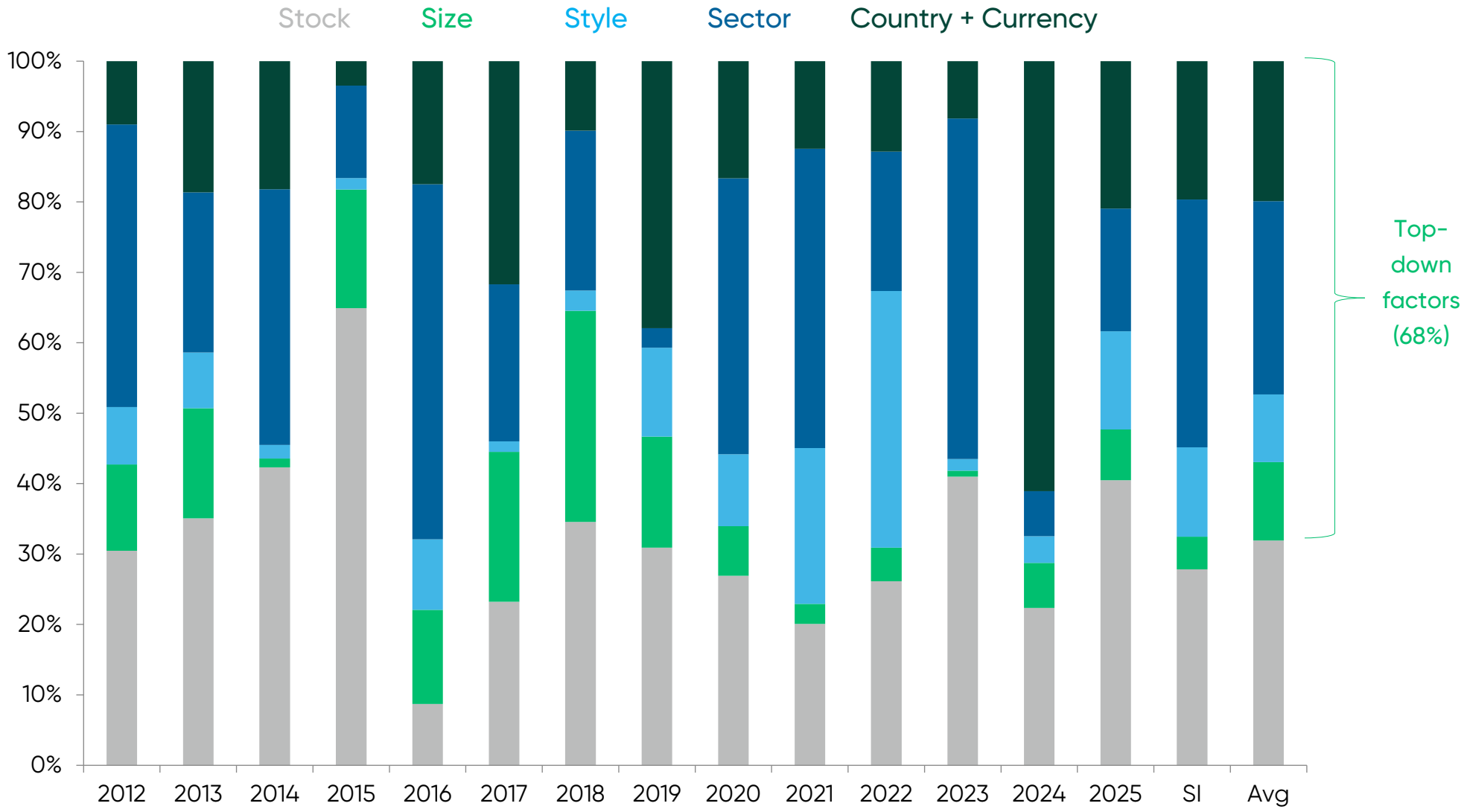
Investment Risk Type	Controls	Goal/Objective
Equity-specific risk	Individual equity positions will generally be limited to approximately 5% greater than the Benchmark issuer weight.	Limit overall equity-specific risk
Country and Sector risk	Maximum exposure to any one country or sector (sector as defined by MSCI GICS Sector Level I) will be based on the Benchmark and generally fall within the following ranges at market value: • If the Benchmark weight is between 0-10% the maximum portfolio weight is the Benchmark weight plus 20% • If the Benchmark weight is greater than 10% the maximum portfolio weight is three times the Benchmark weight	Limit country and sector-specific risk
Operational risk assessment	Red flag analysis	Limit equity-specific operational risk
Breach of debt covenants	Debt covenant analysis	Limit equity-specific capital structure risk
Regulatory risk	Regulatory risk analysis	Limit/anticipate deleterious regulatory changes
Liquidity risk	Equity selection liquidity screens Portfolio holdings liquidity analysis	Limit illiquidity risk
Solvency risk	Solvency screens	Limit/eliminate bankruptcies
Additional risk factors (size, valuation, momentum, beta)	Risk factor analysis	Limit/eliminate unintended factor exposure
Active risk/tracking error	Ex ante modeling Factor analysis Sector/industry controls	3-6% per year over a market cycle
Downside performance	Liquidity and solvency screens	Limit downside capture
Standard deviation of portfolio returns	Covariance analysis Most controls listed above	Similar to benchmark over a market cycle

Organisational Risk Type	Controls	Goal/Objective
Financial risk	FI is an established firm: FI does not receive outside (third-party) financing for its operations and is solvent, significant AUM, diversified strategies and client mix	Maintain an independent organisation structured to help our clients accomplish their investment objectives
Key person risk	Five-person IPC averaging 32 years experience at FI; Primary Research teams analysts average 10 years at FI; Nine EVPs averaging over 22 years experience at FI.	
Business continuity risk	Comprehensive disaster recovery and business continuity planning and commitment	
Parent company and affiliate risk	Independent, 100% privately owned, focused on asset management	

As of 31/03/2026.

EXCESS RETURN FACTOR DECOMPOSITION – GLOBAL EQUITY

Strategy excess returns are driven by top-down factors, such as country, sector, size and style decisions, as well as by bottom-up security selection.



Percentage breakdown of factor contributions to the strategy's relative returns versus the MSCI World by calendar year, from 1/1/2012 through 31/12/2025. For the bar chart, Barra uses the GEMLT model excluding world and certain risk factors, while other risk factors (e.g. Growth and Value) are aggregated to reflect style. Source: MSCI Barra Portfolio Manager, GEMLT model. Based on a representative portfolio. Past performance is not guarantee of future results.

DISCLOSURES

GLOBAL EQUITY PERFORMANCE

Fisher Investments Institutional Group claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The firm has been independently verified for the periods January 01, 1990 through December 31, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedure for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Fisher Investments Institutional Group Global Total Return Composite has had a performance examination for the periods September 01, 1994 through December 31, 2023. The verification and performance examination reports are available upon request. Performance is preliminary as of January 22, 2026.

1. Fisher Investments (FI) is an investment adviser registered with the Securities and Exchange Commission. As of December 31, 2025, FI managed assets valued over $356 billion. For the purpose of complying with the GIPS standards, FI and its affiliates manage investments across two distinct business entities – Fisher Investments Institutional Group (FIIG) and Fisher Investments Private Client Group (FIPCG). FIIG is a business entity that includes all institutional accounts managed by FI and its affiliates according to the investment process, strategy mandate, and benchmark established in each client contract. FIIG assets and accounts include separately managed accounts for institutional investors and commingled vehicles which, dependent on vehicle type, may allow for both institutional and retail investors. FIPCG is a business entity that services Private Client Group accounts in North America, Australia, Japan, New Zealand, and Singapore managed by FI according to the investment process, strategy, and benchmark agreed upon by each client and FI. The FI Investment Policy Committee (IPC) and/or one of the affiliate portfolio managers is responsible for all strategic investment decisions.

2. The FIIG Global Total Return composite consists of accounts managed against the MSCI World Index or a similar index with a view towards capital appreciation.

3. The MSCI World Index is a free float-adjusted, market cap-weighted index designed to measure the equity market performance of developed markets. The MSCI World Index consists of 23 developed market country indexes. Unless otherwise specified, returns shown include dividends after deducting estimated withholding taxes. MSCI calculates estimated withholding taxes using the maximum rate of the constituent company's country of incorporation applicable to non-resident institutional investors that do not benefit from double-taxation treaties.

4. For the period from September 1, 1994 through September 30, 2007, performance for this composite was determined using time-weighted rates of return, with valuation on at least a monthly basis and geometric linking of periodic returns. On October 1, 2007, Fisher Investments adopted a new performance calculation system using time-weighted rates of return, with valuation on a daily basis and geometric linking of periodic returns. Valuations are based on trade date. Neither leverage nor derivatives have been used in obtaining performance. Returns reflect the reinvestment of dividends, royalties, interest and other forms of accrued income. Composite performance is presented net of foreign withholding taxes on dividends, interest income and capital gains. Withholding taxes may vary according to each investor's domicile. For periods prior to 2003 where equity sub-sector returns have been used, cash and cash equivalent returns are allocated to the equity sub-sector returns to create equity sub-sector plus cash returns. The methodology allocates 100% of the long only portion of cash to the equity sub-sector. Prior to September 2022 Fisher Investments Institutional Group used actual fees to calculate net of fees returns for this composite. Effective September 2022, an annual model fee, applied monthly, has been used to derive and re-state net of fees returns for this composite back through this composite's inception. The annual model fee used for this composite was 0.85% for calendar years 1994 - 2008, 1.00% for calendar years 2009 - 2013, and 1.50% for all other years.

5. Valuations and returns are computed and stated in US Dollars.

6. The dispersion of annual returns is measured by the asset-weighted standard deviation across portfolio returns gross of fees represented within the composite for the full year. The composite dispersion is shown as N/A when there is 1 or fewer accounts in the composite for the full calendar year.

7. Fisher Investments Institutional Group standard US dollar fee schedule for Global Total Return (also listed in Part 2A of Fisher Investments' Form ADV) is: 0.85% on the first $25 million, 0.80% on the next $25 million, 0.75% on the next $50 million, 0.70% on the next $50 million, and negotiable beyond $150 million.

8. This composite was created in June 2002 and the inception date is September 01, 1994.

9. The firm's lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds, as well as information regarding the firm's policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

10. Three year annualized ex-post standard deviation is measured using asset-weighted monthly composite returns gross of fees. The three-year annualized ex-post standard deviation is not shown for periods where less than 36 months of composite history are available.

11. Investment in securities involves the risk of loss. Past performance is no guarantee of future returns. Other methods may produce different results, and the results for individual portfolios and for different periods may vary depending on market conditions and the composition of the portfolio.

12. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

DISCLOSURES

GLOBAL EQUITY PERFORMANCE

Year	Gross	Net	Benchmark	Number of Portfolios	Composite Dispersion	Total Strategy Assets at End of Period (USD Millions)	FIIG AUM (USD Millions)	% FIIG AUM	Portfolio Trailing 3 Yr. Std. Dev.	Benchmark Trailing 3 Yr. Std. Dev.
2025	23.0%	21.1%	21.1%	22	0.3%	$20,274	$73,286	27.7%	13.1%	11.3%
2024	24.1%	22.3%	18.7%	16	0.5%	$14,751	$56,222	26.2%	20.1%	16.6%
2023	36.4%	34.4%	23.8%	12	0.2%	$11,339	$46,898	24.2%	20.4%	16.7%
2022	-24.9%	-26.0%	-18.1%	6	0.1%	$7,926	$38,925	20.4%	23.2%	20.7%
2021	24.3%	22.5%	21.8%	5	0.3%	$9,825	$52,751	18.6%	18.4%	17.3%
2020	27.2%	25.3%	15.9%	4	0.2%	$7,408	$47,864	15.5%	20.3%	18.5%
2019	32.7%	30.7%	27.7%	4	0.1%	$5,431	$39,833	13.6%	13.7%	11.3%
2018	-10.2%	-11.5%	-8.7%	4	0.1%	$3,787	$37,904	10.0%	12.6%	10.5%
2017	27.7%	25.8%	22.4%	3	0.1%	$3,919	$44,197	8.9%	12.2%	10.2%
2016	6.9%	5.4%	7.5%	2	0.0%	$2,754	$33,962	8.1%	12.8%	10.9%

Trailing as of 30/06/2026	Gross	Net	Benchmark
YTD	8.3%	7.5%	9.7%
1 Year	23.1%	21.3%	21.3%
3 Years*	21.8%	19.9%	19.2%
5 Years*	12.8%	11.1%	11.5%
10 Years*	16.0%	14.3%	13.1%
Since Inception*	11.4%	10.1%	8.4%
Since Inception**	2977.1%	2048.5%	1193.8%

*Annualised
**Cumulative

Individual calendar year performance for this entire period is available on request.

DISCLOSURES

FIRM

Fisher Investments Europe Limited, which also trades as Fisher Investments Europe, is authorised and regulated by the Financial Conduct Authority (FCA Number 191609) and is registered in England (Company Number 3850593). Fisher Investments Europe has its registered address at: Level 18, One Canada Square, Canary Wharf, London, E14 5AX. Fisher Investment Europe's parent company is Fisher Asset Management, LLC, trading as Fisher Investments (FI) a U.S. investment adviser registered with the Securities and Exchange Commission. As of 30 June 2026, FI and its subsidiaries managed or sub-managed $440 billion. Institutional composite AUM includes separately managed accounts for institutional investors and commingled vehicles which may allow for both institutional and retail investors. FI and its subsidiaries consist of three business units – Fisher Investments Institutional Group (FIIG), Fisher Investments US Private Client Group, and Fisher Investments Private Client Group International. These groups serve a global client base of diverse investors including corporations, public and multi-employer pension funds, foundations and endowments, insurance companies, healthcare organisations, governments and high-net-worth individuals. FI's Investment Policy Committee (IPC) is responsible for investment decisions for all investment strategies.

For purpose of defining "years with Fisher Investments" or "years with Firm," FI was established as a sole proprietorship in 1979, incorporated in 1986, registered with the US SEC in 1987, replacing the prior registration of the sole proprietorship, and succeeded its investment adviser registration to a limited liability in 2005. "Years with Firm" includes time spent with Fisher Investments and/or its subsidiaries, is calculated using the date on which Fisher Investments was established as a sole proprietorship through 30 June 2026.

Since Inception, Fisher Investments and its subsidiaries have been 100% privately owned. It is majority owned and controlled by the Fisher-family and employees.

For Andorra Residents Only

This document is provided in response to an appropriate unsolicited request for information and may not be further distributed within Andorra. Nothing herein should be considered financial advice, a recommendation to subscribe to a particular product or service, or an offer to sell or a solicitation of an offer to buy or subscribe a product or service. No solicitation, promotion or advertising is provided.

For Bahamas Residents Only

The information provided herewith is intended solely for the designated recipient thereof. Neither Fisher Investments nor any of its subsidiaries carries on securities business in The Bahamas nor is licensed to carry on securities business by the Securities Commission of The Bahamas. This document is issued for information purposes only and is not an offer to buy, sell or subscribe for securities or other investments. It is not an offer to the public. No distribution of this information to anyone other than the designated recipient is intended or authorised.

For Bermuda Residents Only

This document is not subject to and has not received approval from either the Bermuda Monetary Authority or the Registrar of Companies in Bermuda, and no statement to the contrary, explicit or implicit, is authorised to be made in this regard. Any services or securities mentioned may be offered in Bermuda only in compliance with the provisions of the Investment Business Act 2003 and the Investment Funds Act 2006 of Bermuda. Additionally, non-Bermudian persons may not carry on or engage in any trade or business in Bermuda unless such persons are authorised to do so under applicable Bermuda legislation.

For Brazil Residents Only

None of Fisher Investments Europe Limited or any of its affiliates ("Fisher") is accredited with the Brazilian Securities Commission (Comissão de Valores Mobiliários or "CVM") to perform management services. Fisher's management services may not be publicly offered or sold to the public in Brazil. Related Fisher documents and information contained therein may not be supplied to the public in Brazil.

For Cayman Islands Residents Only

Fisher Investments and its subsidiaries are not intending to conduct business in or from within the Cayman Islands and are not licensed or registered with the Cayman Islands Monetary Authority ("CIMA").

For Chile Residents Only

Nothing herein should be considered an investment recommendation or assessment.

For Colombia Residents Only

This document does not constitute an invitation to invest or a public offer in the Republic of Colombia and is not governed by Colombian Law. The services of Fisher Investments (FI) have not and will not be marketed or offered in Colombia or to Colombian residents, except in circumstances which do not constitute a public offer of securities in Colombia under applicable Colombian securities laws and regulations. FI's services are conducted outside Colombia. FI will not be registered in the Colombian National Registry of Securities and Issuers (Registro Nacional de Valores y Emisores) managed by the Colombian Superintendency of Finance (Superintendencia Financiera de Colombia). FI's services may not be promoted or marketed in Colombia or to Colombian residents unless such promotion and marketing is made in compliance with Part IV of Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign financial and/or securities related services in Colombia.

By receiving this document, each recipient resident in Colombia acknowledges and agrees that such recipient has contacted FI at its own initiative and not as a result of any promotion or publicity by FI or any of its representatives.

Colombian residents acknowledge and represent that (1) the receipt of this document does not constitute a solicitation from FI for its services; and (2) they are not receiving from FI any direct or indirect promotion or marketing of financial services.

DISCLOSURES

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For Israel Residents Only

Neither Fisher Investments nor Fisher Investments Europe (together, "Fisher") is licensed or insured under the Israeli Regulation of Investment Advice, Investment Marketing and Portfolio Management Law 1995. Fisher manages assets according to a variety of strategies, some of which involve the use of funds advised or distributed by Fisher or its affiliates and for which Fisher or an affiliate may receive a fee.

For Jamaica Residents Only

Fisher Investments Europe Limited provides its services from and in the United Kingdom.

For Monaco Residents Only

This document is provided in response to an unsolicited request for information and may not be further distributed within Monaco. Nothing herein should be considered financial advice or a recommendation to subscribe to a particular product or service.

For Panama Residents Only

None of Fisher Investments or any of its subsidiaries is registered or authorised to offer, sell or buy securities in the Republic of Panama. This information does not constitute a public offer to buy or sell securities.

For Peru Residents Only

All content in this document is for informational and general use only. It is not an offer, invitation or recommendation, nor should it be taken as a basis to take (or not take) any action. It may not be construed as the provision of services that would require Fisher Investments Europe Limited to have a license in Peru.

REPRESENTATIVE PORTFOLIO

Information on certain pages is based on the representative portfolio (rather than a composite or an average of a group of portfolios) as noted on those pages and excludes cash, unless otherwise denoted. This representative portfolio information is derived from an actual client portfolio from the relevant composite (which includes accounts managed or sub-managed by FI or its affiliates). Clients' portfolio characteristics may differ given the various investment restrictions, cash requirements and other circumstances that can apply to particular clients. Portfolio information is as of the dates indicated, and no assurances can be given that it has not changed or that it will not change in the future.

EQUITY SELECTION

The equity selection process presented herein is for illustrative purposes only. It should not be assumed that it represents, on its own, the sole method used by Fisher Investments to make investment decisions. Other techniques may produce different results, and the results for individual clients and for different periods may vary depending on market conditions and the composition of their portfolios. Any mention of a particular equity in this illustration is not intended to represent a recommendation to buy or sell that equity. Rather, it is intended to illustrate a point. There can be no assurance that advisory clients invested in any equity mentioned or continue to hold such an equity. It should not be assumed that the future performance of any equity mentioned will be profitable. Upon request, Fisher Investments will provide a list of its recommendations over the past year. Investment in equities involves the risk of loss. Past performance is no guarantee of future returns.

MARKET OUTLOOK

Investing in financial markets involves the risk of loss and there is no guarantee that all or any capital invested will be repaid. Past performance neither guarantees nor reliably indicates future performance. The value of investments and the income from them will fluctuate with world financial markets and international currency exchange rates. Nothing herein is intended to be a recommendation or a forecast of market conditions. Rather it is intended to illustrate a point. Current and future markets may differ significantly from those illustrated herein. Not all past forecasts were, nor future forecasts may be, as accurate as those predicted herein. This content constitutes the general views of Fisher Investments and should not be regarded as personal investment advice. No assurances are made we will continue to hold these views, which may change at any time based on new information, analysis or reconsideration. In addition, no assurances are made regarding the accuracy of any forecast made herein.

TERMS OF BUSINESS

Fisher Investments Europe Limited (FIE) is authorised and regulated by the Financial Conduct Authority. Registered in England, Company No. 3850593.

1. Fisher Investments Europe

Fisher Investments Europe Limited trades under the name Fisher Investments Europe **("Fisher Investments Europe"),** is registered in England (Company No. 3850593) and is authorised and regulated by the UK Financial Conduct Authority **("FCA")** (FCA No. 191609). Fisher Investments Europe's permitted business is agreeing to carry on a regulated activity, managing investments, advising on investments, making arrangements with a view to transactions in investments, arranging deals in investments, dealing in investments as agent, advising on pension transfers and pension opt-outs, and insurance mediation. You can check this on the FCA's register by visiting the FCA's website www.fca.gov.uk/register/home.do or by contacting the FCA on +44 0845 606 1234. The FCA's address is 12 Endeavour Square, London, England, E20 1JN.

2. Communications

Fisher Investments Europe can be contacted by mail at Level 18, One Canada Square, Canary Wharf, London, E14 5AX; by telephone on +44 0800 144 4731; or by email to FIEOperations@fisherinvestments.co.uk. All communications with Fisher Investments Europe will be in English only. Fisher Investments Europe's web address is https://institutional.fisherinvestments.com/en-gb.

3. Services

These Terms of Business explain the services offered to professional clients and will apply from when Fisher Investments Europe begins to advise you. Fisher Investments Europe offers restricted advice only (meaning it does not offer independent advice based on an analysis of the whole of the market and does not recommend investment management services of companies other than Fisher Investments Europe or its affiliates). As part of its services, Fisher Investments Europe seeks to:

a) Reasonably determine your client categorisation;

b) Understand your financial circumstances and investment aims to determine whether the full discretionary investment service described in Clause 4 and the proposed investment mandate and accompanying benchmark(s) (or an Undertaking for Collective Investment in Transferable Securities ("UCITS") with a similar mandate and benchmark for which Fisher Investments Europe's parent company serves as investment manager) are suitable for you;

c) Explain features of the investment strategy;

d) Describe investment performance as it relates to the investment strategy;

e) Provide a full explanation of costs;

f) Assist in the completion of documentation;

g) Where specifically agreed, review your position periodically and suggest adjustments where appropriate.

Fisher Investments Europe will not provide ongoing services unless you enter into an agreement for discretionary investment management services or invest in a UCITS as described in Clause 4.

4. Discretionary Investment Management Service and Investments

To help you achieve your financial goals, Fisher Investments Europe may offer its discretionary investment management services. In such case, Fisher Investments Europe will outsource the portfolio management function and trading functions to its affiliates. In particular, the portfolio management function will be outsourced to Fisher Investment Europe's parent company, Fisher Asset Management, LLC, trading as Fisher Investments **("Fisher Investments"),** which is based in the USA and is regulated by the US Securities and Exchange Commission (SEC). In addition, trading functions may be carried out by Fisher Investments Europe, its affiliate, Fisher Investments Luxembourg, Sàrl **("FIL"),** which is based in Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier (CSSF), Fisher Investments, or other affiliates (each, a **"Trading Delegate").** Fisher Investments Europe may also outsource certain ancillary services to Fisher Investments, Fisher investments Ireland, or other affiliates.

Subject to applicable regulations, for qualified investors Fisher Investments Europe may recommend an investment in UCITS regulated by the Central Bank of Ireland and for which Fisher Investments serves as investment manager.

5. Client Categorisation

Fisher Investments Europe deals with both retail clients and professional clients. All clients and potential clients who deal with Fisher Investments Europe's institutional directors (sales) **("Institutional Directors")**, will be treated as professional clients, either through qualification as a professional client or, in the case of local municipal authorities, through opting up to be treated as a professional client. Accordingly, you are categorised as a professional client. You have the right to request re-categorisation as a retail client which offers a higher degree of regulatory protection, but Fisher Investments Europe does not normally agree to requests of this kind.

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6. Financial Services Compensation Scheme ("FSCS")

Whilst the activities of Fisher Investments Europe are covered by the FSCS, compensation under the FSCS in the event Fisher Investments is unable to meet its liabilities because of its financial circumstances is only available to eligible claimants. Because you have been categorised as a professional client, you are unlikely to be eligible. In addition, the protections of the UK regulatory regime, including the FSCS, do not apply in relation to the services of Fisher Investments or any non-UK service providers or to the extent your assets are invested in non-UK funds or ETFs. In the event you are eligible and do have a valid claim, the FSCS may be able to compensate you for the full amount of your claim up to £85,000 per person per firm. You can contact Fisher Investments Europe or the FSCS (www.fscs.org.uk) in order to obtain more information regarding the conditions governing compensation and the formalities which must be completed to obtain compensation.

7. Risks

Investments in securities present numerous risks, including various market and currency fluctuation, political, economic and political instability, differences in financial reporting, liquidity risk, interest rate risk, credit risk, and other risks, and can be very volatile.

Investing in securities can result in a loss, including a loss of principal. Using leverage to purchase and maintain larger security positions will increase exposure to market volatility and risk of loss and is not recommended. Investments in securities are only suitable for clients who are capable of undertaking and bearing a risk of loss. Specific risks associated with particular types of securities that may be held in your account are explained further below.

Past performance is not a guarantee nor a reliable indicator of future investment returns. Fisher Investments Europe cannot guarantee and makes no representation or warranty as to future investment returns or performance. There is no guarantee for avoidance of loss, which is impossible with investments in securities, and you have not received any such guarantee or similar warranty from Fisher Investments Europe or any representatives thereof.

Depending on your investment strategy, Fisher Investments Europe may invest in the following types of securities, which carry the following risks:

Investments in smaller companies may involve greater risks than investments in larger, more mature companies. Investing in derivatives could lose more than the principal amount invested in those instruments. Various investment techniques used by Fisher Investments Europe may increase these risks if market conditions are not accurately predicted.

Equity securities prices may fluctuate in response to many factors, including general market conditions, specific sector and country issues, and company specific information or investor sentiment. Individual equity securities may lose essentially all their value in the event of bankruptcy or other insolvencies of the underlying issuer.

Fixed income securities are subject to various risks, including price fluctuation due to changes in the interest rate environment, market liquidity, changes in credit quality of the issuer, prepayment or call features of the securities, and other factors, including issuer default. While some fixed income securities are backed by the full faith and credit of a sovereign government, this does not prevent price fluctuations nor fully eliminate the risk of default. If fixed income securities are not held to maturity, they may realise losses.

Using borrowed funds to purchase and maintain larger security positions will increase exposure to market volatility. In a declining market, investment losses may be substantially increased, occur more rapidly, or become realised. Fisher Investments Europe does not typically employ margin leverage (gearing) on the overall strategy, but may employ some leverage directly or indirectly as a defensive technique (e.g. margin borrowing of securities to sell short for hedging purposes), or indirectly on a limited basis through individual derivative securities, as described more fully below.

If Fisher Investments forecasts a prolonged and substantial market downturn, Fisher Investments Europe may adopt defensive posturing for your account by investing substantially in fixed income securities, money market instruments, structured or exchange traded notes, put options or other derivatives on securities or indexes or ETFs, selling short securities or ETFs, and other hedging techniques. There can be no guarantee that Fisher Investments will accurately forecast any prolonged and substantial downturn in the market, that Fisher Investments Europe will adopt a defensive strategy, or that the use of defensive techniques would avoid losses.

Derivatives typically derive their value from the performance of an underlying asset, interest rates or index. The price movements of derivatives may be more volatile than those of other securities and result in increased investment risk. Many of these investments may not enjoy as much liquidity as other securities.

Short sales may be used to fully or partially hedge other investments or to seek returns unrelated to other investments. "Short sales" means the borrowing of a security for a period of time and selling the borrowed security on the market; the seller is then required to buy the security on the market at a later time before it is due to be returned. Short sales result in gains or losses depending on whether the price of the security increases versus the price at the time of the short sale (which results in a loss) or decreases versus the price at the time of the short sale (which results in a gain). The loss from a short sale is theoretically unlimited depending on how much the security sold short increases in value.

Structured notes and ETNs are debt instruments whose return is derived from the performance of a reference index or other underlying securities or investments. The performance of a note is determined primarily by the performance of the underlying investments; therefore, despite technically being a corporate debt instrument, notes can be designed to provide returns similar to other asset classes. These notes may include leverage, which increases risk and volatility. These notes are issued by third-party financial institutions, at the request of Fisher Investments, and thus bear the credit risk of those entities. Whilst a feature of such notes is a maturity date, they may be sold in the market or redeemed with the issuer before maturity. Given the limited number of market makers involved in quoting a given note, price dislocation versus fair value may occur should limit orders not be utilised when sold in the open market. Alternatively, such notes may be redeemed daily back to the issuer, minus a redemption fee specific to each issuer (generally close to 0.10%), implicitly charged in the execution price.

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8. Data Protection

To offer and provide the services described in Clause 3, Fisher Investments Europe may collect and process personal data that is subject to data protection laws, in accordance with its Privacy & Cookie Policy. You acknowledge the Privacy & Cookie Policy, which can be found here: https://www.fisherinvestments.com/en-gb/privacy.

9. Custody and Execution

None of the Fisher Investments group companies (the "Fisher Group"), including Fisher Investments Europe, are authorised to hold client money. No Fisher Group company will accept cheques made payable to any of the Fisher Group companies in respect of investments, nor will they handle cash. All client assets are held at external custodian banks where each client has a direct account in their own name.

If you appoint Fisher Investments Europe as your discretionary asset manager, Fisher Investments Europe will arrange (including through its Trading Delegates) for the execution of transactions through selected custodian banks and brokers and at such prices and commissions that it determines in good faith will be in your best interests. Further information regarding selection of brokers is governed by your investment management agreement ("IMA") with Fisher Investments Europe. Fisher Investments Europe does not structure or charge its fees in such a way as to discriminate unfairly between execution venues.

The brokers and dealers to which your transactions may be allocated will use various execution venues, including without limitation:

a) Regulated Markets in the USA or elsewhere (usually those exchanges where companies have their primary listing and other exchanges on which their securities are admitted to trading);

b) Multi-Lateral Trading Facilities ("MTF") and Organised Trading Facilities ("OTF") in the USA or elsewhere (i.e. a multilateral system, operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments—in the system and in accordance with non-discretionary rules—in a way that results in a contract);

c) Systematic Internalisers (which are investment firms dealing as principal and providing liquidity on a systematic basis);

d) Other liquidity providers that have similar functions to any of the above;

e) Counterparties that may access the above venues on behalf of Fisher Investments Europe and/or its Trading Delegates (or their clients) or trade on their own account.

You must be notified and approve of any off-venue trades prior to execution unless previously agreed to by you directly with the custodian. As a result of brokers/dealers using the execution venues mentioned above, your transactions may be executed on an execution venue that is neither a regulated market in the European Union nor an MTF in the European Union and therefore you will be required to expressly consent to the execution policy of Fisher Investments Europe by signing the IMA.

Fisher Investments Europe's top five trading venues are listed on its website.

Generally, financial instruments will not be affected if a custodian suspends payments or goes bankrupt. This is due to the fact that you will normally be able to take possession of your financial instruments based on the custodian's registration of your rights. Generally, it is only if the custodian fails to handle your financial instruments or register your rights correctly where you may not be able to take possession of the financial instruments.

If you appoint Fisher Investments Europe as your discretionary asset manager, you will receive a periodic statement every calendar quarter. This statement compares the performance of your account with that of a relevant benchmark in order to facilitate the assessment of performance achieved by the account. For performance, management fee calculation and reporting purposes, exchange traded equity securities are valued based upon the price on the exchange or market on which they trade as of the close of business of such exchange or market. All equity securities that are not traded on a listed exchange are valued using a modelled estimate of the bid price, also known as a bid evaluation, provided by Fisher Investments Europe's primary pricing service. Fixed income securities are valued based on market quotations or a bid evaluation provided by Fisher Investments Europe's primary pricing service. All securities are valued daily given a price from Fisher Investments Europe's primary pricing service is provided; otherwise, all securities are valued on at least a monthly basis.

10. Conflicts of Interest

Fisher Investments Europe has a conflicts of interest policy to identify, manage and disclose conflicts of interest Fisher Investments Europe, its affiliates or any of their employees or representatives may have with a client of Fisher Investments Europe, or that may exist between two clients of Fisher Investments Europe. Fisher Investments Europe's conflicts of interest policy covers gifts and favours, outside employment, client privacy, inadvertent custody, marketing and sales activities, recommendations and advice, and discretionary investment management services. Institutional Directors of Fisher Investments Europe are paid a variable component of their total remuneration, calculated as a percentage by reference to management fees paid to Fisher Investments Europe during the first three to ten years of a client relationship. Such remuneration will not increase or impact the fees payable by you. Fisher Investments Europe and Fisher Investments have a financial incentive for Fisher Investments Europe to manage client assets. Details on Fisher Investments Europe's conflicts of interest policy are available on request.

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11. Fees

If you enter into an IMA with Fisher Investments Europe, you will pay management fees to Fisher Investments Europe as detailed in the IMA. Fisher Investments Europe will pay a portion of such management fees to Fisher Investments as the sub-manager. If you invest in a UCITS fund managed by Fisher Investments, Fisher Investments will receive its management fee indirectly through the UCITS. Fisher Investments Europe does not charge a separate fee for its introducing or distribution services. You will also incur transaction and custody fees charged by brokers and custodians. However, any such additional fees will be payable directly to those brokers/custodians, and no Fisher Group company will receive any commission or other remuneration from those brokers/custodians.

12. Termination

If you wish to cease using the services of Fisher Investments Europe at any time, then send notification in writing and the arrangement will cease in accordance with the IMA. However, if a transaction is in the middle of being arranged on your behalf at that time and it is too late to unwind it, then the transaction may need to be completed first.

13. Complaints

Fisher Investments Europe seeks to provide a high standard of service to clients at all times. If you have a complaint about services, please contact Fisher Investments Europe:

by writing to: Chief Compliance Officer

Fisher Investments Europe Limited

Level 18, One Canada Square

Canary Wharf, London, E14 5AX

or by calling: +44 0800 144 4731

Fisher Investments Europe will endeavour to resolve the matter, as soon as practicable and generally within 8 weeks. If you are dissatisfied with the outcome of any complaint made to Fisher Investments Europe, or you do not receive a response within such time, you may be eligible to complain directly to the UK Financial Ombudsman Service ("FOS"). Further details in respect of FOS can be found at www.financial-ombudsman.org.uk.

14. Governing Law

These Terms of Business are governed by, and will be construed in accordance with, the laws of the England.

FISHER INVESTMENTS EUROPE®